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Australian Government
Department of Foreign Affairs and Trade

ANNUAL REPORT 2021-22



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Australian Government
Department of Foreign Affairs and Trade

ANNUAL REPORT 2021-22



Contents

Our posts and people	iv
Letter of transmittal	vii
01 – Overview	1
Secretary's review	2
Departmental overview	6
02 – Report on performance	11
Annual performance statements	12
Report on financial performance	94
03 – Management and accountability	99
Corporate governance	100
External scrutiny	105
Managing our people	107
Managing our finances	113
04 – Financial statements	117
Independent auditor's report	118
Statement by the Secretary and Chief Finance Officer	122
Financial statements	123
Notes to and forming part of the financial statements	131

05 – Appendixes	197
Appendix 1: Staffing overview	198
Appendix 2: Executive remuneration	206
Appendix 3: Agency resource statement	212
Appendix 4: Development program budget	216
Appendix 5: Audit and Risk Committee	218
Appendix 6: Work health and safety	221
Appendix 7: Ecologically sustainable development and environmental performance	225
Appendix 8: Parliamentary committees of inquiry	230
Appendix 9: Advertising and market research	235
Appendix 10: Contributions	236
Appendix 11: List of sponsors	238
Appendix 12: Summary of the overseas network	239
Appendix 13: List of corrections	243
Appendix 14: List of requirements	244
 06 – Reference material	 251
Glossary of acronyms, abbreviations and terms	252
Index	256

OUR POSTS AND PEOPLE



We have
6,821 staff



3,156
are overseas



including **2,214**
locally engaged staff



122
85 posts in
countries



9 locations
across Australia



Our posts include embassies, high commissions, multilateral missions, consulates-general, consulates and representative offices.

We also have 48 consulates headed by an honorary consul.

- DFAT posts
- State and territory offices
- Torres Strait Treaty Liaison Office
- Austrade-managed posts providing consular services

* Representative office

Letter of transmittal



Australian Government
Department of Foreign Affairs and Trade

Jan Adams AO PSM
Secretary

Ref: 22/12216

Senator the Hon Penny Wong
Minister for Foreign Affairs

Senator the Hon Don Farrell
Minister for Trade and Tourism
Special Minister of State
Parliament House
CANBERRA ACT 2600

Dear Ministers

I am pleased to present to you the Annual Report of the Department of Foreign Affairs and Trade for the financial year 2021–22.

The report has been prepared for the purposes of section 46 of the *Public Governance, Performance and Accountability Act 2013*, which requires that an annual report be given to the entity's responsible ministers for presentation to the Parliament.

The report contains information as required under other applicable legislation including the *Work Health and Safety Act 2011*, the *Commonwealth Electoral Act 1918* and the *Environment Protection and Biodiversity Conservation Act 1999*.

As required by sections 10 and 17AG(2)(b) of the Public Governance, Performance and Accountability Rule 2014, I certify that I am satisfied that the department prepared fraud risk assessments and fraud control plans, had in place appropriate fraud prevention, detection, investigation and reporting mechanisms that met its specific needs, and took all reasonable measures to appropriately deal with fraud.

Yours sincerely

A handwritten signature in dark ink, appearing to read 'Jan Adams', written over a light grey horizontal line.

26 September 2022



01 OVERVIEW

Secretary's review

Australia's international environment is more contested and unpredictable than it has been for many years. Geostrategic tensions, the effects of the COVID-19 pandemic, climate change and Russia's war against Ukraine are producing greater instability. Advancing Australia's international interests to support our security and prosperity has become more challenging – yet more important – than ever.

The department is at the forefront of Australia's response to these global challenges. Through 2021–22, the department worked across all aspects of the foreign affairs, trade and development portfolio to advance Australia's interests. We used our highly capable and connected staff, our network of 113 overseas posts, our development program and our trade and economic tools to increase prosperity, keep our region stable and help Australians overseas.

THE YEAR IN REVIEW

In 2021–22, the Department of Foreign Affairs and Trade worked in support of a prosperous and secure region, where international rules and sovereignty are respected. We invested in our network of partnerships, supported the international rules-based system and promoted resilience at home and abroad. Developing genuine, trusting partnerships is a critical component of Australia's long-term success – by working together, we can achieve the strategic equilibrium necessary for a peaceful, prosperous and resilient region.

We have enhanced Australia's efforts to strengthen and support our Pacific family and institutions. We supported unity in the Pacific Islands Forum. Our \$1.62 billion development assistance package to the Pacific and Timor-Leste, which included a \$300 million, two-year COVID-19 Response Package, helped maintain vital access to education, health and social protection. Through the Australian Infrastructure Financing Facility for the Pacific (AIFFP), we partnered with Pacific island countries to finance \$1 billion of quality, sustainable critical infrastructure, including joint infrastructure projects with the United States and Japan. We supported Export Finance Australia on Telstra's acquisition of Digicel Pacific, a major telecommunications provider across six Pacific countries. We expanded the Pacific Australia Labour Mobility scheme, which provides remittances for Pacific households and alleviates workforce shortages in regional and rural Australia.

We helped maintain the Pacific's and Timor-Leste's connection to international markets, with over 360 flights helping transport passengers and essential cargo, such as vaccines and medical supplies. Australia was the largest bilateral provider of vaccines to the Pacific and Timor-Leste, delivering almost 3.5 million doses. Australia led rapid responses to civil unrest in Solomon Islands and to the volcanic eruption and tsunami in Tonga.

The department led efforts to strengthen ties across Southeast Asia, bringing additional resources and energy to our partnerships. In 2021–22, Australia provided an estimated \$1.15 billion in development assistance, targeting the region's economic, health and security needs.

We deepened economic links with Indonesia and Vietnam and created new digital and green economy partnerships with Singapore.

The department played a key role securing the ASEAN–Australia Comprehensive Strategic Partnership, a historic agreement that positions our partnership for the future. Australia committed \$154 million towards supporting the ASEAN Outlook on the Indo-Pacific and addressing complex regional challenges, including climate change. Australia strongly backed ASEAN's efforts to address the crisis in Myanmar. We helped Australia ratify the Regional Comprehensive Economic Partnership Agreement (RCEP) – the world's largest free trade agreement – and commenced discussions to upgrade the ASEAN – Australia – New Zealand free trade agreement.

Australia's alliance with the United States is a core pillar of our foreign policy. The establishment of the AUKUS defence and technology partnership with the United States and the United Kingdom will enable us to become a more capable security partner in the Indo-Pacific. Working closely with Defence, the department supported an ambitious alliance agenda, as well as working to support AUKUS objectives, including by maintaining Australia's impeccable non-proliferation credentials.

In a challenging period for relations with China, the department worked across government, and with the business community and our international partners, to protect and promote Australia's national interests. In the year ahead, we will advance the government's efforts to stabilise relations while ensuring continuity in our strategic settings.

We also supported the government in deepening partnerships with key regional powers. We worked with Defence to conclude a Reciprocal Access Agreement with Japan to deepen our defence cooperation. We concluded an economic and trade agreement with India and inaugurated a regular '2+2' meeting of foreign and defence ministers. We elevated our relationship with the Republic of Korea to a Comprehensive Strategic Partnership. We furthered Australia's regional role by delivering practical initiatives developed under the auspices of the Quad (Australia, India, Japan and the United States) and hosted Quad Foreign Ministers in Melbourne in February 2022. We helped support the Prime Minister's participation in the Quad Leaders Meeting in Tokyo in May 2022.

The department worked to reset our vital relationship with France, with agreement to develop a new 'roadmap' for deeper and broader cooperation. The strength of our partnerships in Europe helped us negotiate and secure COVID-19 vaccine supplies during a time of global shortage.

The department led Australia's response to Russia's illegal war against Ukraine. We worked closely with allies and partners to build support for Ukraine and to hold Russia accountable for its actions. We helped deliver new funding for humanitarian and military assistance to Ukraine and developed targeted financial and trade sanctions against Russia. The department's staff, across our overseas missions, deployed in numerous crisis response teams, and the 24-hour crisis centre in Canberra supported this effort. We played a key role working with partners to secure a global majority at the United Nations General Assembly in condemning Russia's invasion, and in the decision to suspend Russia's membership of the United Nations Human Rights Council.

The US withdrawal from Afghanistan led to one of the largest humanitarian airlift operations in our history. The department led the urgent evacuation of 4,100 people from Kabul – difficult and dangerous work for which staff were awarded Australian Operational Service Medals (Civilian). Australia also committed \$141 million for 2021–2024 to the Afghanistan humanitarian crisis. We established an interim mission on Afghanistan, headed by a special representative and based in Doha, to sustain engagement.

Given the critical role climate change plays in regional prosperity, the department commenced implementation of new initiatives, including the Pacific Climate Infrastructure Financing Partnership stream and continued integration of climate policies across all development programs. We worked to help developing countries tackle urgent environment pressures and reduce the impacts of climate change, including through additional funding for the Global Environment Facility and a substantial \$2 billion climate finance package (2020–2025). The department registered Australia's move to more ambitious climate change targets under the Paris Agreement.

Contending with greater global economic instability, the department maintained its focus on trade and investment outcomes. We helped expand access to overseas markets by concluding negotiations on major free trade agreements with the United Kingdom and India. We also

made further progress on negotiations with the European Union toward a comprehensive free trade agreement.

We worked with parties to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) to advance the United Kingdom's accession process. We also worked with regional partners, including the United States, to lay the groundwork for a new Indo-Pacific Economic Framework for Prosperity (IPEF) that will modernise cooperation around issues like clean energy, supply chain resilience and digital trade.

Responding to changing strategic dynamics, we helped Australian businesses to expand and diversify, including by strengthening supply chains, sharing market insights, and briefing businesses on political and strategic risks. In the World Trade Organization (WTO), we concluded new global agreements to facilitate trade in services and to limit damaging fisheries subsidies, working closely with Fiji on the latter. We supported the relaxation of intellectual property rules to promote access to COVID-19 vaccines. We defended Australian business interests and raised awareness of China's trade blockages of certain Australian goods, including through our WTO disputes challenging China's duties on Australian barley and wine.

We stepped up international engagement in support of renewable energy and critical minerals exports, and facilitated significant Export Finance Australia transactions. We helped deliver a new digital trade strategy, which will stimulate economic growth by improving Australia's digital trade environment.

The department led Australia's international development program. Despite the operational challenges posed by COVID-19, 85 per cent of our official development programs achieved 'effective and efficient' quality ratings. Our assistance ensured that over 158 million people benefited from social protection programs. Under the department-led Australian NGO Cooperation Program, we helped nine million people access essential services, including vaccines. We shared over 39 million COVID-19 vaccines and over 750,000 COVID-19 tests with countries in the Pacific and Southeast Asia. We also helped administer doses, including through the Quad Vaccine Partnership. We supported Sri Lanka with \$50 million to respond to its economic crisis.

We continued work with international partners to combat transnational threats, including terrorism, nuclear proliferation and cyber attacks. The department led work on a new whole-of-government strategy to address human trafficking and modern slavery.

Our work to protect and shape the multilateral system helped promote security, stability and fairness, while projecting the values of modern Australia overseas. We advocated for our human rights priorities, including gender equality, sexual and reproductive health and rights, the rights of Indigenous peoples and the rights of LGBTI people. The department helped establish new 'Magnitsky-style' sanctions to target serious human rights abuses and corruption. We supported the candidacies of several Australians for leadership roles, including in maritime security, international justice and the rights of people with disability.

Following Australia's 1 November 2021 border reopening, the department faced unprecedented demand for passports as Australians started travelling overseas again. The department issued almost 1.5 million passports in 2021–22, about two-and-a-half times the number seen the year before. Unfortunately, this higher demand led to significant passport processing and call centre delays. The department responded by more than doubling the number of staff. We introduced new measures to reduce wait times, including triaging customers waiting in queues and introducing new passport collection 'pop-up' sites. The department also delivered Australia's International COVID-19 Vaccination Certificate to facilitate travel. We continued to help Australians overseas affected by COVID-19 and other international crises. During the pandemic, the department assisted in the return of over 61,000 Australians and helped facilitate 227 government flights. We also led Australia's response to crises in Afghanistan, Ukraine, Solomon Islands, Ethiopia and Tonga.

The department's own workforce reflects the rich diversity of Australians in terms of Indigenous people, culturally and linguistically diverse communities, people with disability, people from cities and the regions, and LGBTI communities.

THE YEAR AHEAD

The department will continue to spearhead the government's efforts in protecting and advancing Australia's interests globally.

We will work closely with international stakeholders, including our major security and trade partners, our Pacific family, our bilateral partners in Southeast Asia, and international organisations. In 2022–23, the department will deliver more than \$1 billion in additional development assistance with a strong focus on the Pacific (\$525 million) and Southeast Asia (\$470 million). A new Office of Southeast Asia will support development of a Southeast Asia Economic Strategy to 2040 to map current and future export and investment opportunities for Australian businesses and investors. We will implement a \$200 million climate and infrastructure partnership with Indonesia. We will bring new energy as well as more resources to the Pacific to ensure Australia helps build a stronger Pacific family. We will continue to support the global recovery from the pandemic, which is crucial to Australia's own recovery, with our development efforts concentrated in the Indo-Pacific region. We will bring these efforts together with a new international development policy that will outline how Australia will play its part to shape a peaceful, stable and prosperous Indo-Pacific region.

We will generate new trade and investment opportunities for Australian business, including through the negotiation and effective implementation of free trade agreements (FTAs) such as the Australia – European Union FTA, regional initiatives such as IPEF, and strengthening and reforming the WTO. The Singapore–Australia Green Economy Agreement will be a new form of trade agreement that supports Australia's transition to net zero emissions by encouraging investment and trade in environmental goods and services.

We are reinvigorating our engagement with African nations to further our economic, security and multilateral interests. We will strengthen the government's involvement in key Africa multilateral and commercial events. To respond to the growing terrorism challenge in parts of Africa, we will continue our cooperation with the UN Office of Counter-Terrorism in

Morocco, key bilateral partners, and Australian resource companies.

We will continue to work closely with regional and global institutions to reinforce the rules and norms that support stability and prosperity, and enable the cooperation needed to tackle global challenges, in particular on climate change. In an uncertain world, the strength and diversity of Australia's partnerships is critical. The department will invest in these relationships in Australia and globally through Australia's diplomatic network.

The department expects the high level of demand for passport services to continue. We are further increasing staffing levels and have invested in new passport technology to meet the needs of travelling Australians. We will continue to help Australians in need overseas through professional consular services, including during international crises and emergencies.

The department will work to project Australia overseas – in all its dimensions and diversity. We will actively weave the voices of First Nations peoples into our policies, programs and daily activities. With the establishment of the Office of First Nations Engagement, we will embed First Nations perspectives into Australian diplomacy.

The department recognises the importance of reliable and verifiable performance information. We are committed to investing in, and improving, our performance so we can be judged on our results. This focus will ensure we can communicate our achievements clearly to the Australian Government, the Parliament and the community. While we recognise there are challenges in some aspects of our performance tracking, we do monitor our delivery and policy achievements closely. For example, we have comprehensive performance reporting on our development program expenditure, which in 2021–22 made up 59 per cent of the department's annual funding. We will use our enhanced performance information as the basis for our future performance reporting.

I thank former secretary Kathryn Campbell AO CSC and Bar for her leadership and service to the department during the period of this report.

Departmental overview

The department's purpose is to make Australia stronger, safer and more prosperous, to provide timely and responsive consular and passport services, and to ensure a secure Australian Government presence overseas.

Our 2021–22 Corporate Plan outlined how the department would achieve its purpose while navigating a complex regional and international operating environment. The plan also set out how we would shape our capability and engage with risk to achieve outcomes in the face of these challenges.

The department's structure facilitates delivery of our core business functions. The Secretary leads the Office of the Pacific and six strategic groups headed by the Associate Secretary or a deputy secretary. Our people and the global network we lead on behalf of government are our core assets. Staff based in our offices in Australia and throughout our overseas network of 113 posts work to implement the department's business objectives.

Table 1 Department of Foreign Affairs and Trade accountable authority, 2021–22

Name	Position title	Period as the accountable authority within the reporting period	
		Date of commencement	Date of cessation
Justin Hayhurst	Acting Secretary	1 July 2021	21 July 2021
Kathryn Campbell AO CSC and Bar	Secretary	22 July 2021	30 June 2022

Figure 1 DFAT purpose, program and corporate plan priorities

PURPOSE

To make Australia stronger, safer and more prosperous, to provide timely and responsive consular and passport services, and to ensure a secure Australian Government presence overseas



Program 1.1 Foreign affairs and trade operations
Program 1.2 Official Development Assistance
Program 1.3 Official Development Assistance – multilateral replenishments
Program 1.4 Payments to international organisations
Program 1.5 New Colombo Plan – transforming regional relationships

Program 1.6 Public information services and public diplomacy
Program 2.1 Consular services
Program 2.2 Passport services
Program 3.1 Foreign affairs and trade security and IT
Program 3.2 Overseas property

Source: Department of Foreign Affairs and Trade 2021–22 Corporate Plan, Portfolio Budget Statements 2021–22 and Portfolio Additional Estimates Statements 2021–22

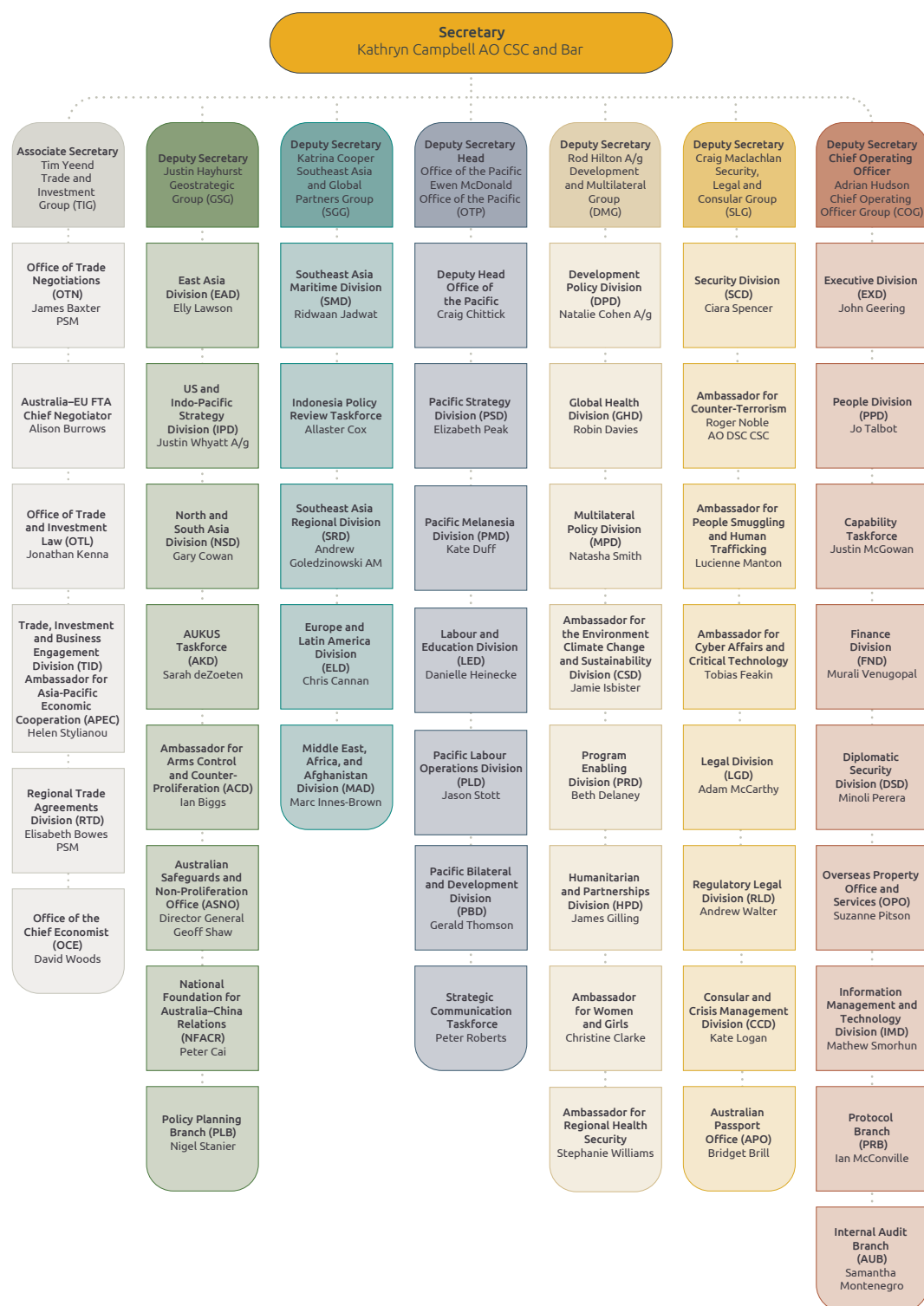
Figure 2 Organisational chart, at 30 June 2022

Figure 3 Foreign Affairs and Trade portfolio structure, at 30 June 2022





02 REPORT ON PERFORMANCE

Annual performance statements

SUMMARY OF PERFORMANCE

Assessing our performance

The annual performance statements report the results achieved by the department against the performance measures and targets set out in the 2021–22 Corporate Plan and 2021–22 Portfolio Budget Statements (PBS). The performance measures and targets are substantively the same as those presented in the corporate plan and PBS, except for performance measure 4.1, where minor edits have been made due to new government priorities; performance measure 7.1, due to government policy; and performance measure 7.2, where there was a typographical error in the methodology.

During the year, there was a careful assessment of our performance against the targets and methodologies identified in our 2021–22 Corporate Plan. This had regard to the statutory requirements as well as guidance material issued by the Department of Finance and the audits undertaken by the Australian National Audit Office. We made significant progress against these targets, with many assessed as ‘achieved’ or ‘on track’. However, in some sections of the annual performance statements, we have acknowledged limitations in our methodologies, targets, and performance assessments based on those targets. The reasons for these limitations, and what the department can do to better meet these targets in the future – including identifying appropriate methodologies to assess our performance targets – will continue to be a focus in the coming year.

At the time of publication, the department is undertaking a review of its performance information, guided by the requirements of section 16EA of the Public Governance, Performance and Accountability Rule 2014,

to address identified weaknesses. This will complement existing improvements made in the 2022–23 Corporate Plan.

This year’s annual performance statements apply four ratings to the assessment of our work:

- **Achieved:** We met the goal set out in the performance measure.
- **On track:** The activity is ongoing and we have made progress towards the goal.
- **Partially on track:** We made progress towards the goal but not to the extent planned. This may be due to COVID-19 or other factors.
- **Not on track:** We did not achieve our goal. The activity is ongoing but we have not made satisfactory progress.

Statement of preparation

I, Jan Adams, as the accountable authority of the Department of Foreign Affairs and Trade, present the 2021–22 annual performance statements of the Department of Foreign Affairs and Trade, as required under paragraph 39(1)(a) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). In my opinion, these annual performance statements accurately present the performance of the Department of Foreign Affairs and Trade and complies with subsection 39(2) of the PGPA Act.



Jan Adams AO PSM
Secretary

26 September 2022

SUMMARY OF RESULTS

No.	Performance measure	Target (2021–22)	Methodology	How we rate our performance
1.1	Our diplomatic efforts in the Indo-Pacific bolster partnerships and rules and norms that contribute to regional resilience, stability and prosperity and a regional balance favourable to our interests.	Agreements, decisions, meeting outcomes and public statements by other governments align with our interests.	Qualitative analysis of outcomes from regional agreements and ministerial engagements	On track
1.2	High level of satisfaction of ministers and key stakeholders with the quality and timeliness of advice, briefing and support provided by the department	Baseline to be established	Qualitative assessment through regular consultations with stakeholders on satisfaction levels	Partially on track
1.3	Australia's Step-up in Pacific and Timor-Leste engagement supports stronger and more resilient economies, development outcomes and regional security.	<p>Our strong and close partnerships with Pacific island countries and Timor-Leste are maintained and strengthened through our bilateral and regional engagement and delivery against the three pillars of the Pacific Step-up: economic prosperity, shared security and people-to-people connections, are strengthened.</p> <p>COVID-19 support to the Pacific and Timor-Leste is delivered effectively, including our \$304.7m (over two years) COVID-19 response package and comprehensive vaccines support.</p> <p>Australia's \$1.44 billion Pacific development support is delivered in accordance with agreed bilateral and regional priorities.</p> <p>We respond to the evolving priorities of the Pacific and Timor-Leste in support of regional COVID-19 recovery.</p>	Quantitative and qualitative analysis undertaken at bilateral posts utilising economic data from the International Monetary Fund (IMF), World Economic Outlook (WEO) reports, social and demographic data from the Economic and Social Commission for Asia and the Pacific (ESCAP) and security data from the Fusion Centre and Australian Pacific Security College reports.	On track

No.	Performance measure	Target (2021–22)	Methodology	How we rate our performance
1.4	The New Colombo Plan delivers improved people-to-people, institutional and business links.	High-quality engagement with Australian universities, businesses, alumni and other stakeholders in the New Colombo Plan	Qualitative and quantitative analysis from New Colombo Plan reporting	Partially on track
2.1	Global rules-based trading system reflects Australian interests.	Outcomes in WTO, Asia-Pacific Economic Cooperation (APEC), G20 and Organisation for Economic Cooperation and Development (OECD) promote economic recovery through trade and investment	Qualitative assessment of outcomes of the WTO 12th Ministerial Conference and WTO disputes as well as APEC, G20 and OECD support to the trading system and economic recovery	On track
2.2	Increased market opening and opportunities for Australian businesses	Increased trade covered by FTAs; progress in implementation of trade diversification	Entry into force of Regional Comprehensive Economic Partnership (RCEP); progress in expanding Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) membership; progress on FTA negotiations with UK and EU; positive outcomes from WTO dispute settlement; success in diversifying Australian export markets; business feedback	On track
2.3	Trade and investment is factored into Australia's economic policy settings.	Economic policy takes into account Australia's trade and investment interests and is consistent with our international trade law obligations.	Quantitative assessment of mutual recognition agreements Qualitative assessment of data from the Services Exports Action Plan	On track
2.4	Positive trade and investment outcomes supported by the department's economic and commercial diplomacy, and domestic advocacy efforts	Effective support to Australian business in overseas markets Increased understanding of the benefits of trade and investment	Post reporting on economic and commercial diplomacy advocacy strategies; level of business interaction and engagement in domestic advocacy efforts	On track

No.	Performance measure	Target (2021–22)	Methodology	How we rate our performance
3.1	Security outcomes that reflect Australia's interests	<p>Progress on Australia's 2015 Counter-Terrorism Strategy.</p> <p>Progress on implementing Australia's International Cyber and Critical Tech Engagement Strategy</p> <p>Progress against milestones in space security policy</p> <p>Progress on effective action to address WMD risks in international forums</p> <p>Progress in cooperation with international and domestic partners on people smuggling, human trafficking and other forms of modern slavery</p> <p>Progress against the Counter Foreign Interference (CFI) Diplomatic Strategy</p> <p>Progress counter disinformation activities</p>	Qualitative and quantitative analysis drawn from records of the Australian Cyber Security Centre; the Asia-Pacific Network Information Centre; the CFI Diplomatic Strategy milestones; United Nations cyber processes outcome statement; annual records from International Atomic Energy Agency (IAEA); Comprehensive Nuclear-Test-Ban Treaty (CTBT); Organisation for the Prohibition of Chemical Weapons (OPCW); internal reports and reporting on progress against international engagement aspects of the strategic priorities as set out in the National Action Plan to Combat Modern Slavery	On track
3.2	Full and active engagement with the National Intelligence Community – (NIC) including through Office of National Intelligence-led prioritisation, coordination and evaluation process – to support Australia's foreign policy interests	<p>Contribute to NIC understanding of developments affecting Australia's foreign policy interests</p> <p>Progress on Intelligence Reform Program to better target our prosecution of foreign policy interests through engagement with NIC agencies</p>	Qualitative analysis drawn from NIC collaboration evaluation	On track
4.1	Australia's development program investments promote health security, stability and economic recovery.	<i>Partnerships for Recovery</i> (the policy framework for Australia's development program) implementation is on track.	<p>Investment monitoring reports, country and regional progress reports and evaluations of Australia's development response efforts.</p> <p>Qualitative analysis of progress against bilateral and regional <i>Partnerships for Recovery</i> plans.</p> <p>Qualitative and quantitative analysis of country and regional health, security and governance and economic data.</p>	On track

No.	Performance measure	Target (2021–22)	Methodology	How we rate our performance
4.2	Timely and effective responses to humanitarian emergencies, including an enhanced Indo-Pacific ability to prepare for, respond to and recover from crises	<p>Australia responds within 48 hours of a request from a country in the Indo-Pacific</p> <p>Effective Australian Government responses to humanitarian crises, displacement and conflict measures through end of program reviews of protracted crises response packages and strategic partnership frameworks</p> <p>Australian support builds the capacity of Pacific governments and communities to better prepare for, respond to and recover from climate change and disasters</p> <p>Progress against strategic partnership framework implementation and renewals</p>	<p>Annual quality reporting and evaluations of Australia's humanitarian response efforts</p> <p>Qualitative analysis provided in end of program reviews</p>	On track
4.3	Effective operational and organisational management of the development program, including in its planning, implementation and responsiveness	<p>Percentage of completed investments assessed as satisfactory against both effectiveness and efficiency criteria</p> <p>Percentage of investments effectively addressing gender equality and disability</p>	<p>Investment monitoring reports, country and regional progress reports and evaluations of Australia's development response efforts</p> <p>Qualitative analysis of progress against bilateral and regional <i>Partnerships for Recovery</i> plans</p>	On track
5.1	Australia's diplomatic and geostrategic efforts and financial contributions help shape institutions, rules, norms and standards in line with our national interests and values.	Alignment between statements from governments and multilateral institutions, and existing global rules, norms and values	<p>Qualitative analysis of Australia's engagement in UN reform</p> <p>Qualitative analysis of Australia's engagement in UN peacekeeping and peacebuilding</p> <p>Qualitative and quantitative analysis of resolutions and statements, primarily at the UN Human Rights Council, UN General Assembly</p>	Achieved
5.2	Our relationships with Europe, the Middle East, Latin America and Africa advance Australia's interests.	Positive regard for Australian interests increasingly identified in countries of Europe, the Middle East, Latin America and Africa	Qualitative analysis of case studies of influential engagement	On track

No.	Performance measure	Target (2021–22)	Methodology	How we rate our performance
5.3	Strategic communications and global initiatives reflect Australian interests.	Increase in reach and engagement of official channels domestically and globally, compared to 2020–21	Internal and external monitoring and evaluation Social media data analytics and listening tools	Partially on track
5.4	The diplomatic and consular corps posted or accredited to Australia are satisfied with the delivery of protocol services.	Maintain satisfaction levels above 85 per cent	Qualitative assessment through a survey of the diplomatic corps	Achieved
5.5	Federal and state/territory governments support the department's approach and processes, and foreign diplomats' cooperation with Australia's health and other requirements is strengthened.	No target. <i>Rationale: Our engagement pertains to supporting coordination of quarantine arrangements for diplomats with relevant agencies. We are unable to set applicable annual targets during the COVID-19 response.</i>	Qualitative analysis of communication with federal, state and territory governments and amendment of the department's processes to align with changing state and territory requirements Qualitative analysis of regular communication with the diplomatic corps	Achieved
6.1	The department maintains a high standard in processing passport applications, investigating and prosecuting fraud.	95 per cent of passports processed within 10 business days 98 per cent of priority passports processed within two business days 100 per cent of identified high risk passport applications scrutinised by specialist staff 95 per cent of referrals to prosecuting authorities accepted for prosecution 90 per cent of administrative investigations finalised within five business days	Data on processing times and client satisfaction from the Australian Passport Office's passport systems	Partially on track (July to March) Not on track (April to June)
6.2	A responsive consular service through our 24/7 global network, focusing on Australians most in need	Relevant support provided to Australians overseas in need, including those who seek to return to Australia and/or have been impacted by COVID-19 and restricted by international travel or border settings	Reports on consular cases from the department's Consular Information System and related systems Data on call volumes and wait times from the department's Consular Emergency Centre	On track

No.	Performance measure	Target (2021–22)	Methodology	How we rate our performance
6.3	Australians have information to prepare for safe travel overseas.	100 per cent of Travel Advisories reviewed bi-annually for posts in a volatile risk environment and/or where there are high Australian interests 100 per cent of travel advisories reviewed annually for all other posts	Data analytics and reporting from the department's Smarttraveller website	Achieved
6.4	Clients are satisfied with passport services, including online services.	60 per cent of applications commenced online 85 per cent satisfaction rate of overall passport service from client survey	Data on processing times and client satisfaction from the Australian Passport Office's passport systems	Partially on track (July to March) Not on track (April to June)
6.5	The department is prepared to respond to overseas crises.	100 per cent of crisis action plans reviewed and exercised annually for countries of resident accreditation Establishment of six new Regional Consular Officer positions across the network by June 2022 (one year target) Contingency planning and crisis management training is mandatory for all DFAT officers proceeding on long-term posting	Quantitative assessment of Crisis Action Plan updates Quantitative assessment of completion of contingency planning and crisis management pre-posting training	Achieved
7.1	Effective security management with evidence of risk-based decision making in line with the DFAT Security Framework	The department's protective security maturity rating is on an upwards trajectory	Qualitative assessment drawn from the Protective Security Policy Framework annual assessment	On track
7.2	Enhanced oversight of the functionality and effectiveness of the security controls and mitigations in place across the network	Progress against key Security Enhancement Program milestones	Qualitative analysis drawn from assessment of the Security Enhancement Program milestones	On track
7.3	Robust security culture, evidenced by staff engagement with security policy and responsiveness to contemporary and innovative security materials and training programs	Progress against the Security Culture Implementation plan	Qualitative analysis drawn from Security Culture Implementation plan	On track

No.	Performance measure	Target (2021–22)	Methodology	How we rate our performance
7.4	Construction and refurbishment of departmental overseas property estate completed to agreed quality standards to meet government requirements and deliver operational efficiencies	Benefits identified in the approved business case are realised Off-site construction delivered to Australian Codes and Standards 80 per cent of construction projects delivered on time and within approved budget	Quantitative analysis from asset management database Quantitative analysis of compliance with certification processes Actual budget spend and schedule assessed against approved forecasts	Partially on track
7.5	Fit-for-purpose and secure ICT systems	Number of security log events collected and complex use cases analysed will increase by 15 per cent No reduction in overseas partner agencies continued use of DFAT ICT systems	Quantitative and qualitative analysis of progress against the department's ICT Strategy and Capital Investment Program	Achieved
7.6	Asset management plans are in place for all owned properties in the overseas estate	100 per cent of asset management plans updated for all owned properties	Quantitative analysis of updated Asset Management Plans from the Property Management Database	Achieved
7.7	Satisfaction ratings with the performance of the service provider and the Overseas Property Office	Greater than 80 per cent satisfaction ratings of the service provider and Overseas Property Office	An annual customer satisfaction survey conducted by an independent third-party service provider	Achieved
7.8	Management and refurbishment of the domestic property portfolio, including the state and territory offices, to meet government requirements and deliver operational efficiencies	Reduction of average occupational density in the domestic property portfolio (per Department of Finance Australian Government Property Register (AGPR))	Property data reported to Department of Finance under the AGPR annual reporting requirement	On track

PBS OUTCOME 1

The advancement of Australia's international strategic, security and economic interests including through bilateral, regional and multilateral engagement on Australian Government foreign, trade and international development policy priorities

Priority 1: Promote a stable and prosperous Indo-Pacific

No.	Effectiveness measure	Target (2021–22)	Methodology	How we rate our performance
1.1	Our diplomatic efforts in the Indo-Pacific bolster partnerships and rules and norms that contribute to regional resilience, stability and prosperity and a regional balance favourable to our interests.	Agreements, decisions, meeting outcomes and public statements by other governments align with our interests.	Qualitative analysis of outcomes from regional agreements and ministerial engagements	On track

Performance against measure 1.1

We rate our performance against this measure as 'on track'.

This rating recognises that, while progress has been made in strengthening our bilateral and regional partnerships and ministerial engagements, it will necessarily take time for some of these high-level decisions to produce outcomes favourable to our interests in the region. For measure 1.1, we have highlighted outcomes that have come to fruition in 2021–22. We have included, as positive outcomes in themselves, high-level decisions to form new groupings or conclude agreements. That is because these will in time contribute significantly to a more resilient, stable and prosperous region.

We made tangible progress in shaping a resilient, stable and prosperous Indo-Pacific, although our overall strategic and economic environment remained very challenging. We enhanced key relationships that underpin a durable regional balance and support a rules-based regional order.

For example, we became the first Comprehensive Strategic Partner of ASEAN, reinvigorated the Quad and established AUKUS. We deepened relations with countries in Southeast Asia and in the Pacific, while working to ensure that key European nations pursued a larger role in the Indo-Pacific aligned with our interests. We delivered a range of new initiatives and outcomes relating to India, a partner of growing importance to Australia's regional interests. At the same time, managing issues related to China remained a complex challenge.

The regional economic outlook also remained challenging, particularly in the wake of Russia's invasion of Ukraine. We concluded and/or implemented bilateral and plurilateral trade agreements that advanced our interests, we joined the Indo-Pacific Economic Framework for Prosperity, and we strengthened the region's supply chain resilience.

Outcomes from bilateral and regional agreements

At the same time as our regional agreements produced outcomes favourable to Australian interests, our diplomatic efforts to bolster partnerships and form new groupings strengthened our regional engagement.

We strengthened our alliance with the United States in support of Australia's security and prosperity, and that of our Indo-Pacific region. We worked with the United States to embed and elevate the Quad as a key mechanism to deliver for the region; we also worked together to establish AUKUS and to deepen defence cooperation. Australia worked closely with the United States, Japan and India in the Quad to promote a positive agenda for the Indo-Pacific. Australia and the United States jointly developed two new groupings to support regional stability and prosperity: the Indo-Pacific Economic Framework for Prosperity and Partners in the Blue Pacific.

Together with the United States and the United Kingdom, we established the trilateral AUKUS security partnership in September 2021. Following the AUKUS announcement, the three participating governments signed the Exchange of Naval Nuclear Propulsion Information Agreement (ENNPIA) in November 2021. ENNPIA enables the sharing of sensitive naval nuclear propulsion information between the three countries. We shepherded the treaty through our domestic treaty-making processes, with ENNPIA entering into force in February 2022.

We bolstered relationships with key partners in North Asia and South Asia, including through establishing new agreements that will contribute to regional stability and prosperity. Australia and Japan signed a Reciprocal Access Agreement in January 2022 that, when ratified, will build upon our Special Strategic Partnership by facilitating greater cooperation between our defence forces.

We substantially strengthened our Comprehensive Strategic Partnership with India through a fresh impetus to the burgeoning trade relationship.



India's Minister of Commerce and Industry, Piyush Goyal, addresses a business lunch during his visit to Australia after the signing of the Australia-India Economic Cooperation and Trade Agreement in April 2022. Credit: DFAT

Australia and India signed the Australia–India Economic Cooperation and Trade Agreement (AI-ECTA) in April 2022 ahead of a visit to Australia by India’s Minister of Commerce and Industry later that month. A highlight of our relationship with a critical economic and strategic partner in the region, AI-ECTA will enable new and better access to an important market for Australian exporters.

In December 2021, we elevated our relationship with the Republic of Korea to a Comprehensive Strategic Partnership during a visit to Australia by the then President Moon Jae-in. We also strengthened cooperation on energy transition and critical minerals with a Low and Zero Emissions Technology Partnership, announced in October 2021, and a Memorandum of Understanding on Cooperation in Critical Mineral Supply Chains, signed in December 2021.

Our relationship with China continued to require careful diplomatic management. Working closely with other agencies and domestic stakeholders, we advanced the interests of exporters, including through the World Trade Organization, and increased our domestic resilience across a range of sectors. Through regular, officials-level engagement, we promoted our political, trade, consular and other interests with China, including by raising our concerns over human rights and international law, and emphasising our desire to build a stable, prosperous region where international rules and norms are upheld and sovereignty is respected.

In the Pacific, we responded quickly and effectively to civil unrest in Solomon Islands in November 2021, and to the Tongan government’s requests for support following the eruption of the Hunga Tonga–Hunga Ha’apai volcano in January 2022. In both situations, Australia provided fast and well-coordinated responses with like-minded partners, rapidly deploying

security and humanitarian relief assistance. This included having Australian Federal Police arrive in Solomon Islands within 12 hours of the request for support under our 2017 bilateral security treaty to help restore law and order, and provision of \$16 million to support Tonga’s long-term reconstruction. This funding supported livelihoods among affected communities, helped rebuild critical infrastructure, increased telecommunications, and allowed key government services to remain open.

Our Pacific labour mobility programs were central in supporting economic recovery by providing jobs to over 25,100 Pacific and Timorese workers and boosting vital remittance flows, which enabled people to access food and essential supplies. Our programs enabled Queensland Berries to hire workers from Solomon Islands to harvest crops and maintain the property. Without these workers, the farm would have had to downsize. The workers benefited from gaining skills and earning money to support their families and communities back home.

Building on our strong support in 2020–21, Australia’s provision during the reporting period of an estimated \$1.62 billion in Official Development Assistance to the Pacific proved crucial for regional stability and pandemic recovery.

Our regional partnerships are critical to Australia’s security, prosperity and economic recovery. We cemented our closeness with ASEAN through the historic ASEAN–Australia Comprehensive Strategic Partnership, which was agreed on 27 October 2021. This agreement, a result of sustained diplomatic effort, positioned our partnership to help address complex and emerging regional challenges collaboratively. Australia announced a \$154 million package

of cooperation to mark this Comprehensive Strategic Partnership, including:

- \$124 million for the 'Australia for ASEAN Futures' initiative to support projects that address complex challenges and support implementation of the ASEAN Outlook on the Indo-Pacific
- 100 'Australia for ASEAN' scholarships to allow emerging ASEAN leaders to study in Australia in fields that advance the ASEAN Outlook on the Indo-Pacific under its priority areas of cooperation: maritime, connectivity, economic, and sustainable development
- the 'Australia for ASEAN Digital Transformation and Future Skills' initiative. This will support our region's future skills needs, its response to rapid digitalisation and its long-term economic recovery through a new skills policy dialogue, 350 vocational education and training scholarships, and technical assistance partnerships between Australian and ASEAN training institutions.

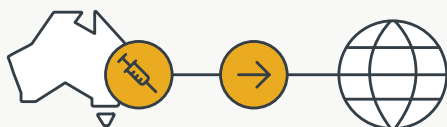
These investments represented the largest-ever increase in Australia's development cooperation program with ASEAN.

Through our regional Vaccine Access and Health Security Initiative (\$87.8 million in 2021–22) and our commitment to the Quad Vaccine Partnership (\$100 million in 2021–22), Australia provided COVID-19 vaccines and support to partner governments in Southeast Asia to facilitate equal access to safe and effective vaccines for their citizens. As at 30 June 2022, we had provided 36.2 million COVID-19 vaccine doses to countries in Southeast Asia – comprising doses from our own domestic supply (20.7 million), as well as doses procured through an arrangement with UNICEF (15.5 million).

Our regional assistance supported:

- provision of 1,940 refrigerators to Vietnam and the Philippines
- public communications materials on COVID-19 vaccinations across six countries in Southeast Asia (radio, television, social media, printed material) reaching approximately 37 million people
- donation of ultra-low-temperature freezers to boost Cambodia's ultra-cold chain capacity and training for 3,428 health workers in cold chain systems, vaccine management, and infection prevention and control
- training for more than 130,000 health workers, community leaders, government staff and others
- infrastructure and staff for mobile vaccination clinics for remote areas
- door-to-door vaccination campaigns to address vaccine hesitancy
- governments to provide vaccines to people in places of detention, documented and undocumented migrants, stateless people, indigenous and remote communities, people living with disability and aged communities.

With Australia's assistance, Vietnam launched its own child vaccination campaign; our donation of 14.4 million paediatric doses made up most of the required vaccines. Australia's engagement included end-to-end support – from technical assistance for vaccine regulatory approvals to needles, syringes and safe disposal boxes, cold chain infrastructure (fridges and training), health worker training and public health campaigns.

Figure 4 The department's work in supporting the region's access to vaccines and allied support

COVID-19 vaccine doses shared from Australia's supply and procured by Australia for partner countries through a partnership with UNICEF, at 30 June 2022

Brunei	100,000	Samoa	175,150
Cambodia	2,350,530	Solomon Islands	618,200
Fiji	1,427,000	Tonga	73,990
Indonesia	8,395,000	Philippines	2,132,080
Laos	1,005,580	Timor-Leste	1,187,350
Nauru	19,300	Tuvalu	20,500
Kiribati	50,500	Vanuatu	160,000
Papua New Guinea	275,270	Vietnam	22,260,900
		Total doses	40,251,350

Note: The total doses also captures doses shared in 2020–21 (494,990).

Separately, Australia and Vietnam finalised the Australia–Vietnam Enhanced Economic Engagement Strategy (EEES) in December 2021, a significant step towards boosting bilateral trade and investment. We worked with industry and other government agencies to implement activities under the EEES, which will cost \$16.3 million in administered, non-Official Development Assistance funding over four years, until 2023–24. Early outcomes under the EEES included:

- Vietnam's agreement to receive agricultural produce from an additional irradiation facility in Melbourne, increasing speed to market and decreasing export freight costs for Australian farmers
- enhanced access for Australian peaches and nectarines in the Vietnamese market
- commencement of a national trade and investment industry engagement program led by the Australia–Vietnam Business Champions

- the launch of a \$2.6 million Australia–Vietnam Enhanced Economic Engagement Grant pilot program to promote bilateral economic engagement and strengthen industry, institutional and government links.

Australia continued to deepen engagement with the Mekong subregion, principally through the multi-year \$232 million Mekong–Australia Partnership (MAP) that covers Cambodia, Laos, Myanmar, Thailand and Vietnam. We boosted the subregion's economic resilience and development, including by advancing social and environmental safeguards in infrastructure projects (USAID and Australia Mekong Safeguards Program, announced in September 2021) and by tackling key sources of unequal power and resources faced by women entrepreneurs (WE RISE Together with UN Women, announced in March 2022). MAP's Water, Energy and Climate program built environmental resilience by investing in water resource management and clean energy, as well as supporting regional cooperation.



The Australian Embassy Vientiane team weighs fish on the Mekong river bank as part of a fish-tagging process supported by the Mekong–Australia Partnership and the Australian Centre for International Agricultural Research (ACIAR). Credit: Khounkham Douangphachone/DFAT

We delivered scholarships and short courses to build the capacity of the subregion's current and future leaders. Australia also helped Mekong countries tackle drug trafficking, child sexual exploitation and financial crime through Mekong–Australia Partnership – Transnational Crime, and to implement a range of projects under MAP's Foreign Investment and Critical Infrastructure Initiative. These projects included co-hosting a policy dialogue with Thailand in May 2022 focused on sharing policy thinking on managing risks to critical infrastructure, which bolstered Australia's relationship with Thailand's National Security Council.

Australia also supported Mekong economic resilience and prosperity by helping countries in the subregion to attract high-quality foreign investment from diverse partners through, for

example, conducting a business roundtable in Phnom Penh with the Cambodian Investment Board, and supporting better screening of foreign investment risk.

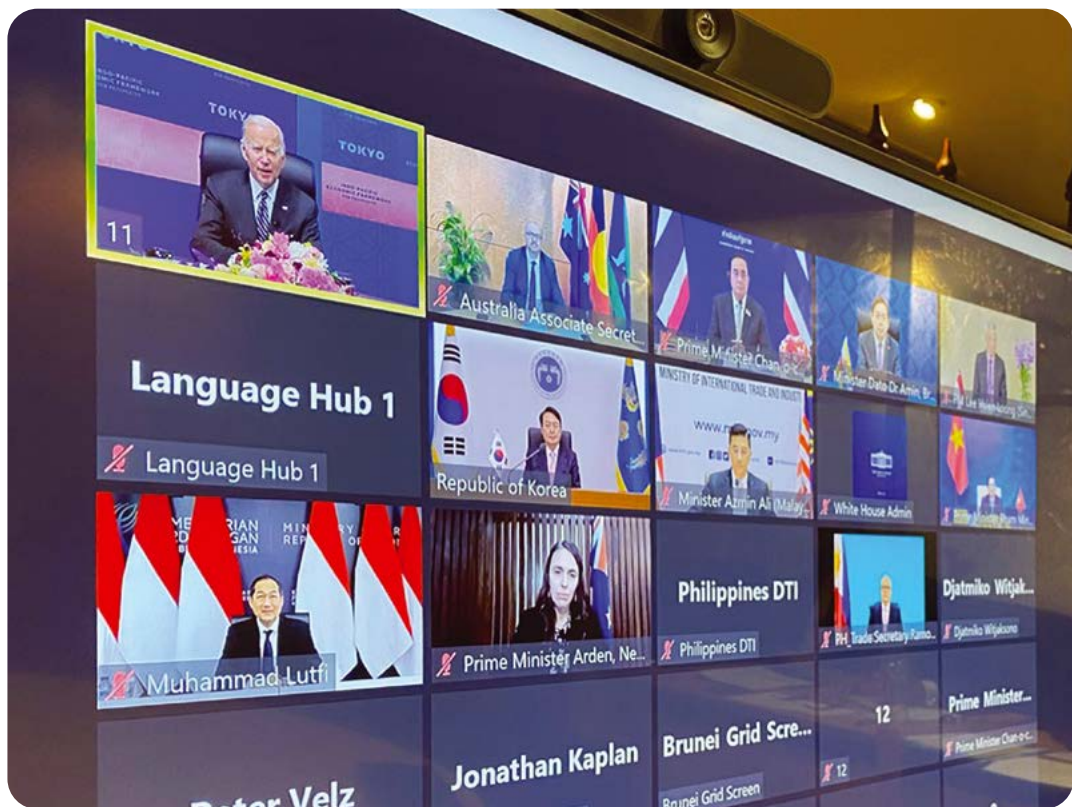
The situation in the South China Sea remained challenging. Australia continued to work with partners to promote international law – particularly observance of UN Convention on the Law of the Sea obligations – including in regional forums and through bilateral statements.

The National Foundation for Australia–China Relations strengthened practical cooperation and engagement with China in areas of mutual benefit. The foundation supported collaboration on low-emissions technologies, education, health and ageing, and actively engaged with Chinese-Australian communities and Chinese international students. It also awarded over

\$6 million to more than 60 grant recipients to strengthen business capability, cultural and scientific exchange, and institutional linkages; these included support for delivery of the China Practical Paediatric Workshop webinar series that demonstrated Australian excellence in higher education to 50 medical practitioners in rural China.

In Asia-Pacific Economic Cooperation (APEC), Australia led negotiations on principles for the interoperability of vaccination certificates, which

support the resumption of safe and seamless travel in the region and help boost its economic recovery. We also led efforts to help APEC economies prepare and submit quality 'individual action plans' for unilateral economic structural reforms to 2025, which will strengthen economies in the region by boosting innovation, market openness, productivity, resilience and skills. APEC trade ministers welcomed both the principles and individual action plans at their meeting in May 2022.



Australia became a participating member of the Indo-Pacific Economic Framework for Prosperity (IPEF) when it launched in May 2022.
Credit: DFAT

Australia enters regional trade agreements to enhance and further strengthen our interests, secure supply chains and promote prosperity in the Indo-Pacific. In 2021–22, we enhanced the prospect of favourable outcomes from these regional agreements by concluding major trade deals with the United Kingdom and India, and meeting timelines for entry into force of the Regional Comprehensive Economic Partnership Agreement (RCEP).

Australia was a party to RCEP when it entered into force on 1 January 2022. RCEP promotes Australia's interests in the region through improved mechanisms for tackling non-tariff barriers and providing a strong platform to expand trade in services, contributing to greater regional prosperity as commercial activity ramps up under this agreement.

In February 2022, parties to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership agreed to commence market access negotiations with the United Kingdom, opening the door for an increased presence in the Indo-Pacific by one of Australia's key strategic partners.

Australia became a participating member of the Indo-Pacific Economic Framework for Prosperity (IPEF), launched by leaders and endorsed by ministers in May 2022. When implemented, IPEF will offer an innovative opportunity to enhance and complement regional architecture on emerging trade and investment issues – including the digital economy, climate change and the green economy, labour, infrastructure investment and supply chains – while at the same time reinforcing global trade rules. IPEF also provides an important platform for countries in the region, including Australia, to strengthen their economic relationship with the United States.

We worked with Indo-Pacific partners to strengthen regional resilience in supply chains, including for critical minerals. We collaborated with Japan and India to implement the trilateral Supply Chain Resilience Initiative, including by

holding an investment promotion and buyer–seller matching event in November 2021, and securing agreement from all ministers to formulate and promote supply chain principles in the region. Australia expanded its critical minerals cooperation with a range of regional partners, including through new mechanisms such as the Minerals Security Partnership, launched in June 2022, and the inaugural Australia – United States Strategic Commercial Dialogue, held in March 2022.

Australia worked with the European Union as it developed its Strategy for Cooperation in the Indo-Pacific, which was released in September 2021. The strategy aligns closely with Australia's approach by seeking to foster a rules-based international order and an open, predictable trade and investment environment. We also coordinated with the European Union to support equitable vaccine access in the Indo-Pacific.

Outcomes from ministerial engagements

The continuing importance of the US alliance was demonstrated through significant in-person engagement, despite COVID-19 travel restrictions. We advocated directly to the United States to deliver on key Australian priorities through bilateral meetings at Quad Leaders' Summits and at the Quad Foreign Ministers' Meeting in Melbourne, as well as the Australia – United States Strategic Commercial Dialogue in Washington DC.

Our joint statement following the Australia – United States Ministerial Consultations (AUSMIN) 2021 shaped bilateral cooperation with the United States and articulated shared priorities for the Indo-Pacific, including a range of commitments to advance our common defence and security capabilities. The AUSMIN Global Health Security Statement highlighted our commitment to health security cooperation in the region.

The department assisted the Department of the Prime Minister and Cabinet on the Quad Leaders' track, including with respect to Quad Leaders Summits in May 2022 in Tokyo and in Washington DC in September 2021. The department leads on the foreign minister track of the Quad and continued to help drive implementation of Quad leader initiatives, including by leading on vaccines, infrastructure, and implementation of the Indo-Pacific Partnership for Maritime Domain Awareness. In April 2022, leaders issued an update on AUKUS through a joint statement and fact sheet.

Our response to Russia's illegal invasion of Ukraine prompted a step change in Australia's relationship with the North Atlantic Treaty Organization (NATO), including a strong focus on the Indo-Pacific. We supported Prime Minister Albanese's attendance at the NATO Leaders' Summit in June 2022 – we were one of only four non-NATO countries invited – where leaders

endorsed the NATO Strategic Concept, setting out current security challenges in Europe and the Indo-Pacific. The department also supported then Foreign Minister Marise Payne's participation in the NATO Foreign Ministers' Meeting in Brussels in April 2022 and EU Ministerial Forum on the Indo-Pacific in February 2022. Australia's ongoing advocacy over many years, including at ministerial level, has been important in securing enhanced European engagement in the Indo-Pacific, including German and Dutch naval deployments to the region.

Face-to-face engagement is a core component of the government's ambition to build meaningful relationships with Southeast Asian partners based on our shared interests. Ministerial visits took place at the highest levels, including, most recently, to Indonesia (Prime Minister and Foreign Minister), Vietnam (Foreign Minister) and Malaysia (Foreign Minister).



Foreign Minister Penny Wong with YB Dato' Sri Saifuddin Abdullah, Malaysia's Minister of Foreign Affairs, at the Wisma Putra on her first official visit to Malaysia in June 2022. Credit: Nathan Fulton/DFAT

Prime Minister Albanese confirmed plans in June 2022 to work with Indonesia to deliver a \$200 million climate and infrastructure partnership. This builds on the five-year \$40 million Indonesia–Australia Comprehensive Economic Partnership Agreement (IA-CEPA) Economic Cooperation Program, or Katalis, which was launched at the inaugural Indonesia–Australia Economic, Trade and Investment Ministers’ Meeting in July 2021. Katalis will create jobs and opportunities in both countries.

In September 2021, the Indonesian and Australian trade ministers also launched the Blueprint for Trade and Investment with Indonesia. The blueprint provides practical and strategic guidance for Australian businesses considering market opportunities in Indonesia for the first time. It highlights key sectors for investment, including health and aged care, agriculture and food, education and training, and resources and energy services. To promote opportunities to Australian businesses, the department held an initial series of virtual and in-person events over three months around Australia.

Portfolio ministers on both sides also recognised and reaffirmed Australia’s partnership with Indonesia through:

- a Joint Statement on Cooperation on the Green Economy and Energy Transition
- signing of a Memorandum of Understanding on Agriculture Cooperation
- expansion of the Memorandum of Understanding on Cyber and Emerging Cyber Technology Cooperation
- renewal of the Memorandum of Understanding on Counter-Terrorism

- signing of a Memorandum of Understanding on Trilateral Cooperation with Pacific Island Countries
- announcement of the blueprint for the \$1.3 million Australia–Indonesia Plastics Innovation Hub to tackle marine pollution in the Indo-Pacific.

In March 2022, the Indonesian and Australian foreign ministers co-chaired the inaugural Southeast Asia Dialogue of Women Leaders, which provided a forum to share perspectives, challenges, policy approaches and areas of cooperation on gender equality, as well as the impacts of COVID-19 on women and children.

Following the meeting of the Singapore–Australia Joint Ministerial Committee in August 2021, we launched negotiations for a world-first Green Economy Agreement that combines trade, economic and environmental objectives. Ministers at that virtual meeting also noted in their joint statement the significant deepening of bilateral defence and security cooperation, including on counter-terrorism, cybersecurity and critical technology issues.

In North Asia and South Asia, ministerial engagement offered opportunities to enhance and deepen strong ties. We advocated bilaterally, through regular, officials-level communication with China, to promote our political, trade, consular, human rights and other interests. We continued to underline the benefits of dialogue, including at ministerial level, with this type of engagement beginning to resume at the end of the reporting period.

In January 2022, the prime ministers of Australia and Japan agreed to update the 2007 Joint Declaration on Security Cooperation, upon which the Special Strategic Partnership is based, to guide even closer defence engagement over the coming decade.

A rapid tempo of high-level engagement strengthened our Comprehensive Strategic Partnership with India. The second Australia–India Virtual Summit between the Australian and Indian prime ministers in March 2022 resulted in commitments to strengthen collaboration in space, science, clean technology and research. As part of the then Trade Minister’s delivery in March 2022 of *An update to An India Economic Strategy to 2035*, Australia and India will partner to implement an Australian-led package of business-focused initiatives in either or both countries.

Australia’s ministerial engagement with India also delivered outcomes that increased cooperation on security, defence, regional and multilateral issues. These meetings included the visit to Australia by the Indian Minister of External Affairs in February 2022 for the Quad Foreign Ministers’

Meeting; the inaugural Foreign Ministers’ Cyber Framework Dialogue in February 2022; and the inaugural 2+2 Ministerial Dialogue between Foreign and Defence Ministers in New Delhi in September 2021. We also supported bilateral meetings between our prime ministers and foreign ministers on the sidelines of the Quad Leaders’ Summit in Tokyo in May 2022.

Australia’s relationship with the Republic of Korea (ROK) was elevated to a Comprehensive Strategic Partnership (CSP) during then President Moon Jae-in’s visit to Australia in December 2021. The CSP joint statement outlined a common vision for an open, inclusive and prosperous Indo-Pacific region. It set out an ambitious agenda for strategic, economic and people-to-people cooperation. After the ROK presidential election in March 2022, the department supported early high-level engagement with the new government of President Yoon Suk Yeol. President Yoon reaffirmed his commitment to the CSP, consistent with his vision for an active and outward-looking foreign policy focused on cooperation with like-minded democracies in the region.

No.	Effectiveness measure	Target (2021–22)	Methodology	How we rate our performance
1.2	High level of satisfaction of ministers and key stakeholders with the quality and timeliness of advice, briefing and support provided by the department.	Baseline to be established	Qualitative assessment through regular consultations with stakeholders on satisfaction levels	Partially on track

Performance against measure 1.2

We rate our performance against this measure as ‘partially on track’.

The department provided a large volume of timely advice to government and to Cabinet during the reporting period, and that advice was used extensively by the government. The change of government in May 2022 meant that the department did not conduct the usual end-of-year survey to identify the level of satisfaction of ministers and key stakeholders regarding the quality and timeliness of advice and briefing. The department routinely engaged with stakeholders on the quality and timeliness of advice to government, and verbal feedback from ministerial offices during the reporting period indicated that our briefings had been timely and of high quality.

The type of support provided to ministerial offices during the reporting period included support for ministerial travel and the provision of advice to ministers.

Support for ministerial travel

The department supported 26 visits by our portfolio ministers to 32 countries for a combined total of 171 days. This included support during mandatory quarantine immediately following these visits.

Despite some visits being organised in short timeframes, the briefings and support by posts were provided in a timely manner and enabled ministers to successfully prosecute the government’s agenda.

Provision of advice to ministers

The department processed 1,368 ministerial submissions, 922 ministerial reply correspondence registrations and 233 ministerial briefs.

A baseline for this performance measure will be established for next year’s annual performance statements.

No.	Effectiveness measure	Target (2021–22)	Methodology	How we rate our performance
1.3	Australia's Step-up in Pacific and Timor-Leste engagement supports stronger and more resilient economies, development outcomes and regional security.	<p>Our strong and close partnerships with Pacific island countries and Timor-Leste are maintained and strengthened through our bilateral and regional engagement and delivery against the three pillars of the Pacific Step-up: economic prosperity, shared security and people-to-people connections, are strengthened.</p> <p>COVID-19 support to the Pacific and Timor-Leste is delivered effectively, including our \$304.7m (over two years) COVID-19 response package and comprehensive vaccines support.</p> <p>Australia's \$1.44 billion Pacific development support is delivered in accordance with agreed bilateral and regional priorities.</p> <p>We respond to the evolving priorities of the Pacific and Timor-Leste in support of regional COVID-19 recovery.</p>	Quantitative and qualitative analysis undertaken at bilateral posts utilising economic data from the International Monetary Fund (IMF), World Economic Outlook (WEO) reports, social and demographic data from the Economic and Social Commission for Asia and the Pacific (ESCAP) and security data from the Pacific Fusion Centre and Australian Pacific Security College reports.	On track

Performance against measure 1.3

We rate our performance against this measure as 'on track'.

We placed equal weighting on each of our targets in the assessment of our progress.

Our development response in the Pacific and Timor-Leste is informed by quantitative and qualitative analysis undertaken at bilateral posts and in Canberra utilising International Monetary Fund and UN Economic and Social Commission for Asia and the Pacific (UNESCAP) data, among others. Our performance is then measured through the development program performance system, including investment monitoring reports, partner performance assessments, and Tier 2 results. Tier 2 results are whole-of-government indicators that align with the three pillars of Australia's policy framework for the development program, *Partnerships for Recovery* – health security, stability and economic recovery.

We continued to strengthen our partnerships with Pacific island countries and Timor-Leste through significant bilateral and regional investments in support of stronger and more resilient economies, development outcomes and regional security. These partnerships were sustained by regular high-level engagement at both ministerial and officials levels. The COVID-19 pandemic and a complex geopolitical environment posed new and additional challenges to achieving our Pacific engagement objectives in 2021–22.

With 19 Australian missions in the Pacific, the largest diplomatic network of any country, the department maintained a high tempo of diplomatic engagement. We supported efforts of the Pacific Islands Forum chair, Fiji, to retain forum unity.

With the United States, Japan, New Zealand and the United Kingdom, Australia launched the Partners in the Blue Pacific initiative to better coordinate our efforts to support Pacific priorities and institutions.

Strong and close partnerships maintained and strengthened

In 2021–22, we strengthened our delivery against the three pillars of our Pacific engagement: economic prosperity, shared security, and people-to-people connections.

PILLAR ONE: ECONOMIC PROSPERITY

Throughout 2021–22, the Pacific and Timor-Leste experienced significant fiscal and economic challenges. Australia's economic support proved crucial for their stability and recovery from the pandemic. Building on the strong foundations of support in 2020–21, Australia provided an estimated \$1.62 billion in Official Development Assistance to the Pacific and Timor-Leste in 2021–22.

Our Pacific labour mobility programs were central in supporting economic recovery by providing jobs to more than 25,100 Pacific and Timorese workers and boosting vital remittance flows, which enabled workers to access food and essential supplies. Nonetheless, the economic downturn and COVID-19-related travel restrictions hampered Australian commercial investment and limited opportunities for Pacific businesses.

Through the Australian Infrastructure Financing Facility for the Pacific (AIFFP), we partnered with Pacific island countries to finance quality and sustainable critical infrastructure with 10 projects in eight countries worth around \$1 billion. In addition, members of the Pacific Agreement on Closer Economic Relations (PACER) Plus – a free trade agreement – established the PACER Plus Implementation Unit based in Samoa. The unit commenced its Australia and New Zealand–funded \$25 million work program to assist Pacific island PACER Plus members to maximise business opportunities and economic recovery through the free trade agreement.

PILLAR TWO: SHARED SECURITY

Australia's security support and cooperation continued to strengthen our relationships across the Pacific and support regional stability. Partners greatly valued the quality, transparency and comprehensive nature of our security engagements. In addition to our direct security support, our integrated social and economic programs helped bolster the region's stability, and initiatives such as the Pacific Fusion Centre, established in Port Vila in December 2021, strengthened Pacific Islands Forum regional security capabilities.

Australia continued to demonstrate its responsiveness as a partner in times of crisis – a partner committed to the region's security and stability. We answered the call of our Pacific family and provided prompt and effective assistance, including in response to civil unrest in Solomon Islands and in the wake of the volcanic eruption and tsunami in Tonga. Guided by the requests and priorities of the Tongan government, and in close coordination with our like-minded partners, we provided \$16 million to support Tonga's long-term reconstruction and recovery from the volcanic eruption and COVID-19 outbreak. We also completed major investments that enhanced regional security capability. These included the Blackrock Peacekeeping and Humanitarian Assistance and Disaster Relief Camp in Fiji in March 2022, and the delivery of another five Guardian-class patrol boats to Kiribati, Vanuatu, Papua New Guinea, Federated States of Micronesia, and Cook Islands through the \$2 billion Pacific Maritime Security Program.

Strategic competition in the Pacific presented an increasing challenge to the achievement of our objective of strengthening the region's shared security. In April 2022, for example, Solomon Islands signed a security agreement with China. This development highlighted the importance of regional cooperation and strong, close partnerships to address and support the shared security concerns of our Pacific family and the need to assure members that we are ready and able to respond in times of crisis. At the 2022 Pacific Islands Forum, Australia joined other members in recognising the importance of regional unity and solidarity in dealing with intensifying geostrategic interest.

PILLAR THREE: PEOPLE-TO-PEOPLE CONNECTIONS

Sport, media, church partnerships and education continued to strengthen the bonds between people in Australia and the Pacific, in spite of the COVID-19 pandemic. Through the PacificAus Sports program, we supported 170 Pacific athletes to prepare for the 2020 Tokyo Olympics and Paralympics (held from July to September 2021), and four Pacific rugby league and rugby union teams to participate in Australian competitions. PacificAus TV shared over 1,000 hours of Australian TV content to 14 Pacific broadcasters, and was well received by Pacific broadcasters and audiences.

The Pacific Church Partnerships Program established new advisory and partnership-building forums and events for church leaders from our region. The Pacific Virtual Museum pilot program connected Pacific peoples with 284,694 digitised Pacific cultural heritage items held in 350 public museums and private collections in Australia, the Pacific and around the world.

In the reporting period, we offered 484 Australia Awards to recipients from the Pacific, with 590 scholars on award studying in Australia and the Pacific. Australia's investment in skills development through the Australia Pacific Training Coalition saw 3,400 individuals graduate in 2021.

COVID-19 support delivered effectively

As part of Australia's two-year \$300 million commitment, the department delivered \$274.5 million in direct financing under the COVID-19 Response Package. A total of \$250 million (93 per cent) was budget support, of which \$165 million (61 per cent) was for sector-specific budget support, including health and education, and \$85 million (32 per cent) was for general budget support.

An independent review of the package conducted in early 2022 found that the department and our partners had delivered the COVID-19 Response Package effectively and it had contributed to a stable, prosperous and secure Pacific. Our contribution enabled the continuation of health and education services and the provision of critical income support.

The funding was important in stabilising Fiji's budget, given ongoing COVID-19 challenges. Total funding from the package reduced Fiji's projected budget deficit in 2021–22.

We provided \$60 million in sector budget support to Papua New Guinea's Government Tuition Fee Subsidy program, which prevented increases in the out-of-pocket education-related expenses of individual households. This amounted to approximately 30 per cent of total education subsidies for 2021 and 2022, or 5 per cent of education subsidies plus teacher salaries.



As part of Australia's COVID-19 support, Australia shared vaccines with its regional partners. Former Ambassador to Timor-Leste, Peter Roberts, receives a COVID-19 vaccine along with others in the local community. Credit: Isidoro Correia/DFAT

In 2021–22, we delivered almost 2.2 million Australian-produced AstraZeneca vaccine doses and more than 1.2 million doses of UNICEF-procured Pfizer vaccine to the Pacific and Timor-Leste under Australia's three-year Vaccine Access and Health Security Initiative for the Pacific and Southeast Asia, enabling 1.7 million people across the Pacific and Timor-Leste to be fully vaccinated against COVID-19.

We enabled the procurement and distribution of additional vaccine doses to Pacific island countries through our \$215 million commitment to the COVAX Advance Market Commitment. Over 8.3 million people in Indo-Pacific countries were fully immunised against COVID-19 through the COVAX facility.

On 4 April 2020, the Australian Government announced temporary visa changes to allow workers who were unable to return home to extend their stay in Australia and continue working in the agriculture sector. This decision ensured a continued flow of remittances to the Pacific and Timor-Leste during the reporting period. Since borders closed, over 19,400 seasonal workers have, with their agreement, been redeployed to new placements.

Pacific development support delivered in accordance with agreed priorities

Australia implemented its Pacific development support program in close consultation with our Pacific neighbours, to better address their identified priorities. Eleven plans are now in place to ensure targeted delivery for the Pacific and Timor-Leste – Pacific Regional, Papua New Guinea, Solomon Islands, Fiji, Vanuatu, Samoa, Tonga, Nauru, Kiribati, Tuvalu and Timor-Leste.

During the reporting period, we delivered on commitments in the priority areas of health security, stability and economic recovery, with a focus on protecting the most vulnerable. Working hand in hand with partner governments and key regional organisations guaranteed alignment with their strategies.

Progress reporting showed that we effectively delivered development assistance to the region, in response to our partners' identified priorities. Key results during the reporting period included the following:

- At the Tongan government's request, we supported Tonga to recover from the Hunga Tonga–Hunga Ha'apai volcanic eruption, through an immediate \$3 million of humanitarian support and delivery of 370 tonnes of equipment and disaster relief supplies, followed by a \$16 million package to assist rebuilding of critical infrastructure (including telecommunications), livelihoods, and key government services.
- We enabled Pacific and Timorese people to access work opportunities in Australia through the Pacific Australia Labour Mobility (PALM) scheme to support the economic development of our Pacific family and build skills for their eventual return home. As at 30 June 2022, over 25,100 PALM workers were in Australia. This is the highest ever number of participants.
- We finalised funding for a further seven major AIFFP projects, bringing the total to 10 across eight countries, covering the renewable energy, telecommunications and port sectors, to support high-quality infrastructure priorities in the Pacific and Timor-Leste.
- We supported the inaugural Pacific Islands Forum Women Leaders Meeting held on 9 June 2022, and ensured a strong focus on the critical role of gender equality in issues across the Pacific.
- We supported over 88,000 instances of counselling and crisis services to women and girl survivors of violence across nine Pacific countries, and our economic empowerment programs provided almost 16,000 female entrepreneurs (90 living with disability) with financial and business development services.
- We enhanced food security, nutrition, diversified livelihoods and coastal fisheries resource management through community-based fisheries management approaches in Kiribati, Solomon Islands and Vanuatu.
- We improved national meteorological services' capacity to inform communities on how to respond to upcoming weather changes, reducing their impact on agriculture production and increasing food security.
- Our support for education in Papua New Guinea, Samoa and Solomon Islands resulted in almost 716,000 additional enrolments (47 per cent girls).

Respond to evolving priorities of the Pacific and Timor-Leste in support of regional COVID-19 recovery

In 2021–22, we continued to ensure our regional assistance efforts aligned with the evolving needs of our Pacific family. Our specific focus remained on COVID-19 recovery, with support provided through the two-year \$300 million COVID-19 Response Package and through various vaccine measures.

During the reporting period, we provided almost 3.5 million life-saving COVID-19 vaccinations to our region. Our efforts helped hospitals, clinics and health ministries to prepare for and respond to COVID-19, by supporting COVID-19 testing and quarantine arrangements, distributing personal protective equipment and oxygen throughout the region, and providing end-to-end support for vaccine rollouts. For example, we provided training to 830 frontline healthcare workers in Papua New Guinea and placed a nursing mentor in Tuvalu to support junior and assistant nurses. We deployed 15 Australian Medical Assistance Teams (AUSMAT) to Papua New Guinea, Solomon Islands, Kiribati, Fiji and Timor-Leste, and deployed Australian Defence Force personnel to Papua New Guinea. Other support included vital medical products and infrastructure – for example, we provided three prefabricated biomolecular laboratories to Solomon Islands and

refurbished an eight-bed ward at the Tamavua Twomey Hospital in Fiji to cater for severely mobility-impaired COVID-19 patients.

We helped the region stay connected by assuring regular commercial air links between Australia, the Pacific and Timor-Leste. Over 360 commercial flights were supported between December 2020 and June 2022.

We were recognised by the OECD Development Assistance Committee for our willingness to deliver substantial COVID-19 response funding directly through partner government systems and budget support. We provided \$297.9 million in direct budget support to nine Pacific countries and Timor-Leste in 2021–22, ensuring governments could maintain their own health care, social services, education and social protection, including food security, during the pandemic.

In Fiji, for example, our direct financial support to Fiji's budget helped the government mitigate a fiscal crisis, alleviate budgetary pressures, maintain spending on social protection schemes, and support economic reforms to underpin recovery. In Papua New Guinea, our budget support in 2021 helped the government to fund the salaries of health workers (employed by Christian Health Services and the Catholic Church Health Services) and the operational costs of primary schools.

No.	Output measure	Target (2021–22)	Methodology	How we rate our performance
1.4	The New Colombo Plan delivers improved people-to-people, institutional and business links.	High-quality engagement with Australian universities, businesses, alumni and other stakeholders in the New Colombo Plan	Qualitative and quantitative analysis from New Colombo Plan reporting	Partially on track

Performance against measure 1.4

We rate our performance against this measure as 'partially on track'.

Delivery of the New Colombo Plan (NCP) program during 2021–22 continued to be significantly affected by pandemic-related travel restrictions. Accordingly, we focused our efforts on student welfare and virtual program delivery to expand institutional links and foster strong connections with Indo-Pacific stakeholders. We virtually delivered mobility projects (including study, language programs, practicums and internships) to support NCP students' continued engagement with the region. More than 300 projects pivoted to virtual delivery. For example, the NCP helped Swinburne University of Technology offer virtual internships in law in Malaysia and computer science in Vietnam.

The department also continued NCP mobility and scholar selection processes, preparing new cohorts of young Australians to quickly re-engage with the Indo-Pacific as Australia commenced its staged international border reopening on 1 November 2021. The NCP also embedded diversity as a core feature, with the 2022 intake of 125 scholars including 12 scholars living with a disability and four who identified as Indigenous.

From December 2021, NCP scholars progressively resumed travel to the Indo-Pacific and in-person mobility programs recommenced. As at 30 June 2022, 42 NCP scholars have resumed or commenced programs in the Indo-Pacific, with 370 more preparing to mobilise across the NCP's 40 host locations. Importantly, 93 per cent of NCP international liaison officers indicated their Australian university intended to recommence international mobility before the end of 2022.

During 2021–22, New Colombo Plan reporting showed that we maintained high-quality engagement with NCP stakeholders – such as high-profile business partners including KPMG, Tata Consultancy Services, Infosys, Rio Tinto Iron Ore and Investment NSW – at 'Momentum' events. These brought together some of the best regional minds to discuss global and community challenges alongside the next generation of NCP leaders.

We also hosted an inaugural NCP National Summit in April 2022, bringing together 300 NCP scholars and alumni alongside government, the private sector, universities and the diplomatic corps to create new connections and explore the theme 'Towards 2030 – Reconnecting with the Region'.

Priority 2: Pursue our economic, trade and investment opportunities

No.	Effectiveness measure	Target (2021–22)	Methodology	How we rate our performance
2.1	Global rules-based trading system reflects Australian interests.	Outcomes in WTO, Asia-Pacific Economic Cooperation (APEC), G20 and Organisation for Economic Co-operation and Development (OECD) promote economic recovery through trade and investment	Qualitative assessment of outcomes of the WTO 12th Ministerial Conference and WTO disputes as well as APEC, G20 and OECD support to the trading system and economic recovery	On track

Performance against measure 2.1

We rate our performance against this measure as 'on track'.

Increased trade and investment in 2021–22 was critical to driving economic growth, securing jobs and boosting the nation's prosperity after COVID-19-related challenges. We achieved this through, among other things, actively representing Australia in multilateral trade forums in pursuit of open markets and a global rules-based trading system that reflected Australian interests.

During the reporting period, Australia contributed to significant outcomes at the World Trade Organization (WTO) that promoted Australia's economic recovery through trade and investment. These included the conclusion of negotiations on WTO services domestic regulation in December 2021, the first new global services rules in over 20 years that could reduce global services trade costs by up to US\$150 billion a year, according to a joint Organisation for Economic Co-operation and Development (OECD) and WTO study.



Trade and Tourism Minister Don Farrell delivers Australia's statement on the challenges facing the multilateral trading system at the 12th WTO Ministerial Conference. Credit: DFAT

The 12th WTO Ministerial Conference in June 2022 resulted in:

- a new global treaty disciplining fisheries subsidies that will help limit the depletion of global fish stocks that are vital for livelihoods, food security and healthy oceans. Once it takes effect, this treaty will assist in promoting longer-term economic recovery, particularly in Pacific island countries
- a package of measures to respond to the pandemic that reaffirmed the importance of an open, rules-based international trading system, underpinned by the WTO, in protecting lives and livelihoods. The package included a waiver of intellectual property rules that supports the right of all countries to access COVID-19 vaccines to assist the global pandemic response. Facilitating access to vaccines and reaffirming global trade rules, which have allowed trade to continue during the pandemic, will assist in promoting economic recovery
- renewal of a moratorium on customs duties on electronic commerce that will ensure electronically transmitted trade is not impeded by customs duties. This comes at a time when e-commerce is playing a key role in facilitating economic recovery after the global pandemic
- a multilateral mandate to undertake WTO reform that will help deliver new trade rules to facilitate greater trade and investment, reduce trade and investment costs through increased transparency, and restore the WTO dispute settlement system to full functionality. Transparent rules-based trade, underpinned by a dispute settlement system that holds members to account, is vital to promoting economic recovery through trade and investment. However, the full impact of this outcome will not be immediate – it will only be felt once reforms have been agreed and have taken effect
- declarations that boost efforts to respond to the global food security crisis. Economic recovery is only possible when basic food needs can be met.

In Asia-Pacific Economic Cooperation (APEC), we helped shape and secure endorsement of initiatives to advance market-opening structural

reform in APEC economies, boost services trade, facilitate cross-border movement of COVID-19 vaccines, and provide for more safe and seamless international travel in the region. For example, APEC ministers adopted ambitious actions for services liberalisation out to 2025 in the Australian-led mid-term review of APEC's services competitiveness agenda. We also led efforts to help APEC economies prepare quality 'individual action plans' for unilateral economic structural reforms to 2025, which will strengthen economies in the region by boosting innovation, market openness, productivity, resilience and skills. APEC trade ministers welcomed these plans at their meeting in May 2022.

Australia led negotiations on principles for the interoperability of vaccination certificates, which support the resumption of safe and seamless travel in the region and boost the region's economic recovery, especially in tourism, international education and other sectors that rely on temporary cross-border movement of people. The principles are voluntary, and their practical impact will depend on the timing of their application by individual APEC economies.

Through consensus at the G20 Trade and Investment Working Group meeting in October 2021, Australia negotiated and contributed to the adopted ministerial statement on trade and investment. The ministerial statement reaffirmed the commitment of major economies to open markets to drive sustainable and resilient economic recovery. That reaffirmation continues to build confidence in the integrity of global trade rules and underpins further trade growth following the pandemic.

In the OECD, we achieved agreement for the OECD Trade Committee to broaden its focus on industrial and fossil fuel subsidies to include analysis on agricultural subsidies. A result of Australia's ongoing advocacy, this win overcame longstanding resistance to Trade Committee work on farm subsidies and will enable our preferred 'whole-of-economy' approach to the impact of subsidies on climate change. In the long term, the analysis will contribute to efforts to reform global agricultural trade and production. These global agricultural reforms will support economic recovery and growth in Australia.

WTO Agreement on Fisheries Subsidies

Working closely with Fiji and our Pacific island partners, Australia was instrumental in securing ambitious outcomes at the WTO's 12th Ministerial Conference in Geneva to discipline fisheries subsidies contributing to overfishing and to alleviate the dire state of the world's declining fish stocks. On 17 June 2022, WTO members adopted the WTO Agreement on Fisheries Subsidies. The new historic agreement prohibits subsidies to illegal, unregulated and unreported fishing, subsidies supporting fishing of overfished stocks, and subsidies for unregulated high seas fishing.

This landmark achievement is the first WTO agreement to focus on the environment and address ocean sustainability, and delivers on the Sustainable Development Goals target 14.6 set by world leaders. It is the first multilateral agreement in the WTO in nearly a decade and the second multilateral agreement reached by the WTO since its inception. Fisheries are critical to global food security and livelihoods. The outcome demonstrates that the WTO can meaningfully respond to challenges the world is facing in the 21st century, and the value of the multilateral rules-based order.

No.	Effectiveness measure	Target (2021–22)	Methodology	How we rate our performance
2.2	Increased market opening and opportunities for Australian businesses	Increased trade covered by FTAs; progress in implementation of trade diversification	Entry into force of Regional Comprehensive Economic Partnership (RCEP); progress in expanding Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) membership; progress on FTA negotiations with UK and EU; positive outcomes from WTO dispute settlement; success in diversifying Australian export markets; business feedback	On track

Performance against measure 2.2

We rate our performance against this measure as 'on track'.

Increased trade covered by FTAs

In 2021–22, we significantly advanced an ambitious free trade agenda, increasing the amount of trade covered by free trade agreements (FTAs), with the signing or entry into force of three FTAs in 2021–22: entry into force of the Regional Comprehensive Economic Partnership Agreement (RCEP) on 1 January 2022; and signing of the Australia – United Kingdom Free Trade Agreement (Australia–UK FTA), and the Australia–India Economic Cooperation and Trade Agreement (AI-ECTA).

RCEP is the world's largest FTA, covering around 30 per cent of the world's population and GDP. RCEP benefits Australian exporters by providing a single set of rules and procedures across the region, and increased opportunities for Australian businesses to access regional value chains.

Negotiations on an Australia–UK FTA concluded in late 2021 and the agreement was signed on 17 December 2021. The AI-ECTA was signed on 2 April 2022.



Chief negotiator, Elisabeth Bowes, at the virtual signing of the Australia – United Kingdom Free Trade Agreement in Adelaide. Credit: DFAT

We made further progress on the negotiation of the Australia – European Union Free Trade Agreement. During 2021–22, there was one round of negotiations (7–18 February 2022) as well as multiple intersessional negotiations.

We made progress on expanding the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). On 18 February 2022, the CPTPP Accession Working Group agreed to commence market access negotiations with the United Kingdom and invited the UK government to submit its market access offers within 30 days. On 19 March 2022, the United Kingdom provided its market access offers to CPTPP members and those offers are being reviewed by CPTPP members, including Australia.

We progressed negotiations on the ASEAN – Australia – New Zealand Free Trade Area (AANZFTA) to deliver new services and investment market access opportunities for Australian businesses, and assisted ASEAN members to effectively implement AANZFTA via the ASEAN Economic Cooperation Support Program.

We held meetings pursuant to the institutional frameworks of in-force FTAs. For example, the Indonesia–Australia Comprehensive Economic Partnership Agreement joint committee met for the first time on 25 August 2021, and the fifth Korea–Australia Free Trade Agreement joint committee meeting was held on 5 April 2022.

WTO dispute settlement

The dispute settlement system is a cornerstone of the WTO. It allows WTO members to enforce their rights against other WTO members through independent and impartial adjudication of disputes. Members may also participate in a dispute as a third party if they have a commercial or systemic interest in the matter under dispute.

Australia has acted as a complainant, respondent and third party in WTO disputes. Australia's involvement in WTO disputes as a complainant and respondent in this reporting period included the matters below.

China – Anti-Dumping and Countervailing Duty Measures on Wine from Australia (DS602)

On 28 March 2021, China's Ministry of Commerce imposed anti-dumping duties of between 116.2 and 218.4 per cent on exports of Australian bottled wine for a period of five years. In June 2021, Australia requested WTO consultations with the government of China concerning these measures. Australia claimed that China's anti-dumping and countervailing duties on Australian wine appeared to be inconsistent with its WTO obligations.

Prior to the imposition of duties, China was Australia's largest export market for wine, worth \$987 million in 2020, of which \$898 million was bottled wine. The duties have significantly curtailed exports of Australian wine to China.

A dispute settlement panel was established on 26 October 2021 to consider Australia's claims. Australia and China have each filed first written submissions. The proceedings are ongoing.

China – Anti-Dumping and Countervailing Duty Measures on Barley from Australia (DS598)

On 18 May 2020, China's Ministry of Commerce imposed countervailing and anti-dumping duties of 80.5 per cent on exports of barley from Australia. Prior to the imposition of these duties, China was Australia's most valuable barley market, worth approximately \$916 million in 2018–19 and \$551 million in 2019–20. Australian exports of barley ceased following the application of the duties.

In 2020, Australia requested consultations with the government of China concerning these measures. Australia claimed that China's anti-dumping and countervailing duties on Australian barley appeared to be inconsistent with its WTO obligations.

Australia and China have filed two written submissions and the panel has conducted a first meeting with the parties. The proceedings are ongoing.

Australia – Anti-Dumping and Countervailing Duty Measures on Certain Products from China (DS603)

In June 2021, China requested consultations with Australia in relation to Australia's duties on certain steel products. China claimed that Australia's imposition of anti-dumping measures on wind towers, deep drawn stainless steel sinks and railway wheels from China, and countervailing measures on deep drawn stainless steel sinks from China appear to be inconsistent with Australia's WTO obligations.

At China's request, a dispute settlement panel was established on 28 February 2022 to consider China's claims. The proceedings are ongoing.

India – Measures Concerning Sugar and Sugarcane (DS580)

In December 2021, the WTO panel issued its final report, finding in favour of the claims made by Australia and co-complainants Brazil and Guatemala. The panel ruled that India's mandatory market price support for sugarcane and its export subsidies for sugar were subsidies in breach of India's WTO commitments. Australia notified the WTO in January 2022 of its opposition to India's appeal against the report and its intention to defend the appeal when the Appellate Body is functioning and able to hear the appeal.

Progress in implementation of trade diversification

In addition to increasing the share of Australia's FTA network, the department's dedicated Trade Expansion and Diversification Branch provided advice to Australian businesses seeking to diversify and build resilience in response to global trade disruptions. This included sharing insights from our overseas posts on international political and strategic risks, as well as identifying emerging opportunities in a range of markets and economic sectors.

We worked with the Export Council of Australia to convene nine Global Market Insights seminars to highlight opportunities in key diversification markets such as the United Kingdom, European Union, Indonesia and Vietnam. Each seminar focused on an international market that offered existing or growing opportunities for Australian exporters, including through the implementation of new FTAs. In total, the seminars involved approximately 1,350 participants.

We joined the launch of the Indo-Pacific Economic Framework for Prosperity (IPEF) as a founding member in May 2022. IPEF brings together 14 regional economies comprising over

40 per cent of global GDP. Through IPEF, we will look to develop new and innovative solutions to the region's most pressing trade and economic challenges, including on digital trade, supply chain disruptions and the clean energy transition.

Departmental officers, including from our state and territory offices, travelled to more than 25 cities and towns in rural and regional Australia and held briefings with exporters on trade diversification issues, the global political environment and commercial developments. This included roundtables with the agriculture sector on opportunities and challenges in the international trading environment.

Businesses sought our insights so they could better identify opportunities to diversify their trade. Senior departmental staff, including heads of mission, delivered seven bespoke briefings for internationally facing Australian businesses on commercial opportunities, political risk and strategic considerations in overseas markets of interest. The department also convened a Secretary's Strategic Business Dialogue with select Australian business leaders on foreign policy and the trade and investment implications of current geopolitical challenges.

Figure 5 Free trade agreement negotiations, 2021–22

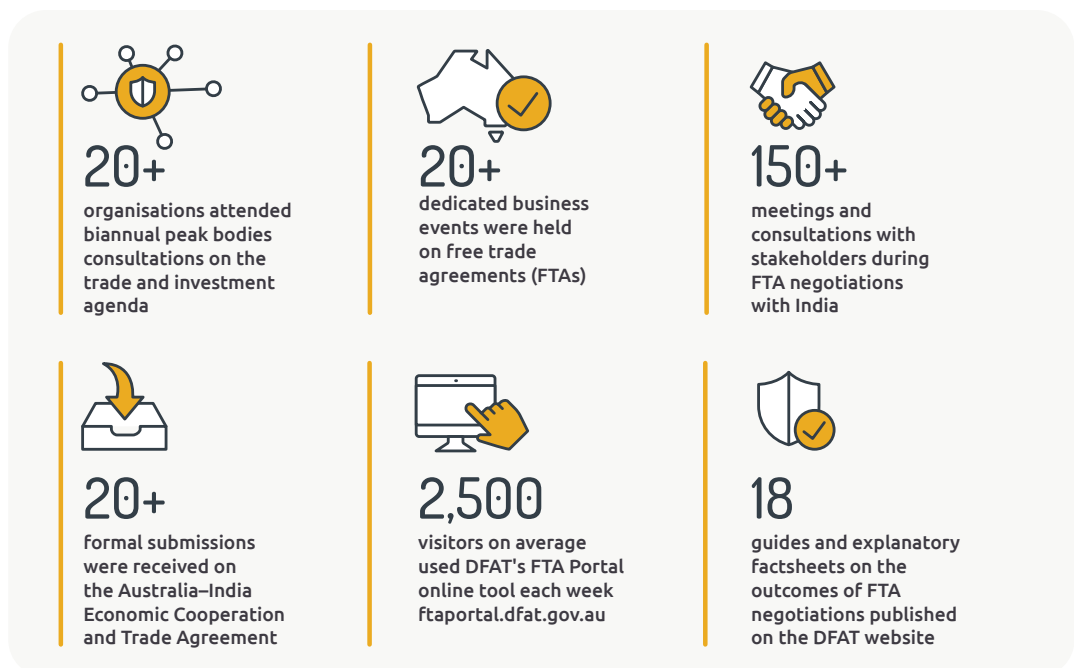
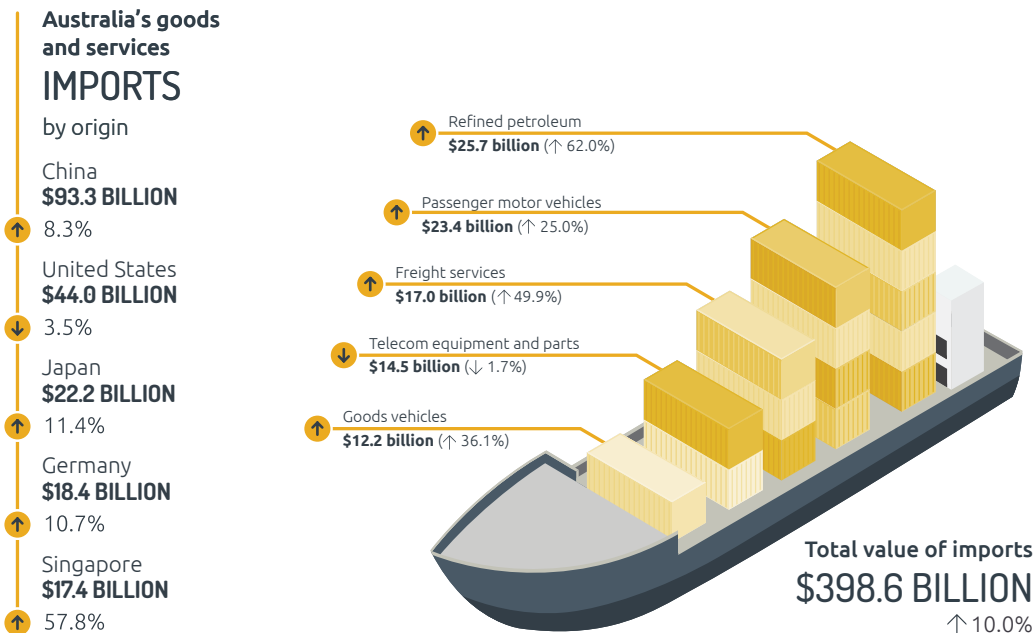
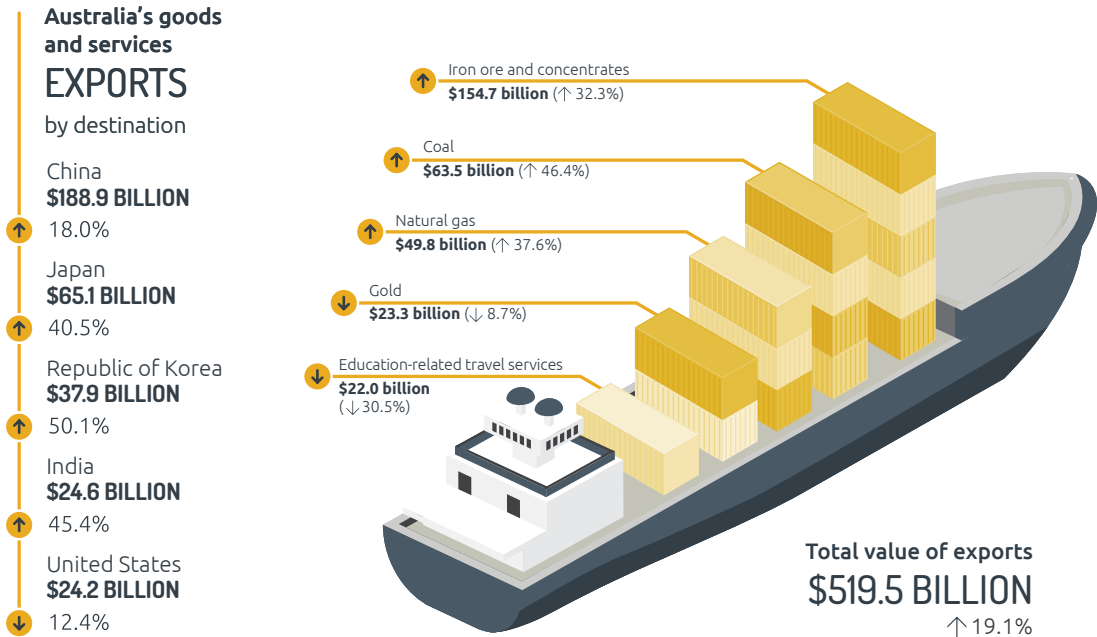


Figure 6 Australia's trade with the world in 2021

Note: Percentage change from 2020 to 2021

No.	Effectiveness measure	Target (2021–22)	Methodology	How we rate our performance
2.3	Trade and investment is factored into Australia's economic policy settings.	Economic policy takes into account Australia's trade and investment interests and is consistent with our international trade law obligations.	Quantitative assessment of mutual recognition agreements Qualitative assessment of data from the Services Exports Action Plan	On track

Performance against measure 2.3

We rate our performance against this measure as 'on track'.

Australia's trade and investment interests were considered in our national economic policy settings during 2021–22. We measured our performance through the department's engagement with government agencies and industry bodies, particularly our provision of advice on foreign investment; our contributions to Australia's Critical Minerals Strategy and implementation of the Services Exports Action Plan; and our provision of legal advice on the consistency of economic policy initiatives with international trade and investment law obligations.

We also used the number of mutual recognition agreements (MRAs) – which promote the two-way movement of professionals between

Australia and our trading partners – as an indicator of the robustness of an economic policy initiative that considers Australia's trade and investment interests. While industry bodies negotiate MRAs, the department creates frameworks for engagement between professional services bodies, including in trade agreements, and encourages and assists peak bodies to negotiate MRAs to contribute to Australia's trade and investment outcomes. Australian professions currently have 92 MRAs and similar agreements that promote the two-way movement of professionals. During the reporting period, certifying authorities for professional services, including engineers, architects and accountants, progressed MRAs with counterparts in Singapore, Malaysia, Spain, Taiwan, Hong Kong and the United Kingdom.



Ambassador to Spain, Sophia McIntyre, meets Madrid Mayor, José Luis Martínez-Almeida, to advance economic and cultural exchange opportunities between Australia and the Spanish capital. Credit: DFAT

The department provided advice to a range of government agencies to ensure Australia's trade and investment interests were thoroughly considered, including in policies designed to improve economic and supply chain resilience, respond to economic coercion, and diversify trade. For example, our advice to the Treasury on the screening of 627 foreign investment applications influenced decisions that ensured Australia remained open to productive investment in the national interest while protecting national security.

We contributed to the delivery of Australia's Critical Minerals Strategy, in consultation with other agencies, by supporting the establishment of the \$2 billion Critical Minerals Facility (administered by Export Finance Australia) in September 2021. The facility supports the development of the critical minerals sector in Australia and helps meet global demand. Working with other government agencies, the department had by the end of the reporting period facilitated the allocation of \$1.5 billion to help finance three Australian critical minerals projects that will help secure the vital supply of critical minerals needed to drive the global energy transition.

The Services Exports Action Plan effectively enabled the department to influence the design and implementation of domestic economic policies on services to align with industry-identified trade and investment interests. The action plan is Australia's first coordinated national strategy to boost services exports. It engages more than 10 government agencies and Australia's services industry on five macro-level trade and economic policy outcomes.

We made progress against 81 of the 82 actions identified in the Services Exports Action Plan. Of

the 82 actions, 72 relate to government policy initiatives and 10 are progressed by industry. We monitor progress and have published 179 updates on a dedicated website. While most actions have long-term implementation periods, three actions – the passage of the corporate collective investment vehicle legislation, release of the Nation Brand and reform of the Export Market Development Grants scheme – were completed in 2021–22.

The department's ex officio membership of the Export Finance Australia (EFA) Board in 2021–22 effectively ensured that board decisions took into account Australia's trade, investment and geostrategic interests, and that EFA's policies aligned with international trade law obligations. Our support for amendments to EFA's governing legislation, to provide it with the power to make equity investments, increased the Commonwealth's ability to enter a broader range of transactions in the national interest. This brought EFA's suite of financial tools into line with other export credit agencies and partner development finance institutions.

We provided more than 135 pieces of legal advice to other government agencies on the consistency of economic policies with international trade and investment law obligations. The department assessed numerous Cabinet submissions and new policy proposals, providing advice on consistency with international trade and investment law obligations.

The department also ensured Australia's obligations under our new free trade agreements (FTAs) were consistent with World Trade Organization and existing FTA rules, and that the negotiation of new commitments contained protections for Australia's public policy interests.

No.	Effectiveness measure	Target (2021–22)	Methodology	How we rate our performance
2.4	Positive trade and investment outcomes supported by the department's economic and commercial diplomacy, and domestic advocacy efforts	Effective support to Australian business in overseas markets Increased understanding of the benefits of trade and investment	Post reporting on economic and commercial diplomacy advocacy strategies; level of business interaction and engagement in domestic advocacy efforts	On track

Performance against measure 2.4

We rate our performance against this measure as 'on track'.

Effective support to Australian business in overseas markets

In 2021–22, the department worked with government and industry partners to respond to complex challenges and emerging risks for Australian business, in line with economic and commercial diplomacy strategies. This included regular engagement with stakeholders on the Australia–China relationship and assistance with diversification to other markets where this makes commercial sense, particularly for those Australian businesses affected by China's trade blockages.

Reporting from our posts confirmed they had provided support for business, primarily through regular and responsive briefings, consultations and outreach. They thereby helped ensure the business sector was well equipped to navigate challenges, aware of assistance mechanisms, and informed of new government policy levers. Our posts also supported individual Australian businesses in-country across a diverse range of industries (such as infrastructure, mining, health and agriculture) and helped facilitate commercial opportunities in these sectors.

We adapted online platforms to open two-way conversations between government and business, feeding the results back into policymaking. We also broadened industry engagement to include new partners and increased collaboration on business issues with government agencies. We expanded our Peak Bodies Consultative Group from 15 organisations to 29 at the beginning of 2022, to add more sectoral representation including from agricultural industries such as grain, dairy, wool, wine and sugar, and from other

sectors, such as forestry and complementary medicine. These consultations helped the department better understand the supply chain issues within these sectors and effectively target support to Australian business.

As part of this targeted support, we introduced 'deep dives' on issues and markets of interest during the reporting period. These deep dives enriched two-way dialogues on India and Southeast Asia, for example. We launched new and updated economic strategies to help Australian business access the Indian, Indonesian and Vietnamese markets and elevated bilateral relations with the Republic of Korea to a Comprehensive Strategic Partnership, which encourages economic innovation and technology cooperation. Our efforts to promote and remove barriers to trade sharpened the competitive advantage of key sectors of the Australian economy. A coordinated advocacy and outreach campaign ensured businesses were informed and consulted on each economic strategy and new FTA.

We provided insights from our posts into investment-screening measures and investment conditions, and foreign investors' perceptions of the challenges and benefits of investing into Australia. This offered a greater understanding of the impediments to foreign investment – including into Australia – to inform our policy development and future support for investors.

We also supported Australian investors overseas. For example, posts in the Mekong subregion improved the environment for Australian investors by engaging the subregion's governments on policy and regulatory issues where potential adjustments would make investment processes clearer and more predictable. The department commissioned

research and analysis to identify potential solutions to existing barriers to the development of predictable foreign investment frameworks and provided study programs in Australia for Thai and Cambodian officials to connect them with potential Australian investors.

Increased understanding of the benefits of trade and investment

During 2021–22, the department's communications campaigns, aimed at an Australian audience, improved understanding of the benefits of trade and investment generally and with specific trading partners. Our advocacy efforts, including through our state and territory offices, contributed to the continuing increase in community support for free trade.

The department's dedicated [@DFAT_TradeTalk](#) Twitter account, established in June 2021, amplified advice and insights from government and industry to enhance understanding of trade and investment benefits. In its first reporting year, from July 2021 to June 2022, the account's contents were seen 760,458 times (impressions), elicited 17,680 engagements and drove 1.42 million unique visitors to the trade and investment pages of the department's website. The level of interest, measured by the number of unique visitors to our website's trade pages, peaked as FTA milestones were achieved: in November 2021 following ratification of the Regional Comprehensive Economic Partnership Agreement; in December 2021 after the signing of the Australia – United Kingdom Free Trade Agreement (Australia–UK FTA); and in April 2022 after the signing of the Australia–India Economic Cooperation and Trade Agreement (AI-ECTA).

We promoted understanding of key export markets, including through Global Market Insights seminars, and the benefits of FTAs by expanding the online FTA Portal that assists exporters and importers. Our promotion of the FTA Portal drove an average of 2,500 unique visitors to the portal each week.

During the reporting period, the department held consultations on FTAs with Commonwealth, state and territory government agencies and various public stakeholders. We participated in over 250 meetings with 140 organisations throughout

negotiations for the Australia–UK FTA. During negotiations on the AI-ECTA in 2021–22, we received 21 formal submissions and we provided updates through established consultative channels and meetings with key industry stakeholders.

We raised understanding of the benefits of the Australia–UK FTA and the AI-ECTA through explanatory materials that were promptly published online following signing of the agreements. We partnered with external bilateral organisations for dedicated business advocacy events to complement these efforts.

As part of our domestic advocacy efforts, our outreach to regional Australia through the Horizons International Engagement Leadership Program contributed to a greater understanding among business, local government and chambers of commerce of the benefits of international trade, tourism and investment in local economic recovery planning. The program provided expert guidance and mentoring to economic development officers from 31 organisations across Australia. It was the catalyst for several positive outcomes, such as a participant's proposal for a logistics hub in Katherine, Northern Territory, that is now in the scoping phase, with negotiations underway with traditional landowners to secure a site.

In the first reporting year of the department's Indigenous Trade and Economic Policy Implementation Plan, under our Indigenous Diplomacy Agenda, we worked with Indigenous business and exporter organisations to better understand the barriers to trade and how Indigenous intellectual property safeguards could help attract foreign investors. We commissioned research through the Indigenous Network for Investment, Trade and Export (IgNITE) into the export experiences and aspirations of Indigenous businesses and used the findings to inform policy planning – such as for the new Northern Territory Indigenous Business and Employment Hub and the World Economic Forum's Inclusive Trade project under its Shaping the Future of Trade and Investment Platform – and our international advocacy.

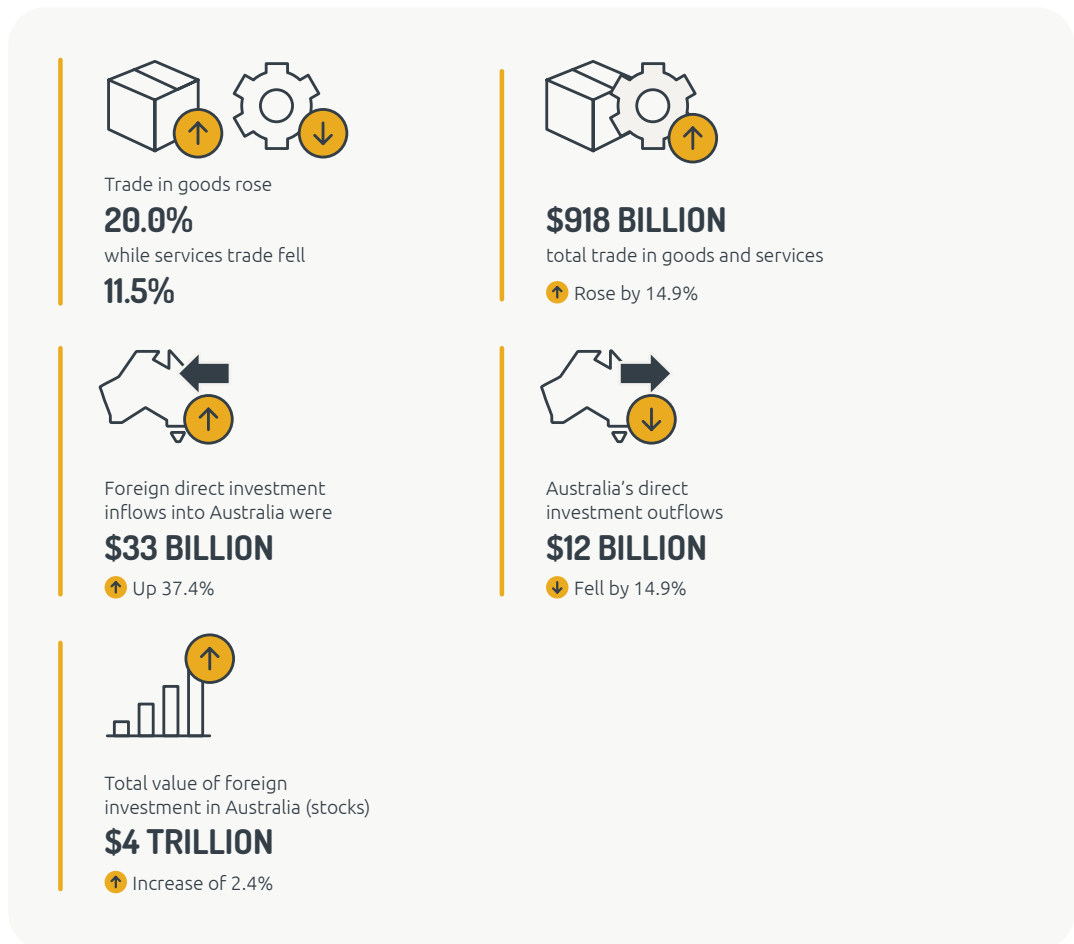
We worked to raise Indigenous voices and issues in global multilateral forums, including through the Indigenous Peoples Economic and

Trade Cooperation Arrangement (IPETCA), the World Economic Forum, the OECD and APEC, to increase understanding of the benefits of trade and investment for Indigenous peoples and businesses. We nominated IgNITE to serve alongside the department on the World Economic Forum's Steering Committee on Inclusive Trade and on the IPETCA Interim Steering Committee.

Our support for the APEC Growing Indigenous Businesses Through Trade program provided

a platform for Indigenous entrepreneurs from APEC economies to create networks and gain a greater understanding of the fundamentals of exporting and attracting investment. The department also supported a First Nations trade delegation from the United States in May 2022 to connect with Australian Indigenous businesses, resulting in several commercial contracts and partnerships that will realise the benefits of trade and investment.

Figure 7 Australia's trade and investment in 2021



Priority 3: Keep Australia and Australians safe and secure

No.	Effectiveness measure	Target (2021–22)	Methodology	How we rate our performance
3.1	Security outcomes that reflect Australia's interests	<p>Progress on Australia's 2015 Counter-Terrorism Strategy</p> <p>Progress on implementing Australia's International Cyber and Critical Tech Engagement Strategy</p> <p>Progress against milestones in space security policy</p> <p>Progress on effective action to address WMD risks in international forums</p> <p>Progress in cooperation with international and domestic partners on people smuggling, human trafficking and other forms of modern slavery</p> <p>Progress against the Counter Foreign Interference (CFI) Diplomatic Strategy</p> <p>Progress counter disinformation activities</p>	Qualitative and quantitative analysis drawn from records of the Australian Cyber Security Centre; the Asia-Pacific Network Information Centre; the CFI Diplomatic Strategy milestones; United Nations cyber processes outcome statement; annual records from International Atomic Energy Agency (IAEA); Comprehensive Nuclear-Test-Ban Treaty (CTBT); Organisation for the Prohibition of Chemical Weapons (OPCW); internal reports and reporting on progress against international engagement aspects of the strategic priorities as set out in the National Action Plan to Combat Modern Slavery	On track

Performance against measure 3.1

We rate our performance against this measure as 'on track', noting that the protected nature of some of our security work imposes limits on the amount of information we can make public.

We placed equal weighting on each of our seven targets in the assessment of our progress. The department acknowledges that some of this measure's identified methodologies and the data sources, key concepts and targets were not adequate to assess our performance. We are working to ensure these matters are considered and addressed in the next reporting period.

Progress on Australia's 2015 Counter-Terrorism Strategy

We continued to support and progress Australia's 2015 Counter-Terrorism Strategy (the CT Strategy) in its final year of operation, while also supporting the development and commencement of Australia's Counter-Terrorism Strategy 2022. Consistent with the CT Strategy,

we worked with our bilateral and multilateral partners, including the public, to understand and challenge violent extremist ideologies, prevent radicalisation of at-risk individuals, and shape the global counter-terrorism environment. These objectives were advanced internationally through information sharing, promotion of best-practice approaches and delivery of capacity and capability building. Notably during the reporting period, we:

- committed \$3.6 million to 20 separate projects through the International Counter-Terrorism Engagement Program
- co-chaired the Global Counterterrorism Forum's Countering Violent Extremism Working Group, and developed a Gender and Preventing and Countering Violent Extremism Policy Toolkit to aid practitioners and policymakers in their implementation of technical good practice recommendations

- continued to support the Global Coalition Against Daesh/ISIS, including as a highly valued member of working groups on stabilisation, financing, foreign terrorist fighters and communications
- held bilateral counter-terrorism dialogues with key regional partners, namely the Philippines, Indonesia, India and Malaysia.

Other CT Strategy activities aimed at disruption of terrorist activity in Australia and supporting effective response and recovery fell outside of our immediate remit. Owing to the classified nature of the majority of our activities under the CT Strategy, we cannot report further specific information. The success of our global and domestic efforts over the reporting period is evident in Australia's ranking on the Global Terrorism Index 2022 (published by the Institute for Economics and Peace) remaining stable, and the institute's assessment that the impact of terrorism on Australia remains low.

Progress on implementing Australia's International Cyber and Critical Tech Engagement Strategy

Leading and coordinating whole-of-government efforts on Australia's International Cyber and Critical Tech Engagement Strategy, the department made progress against 37 actions after the launch of the strategy on 21 April 2021. We fully completed 16 of these 37 actions, and largely delivered our anticipated milestones for 18 (although we encountered some delays and limitations on these 18). Results against three further actions were not as planned, as these actions were significantly impacted by COVID-19 and travel restrictions. A review of a prioritised subset of 10 action items in April 2022 rated 6 action items as being on track and 4 action items where implementation was on hold. As a key outcome of our strategy delivery, we supported 54 active Cyber and Critical Tech Cooperation Program (CCTCP) projects across 24 nations in the Indo-Pacific, in partnership with over 40 entities from industry, academia, civil society, other government agencies and like-minded organisations.

Outcomes for all our projects were measured using the CCTCP's monitoring, evaluation and learning framework, which ensures

projects report outcomes aligned to the CCTCP's outcomes, and its cross-cutting gender equality, disability and social inclusion mainstreaming goals.

Progress against milestones in space security policy

Given the sensitivity of our work on space security policy, we are unable to provide significant detail on our performance against the target. However, we can confirm that we achieved the following outputs in the reporting period to advance Australian Government interests in this field:

- We led the Australian delegation to the first session of the open-ended working group – established under UN General Assembly Resolution 76/231 – on reducing space threats through norms, rules and principles of responsible behaviours.
- We participated in negotiations for a technology safeguards agreement with the United States to facilitate US launch activities from Australian territories.
- We developed and shaped priorities of the Quad's Space working group to benefit countries in the Indo-Pacific region.

Progress on effective action to address WMD risks in international forums

We continued to progress on effective action to address weapons of mass destruction (WMD) risks in international forums, including through the Conference on Disarmament and participation in treaty-level forums focused on nuclear, chemical, biological and conventional weapons. As a member of the Board of Governors of the International Atomic Energy Agency, we advocated in support of the agency's practical efforts to address the serious nuclear safety, security and safeguards implications of Russia's invasion of Ukraine, as well as ongoing nuclear proliferation challenges posed by North Korea and Iran.

We also worked with like-minded countries to bolster international efforts to counter chemical and biological weapons. This included our work as a member of the Executive Council of the Organisation for the Prohibition of Chemical Weapons to successfully advance controls on chemicals that act on the central nervous

system. Our efforts to reinvigorate the work of the Australia Group will strengthen export controls to contain the spread of chemical and biological weapons.

With global challenges demanding a renewed focus, in January 2022, we used the appointment of the second Ambassador for Arms Control and Counter-Proliferation to intensify Australia's international advocacy for more effective counter-WMD efforts through a substantial international engagement program.

Progress in cooperation with international and domestic partners on people smuggling, human trafficking and other forms of modern slavery

In 2021–22, we continued to progress cooperation with international and domestic partners on people smuggling, human trafficking and other forms of modern slavery. Our ministers and officials addressed human trafficking and other forms of modern slavery issues by speaking to the United Nations General Assembly, the United Nations Office on Drugs and Crime, and the United Nations Human Rights Council. In our role as co-chair, with Indonesia, of the Bali Process on People Smuggling, Trafficking in Persons and Related Transnational Crime, we drove regional awareness and helped to build capacity in the region to address human trafficking and other forms of modern slavery.

In February 2022, we supported a Foreign Ministers' Meeting of the Bali Process Steering Group. In addition to a range of Bali Process working group meetings, we also convened two sector-specific virtual consultations of the Bali Process Government and Business Forum on electronics and garment making. These consultations facilitated an exchange among senior industry leaders, civil society experts and government officials on good practice and innovation. Progress in cooperation with domestic partners enabled us to draft Australia's second whole-of-government International Engagement Strategy on Human Trafficking and

Modern Slavery, released on 25 March 2022. The strategy includes 40 commitments on Australia's international engagement to address human trafficking and other forms of modern slavery. One commitment under the strategy was delivered – the ratification of the International Labour Organization Protocol of 2014 to the Forced Labour Convention 1930. We also led the development of whole-of-government responses to two parliamentary inquiries on child and forced marriage and on the Customs Amendment (Banning Goods Produced by Uyghur Forced Labour) Bill 2020.

Progress against the Counter Foreign Interference Diplomatic Strategy

We continued to progress the Counter Foreign Interference Diplomatic Strategy. We did this by briefing Canberra-based diplomatic missions on Australia's approach to countering foreign interference, and proactively engaging with like-minded partners to share lessons, including a briefing by Australia's Ambassador to France before a French Senate inquiry. We also worked to ensure increased public understanding of foreign interference, including through support for research and capacity-building initiatives.

Progress on countering disinformation activities

We progressed the department's leadership of Australia's diplomatic response to disinformation. We implemented activities with Pacific and Southeast Asian countries to strengthen their resilience to disinformation. We engaged with counterparts under the auspices of Australia – United States Ministerial Consultations, the Quad and Australia – United Kingdom Ministerial Consultations, and with other partners, to strengthen international consensus against disinformation. We also supported Australia's collaboration in this field with like-minded and regional partners in multilateral institutions, such as the United Nations Human Rights Council, and groupings such as the Alliance for Multilateralism.



Ambassador for Arms Control and Counter-Proliferation, Ian Biggs, discusses non-proliferation and arms control issues with ASEAN Deputy Secretary-General, Michael Tene. Credit: Michelle Sullivan/DFAT

Arms control and counter-proliferation

Australia continues to lead global arms control, non-proliferation and disarmament efforts. Our Ambassador for Arms Control and Counter-Proliferation, supported by a standalone office within DFAT, has this year undertaken over 15 international missions, underscoring Australia's commitment to a world free of weapons of mass destruction. Australia provided financial support to the International Atomic Energy Agency (IAEA) to carry out essential safety, security and safeguards activities in Ukraine, and to the Organisation for the Prohibition of Chemical Weapons for its work in protecting against possible chemical attacks. Australia also increased its funding to the IAEA, for nuclear study scholarships for Pacific women and action to safeguard healthy oceans, as well as capacity building and cooperative research in nuclear science and technology under the Regional Cooperative Agreement for Asia and the Pacific. The department continues to lead efforts, with the Department of Defence, to ensure that Australia's planned acquisition of nuclear-powered, conventionally armed submarines meets the highest possible non-proliferation standards, strengthening the integrity of the global non-proliferation regime. Australia is committed to transparency and to providing updates to the international community as we work with the IAEA in this regard.

No.	Effectiveness measure	Target (2021–22)	Methodology	How we rate our performance
3.2	Full and active engagement with the National Intelligence Community (NIC) – including through Office of National Intelligence-led prioritisation, coordination and evaluation process – to support Australia's foreign policy interests	Contribute to NIC understanding of developments affecting Australia's foreign policy interests Progress an Intelligence Reform Program to better target our prosecution of foreign policy interests through engagement with NIC agencies	Qualitative analysis drawn from NIC collaboration evaluation	On track

Performance against measure 3.2

We rate our performance against this measure as 'on track'.

We established two baseline targets for the reporting period following publication of the 2021–22 DFAT Corporate Plan: contribute to National Intelligence Community (NIC) understanding of developments affecting Australia's foreign policy interests and progress an intelligence reform program to better target our prosecution of foreign policy interests through engagement with NIC agencies.

We contributed to the NIC's understanding of developments affecting Australia's foreign policy interests by actively engaging in forums and regularly providing feedback through formal reporting mechanisms.

We attended 34 Office of National Intelligence (ONI)-convened mission governance forums, at which we briefed on international political, economic and social developments, feeding into the NIC's determination of Australia's intelligence priorities. We regularly participated in ONI-led mission intelligence integration groups, regularly provided feedback to NIC agencies on reporting, and engaged weekly with the NIC to ensure agencies understood the evolving nature of the foreign policy environment and our intelligence needs. Our close engagement resulted in the NIC providing valuable and actionable reporting over the reporting period, which directly contributed to the development of foreign policy.

We commenced implementation of an intelligence reform program to ensure information was provided to policymakers promptly, and to facilitate the department's access to NIC information. The milestones we achieved in this period included:

- a 24/7 duty officer capability to service urgent intelligence requirements (commenced May 2022)
- delivery of an Introduction to Intelligence in DFAT course (244 attendees), an updated intranet page on Intelligence in DFAT and other resources to support optimum engagement with intelligence products for our requirements
- a DFAT intelligence adviser capability, with four intelligence advisers embedded in line areas to provide regular and timely support to key divisions to ensure intelligence is regularly considered in the formation of foreign policy.

Informal feedback received on these initiatives indicates that the intelligence reform program is enhancing our use of intelligence and consequently improving our engagement with the NIC.

Priority 4: Deliver an effective and responsive development program

No.	Effectiveness measure	Target (2021–22)	Methodology	How we rate our performance
4.1	Australia's development program investments promote health security, stability and economic recovery.	<i>Partnerships for Recovery</i> (the policy framework for Australia's development program) implementation is on track.	Investment monitoring reports, country and regional progress reports and evaluations of Australia's development response efforts. Qualitative analysis of progress against bilateral and regional <i>Partnerships for Recovery</i> plans. Qualitative and quantitative analysis of country and regional health, security and governance and economic data.	On track

Performance against measure 4.1

We rate our performance against this measure as 'on track'.

In 2021–22, the department managed an estimated \$4.12 billion of the Australian Government's \$4.45 billion development program. Actual expenditure across the entire development program will be published in the 2021–22 Official Development Assistance statistical summary following collection of information from other government departments and delivery partners. Details of the budget estimates are available on the department's website.

During 2021–22, we delivered on *Partnerships for Recovery* commitments in the priority areas of health security, stability and economic recovery, with a focus on protecting the most vulnerable. Our close collaboration with partner governments and key organisations promoted alignment with their strategies.

Australia's COVID-19 support through the development program assisted many countries in the Pacific to respond to their first COVID-19 outbreaks by providing technical expertise and health worker training, assisting with vaccination certification and testing, and supporting cold chain infrastructure.

Access to safe and effective vaccines was a critical priority for partner countries. Through our regional Vaccine Access and Health Security Initiative (\$162.6 million in 2021–22) and our commitment to the Quad Vaccine Partnership (\$100 million in 2021–22), Australia provided COVID-19 vaccines and support to partner governments in the Pacific and Southeast Asia. We shared over 39 million COVID-19 vaccine doses with countries in the Pacific and Southeast Asia in 2021–22.

Figure 8 Development results, 2021–22**HEALTH SECURITY**

49
partner countries
supported through
strengthened
health systems



40
partner countries
supported to
improve responses
to **health security
threats**



109.2 MILLION
new or improved
therapeutics, diagnostics,
vaccines and additional
equipment to which
Australia has contributed
that are **accessible in
partner countries**



30.3 MILLION
people **immunised**
with Australian
support



3 MILLION
couple years of
contraceptive
protection made
available for **sexual
and reproductive
health**



23.3 MILLION
vulnerable women,
men, girls and boys
provided with
**emergency
assistance** in
conflict and crisis
situations

STABILITY

41
countries supported to
**strengthen
governance systems**



157.9 MILLION
people reached with
new or improved **social
protection programs**



212,688
services provided to
women and girl
survivors of violence,
such as counselling



ABC
1 MILLION
additional girls and boys
enrolled in school



53
countries supported to
build capacity for
food security

ECONOMIC RECOVERY

28
countries provided with
economic policy support



222,391
female entrepreneurs provided
with financial and/or business
development services for
economic empowerment



Collaborated with
389
partners in
27
countries on
supply chain support



\$297.9 MILLION
of Australian official
development assistance
provided in **budget finance**
to 11 Pacific island countries
and Timor-Leste to respond
to the COVID-19 crisis



On 2 September 2021, Australia delivered the first batch of COVID-19 vaccine doses to Indonesia, as part of our partnership to respond to the COVID-19 pandemic. Credit: Timothy Tobing/DFAT

Australia's development program in the Pacific proved crucial for regional stability and pandemic recovery. Throughout 2021–22, the Pacific and Timor-Leste experienced significant fiscal and economic challenges. Australia's economic support ensured the continuation of essential services, including health, education, social protection, and keeping open vital transport corridors to the region.

Australia also provided financial support and loans to help address countries' budgetary needs without adding unsustainable debt burdens. Through the Australian Infrastructure Financing Facility for the Pacific, we have partnered with Pacific island countries to finance quality and sustainable critical infrastructure with 10 projects in eight countries, worth around \$1 billion. This included joint infrastructure projects with the United States and Japan on the East Micronesia cable and Palau spur cable.

We provided prompt and effective assistance, including in response to civil unrest in Solomon Islands and in the wake of the volcanic eruption and tsunami in Tonga. Guided by the requests

and priorities of the Tongan government, and in close coordination with our like-minded partners, Australia provided \$16 million to support Tonga's long-term reconstruction and recovery from the volcanic eruption and COVID-19 outbreak.

In 2021–22, we offered 484 Australia Awards to recipients from the Pacific, with 590 scholars on award studying in Australia and the Pacific. Australia's investment in skills development through the Australia Pacific Training Coalition saw 3,400 individuals graduate in 2021.

Australia continued to deepen engagement with the Mekong subregion, principally through the multi-year \$232 million Mekong–Australia Partnership, covering Cambodia, Laos, Myanmar, Thailand and Vietnam. We boosted the subregion's economic resilience and development – through the USAID and Australia Mekong Safeguards Program – by advancing social and environmental safeguards in infrastructure projects. We also supported the region to tackle key sources of unequal power and resources faced by women entrepreneurs through WE RISE Together, implemented with UN Women.



During a trip to Son La province in northwest Vietnam, Ambassador to Vietnam, Robyn Mudie, visits a bamboo shoot project supported by the Aus4Equality Gender-Responsive Equitable Agriculture and Tourism (GREAT) program. Credit: DFAT

Australia also showed its ongoing commitment to addressing climate change. We are increasing support for climate change, with a doubling of Australia's climate finance commitment to \$2 billion from 2021 to 2025. This will support a technology-led clean energy transition for a low-emissions future, including through unlocking additional private sector finance.

Australia helped partners in the region invest in inclusive and sustainable economic recovery. Recognising the vital role of women and girls, Australia's development program helped promote women's leadership and economic empowerment, advance women's rights, and enhance women's health and safety. This included driving innovative initiatives through the Gender Equality Fund, establishing Pacific Women Lead, implementing the Women, Peace and Security agenda, and tackling gender-based violence in the Indo-Pacific.

Australia pledged \$488 million towards the 20th replenishment of the World Bank International Development Association (IDA). The replenishment will support developing countries around the world, including 20 countries in the Indo-Pacific, to respond to the health and economic shocks of COVID-19. IDA supports Australia's interests in developing high-quality

infrastructure in the Indo-Pacific region and provides strong incentives for countries to achieve sustainable debt practices.

Despite the continued challenge of border closures, limited mobility and disruptions to global supply chains, we sustained Australia's vital assistance to our region's recovery from the impacts of the pandemic and emerging challenges to food and energy security. Australia's development support is critical to building a more stable and prosperous region, and restoring progress towards the Sustainable Development Goals.

The following are examples of how our development program investments are promoting health security, stability and economic recovery.

Climate and Oceans Support Program in the Pacific

The Australian-funded Climate and Oceans Support Program in the Pacific (\$23.3 million, 2018–2022) is partnering with the Fiji Meteorological Service to produce high-quality climate monitoring and weekly through to seasonal climate prediction information. This climate information is being translated into local languages and disseminated to sugarcane farmers so they can plan and plant resilient crops.

Higher-quality seasonal climate prediction information will support Fiji's cane-farming community in becoming more resilient to climate change impacts such as cyclones, droughts and floods. A Fiji Sugar Corporation manager said:

'Sugarcane is a very resilient crop. So long-term forecasts are important, for example when the Fiji Meteorological Service forecasts about cyclones. It doesn't stop us from farming and cultivation but then we can be on the watch too. If there is a cyclone [we can explain] what to expect and once that cyclone has passed then we can look at ... what we can salvage from here [and] ... depending on the intensity of the cyclone or flood or drought, the amount of rehabilitation that we have to do in terms of input and field management.'

Investing in Women

The department implements Investing in Women, a \$102 million program that uses innovative approaches to improve women's economic participation as employees and as entrepreneurs, and to influence the enabling environment to promote women's economic empowerment, in the Philippines, Indonesia, Vietnam and Myanmar. Adapting to the challenges of operating during an evolving pandemic, the reporting period saw increased momentum among partners.

In 2021–22, private sector companies showed increased interest in workplace gender equality and accessing the training and other services of the Business Coalitions for Women's Empowerment that Investing in Women works with. Twenty workplace gender equality assessments were completed across the four countries in 2021–22. Collectively, building on the department's support through Investing in Women, the business coalitions now have 107 member companies representing over one million employees.

In 2021–22, gender lens impact investment for women's small and medium-sized enterprises continued to grow, with new investments into 35 women-owned enterprises. From January to June 2022, \$1.9 million of Investing in Women funding leveraged almost 10 times that value in additional private sector investment.

The reach of social norms campaigns significantly increased as partners' credibility grew, particularly in their messaging around work and family roles during COVID-19, engaging

109 million people in 2021–22. Campaign results reveal early positive changes in audiences' discussions of gender norms, and their attitudes and perceptions.

Expanding child safety nets in the Pacific and Timor-Leste

Australia's investments in social protection support partner governments to strengthen their systems to deliver reliable, effective safety nets for all citizens. A focus in 2021–22 was to expand coverage for early childhood to improve nutrition, health, education and poverty outcomes.

In June 2022, with Australia's technical and financial support of over \$7 million, the government of Timor-Leste launched a new cash transfer for pregnancy and early childhood. More than 3,500 pregnant women and parents of children aged 0 to 3 years signed up for the program in the first month.

Also in June 2022, Australia's financial contribution of \$21 million to the World Bank enabled sign-off on a US\$80 million World Bank loan to the government of Papua New Guinea to introduce the country's first social assistance program aimed at pregnant women and early childhood.

Both engagements demonstrate the importance governments in our region are placing on giving children the best start in life. They recognise the essential role of meeting children's basic needs to help them succeed in education and position them for future opportunities.



Ambassador to Laos, Paul Kelly, asks Lao teachers about their COVID-19 challenges and experience with the new primary school grade 3 curriculum that the Australian Government supported through the Basic Education Quality and Access in Lao PDR (BEQUAL) program. Credit: Khounkham Douangphachone/DFAT

Investing to expand women's access to finance in Southeast Asia

The department's Emerging Markets Impact Investment Fund (EMIIF) is investing \$26 million over 10 years to help grow and support small and medium-sized enterprises (SMEs) in Southeast Asia and the Pacific. Its first investment was to fund the provision of debt financing to fintech companies, with a mission to increase access to fair financial products and services. EMIIF's investment is expected to mobilise up to US\$36 million of additional commitments to the fund, supporting access to finance for up to 2,000 SMEs in Southeast Asia that had previously not had access to banking services, driving sustainable growth and COVID-19 economic recovery.

EMIIF selects investees who are committed to improving gender equality through investment. This first investment will help women overcome traditional barriers to finance by providing financial products that are accessible and do not require collateral. EMIIF is also providing technical assistance to support investees to improve their impact and gender lens investment approach, demonstrating that gender equality is good for people and good for business.

Expanding women's access to finance in Vietnam

EMIIF is investing US\$3.5 million into Ascend Vietnam Ventures' (AVV's) Alpha Fund, which is Vietnam's only venture capital fund that focuses on technology firms founded by women. Australian Government funding to AVV will mobilise up to \$70 million.

AVV invests in small and medium-sized Vietnamese businesses to improve livelihoods through technology-based solutions in health, education and financial services. In Vietnam, SMEs employ over 50 per cent of the labour force. Early-stage venture capital supports these businesses' growth – creating jobs, offering valuable products and services, and contributing to economic growth.

EMIIF will provide up to \$250,000 in tailored technical assistance to AVV – and the companies AVV invests into – to support and embed the measurement of social impact. AVV shows promise in becoming a standard setter for impact and gender lens investing, and influencing norms in Vietnam's fast-growing venture capital community.

Mobilising private investment in nature-based climate solutions

In March 2022, the Australian Climate Finance Partnership finalised its initial investment in the New Forests Tropical Asia Forest Fund 2 (TAFF2), supporting the uptake of sustainable forestry practices in Southeast Asia. Asia is the fastest-growing region for wood product demand. At the same time, overexploitation of natural forests has led to declining forestry production.

TAFF2 aims to bring around 10,000 hectares under sustainable forestry practices. Australia's US\$10 million investment will help mobilise an expected total fund size of US\$300 million and target climate, biodiversity and community livelihood outcomes associated with TAFF2 operations. Supported activities will include improved landscape management practices, conserving and enhancing ecosystem services, and supporting the livelihoods of local communities.

In 2021–22, Australia also provided separate design support for a new Asia climate-smart landscape fund in Indonesia. The fund aims to mobilise US\$200 million in new investment, providing long-term loans to small and medium-sized enterprises for sustainable agriculture, land regeneration and forest protection outcomes.

These investments leverage the Australian Government's development assistance to mobilise much larger levels of private sector investment into the region, amplifying the impact of Australia's climate finance assistance.

No.	Effectiveness measure	Target (2021–22)	Methodology	How we rate our performance
4.2	Timely and effective responses to humanitarian emergencies, including an enhanced Indo-Pacific ability to prepare for, respond to and recover from crises	<p>Australia responds within 48 hours of a request from a country in the Indo-Pacific</p> <p>Effective Australian Government responses to humanitarian crises, displacement and conflict measures through end of program reviews of protracted crises response packages and strategic partnership frameworks</p> <p>Australian support builds the capacity of Pacific governments and communities to better prepare for, respond to and recover from climate change and disasters</p> <p>Progress against strategic partnership framework implementation and renewals</p>	<p>Annual quality reporting and evaluations of Australia's humanitarian response efforts</p> <p>Qualitative analysis provided in end of program reviews</p>	On track

Performance against measure 4.2

We rate our performance against this measure as 'on track'.

We placed equal weighting on each of our four targets in the assessment of our progress.

Climate change, conflict and COVID-19 drove an increased demand for Australia's humanitarian assistance in 2021–22. This demand will grow in 2022–23 and beyond, particularly as the world food crisis accelerates and as conflict drives further displacement. Growing demand means that Australia's humanitarian program needs to continue to perform efficiently and effectively. It does this by working with trusted international partners, with sound cross-government collaboration – particularly with Defence – and through carefully targeted support to address those most at risk during disasters.

During the reporting period, the department allocated \$485.3 million to respond to disasters and protracted crises, including by building resilience. Our work ensured Australia met its commitment to respond to all requests for humanitarian assistance in the Indo-Pacific within 48 hours.

In 2021–22, Australia provided emergency assistance to more than 23 million vulnerable women, men, girls and boys in conflict and crisis situations. According to our internal performance reporting system, over 90 per cent of humanitarian investments achieved a rating of satisfactory or above against effectiveness and efficiency criteria.



An AUSMAT team arrives in Port Moresby, Papua New Guinea, in October 2021 to assist with the response to COVID-19 along with DFAT and Australian Defence Force officers. Credit: Cassie Cohen/DFAT

During 2021–22, Australia allocated almost \$33 million from the Humanitarian Emergency Fund to respond to COVID-19 throughout the region, including in Fiji, Papua New Guinea and Indonesia. We worked closely with partner governments to support local COVID-19 responses through the provision of personal protective equipment, test kits, oxygen concentrators and other specialist medical equipment. The department also coordinated the deployment of eight Australian Medical Assistance Teams (AUSMAT) comprising 60 medical, allied health and health logistics staff to support COVID-19 responses in Papua New Guinea, Fiji, Kiribati, Vanuatu, Solomon Islands and Timor-Leste. The AUSMAT personnel provided strategic and clinical advice to assist national COVID-19 responses, including on public health, critical patient care, infection prevention and control, and logistics for distributing medical supplies.

During this period, we started two independent reviews to assess performance – an evaluation of the Australia Assists program and a mid-term review of our humanitarian logistics capability. We also completed an internal review of our Myanmar and Bangladesh humanitarian programs.

Australia is committed to supporting climate and disaster resilience in the Indo-Pacific. Through our development program, we are working with our

regional neighbours to take inclusive approaches to risk reduction and climate action that address the differential impact that disasters can have within communities.

Our Australian Humanitarian Partnership (AHP) is a strategic 10-year (2017–2027) agreement between the department and Australian non-government organisations. Through the AHP, Australia works to increase disaster preparedness and strengthen local humanitarian capability in five target countries: Fiji, Vanuatu, Solomon Islands, Papua New Guinea and Timor-Leste. By the end of 2021, AHP preparedness activities had reached 167,233 people (51 per cent women; 3.16 per cent people with disability).

Australia Assists is a flexible civilian deployment capability that sends technical specialists to work with governments, multilateral agencies and communities to prepare for, respond to, and recover from disasters and conflict. During the reporting period, the Australia Assists program supported 23 humanitarian preparedness and climate change–related deployments to Fiji, Tonga, Samoa, Vanuatu and Solomon Islands that increased health security, maintained social stability and stimulated economic recovery. Through Australia Assists, the department also supported two Essentials of Humanitarian Practice courses in Fiji aimed at strengthening local capacity to respond to future disasters.

In 2021–22, the department provided more than \$320 million to international humanitarian organisations, including to support their operations in Bangladesh, Myanmar and Afghanistan. We also established new multi-year strategic partnership arrangements with four of our largest humanitarian partners: the World Food Programme, the United Nations High

Commissioner for Refugees, the United Nations Office for the Coordination of Humanitarian Affairs and the International Committee of the Red Cross. These partnership arrangements will support more effective and timely humanitarian responses through clear strategic objectives and strengthened safeguards and compliance measures.

Hunga Tonga–Hunga Ha’apai volcanic eruption and tsunami – Australia’s humanitarian response

On 15 January 2022, the Hunga Tonga–Hunga Ha’apai underwater volcano erupted, triggering a devastating tsunami and blanketing the Pacific island nation in ash. The tsunami caused the death of three people, temporarily severed domestic and international communications, and resulted in widespread economic damage.

Guided by the requests and priorities of the government of Tonga, Australia responded swiftly and comprehensively to the disaster, providing \$3 million in initial humanitarian assistance and an additional \$16 million to support Tonga’s recovery and bolster its COVID-19 response.

In the immediate aftermath of the disaster, we collaborated with local humanitarian networks including the Tonga Red Cross to distribute pre-positioned Australian humanitarian supplies, ensuring support rapidly reached affected communities. Over the following weeks, Australian vessels and flights delivered a further 370 tonnes of essential emergency relief supplies, including shelter kits, water, sanitation and hygiene kits, and engineering equipment.

The disaster prompted a global humanitarian response, and Australia played a key role in supporting the government of Tonga’s work to coordinate the relief effort, which had been affected in the early stages of the disaster by damage to communications infrastructure. Guided by the government of Tonga, Australia worked closely with France, New Zealand, Fiji, the United States, Japan, India and the United Kingdom to deliver humanitarian assistance, fostering a collective approach that strengthened the overall response.

Australia will continue to work in close partnership with the government of Tonga to support the recovery effort and strengthen local capacity to respond to future disasters.



High Commissioner to Tonga, Rachael Moore, and Tongan Prime Minister, Hon. Hu’akavameiliku, greet the first humanitarian flight into Tonga following the Hunga Tonga–Hunga Ha’apai volcanic eruption. The flight carried essential emergency relief supplies to support the government of Tonga’s response to the disaster. Credit: DFAT

Women leading disaster risk reduction in the Indo-Pacific

Women and girls are disproportionately affected by disasters yet are often excluded from decision-making that affects their livelihoods.

Australia recognises women and girls as community leaders, first responders and agents of change in preparing for and responding to disasters. We have committed \$13.5 million to the UN Women-led Women's Resilience to Disasters (WRD) program in the Pacific, which empowers women to lead on disaster prevention, preparedness and recovery. The goal of WRD is to make the lives and livelihoods of women and girls resilient to disasters and hazards, contributing to sustainable, secure and thriving communities. This year, WRD was launched in Fiji and Kiribati, with plans underway for Vanuatu. With Australia's support, UN Women also launched the WRD Knowledge Hub, a repository of knowledge, tools and resources on gender-inclusive disaster and climate resilience.

Australia also supports the Women's International Network on Disaster Risk Reduction (WIN DRR), in partnership with the United Nations Office for Disaster Risk Reduction. WIN DRR is a professional network to support women working in disaster risk reduction, to enhance their role in decision-making and leadership. In 2021, the department supported the first WIN DRR Leadership Awards to recognise women working in disaster risk reduction across Asia and the Pacific. Dr Vasiti Soko, Director of Fiji's National Disaster Management Office, and Dr Nuraini Rahma Hanifa, a leading Indonesian earthquake scientist and founder of the U-INSPIRE youth network, were selected as the inaugural winners.

No.	Output measure	Target (2021–22)	Methodology	How we rate our performance
4.3	Effective operational and organisational management of the development program, including in its planning, implementation and responsiveness	<p>Percentage of completed investments assessed as satisfactory against both effectiveness and efficiency criteria</p> <p>Percentage of investments effectively addressing gender equality and disability</p>	<p>Investment monitoring reports, country and regional progress reports and evaluations of Australia's development response efforts</p> <p>Qualitative analysis of progress against bilateral and regional <i>Partnerships for Recovery</i> plans</p>	On track

Performance against measure 4.3

We rate our performance against this measure as 'on track'.

The department acknowledges that the targets for this performance measure could be better defined and the methodology clarified. We will work to ensure these matters are considered and addressed in the next reporting period.

Effective planning, implementation and evaluation took place across the development program. The department adapted its operations to support effective responses to global and regional development challenges, including those brought about by the ongoing impacts of the COVID-19 pandemic. We achieved an increase in the percentage of completed investments assessed as satisfactory against both effectiveness and efficiency criteria for completed investments, and an increase in the percentage of investments effectively addressing gender equality and disability.

In 2021–22, the department continued rolling out the performance system underpinning the development program.

At the country and regional levels, 24 annual progress reports were published in November 2021, which detailed progress in implementing COVID-19

response plans. The reports detail achievements and progress against planned actions and performance indicators relevant to the country and regional contexts in which we work.¹

The cornerstone of the performance system is at the investment level. The department maintained its comprehensive system for assessing the progress and results of development program investments. Investment monitoring reports were prepared for investments worth more than \$3 million. For completed investments, the department's rigorous approach includes validation by a team of external independent monitoring and evaluation specialists.

In 2021–22, 344 investments were required to complete an investment monitoring report. Of these, 17 related to humanitarian investments and 45 – or 13 per cent – related to completed investments.²

Of the 344 investments, 85 per cent were assessed as satisfactory against both effectiveness and efficiency criteria in the investment monitoring report process. This reflects strong performance in delivering outputs in a difficult COVID-19 recovery environment. It compares to 88 per cent in 2020–21.

¹ Progress reports draw on investment reporting and other available resources.

² Final investment monitoring reports are prepared in the final year of implementation of an investment.

Of the 45 completed investments, 62 per cent were assessed as satisfactory against both effectiveness and efficiency criteria.³ While there is room for improvement, we assess this result as 'on track' given the continued challenges presented by COVID-19, which is impacting program implementation, and the uncertain and difficult operating contexts in which we are delivering development assistance.

When underperformance was identified, we developed and implemented targeted actions to address investment shortcomings. Of the 344 investments that completed the annual investment monitoring process in 2021–22, 22 investments (6 per cent) were identified as underperforming. Eight of these are continuing with management actions identified to improve performance and the other 14 are due to finish by the end of 2022.

Gender equality is central to development effectiveness, including COVID-19 response and recovery efforts. During implementation, our aid investment managers report – using ratings – on how well gender equality is being addressed in all investments over \$3 million. Of investments assessed through the investment monitoring process in 2021–22, 80 per cent of our development investments are performing satisfactorily in how they address gender equality in their implementation.

The department is ensuring people with disability participate in, and benefit from, Australia's development program on an equal basis with others, including through COVID-19 response and recovery efforts. Results for 2021–22 show that for all investments over \$3 million, 56 per cent effectively addressed disability inclusion.

In 2021–22, we continued to implement our annual development evaluation plan, conducting independent evaluations to inform our country, regional, global and sector development programs. We published 42 evaluations with management responses in 2021, and plan to publish up to 40 evaluations in 2022.

The department worked to enhance the transparency and accountability of the development program by improving the availability and consistency of information on the DFAT website. We continued to manage Australia's international development program reporting obligations to the OECD Development Assistance Committee and maintained our membership in the International Aid Transparency Initiative. In addition to performance reporting, we published an Official Development Assistance budget summary, an Official Development Assistance statistical summary, and a list of development investments between \$3 million and \$10 million. AusTender continued to provide centralised publication of Australian Government business opportunities, annual procurement plans, multi-use lists and contracts awarded.

3 This compares to 61 per cent in 2020–21. However, it is important to note that 2020–21 completed investments are different to those validated in 2021–22. The difference in investment monitoring report and final investment monitoring report results is partly attributable to the different assessment methodologies employed: the former assesses whether the investment is progressing as planned against set intermediary outputs, whereas the latter assesses the more challenging measure of progress in meeting intended outcomes over the life of the investment.

How we adapted our monitoring of development investments during the COVID-19 pandemic

The COVID-19 pandemic has had a profound impact on the delivery of Australia's international development programs. Travel restrictions and uncertain operating environments have increased the demand for new ways of working. While the pandemic disrupted business-as-usual activities, it created opportunities to work differently – adopting remote approaches to program delivery and monitoring and evaluation – and highlighted the value of localisation, as many programs and local actors stepped up to support Australia's COVID-19 response.

The Provincial Road Improvement and Maintenance (PRIM) program in Indonesia is just one of the many successful examples of how our development programs used remote monitoring and evaluation methods in response to the COVID-19 pandemic. Delivered under the Indonesia–Australia Partnership for Infrastructure, PRIM aims to improve subnational road maintenance planning and delivery using performance-based grants. These grant disbursements are conditional on verification by international technical advisers who visit worksites to confirm the work meets quality and contractual requirements. The impact of COVID-19 restricted travel, thereby impacting the ability of international technical advisers to make site visits.

The program was able to adapt its verification approach by engaging local consultant teams. Online training was provided by the international technical advisers and local experts to local consultants and provincial and district staff, who were then able to assess the quality of works for verification. An online verification process was also developed that enabled the local consultants to submit evidence for the disbursement-linked indicators. Subsequently, this evidence was able to be reviewed and analysed remotely for approval. The success of the approach highlighted the benefits of working with local partners, and investment in technology and capacity building for verifications to be independently carried out in the future. This is an innovation used during the pandemic that is now being mainstreamed and used more broadly.

Priority 5: Advance global cooperation

No.	Effectiveness measure	Target (2021–22)	Methodology	How we rate our performance
5.1	Australia's diplomatic and geostrategic efforts and financial contributions help shape institutions, rules, norms and standards in line with our national interests and values.	Alignment between statements from governments and multilateral institutions, and existing global rules, norms and values	<p>Qualitative analysis of Australia's engagement in UN reform</p> <p>Qualitative analysis of Australia's engagement in UN peacekeeping and peacebuilding</p> <p>Qualitative and quantitative analysis of resolutions and statements, primarily at the UN Human Rights Council, UN General Assembly</p>	Achieved

Performance against measure 5.1

We rate our performance against this measure as 'achieved'.

We used our positions on governing boards of the United Nations Development Programme, UNICEF, UNFPA and UN Women to advocate for continued reform of UN institutions to improve effectiveness, accountability and transparency. We delivered national statements and joined other member countries in support of further reforms needed to accelerate implementation of the Sustainable Development Goals, advance gender equality and women's empowerment, and manage misconduct. Our engagement helped shape key decisions, including bolstering reforms on preventing sexual exploitation, abuse and harassment.

Working across government, we provided policy and strategic advice for 13 Australian candidacies for senior multilateral leadership positions, with Australian candidates successful in nine of those campaigns. This included the election of Professor Hilary Charlesworth AM to the International Court of Justice and the re-election of Rosemary Kayess to the United Nations Committee on the Rights of Persons with Disabilities. We also supported other government agencies and parts of the department in their consideration of voting intentions for more than 90 multilateral elections. We strengthened collaboration with like-minded partners on candidacies, increasing burden sharing and coordination to better secure meritorious leadership with a commitment to good governance.

Russia's invasion of Ukraine and gross disregard for international law and human rights increased the strain on the multilateral system. Working closely with partners, we secured resolutions and other actions condemning Russia's aggression, strongly supporting Ukraine, and advocating for accountability and humanitarian initiatives. Key outcomes that Australian advocacy helped shape included the establishment of the Independent International Commission of Inquiry on Ukraine and Russia's suspension from the UN Human Rights Council.



With strong Australian Government support, respected lawyer and academic Rosemary Kayess was re-elected to the United Nations Committee on the Rights of Persons with Disabilities in June 2022. Ms Kayess is pictured with Australia's Permanent Representative and Ambassador to the United Nations, the Hon Mitch Fifield. Credit: DFAT

We delivered statements on the Responsibility to Protect principle and peacekeeping, as well as the Women, Peace and Security agenda, and maintained our status as a significant donor to peacebuilding efforts, underlining our enduring commitment to promoting security and stability both in our region and globally. Our management and payment of our assessed contributions for peace operations returned Australia to the UN honour roll. Our contribution to the Women's Peace and Humanitarian Fund resulted in our being appointed to the Funding Board for 2022. We contributed to consideration of the challenging issue of UN Security Council reform, including through our support for the Liechtenstein veto initiative, which requires the permanent five members (China, France, Russia, United Kingdom and United States) to explain to the UN General Assembly any use of the veto.

We strengthened our reputation as a defender of human rights, pushing back against efforts to weaken human rights norms and undermine full respect for international law by working closely with partners on the UN Human Rights Council. At the council's session in June 2022, Australia co-sponsored resolutions and statements on freedom of opinion and expression, eliminating violence against women, and human rights situations in Sri Lanka, Eritrea, Sudan and Belarus. We continued our strong advocacy in line with Australia's Strategy for Abolition of the Death Penalty. We committed to co-lead the biennial resolution calling for a moratorium on the death penalty to be considered at the UN General Assembly Third Committee in late 2022.

We progressed Australia's priorities relating to gender equality and social inclusion, particularly for people with disability, Indigenous peoples and LGBTI people. Our interventions and collaboration with like-minded states led to demonstrable progress in the use of more inclusive language within the UN human rights system. We were active negotiators and successfully pushed back on regressive language at the 66th session of the Commission on the Status of Women. We remain an active member of the Equal Rights Coalition, an intergovernmental network of more than 40 member states that provides leadership on the protection of the rights of LGBTI people, and on country situations, through information sharing and joint advocacy initiatives. We continued our strong advocacy for LGBTI rights in the UN Human Rights Council and at the UN General Assembly, where we joined the UN LGBTI Core Group statement condemning violence, harassment and discrimination against LGBTI people, calling on states to take positive measures to decriminalise homosexual activity.

As a strong supporter of the UN Declaration on the Rights of Indigenous Peoples, we continued to strengthen the rights and voices of Indigenous peoples in multilateral forums. Through our Indigenous Diplomacy Agenda, the department's foreign policy, trade, development and capability building supported the interests of Aboriginal and Torres Strait Islander peoples and those of First Nations peoples globally. We enabled the voices of First Nations multilaterally by securing climate language in a UN General Assembly resolution, following consultation with Australian Indigenous organisations that are not formally represented at the United Nations.

No.	Effectiveness measure	Target (2021–22)	Methodology	How we rate our performance
5.2	Our relationships with Europe, the Middle East, Latin America and Africa advance Australia's interests.	Positive regard for Australian interests increasingly identified in countries of Europe, the Middle East, Latin America and Africa	Qualitative analysis of case studies of influential engagement	On track

Performance against measure 5.2

We rate our performance against this measure as 'on track'.

The department acknowledges the recommendation from the Australian National Audit Office's pilot program findings that, where performance measures are based on case studies, the specific case studies should be clearly identified in the corporate plan. This did not occur for this reporting period. We will identify in advance appropriate case studies across Europe, the Middle East, Latin America and Africa for the 2022–23 corporate plan and annual report. For 2021–22, we can confirm that we continued to advance relationships with key influencers in countries of strategic importance, and enhanced cooperation with key partners to prosecute Australia's trade and investment interests.

Australia condemned Russia's unilateral, illegal and immoral invasion of Ukraine and worked closely with partners to support Ukraine and hold Russia to account. The government announced \$285 million in military assistance and \$65 million in humanitarian support. We enacted targeted financial and trade sanctions against 827 Russian individuals and 62 entities under our autonomous sanctions regime; imposed measures to ban certain imports (such as oil, coal and gas) and exports (such as alumina, wine and certain cosmetics); took actions to sideline Russia in international forums; and made a contribution of \$1 million and two junior professional officers to support an International Criminal Court investigation.



Former Foreign Minister Marise Payne meets Foreign Minister of Ukraine, Dmytro Kuleba, at the NATO meeting of foreign ministers in April 2022. Credit: Antje Devos/DFAT

Australia's prompt and significant response on Ukraine was very warmly received by European ministers and officials, both privately and publicly. It led to Australian participation in new groupings with European partners, including ministerial participation in the Russian Elites, Proxies and Oligarchs Task Force alongside France, Germany, Italy and other partners, and regular officials engagement in G7+ coordination meetings. We supported a strengthening of bilateral relations in Europe, including a reset of our critical relationship with France. We facilitated agreement with France to develop a new bilateral 'roadmap' covering defence and security; resilience and climate action; and education and culture.

Elsewhere, our strong and proactive engagement with European partners resulted in significant COVID-19 vaccine supply agreements during a period of increasing infection in Australia and limited vaccine supply globally. Our advocacy, coordinated with the Department of Health and other agencies, resulted in vaccine deals with the United Kingdom, Poland, Spain, Denmark, Portugal, Czech Republic and Slovenia. These arrangements contributed millions of additional vaccines to Australia's national stockpile.

Australia was able to leverage its longstanding political and defence relationship with the United Arab Emirates (UAE) and Qatar to obtain support from the UAE and Qatar in the evacuation of Australians from Afghanistan. In the three weeks after the fall of Kabul in August 2021, a whole-of-government operation (involving the Department of Defence, DFAT, the Department of Home Affairs and the Australian Border Force) evacuated Australians, Australian visa holders and others from Afghanistan. Other evacuees were transferred to Australia on flights through the UAE after crossing into Pakistan. In the following months, Qatar assisted Australia with the transfer of additional evacuees. As viable options to leave Afghanistan became increasingly difficult in late 2021 and early 2022, our constructive relations with Qatar meant that Qatar facilitated several flights out of Kabul to assist Australians and Australian visa holders to leave Afghanistan.

Reflecting high regard for Australia, the Qatar government agreed to host Australia's Interim Mission on Afghanistan.

The department successfully advocated a shelf-life extension for Australian vacuum-packed chilled meat sold to Kuwait. In June 2022, Kuwait announced an extended shelf life of up to 120 days for red meat and 90 days for sheep meat, creating enhanced market access for Australian exporters. There are promising indications that similar improvements in market access will follow in other Gulf Cooperation Council countries. These outcomes demonstrate positive regard for Australian interests through effective advocacy.

In Latin America, the department leveraged Australia's reputation as a reliable and quality producer to build opportunities in the agriculture sector to diversify our barley market with Mexico. This was especially important in the wake of restrictive tariffs affecting other markets. As a result, Australia's total agricultural, fisheries and forestry exports to Mexico increased from \$21 million in 2020 to \$172 million in 2021. This success has the potential to be expanded into other Latin American markets.

In Africa, our keynote address in Rabat at the launch of the Global Terrorism Index at a United Nations Office of Counter-Terrorism (UNOCT) event coincided with the launch of Australian funding to UNOCT's Rabat program office to deliver new training to improve Sahelian and West African capacity to combat terrorism. Australia's Ambassador for Counter-Terrorism participated in the Foreign Ministers of the Global Coalition to Defeat Daesh/ISIS meeting hosted by Morocco in Marrakesh, which reaffirmed shared determination to continue the fight against Daesh/ISIS through both military and civilian-led efforts, contributing to the enduring defeat of the terrorist group. Pursuing cooperation opportunities with Moroccan counter-terrorism stakeholders deepened diplomatic ties and showed Australian support for counter-terrorism capacity building, including in the Sahel region of West Africa, where Australia has substantial mining investments.

No.	Effectiveness measure	Target (2021–22)	Methodology	How we rate our performance
5.3	Strategic communications and global initiatives reflect Australian interests.	Increase in reach and engagement of official channels domestically and globally, compared to 2020–21	Internal and external monitoring and evaluation Social media data analytics and listening tools	Partially on track

Performance against measure 5.3

We rate our performance against this measure as ‘partially on track’.

The department uses a range of official channels to communicate, including traditional and social media, multimedia content, events and activities to connect with communities and stakeholders in Australia and overseas. During the reporting period, we engaged an external consultant to advise on the design and delivery of internal dashboards that accumulate quantitative and qualitative data sources on our reach and engagement with public audiences across various focus areas. We also engaged SEC Newgate to review the department’s communication training needs and develop a learning and development framework. We have implemented recommendations from that review.

The department also analysed global indexes annually to monitor Australia’s international standing and benchmark performance against competitors. Index results may guide future strategic communications and public diplomacy investments. These external sources include the Soft Power 30, Brandirectory and Anholt-Ipsos Nation Brands Index.

The methodologies for evaluating this measure will continue to be improved over the next reporting period.

Strategic communications

While COVID-19 continued to dominate communications efforts in the first half of the reporting period, we focused on clearly communicating Australia’s requirements as borders reopened amid ongoing risks associated with international travel in a complex global environment. We communicated the successful delivery of the International COVID-19 Vaccination Certificate to enable Australians

to travel internationally. Passport processing delays became an issue in the second half of the reporting period, and we focused on ensuring the public was aware of how best to seek assistance.



Beijing Consul, Tony Pobjie, carries out pre-polling preparations for overseas voting in the 2022 federal election. Credit: DFAT

We also provided communications content and advice to our overseas network in support of overseas voting arrangements for the 2022 federal election, and Australia’s support for Ukraine and measures against Russia through coordinated, accurate and timely messaging.

Social media

In respect of reaching public audiences, we consider ‘reach’ to be the number of times content is viewed or received by those public audiences, while ‘engagement’ relates to the number of times the public interact with our content by replying, liking, sharing or reacting. During the reporting period, the department’s social media communications reached a larger audience. Based on data from across the department’s various social media management platforms, our total number of

followers increased by 10 per cent compared to the previous reporting period – from 5,004,256 followers to 5,509,735 followers. However, the average overall engagement rate on the department's domestic and global social media content was slightly lower, decreasing by 0.9 per cent when compared to 2020–21 – from 6.3 per cent to 5.4 per cent. We attribute this decrease to the public's reduced need to share or ask questions on COVID-19-related matters.



As part of our public diplomacy efforts, Indigenous artist Baker Boy featured at the Aussie BBQ SummerStage, which showcased the best of Australia's music scene in New York City in June 2022. Credit: Ian Laidlaw

Public diplomacy

We continued to foster and strengthen people-to-people links via the promotion of Australian excellence, creativity and values. Our flagship public diplomacy program *Australia now* was successfully delivered in Malaysia and France. We delivered our largest ever cultural exchange between Australia and the United Kingdom – 'The Season of Culture' – in both countries in partnership with the British Council. We expanded our Indigenous public diplomacy program across the overseas network and – despite travel restrictions – continued to deliver our flagship sports diplomacy programs in the Pacific: PacificAus Sports and the Team Up sports for development program.

We enhanced public and official understanding of Australian foreign and trade policy through the department's Documents on Australian Foreign Policy series. We published *Australia and the World, 1931–1936*, by James Cotton, and

worked to finalise *Australia and Papua New Guinea: The Push to Independence, 1972–1975*, by Bruce Hunt and Stephen Henningham. We also made progress on a comprehensive history of the department and its antecedent agencies since Federation.

The department also played a key role in delivering Australia's successful participation in the Tokyo 2020 Olympics and Paralympics, held from July to September 2021. Staged under tight 'bubble' conditions due to the pandemic, the department worked closely with the Australian Olympic Committee and Paralympics Australia to ensure Australia's Olympians and Paralympians were safely able to participate in the world's largest sporting event. Despite COVID-19, Australia sent the largest ever offshore Olympics and Paralympics teams to Tokyo and the department coordinated across government with a range of agencies on comprehensive contingency planning for the Games.

The department undertook a comprehensive sports diplomacy campaign during the Tokyo 2020 Olympic and Paralympic Games, focused on showcasing Australia's sporting excellence and leveraging sport to deepen relationships. With the Australian softball team the first foreign team to arrive in Japan for the Olympic Games, Australia became a focus of the Japanese public, and Australia's sporting success ensured positive coverage in the Japanese press for the period of the Olympic and Paralympic Games.



Tokyo Embassy Public Affairs Counsellor, Tom Wilson, and embassy colleagues farewelling Australia's Paralympians after a successful campaign at the Tokyo 2020 Paralympic Games, held in August–September 2021. Credit: DFAT

No.	Output measure	Target (2021–22)	Methodology	How we rate our performance
5.4	The diplomatic and consular corps posted or accredited to Australia are satisfied with the delivery of protocol services.	Maintain satisfaction levels above 85 per cent	Qualitative assessment through a survey of the diplomatic corps	Achieved

Performance against measure 5.4

We rate our performance against this measure as 'achieved'.

The department acknowledges the recommendation from the Australian National Audit Office's pilot program findings that, where performance measures are based on surveys, an entity's corporate plan should specify in advance how the survey should be conducted and include survey size and an acceptable response rate. This did not occur for this reporting period. We will consider this for next year's annual report.

The department undertook the annual survey of the diplomatic corps in the period 18 to

26 May 2022. Of the 111 foreign missions in Canberra, 107 responded to the survey, exceeding the 101 responses received in 2021.

The survey included the specific question related to the diplomatic corps' satisfaction levels: 'How would you rate the services provided by Protocol Branch in support of your mission's ability to perform its functions?' In total, 96.3 per cent rated our services as either excellent or good. A further 2.8 per cent (three missions) rated our services as satisfactory. Combined, satisfaction levels reached 99.1 per cent in 2021–22.



Female leaders from the diplomatic corps in Canberra gathered in October 2021 to recognise women's contributions to global affairs and reaffirm Australia's commitment to working together on global challenges, including the rights of women and girls. Credit: Nathan Fulton/DFAT

No.	Output measure	Target (2021–22)	Methodology	How we rate our performance
5.5	Federal and state/territory governments support the department's approach and processes, and foreign diplomats' cooperation with Australia's health and other requirements is strengthened.	No target. <i>Rationale: Our engagement pertains to supporting coordination of quarantine arrangements for diplomats with relevant agencies. We are unable to set applicable annual targets during the COVID-19 response.</i>	Qualitative analysis of communication with federal, state and territory governments and amendment of the department's processes to align with changing state and territory requirements Qualitative analysis of regular communication with the diplomatic corps	Achieved

Performance against measure 5.5

We rate our performance against this measure as 'achieved'.

Building on our efforts during the COVID-19 response in the previous reporting period, the department's Protocol Branch maintained and further strengthened our close relationships with federal, state and territory health authorities during 2021–22. These relationships and effective two-way communication were instrumental in helping to navigate the linkages between diplomatic policy and public health policy.

Protocol Branch was in daily contact with federal, state and territory health authorities to manage quarantine arrangements for foreign diplomats in line with public health requirements and Australia's international obligations under the Vienna Conventions on Diplomatic and Consular Relations. As a result of this regular communication, the department was aware of, and able to quickly respond to, changes in public health requirements. This meant that the department's processes were regularly updated to align with health authorities' increased understanding of the rapidly evolving COVID-19 pandemic from a public health and epidemiological perspective. This included, for example, changes to the approach and framework for support to incoming foreign diplomats as health requirements for home quarantining changed.

We communicated regularly with the diplomatic corps on these changing quarantine arrangements. This included 66 Chief of Protocol messages to heads of mission over the reporting period. The diplomatic corps was very appreciative of our regular alerts and communication, as evidenced by the results in our annual survey. In response to our question, 'How would you rate the timeliness and quality of information provided by Protocol Branch relating to current issues, including COVID-19?', 100 per cent of the diplomatic corps rated our quality and timeliness as either excellent or good (78.5 per cent excellent and 21.5 per cent good). In addition to the survey, several missions expressed appreciation for the regular alerts and communication from Protocol Branch on COVID-19 issues and for our efforts to address their concerns.

Foreign diplomats continued to adhere to Commonwealth, state and territory processes with no known breaches of quarantine requirements during 2021–22. This demonstrates strong cooperation by the diplomatic corps and the rigour and effectiveness of the department's administrative procedures.

PBS OUTCOME 2

The protection and welfare of Australians abroad and access to secure international travel documentation through timely and responsive travel advice and consular and passport services in Australia and overseas

Priority 6: Support Australians overseas

No.	Effectiveness measure	Target (2021–22)	Methodology	How we rate our performance
6.1	The department maintains a high standard in processing passport applications, investigating and prosecuting fraud.	<p>95 per cent of passports processed within 10 business days</p> <p>98 per cent of priority passports processed within two business days</p> <p>100 per cent of identified high-risk passport applications scrutinised by specialist staff</p> <p>95 per cent of referrals to prosecuting authorities accepted for prosecution</p> <p>90 per cent of administrative investigations finalised within five business days</p>	Data on processing times and client satisfaction from the Australian Passport Office's passport systems	<p>Partially on track (July to March)</p> <p>Not on track (April to June)</p>

Performance against measure 6.1

We rate our performance against this measure as 'partially on track' from July 2021 to March 2022, and 'not on track' from April to June 2022.

All targets have equal weighting when rating our performance against this measure.

The department started the reporting period with close-to-record low demand for passports and ended it with unprecedented high demand. Data from the Australian Passport Office passport system shows we issued almost 1.5 million passports in 2021–22, nearly two-and-a-half times the previous year's total. Over 80 per cent (1.2 million) of these passports were issued following Australia's staged international border reopening from 1 November 2021. The rapid increase in demand continued through to the end of the reporting period. By 30 June 2022,

we were receiving between 13,000 and 17,000 applications per day, compared to between 7,000 and 9,000 prior to the borders closing. In this reporting period, 54 per cent of passports were processed within 10 business days, and 94 per cent of priority passports were processed within two business days. These processing times were impacted by the high demand for passports towards the end of the reporting period, which meant we did not meet our processing targets from April to June 2022.

We have put in place a range of measures that have positioned us well to meet continued high demand forecast in 2022–23 including a detailed operational surge plan to ramp up our production, call centre and processing capacity.

Despite the increased demand for passports, the Australian Passport Office maintained a high standard in processing passport applications, including investigating and prosecuting fraud. Specialist staff individually scrutinised 100 per cent of high-risk applications. We referred over 23,000 passport applications to the department's face comparison experts for specialist manual assessment. As a result, five cases of passport identity fraud were detected using facial recognition technology. We detected a further nine potential cases of passport identity fraud through other means.

We commenced 191 administrative investigations, of which 182 were completed during the reporting period. Of these, 48 required a delegate's decision, and all these decisions were

finalised within five business days. We refused to process 39 applications on suspicion of fraud or dishonesty in the application.

During the reporting period, we fell short of the referrals target, with 50 per cent of referrals to prosecuting authorities accepted for prosecution. The Commonwealth Director of Public Prosecutions accepted one criminal case we referred to it for prosecution, and it did not accept another case.

The Minister for Foreign Affairs cancelled 35 passports of reportable child sex offenders at the request of competent authorities (usually state or territory police). This action was taken under the *Australian Passports Act 2005*, which is administered by the department.

Figure 9 Passport statistics, 2021–22

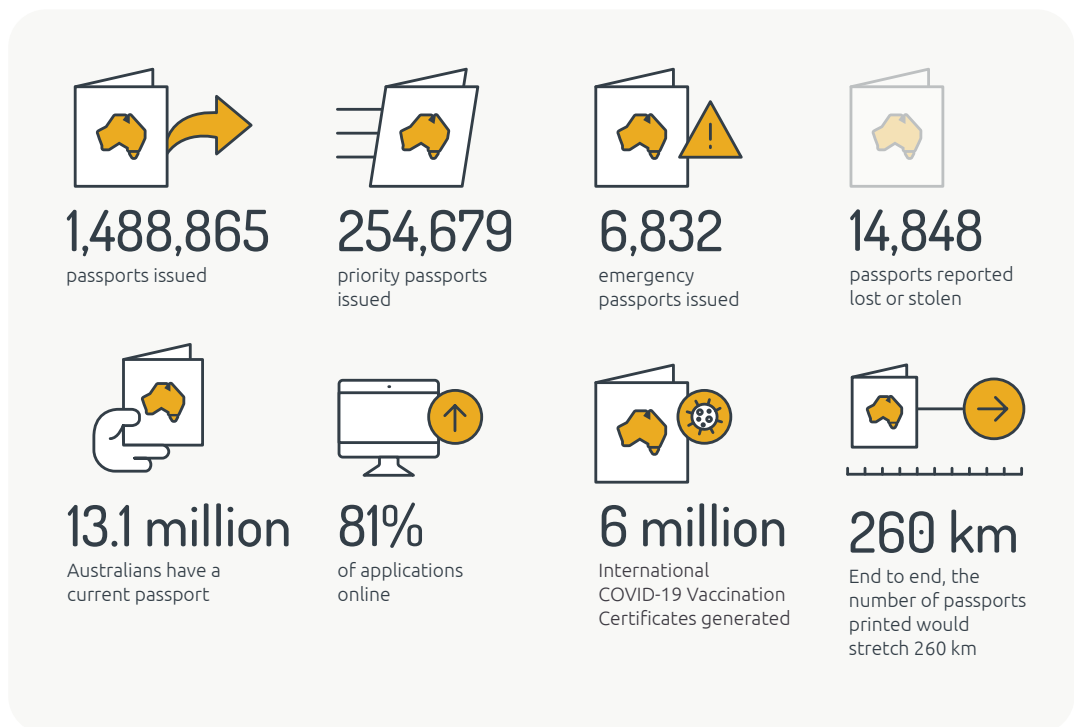
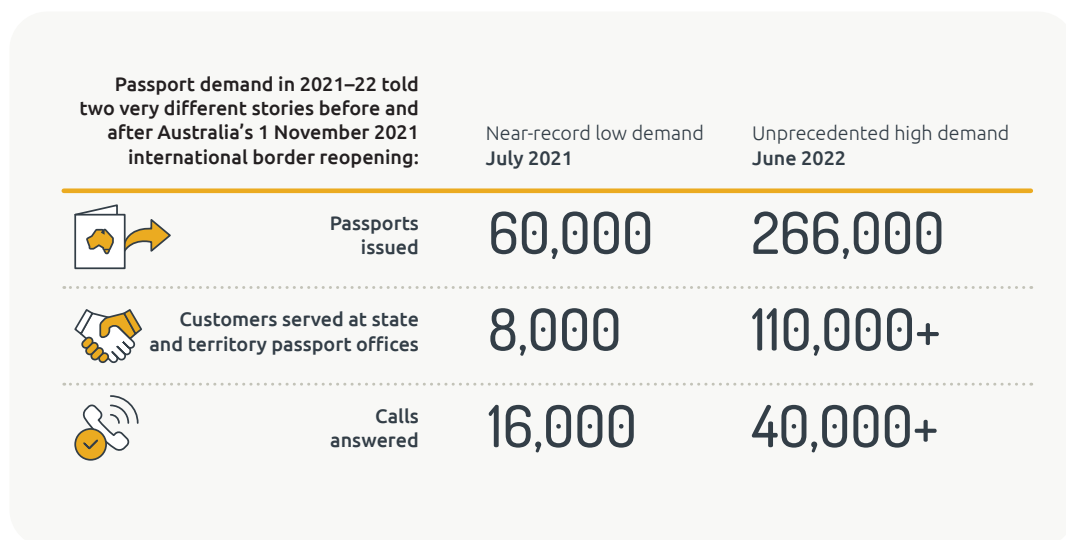


Figure 10 Passport demand before and after Australia's international border reopening

No.	Effectiveness measure	Target (2021–22)	Methodology	How we rate our performance
6.2	A responsive consular service through our 24/7 global network, focusing on Australians most in need	Relevant support provided to Australians overseas in need, including those who seek to return to Australia and/or have been impacted by COVID-19 and restricted by international travel or border settings	<p>Reports on consular cases from the department's Consular Information System and related systems</p> <p>Data on call volumes and wait times from the department's Consular Emergency Centre</p>	On track

Performance against measure 6.2

We rate our performance against this measure as 'on track'.

We provided a high level of consular support in line with DFAT's Consular Services Charter, which outlines the consular services and assistance provided by the Australian Government, including

limitations to that support. As outlined in the charter, our role is to effectively prepare for and manage overseas crises, empower Australians overseas to help themselves, and deliver a consular service focused on Australians most in need.

Consular support during the pandemic and other international crises

From 1 July 2021 to March 2022, our consular support focused on those Australians trying to return from overseas who were impacted by ongoing COVID-19 disruptions, including border arrangements, international passenger caps and quarantine requirements.

On 1 July 2021, there were 34,384 Australians still registered with DFAT as being overseas and seeking assistance to return to Australia. This number continued to fluctuate with changing conditions, overseas and domestically, eventually reducing to zero by March 2022. As Australia commenced its staged international border reopening on 1 November 2021, demand for consular support came largely from unvaccinated Australians, including those who could not access a Therapeutic Goods Administration-approved COVID-19 vaccine in their location. Officers at posts and in Canberra also provided consular assistance to Australians to access commercial flights, provided advice about border and vaccination requirements, and published accurate and timely travel advice via our Smartraveller website and social media channels. We updated travel advisories 1,410 times during the reporting period.

During the reporting period, we directly assisted 12,377 Australians to return home. Since the start of the pandemic (in March 2020), we have directly assisted 61,769 Australians to return home.

Based on data from the department's consular systems, we provided a significant part of this assistance through the continuation of the Facilitated Commercial Flights (FCF) program

and Special Overseas Hardship Fund, which operated until the end of March 2022. Through the FCF program, 12,181 Australians returned on 83 facilitated commercial flights during this reporting period. Since the start of the pandemic in March 2020, a total of 33,531 Australians returned on 227 facilitated commercial flights.

Through the Special Overseas Hardship Fund, we issued 5,833 loans and grants since the start of the pandemic, including 1,264 during the reporting period (compared to 4,569 loans in 2020–21). Loans and grants helped to cover emergency living costs while Australians awaited a flight home and supported the costs of a flight back to Australia.

In addition to supporting Australians during the COVID-19 pandemic, the department led the whole-of-government response to a number of international crises, including in Afghanistan, Ukraine, Tonga, Solomon Islands and Ethiopia.

In line with the Australian Government Crisis Management Framework, we supported whole-of-government responses to support Australians and their families during these crises by:

- chairing over 40 interdepartmental emergency taskforce meetings
- deploying 27 officers to support Australia's response to Russia's invasion of Ukraine and nine officers to support evacuations from Afghanistan, including crisis response team members
- maintaining 24/7 operations in DFAT's crisis centre for almost five weeks, to support our response to Russia's invasion of Ukraine.

Consular support

Throughout the reporting period, Australians overseas had access to 24/7 consular support through posts and the Consular Emergency Centre (CEC) 24-hour consular support phone line. Data on call volumes show the CEC responded to over 66,600 calls during the reporting period (compared with almost 54,000 in 2020–21). In the reporting period, data on wait times from the department's PABX system indicate the majority of calls to the CEC were answered in less than one minute. However, this timeframe was extended during some international crises. We managed 34,710 consular cases during the reporting period (compared with 38,784 in 2020–21). The number

of consular cases was greater than pre-pandemic levels despite the reduced number of Australians travelling during this period. In June 2022, the number of citizens departing Australia was down by 50.4 per cent compared with June 2019, while there was an increase of 5.2 per cent in consular cases.

We also made improvements in the way we analyse data and consular trends; this helped us to target our overseas consular support by allocating additional resources where Australians were most in need. Over the reporting period, we established three new consular specialist positions at overseas posts in Europe and Southeast Asia to support consular demand.



Deputy Head of Mission Robert Curtis issues a provisional travel document to a consular client at the Krakovets border crossing point, Ukraine, on the Ukrainian-Polish border on 30 March 2022. Credit: Bruce Edwards/DFAT

Table 2 Consular services provided to Australians, 2017–18 to 2021–22

Consular service	2017–18	2018–19	2019–20	2020–21	2021–22
Australian resident departures ¹	11,429,500	11,823,900	8,281,130	329,750	2,372,430
Total assistance – total number of cases of Australians provided with consular services	211,328	215,403	216,146	199,439	201,630
Notarial acts ²	199,448	201,696	175,033	160,655	166,920
Total number of cases involving Australians in difficulty who received consular assistance	11,880	13,707	41,113	38,784	34,710
Cases of Australians hospitalised given general welfare and guidance	1,585	1,506	1,555	798	911
Cases of Australians evacuated to another location for medical purposes	7	10	5	21	15
Cases of next of kin of Australians who died overseas given guidance and assistance	1,671	1,695	1,546	1,328	1,509
Cases of Australians having difficulty arranging their own return to Australia given guidance and assistance	44	23	297	236	59
Number of Australians who have been assisted in a crisis, including to return to Australia ^{3, 4, 5}	2,510	4,957	30,078	30,570	28,440
Number of Australians assisted to return (during COVID-19) ³	–	–	26,019	23,373	12,377
Number of vulnerable Australians assisted to return (during COVID-19) ^{3, 6}	–	–	–	4,521	2,475
Cases of Australians arrested overseas	1,540	1,572	1,443	755	773
Cases of Australians in prison	386	371	386	347	330
Cases of Australians given general welfare and guidance ⁷	4,137	3,573	5,803	4,729	2,673
Australians in financial difficulty who were lent public funds⁸	180	149	519	2,296	806
Number of Australians approved for Special Overseas Hardship Fund⁹	–	–	–	4,569	1,264

Note: The table layout has been adjusted since the previous annual report to more clearly report on consular services, including the subcategories of assistance provided to Australians.

1 Statistics draw from Australian Bureau of Statistics (ABS) data. Minor revisions to previous years reflect published ABS data. All figures include long-term and short-term departures of Australian residents.

2 Figures include notarial services performed by overseas posts, and services in Canberra and at state and territory offices in Australia.

3 In line with the Consular Services Charter, this includes assistance provided to Australian permanent residents to return to Australia. This includes a year-by-year breakdown of the total number of Australians assisted to return due to the COVID-19 pandemic (61,769 Australians over 2019–20 to 2021–22).

4 Prior to 2019–20, this category reported enquiries about Australians overseas who could not be contacted by their next of kin. Under the extraordinary circumstances of COVID-19, since 2019–20 this data has also captured the number of Australians who received crisis assistance during the period, including to return to Australia.

5 Figures include whereabouts enquiries (168).

6 Vulnerability status was not separately recorded prior to September 2020.

7 Welfare and guidance figure includes the following subcategories: general (3), welfare and other serious matters (2,329), theft (45), assaults (128), child parental responsibility (73) and child abduction/custody (95).

8 This figure includes those who received traveller emergency loans during the financial year, including loans issued as part of the Special Overseas Hardship Fund.

9 The Special Overseas Hardship Fund includes repatriation grants and/or loans. Payments may not have been received in the financial year.

No.	Effectiveness measure	Target (2021–22)	Methodology	How we rate our performance
6.3	Australians have information to prepare for safe travel overseas.	100 per cent of travel advisories reviewed biannually for posts in a volatile risk environment and/or where there are high Australian interests 100 per cent of travel advisories reviewed annually for all other posts	Data analytics and reporting from the department's Smartraveller website	Achieved

Performance against measure 6.3

We rate our performance against this measure as 'achieved'.

In 2021–22, we reviewed 100 per cent of travel advisories biannually for posts in a volatile risk environment and/or where there were high levels of Australian interests. We also undertook an annual review of 100 per cent of travel advisories for all other posts.

We communicated accurate and up-to-date travel advice via our Smartraveller website and social media channels and updated our travel advisories 1,410 times during the reporting period. This information was vital in helping Australians to prepare for safe travel overseas, to be self-reliant, and to be aware of the levels of consular services provided by the government.

Our Smartraveller travel advice evolved as the COVID-19 risks and requirements (such as changes to border measures, quarantine, and vaccination requirements) for Australian travellers changed. This included updated messaging for our Smartraveller advertising campaign, with research conducted to evaluate its performance and effectiveness. The campaign featured on social media, digital displays (including digital screens in retail settings) and Google search results. Advertising was translated into a range of different languages to target culturally and linguistically diverse audiences. The campaign performed strongly, bringing 2.4 million visitors to the website.

The global 'do not travel' advisory for all destinations was removed in October 2021, and a new COVID-19 health advisory was introduced in consultation with the Department of Health to inform Australian travellers of ongoing COVID-19 risks.

As Australia commenced its staged international border reopening on 1 November 2021, we saw an increase of over 150 per cent in user sessions (a group of user interactions on a website that take place within a given period) on the Smartraveller website, from an average of 170,000 sessions per week (in October 2021) to over 400,000 per week (in June 2022).

More than 14 million people used the Smartraveller website, with around 380,000 subscribing to travel advice (compared to over six million users and 265,200 subscribers in 2020–21). We published more than 1,000 Facebook posts and tweeted 921 times on DFAT's Twitter accounts.

Regular website and social media data and public sentiment reports helped identify key themes or issues of interest for travelling Australians; these helped form the basis for Smartraveller content updates and social media posts. These internal reports gathered quantitative performance data from social media and website analytics, as well as qualitative data from public enquiries, social media and calls.

This data was supplemented by regular internal reporting on consular caseloads, types of cases and location. We engaged regularly with our posts, assessment agencies and other government departments, comparing our advice with those of like-minded countries to support quality assurance of our travel advice and risk assessments. This information contributed to timely and better informed updates to Smartraveller travel advisories, which helped

Australians understand safety and security risks and be better prepared for safe travel overseas.

To inform the public about the types of consular services we provide, we published the annual Consular State of Play report, which included statistical reporting on consular services delivered by the department in 2020–21. Domestically, we engaged regularly with the travel, insurance and tourism industries, including through the Consular Consultative Group.

Figure 11 Smartraveller in numbers, 2021–22



Figure 12 Smarttraveller website use, 2021–22**Top 5 locations where people accessed the website**

Australia



United States



United Kingdom



Singapore



India

Top 5 most visited travel advice pages (unique page views)Indonesia
1,078,229United States
627,117Japan
543,751Singapore
532,800Thailand
521,340**Top 5 themes**COVID-19
requirementsTravel
insuranceReturning
AustraliansNotarial
servicesConsular
services

No.	Efficiency measure	Target (2021–22)	Methodology	How we rate our performance
6.4	Clients are satisfied with passport services, including online services.	60 per cent of applications commenced online	Data on processing times and client satisfaction from the Australian Passport Office's passport systems	Partially on track (July to March)
		85 per cent satisfaction rate of overall passport service from client survey		Not on track (April to June)

Performance against measure 6.4

We rate our performance against this measure as 'partially on track' from July 2021 to March 2022, and 'not on track' from April to June 2022.

While lockdowns and other COVID-19-related disruptions impacted our customers' ability to submit paper applications, both in Australia and overseas, our online services offered a quick and convenient alternative. In the reporting period and based on data from the Australian Passport Office's passport systems, 81 per cent of departmental customers started their applications online, exceeding our target of 60 per cent.

The department places a high priority on customer satisfaction with its passport services. To ensure rigorous performance measurement, we continued our quarterly independent surveys of customer satisfaction, conducted by Orima Research. Over the reporting period, an average of 80 per cent of respondents rated the department's passport services as satisfactory or very satisfactory, falling short of our target of 85 per cent. The overall satisfaction figure is based on answers to the question, 'How satisfied are you with your overall recent experience of lodging a passport application?' The final quarter (for 1 April to 30 June 2022) coincided with record high demand for passports, leading to longer-than-usual passport processing and call centre delays.

Australia's International COVID-19 Vaccination Certificate

On 19 October 2021, the Australian Government launched the International COVID-19 Vaccination Certificate (ICVC).

The ICVC was critical to supporting the staged reopening of Australia's international border from 1 November 2021, by providing a free, easy and secure way of enabling Australian travellers heading overseas to prove their COVID-19 vaccination status.

The Australian Passport Office (APO) designed and delivered the back-end solution for the ICVC. The certificate is world-leading in its use of visible digital seal technology for digital authentication. It is highly secure, interoperable and trusted by border authorities around the world.

The APO's hard work on the ICVC, delivered in record time, was later recognised in the Institute of Public Administration Australia (IPAA) Spirit of Service Awards for 2021–22, held in Canberra on 17 May 2022. The APO took out the IPAA's 'Breakthrough' category award. Winners in this category are chosen for developing novel products, processes or technologies to drive positive change in the Australian community.

No.	Output measure	Target (2021–22)	Methodology	How we rate our performance
6.5	The department is prepared to respond to overseas crises.	<p>100 per cent of crisis action plans reviewed and exercised annually for countries of resident accreditation</p> <p>Establishment of six new Regional Consular Officer positions across the network by June 2022 (one year target)</p> <p>Contingency planning and crisis management training is mandatory for all DFAT officers proceeding on long-term posting</p>	<p>Quantitative assessment of Crisis Action Plan updates</p> <p>Quantitative assessment of completion of contingency planning and crisis management pre-posting training</p>	Achieved

Performance against measure 6.5

We rate our performance against this measure as ‘achieved’.

The three elements of our crisis planning framework – crisis action plans, regional consular officers, and training on contingency planning and crisis management – all helped to ensure that our staff were prepared when responding to crises overseas. For this measure, our primary target is the annual review and exercise of all crisis action plans for countries of resident accreditation. The other two targets were given an equally lower weighting in rating our performance against this measure.

Crisis action plans

Crisis and contingency planning is an integral element of post operations and is essential to enable the department to meet its responsibilities under the Australian Government Crisis Management Framework. The head of mission or head of post is responsible for annual certification of each post’s crisis action plan, to ensure it provides an appropriate framework for the post’s response to incidents, events or crises that may affect the continuity of the mission, as well as broader Australian interests.

All posts certified that appropriate planning was in place to respond to a crisis. In 2021–22, 100 per cent of posts reviewed and exercised their crisis action plans (including through activating

their plans in crises) for countries of resident accreditation during the reporting period.

New regional consular officer positions

In the reporting period, we established six new regional consular officer positions in Berlin, Singapore, Washington DC, Doha, Hong Kong and New Delhi, bringing the number of regional consular officers across the network to 10 positions. These positions assist overseas posts within their regions with complex and time-critical consular cases and crisis and contingency planning. The six additional positions increased targeted crisis planning exercises, strengthening the crisis response capability of the overseas network.

Training

We delivered an Overseas Contingency Planning and Crisis Management training program for all staff proceeding on long-term posting, in accordance with mandatory training requirements. This course took place at least monthly, providing participants with an understanding of DFAT’s approach to overseas contingency planning and crisis management. Heads of mission and heads of post received targeted briefing and training in lieu of the training program.

We maintained records of training attendance in the department’s learning management system.

PBS OUTCOME 3

A secure Australian Government presence overseas through the provision of security services and information and communications technology infrastructure, and the management of the Commonwealth's overseas property estate

Priority 7: Provide a secure and effective overseas presence

No.	Effectiveness measure	Target (2021–22)	Methodology	How we rate our performance
7.1	Effective security management with evidence of risk-based decision making in line with the DFAT Security Framework	The department's protective security maturity rating is on an upwards trajectory	Qualitative assessment drawn from the Protective Security Policy Framework annual assessment	On track

Performance against measure 7.1

We rate our performance against this measure as 'on track'.

During the reporting period, we delivered on our Protective Security Policy Framework (PSPF) Implementation Plan to increase our protective security maturity.

The Attorney-General's Department sets the standard required for the PSPF annual assessment. The assessment allows us to identify those areas that need improvement and those that require sustainment. We developed the PSPF implementation plan following our 2020–21 assessment. The implementation plan focused on specific areas required to increase our security maturity, including cybersecurity, enhanced governance and physical security. In accordance with the implementation plan, we delivered

additional security training focused on the handling of classified information, increased our domestic physical security, and improved security infrastructure at DFAT-managed overseas missions.

To maintain our existing standards in personnel security, we made significant progress in digitising key aspects of the department's clearance process by prioritising enhancements to our security clearance management system. These steps, combined with the establishment of an enhanced personnel security capability, which was developed to integrate our personnel security approach, provided an increased analytical capability to ensure we continue to holistically manage personnel security risks relevant to our operating environment.

No.	Effectiveness measure	Target (2021–22)	Methodology	How we rate our performance
7.2	Enhanced oversight of the functionality and effectiveness of the security controls and mitigations in place across the network	Progress against key Security Enhancement Program milestones	Qualitative analysis drawn from assessment of the Security Enhancement Program milestones	On track

Performance against measure 7.2

We rate our performance against this measure as ‘on track’.

The Security Enhancement Program consists of nine projects, the progress of which (overall status, budget, schedule and achievement milestones) is reported quarterly to the program board. Based on this regular reporting and the assessment by the program’s independent assurance officer, all projects were on track for this reporting period.

The work completed as at 30 June 2022 included:

- improved security infrastructure at posts. We replaced 58 public screening machines at 32 posts and upgraded secure alarm systems at 21 posts. We are on track with plans to complete construction of a new mission in Abuja by 2025 and to deliver enhanced security at our embassy in Paris by June 2023
- a review of requirements for civilian armoured vehicles at seven high-risk locations, and replacement of 10 vehicles to mitigate work health and safety risks
- development of a comprehensive database of security measures. We are on track to embed this database into a new security equipment and measures system by mid-2023. This will centralise oversight and management of more than 10,000 security assets across the network
- continued support for our network of 32 regional security officers, providing global coverage and enhancing our ability to respond to risks and crises
- improvements to the department’s security clearance process to further develop our security clearance management system. This resulted in a 43 per cent increase in the number of clearances granted over the past year.

No.	Effectiveness measure	Target (2021–22)	Methodology	How we rate our performance
7.3	Robust security culture, evidenced by staff engagement with security policy and responsiveness to contemporary and innovative security materials and training programs	Progress against the Security Culture Implementation Plan	Qualitative analysis drawn from Security Culture Implementation Plan	On track

Performance against measure 7.3

We rate our performance against this measure as ‘on track’.

Following the completion and subsequent analysis of the 2020 security culture survey by an external consultant, the department developed an 11-point Security Culture Implementation Plan to address shortcomings identified in the survey. These covered the key objectives of approachability and accessibility, compliance and culture, professionalism, and training.

As at 30 June 2022, we had delivered four components of the Security Culture Implementation Plan, we were on track to deliver another five components, and the remaining two components were ongoing. As part of this work, we:

- delivered 156 security training courses, including a revamped security leaders course, a security refresher course for all Canberra-based staff, and a security

component as part of the department’s induction training course

- developed a security training framework that ensures our training is risk-focused and appropriate to the experiences of individual staff and the roles they are expected to undertake. The framework will also support more-targeted awareness briefings for posted dependants and tailored training for our locally engaged staff
- updated training requirements for both our regional security officers and all posted staff overseas
- delivered 10 innovative communications campaigns focused on protecting our information, particularly during the COVID-19 pandemic, while seeking to implement agile work practices
- commenced a review of the DFAT Security Framework to ensure it remains applicable and accessible, and to address new policy requirements.

No.	Efficiency measure	Target (2021–22)	Methodology	How we rate our performance
7.4	Construction and refurbishment of departmental overseas property estate completed to agreed quality standards to meet government requirements and deliver operational efficiencies	<p>Benefits identified in the approved business case are realised</p> <p>Off-site construction delivered to Australian Codes and Standards</p> <p>80 per cent of construction projects delivered on time and within approved budget</p>	<p>Quantitative analysis from asset management database</p> <p>Quantitative analysis of compliance with certification processes</p> <p>Actual budget spend and schedule assessed against approved forecasts</p>	Partially on track

Performance against measure 7.4

We rate our performance against this measure as ‘partially on track’.

COVID-19 significantly affected the progress of our overseas property projects as a result of reduced workforce mobility, supply chain interruptions and a worldwide shortage of containers. This means that project costs increased and timing for delivery of many projects was extended.

Despite the impact of COVID-19, we continued to ensure key milestones were achieved and capital works delivered. Eighty per cent of our construction projects were delivered

on time and within the approved budget.

All projects were quantified through biannual consolidated project reporting, which tracked project costs and delivery to ensure project milestones were achieved on time and within the approved budget.

We ensured that all offsite construction was delivered in compliance with – and that its intended use met – Australian codes and standards (or their approved equivalent overseas). This work was certified by the appropriate governing authorities. The department maintains a record of this certification and compliance.

No.	Output measure	Target (2021–22)	Methodology	How we rate our performance
7.5	Fit-for-purpose and secure ICT systems	<p>Number of security log events collected and complex use cases analysed will increase by 15 per cent</p> <p>No reduction in overseas partner agencies continued use of DFAT ICT systems</p>	Quantitative and qualitative analysis of progress against the department's ICT Strategy and Capital Investment Program	Achieved

Performance against measure 7.5

We rate our performance against this measure as 'achieved'.

The department continued to invest in information and communications technology (ICT) in line with our ICT Strategy and Australian Government digital initiatives, to build and maintain secure and resilient systems and deliver customer-centric digital services. Our investments under the capital investment program enabled more flexible information access while also providing adequate protections to combat sophisticated and evolving cyber threats. We exceeded our 15 per cent target for the 2021–22 reporting period for the number of security log events collected and complex use cases analysed.

During the reporting period, there was no reduction in usage of DFAT ICT systems by Australian Government partner agencies overseas. The department continued to fulfil memorandum of understanding arrangements with 41 partner agencies, 25 of which continued to utilise the department's ICT systems overseas.

We captured data on the usage of the department's ICT systems by partner agencies overseas through established management processes. The memorandum of understanding and cost recovery arrangements are reviewed annually.

No.	Output measure	Target (2021–22)	Methodology	How we rate our performance
7.6	Asset management plans are in place for all owned properties in the overseas estate.	100 per cent of asset management plans updated for all owned properties	Quantitative analysis of updated Asset Management Plans from the Property Management Database	Achieved

Performance against measure 7.6

We rate our performance against this measure as 'achieved'.

All asset management plans were updated for Commonwealth-owned properties in the overseas estate and included source information from:

- property condition scores from annual property inspection and condition reports
- annual revaluation program data (including updates to values, rents and conditions, and strengths, weaknesses, opportunities and threats (SWOT) analysis)
- updated subtenancy and vacancy data
- updated budgets for property operating expenses, major and minor capital works and other operating costs
- the updated property strategy from the annual portfolio strategic plan.

No.	Output measure	Target (2021–22)	Methodology	How we rate our performance
7.7	Satisfaction ratings with the performance of the service provider and the Overseas Property Office	Greater than 80 per cent satisfaction ratings of the service provider and Overseas Property Office	An annual customer satisfaction survey conducted by an independent third-party service provider	Achieved

Performance against measure 7.7

We rate our performance against this measure as 'achieved'.

As discussed in our assessment of performance against measure 5.4, the department will consider the use of surveys, including addressing any potential bias when assessing performance for next year's annual report.

Orima Research's 2021–22 survey of customer satisfaction with the department's Overseas Property Office and Services, and service

provider JLL's management of the domestic and international property portfolio, recorded ratings of 96 per cent and 93 per cent respectively. These results exceeded the 80 per cent satisfaction rating targets for 2021–22. The response options were based on a four-point scale ranging from excellent performance to unsatisfactory performance.

The survey had an 89 per cent response rate across overseas posts and key domestic property clients, and included questions on the timeliness and quality of maintenance requests, responsiveness of service, and project delivery.

No.	Output measure	Target (2021–22)	Methodology	How we rate our performance
7.8	Management and refurbishment of the domestic property portfolio, including the state and territory offices, to meet government requirements and deliver operational efficiencies	Reduction of average occupational density in the domestic property portfolio (per Department of Finance Australian Government Property Register (AGPR))	Property data reported to Department of Finance under the AGPR annual reporting requirement	On track

Performance against measure 7.8

We rate our performance against this measure as 'on track'.

The department continued to manage and refurbish the domestic property portfolio to meet government requirements and deliver operational efficiencies. Reductions in average occupational density in our domestic portfolio were achieved, according to the Department of Finance's Australian Government Property Register (AGPR).

Based on the 2020–21 AGPR data, received in October 2021, we achieved a 2.6 per cent reduction in average occupational density in our domestic property portfolio. This was achieved following the implementation of the pilot redesign project in the RG Casey Building in Canberra, which enabled us to increase our fit-out density.

Report on financial performance

HOW WE ARE FUNDED

The Australian Parliament, via the Appropriation Acts, provides the department with two types of funding: departmental and administered.

Departmental resources are used to develop and implement policies and deliver services (programs). Departmental financial statements include the activities of the Overseas Property Special Account, which manages the Commonwealth's overseas property portfolio.

We also administer payments, revenues, and other resources on behalf of the Australian Government, including the Official Development Assistance program. A shaded background in our financial statements indicates information that relates to an administered resource.

See also 'Managing our finances' (pages 113–115) and the financial statements (pages 118–194).

DEPARTMENTAL OPERATING RESULT

While the department's operations have steadily been returning to pre-COVID-19 settings, the pandemic and associated supply chain issues continued to have an impact on 2021–22 expenditure and revenue. The easing of international travel restrictions led to increased demand for passports, resulting in a rise in

production costs and passport revenue compared to the previous financial year. The depreciation of the Australian dollar resulted in higher operating expenses overseas and significantly impacted adjustments for the revaluation of the department's assets and liabilities.

Table 3 Trends in departmental finances

		2021–22 \$ million	2020–21 \$ million	Change \$ million
Revenue from the Australian Government		1,642.3	1,581.8	60.5
Other revenue		172.2	179.1	–6.9
Total income		1,814.5	1,760.9	53.6
Employee benefits		913.5	841.5	72.0
Suppliers		636.7	514.0	122.7
Other expenses		411.9	468.4	–56.5
Total expenses		1,962.1	1,823.9	138.2
Deficit from continuing operations		–147.6	–63.0	–84.6
Financial assets	A	1,242.4	1,070.9	171.5
Non-financial assets	B	5,076.6	4,981.3	95.3
Liabilities	C	1,681.5	1,583.3	98.2
Net assets (A+B–C)		4,637.5	4,468.9	168.6

REVENUE

The department reported \$1,814.5 million of revenue in the Statement of Comprehensive Income, comprising:

- \$1,642.3 million of appropriation revenue from government
- \$142.0 million of own-source income
- \$30.2 million in gains including sale of assets.

This represents an increase of \$53.6 million from 2020–21. The main factor contributing to this movement is an increase in appropriation

revenue from government, including funding for new measures such as *Supporting Australians Overseas* and *Enhanced Trade and Strategic Capability*.

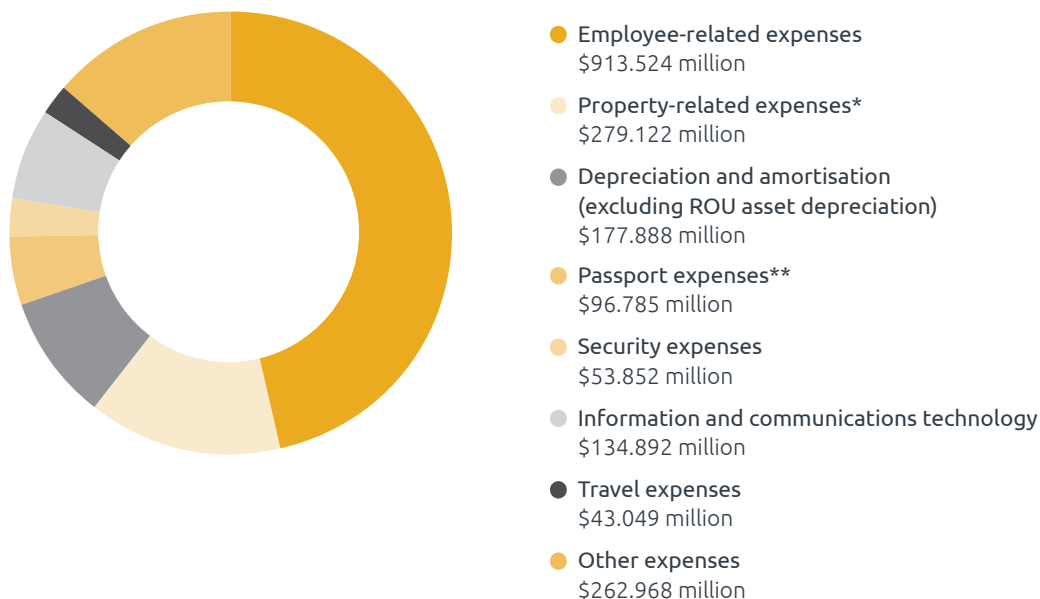
The department also reported a \$119.1 million gain from asset revaluation movements in the Statement of Comprehensive Income. This is recorded directly as equity on the Statement of Financial Position and is not incorporated into the departmental deficit from continuing operations.

EXPENSES

The department reported \$1,962.1 million of expenses in the Statement of Comprehensive Income. This is an increase of \$138.2 million from 2020–21.

The main factors contributing to the movement in 2021–22 were:

- an increase in employee expenses of \$72.0 million, primarily due to the increase in number of employees
- an increase in supplier expenses of \$122.7 million, resulting from travel restrictions easing during the year, in turn resulting in
- increased spending on passport production, travel and office expenses. Geopolitical instability also resulted in higher expenditure on facilitated evacuation expenses
- a decrease in writedown and impairment of other assets of \$47.1 million. The prior year included costs associated with the closure of the Kabul embassy, which resulted in write-off of plant and equipment and right-of-use lease assets (in line with Australian accounting standard AASB 16 *Leases*) from the Statement of Financial Position.

Figure 13 Summary of departmental expenses

* Property-related expenses include depreciation on right-of-use (ROU) property assets under AASB 16 *Leases*.

** Passport expenses only include the direct supplier costs for passport production.

ASSETS AND LIABILITIES

The department reported a strong net asset position of \$4,637.5 million in the Statement of Financial Position, with liabilities equating to 27 per cent of the total asset base.

This is an increase of \$168.6 million from 2020–21. The main factors contributing to the movement in 2021–22 were:

- an increase in land assets of \$64.5 million and building assets of \$54.7 million due to the weakening in AUD exchange rates resulting in a revaluation increase
- an increase in appropriations receivable of \$108.7 million due to an increase in appropriation revenue in 2021–22 and a decrease in drawdowns due to lower spending from COVID-19 impacts on business as usual
- an increase in other payables of \$30.1 million from the increase in deposits held from other government agencies relating to property projects
- an increase in employee provisions of \$33.2 million from the increase in number of employees and the impacts on existing leave balances of pay increases during the year.

ADMINISTERED PROGRAM PERFORMANCE

In 2021–22, expenses administered by the department on behalf of government were \$4,176.3 million, a decrease of \$533.6 million from 2020–21. The movement is attributed to a decrease in multilateral replenishments and other loans of \$397.7 million, resulting from a reduction in the value of new pledges in line with the pledge cycle and our commitments agreed with the World Bank. In addition, international development assistance decreased by \$82.3 million due to the completion of some temporary and targeted measures introduced in response to COVID-19; see Priority 4 for more information on the department's international development program.

In 2021–22, income administered by the department on behalf of government was \$716.1 million, which is \$392.4 million higher than 2020–21. The movement is due to an increase of \$355.3 million received in passport,

consular and other fee revenue resulting from the easing of COVID-19 travel restrictions. The increase in other revenues and gains of \$35.8 million results from the impact of movement in discount rates on remeasurement of multilateral replenishments.

Total other comprehensive income for 2021–22 was a \$392.1 million loss, a decrease of \$398.0 million from 2020–21. Fair value movements in defined benefit plan liabilities and multilateral equity instruments as assessed by independent experts, and the movement in the net asset position of portfolio agencies Export Finance Australia and Tourism Australia, are reflected in these figures. The valuation movement has decreased significantly from 2020–21, particularly in regard to multilateral equity instruments, which decreased by \$426.6 million.

Table 4 Trends in administered finances

		2021–22 \$ million	2020–21 \$ million	Change \$ million
Fees and charges		540.9	185.6	355.3
Other income		175.2	138.1	37.1
Total income		716.1	323.7	392.4
International development assistance		3,490.9	3,573.2	–82.3
Multilateral replenishments and other loans		32.4	430.1	–397.7
Other grants and contributions		437.5	521.0	–83.5
Payments to corporate Commonwealth entities		135.3	139.4	–4.1
Other expenses		80.2	46.2	34.0
Total expenses		4,176.3	4,709.9	–533.6
Financial assets	A	2,992.9	3,425.2	–432.3
Non-financial assets	B	0.5	0.7	–0.2
Liabilities	C	1,838.9	2,163.5	–324.6
Net assets (A+B–C)		1,154.5	1,262.4	–107.9



03 MANAGEMENT AND ACCOUNTABILITY

Corporate governance

The department's governance and committee arrangements enable senior leaders to guide the direction of work across policy, program and service delivery priorities. Our arrangements facilitate the efficient escalation and resolution of issues and support the Secretary to discharge her responsibilities under relevant legislation.

SENIOR MANAGEMENT COMMITTEES AND THEIR ROLES

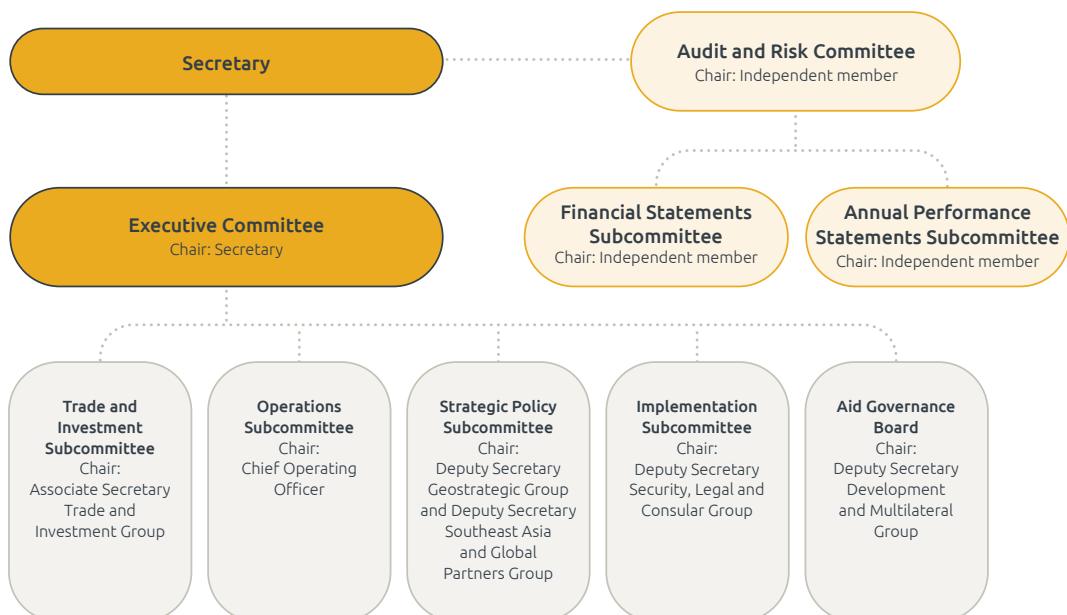
From July 2021 to March 2022, the Secretary chaired the department's two primary governance bodies – the Strategic Policy Committee and the Performance, Risk and Resourcing Committee. These committees were supported by the Operations Committee and the Aid Governance Board, both chaired at deputy secretary level.

The remit of the Strategic Policy Committee was to define the department's strategic priorities and ensure a coherent policy approach across the department. The Performance, Risk and Resourcing Committee focused on enterprise risk and performance during its oversight of the delivery of programs and services.

The Operations Committee was responsible for supporting the effective functioning of the department and directed the management and delivery of enabling functions and corporate services. The Aid Governance Board oversaw the development program, ensuring alignment with the government's strategic priorities, effective impact and value for money.

In April 2022, the department implemented a new committee structure designed to better support and enhance effective decision-making and accountability. The **Executive Committee** was established as the department's most senior governance forum.

Figure 14 DFAT governance committee structure, at 30 June 2022



The Secretary chairs the Executive Committee, and the Associate Secretary and all deputy secretaries are members. The Executive Committee guides the overall strategic direction of the department, oversees financial and operational performance through the allocation of resources, resolves major issues, manages enterprise risks, and ensures accountability and regulatory requirements are met.

To ensure enterprise consideration of strategic and operational priorities, the Executive Committee is supported by **five subcommittees**, chaired by the associate secretary and deputy secretaries, with Senior Executive Service (SES) Band 2 officers serving as members and independent members providing fresh perspectives. These subcommittees regularly report and escalate matters for decision-making to the Executive Committee.

The **Trade and Investment Subcommittee** provides advice on the strategic direction and priorities of trade and investment policy and ensures accountability and regulatory requirements are met. A representative from Austrade is a member.

The **Operations Subcommittee** is responsible for supporting the delivery of government requirements through oversight of the department's workforce, enabling functions and strategies for promoting diversity and inclusion. The committee's membership includes an independent member.

The **Strategic Policy Subcommittee** provides advice and support to define strategic foreign policy priorities, fostering a coherent and integrated approach and driving engagement with ministers and government through the department's Cabinet and National Security Committee strategy.

The **Implementation Subcommittee** is responsible for overseeing the risks, resources, outcomes and performance associated with delivering major projects and ensuring the department is responsive to emerging risks and the implementation of the whole-of-government agenda. The committee includes two external representatives from the Australian Public Service (APS).

The **Aid Governance Board** oversees the development cooperation program and acts as an advisory body to the Executive Committee.

It ensures the development cooperation program is aligned with the government's strategic priorities, achieves development impacts and promotes value for money. It has two independent members.

The **Audit and Risk Committee** (ARC) provides independent advice to the Secretary on the appropriateness of the department's financial and performance reporting, risk oversight and management, system of internal control, and associated compliance frameworks, to enable the department to meet its external accountability responsibilities.

The ARC has five independent members, including the chair. Members bring a broad range of private and public sector experience and skills including strategy, policy, risk management, performance, security, finance, legal, compliance and project management. The Australian National Audit Office attends as an observer. See [Appendix 5](#) for further details.

The ARC operates in accordance with section 45 of the *Public Governance, Performance and Accountability Act 2013* and section 17 of the *Public Governance, Performance and Accountability Rule 2014*, as articulated in its charter, which is available at dfat.gov.au/about-us/corporate/corporate-information-and-resources/audit-and-risk-committee.

The ARC is supported by two subcommittees. The Annual Performance Statements Subcommittee supports the ARC to perform its functions and meet requirements in relation to reviewing and giving independent advice on the appropriateness of the department's non-financial performance reporting. The Financial Statements Subcommittee supports the ARC to meet its requirements in relation to reviewing the appropriateness of the department's financial performance reporting.

The Chief Auditor leads the Internal Audit Branch, providing independent assurance and advisory services to the Secretary on governance matters, managing risks and implementing systems for internal control in relation to business performance and conformance. The Internal Audit Branch also works with the ARC and second-line assurance functions to promote accountability, transparency, performance and sound governance within the department.

COUNTERING FRAUD

In accordance with the Commonwealth Fraud Control Framework, we continued to have in place appropriate mechanisms to prevent, detect, respond to and report on fraud, as outlined in the department's fraud control plan. We managed fraud risk by maintaining effective detection, reporting and case management systems, and

by undertaking regular fraud risk assessment. We provided mandatory training and targeted communication to increase awareness. To strengthen our understanding of fraud risk exposure and to identify treatments, we engaged with like-minded partners internationally and across the Commonwealth.

ENTERPRISE PLANNING AND PERFORMANCE

The department is committed to ongoing improvement of our planning and performance processes as part of our accountability and transparency to ministers, parliament and the Australian people. We plan, monitor and review our policy outcomes and our service delivery to Australians. Measuring our impact in a fluid global operating environment can be challenging. We use a number of methods to test our success, ensuring that we draw on reliable and verifiable information to provide an unbiased basis for measurement. We are continuing to update our planning and performance framework to build a more robust performance culture.

Our performance framework is as follows:

- **Plan:** The corporate plan is the department's primary planning document and sits alongside the portfolio budget statements. It informs work areas' business plans. These in turn are reflected in individual performance and development agreements. This cascading system is designed so our people have a direct line of sight between their daily work and the department's goals.

- **Monitor:** We regularly monitor the department's performance against relevant performance measures in the corporate plan and portfolio budget statements, to track progress towards intended results and make adjustments as necessary.
- **Review:** Once a year, the department assesses its achievements against each performance measure, including how we demonstrate our results. This assessment is provided to the Executive Committee to endorse the results for reporting in the annual performance statements.
- **Learn:** The department provides feedback to business units on their performance. Business plans are living documents and we encourage teams to update these to reflect factors influencing our national and international operating environments, feedback and lessons learned.

VALUES, CONDUCT AND ETHICS

The highest standards of integrity, conduct and professionalism are fundamental to our work in Australia and overseas. In 2021–22, we provided advice to staff on ethical behaviour and integrity, and investigated allegations of fraud and misconduct involving staff, including locally engaged staff overseas. The department's Ethics, Integrity and Professional Standards Policy Manual clearly sets out the standard of behaviour expected of our employees and contains our policies and procedures. The manual is available on our website.

The department continued to provide advice and guidance to employees about procedures for dealing with public interest disclosures made by a public official under the *Public Interest Disclosure Act 2013*. Consistent with the Act, the department supports staff to report wrongdoing in the APS and will act on disclosures as appropriate. We protect disclosers from any reprisals or threats of reprisals as a result of making a disclosure. No public interest disclosures were received in 2021–22.

In 2021–22, 62 allegations of misconduct were reported to our Ethics, Integrity and Professional Standards Section. All matters were assessed, with 12 investigations formally commenced in the reporting period, and five investigations continuing from the previous reporting period. Of these 17 investigations, 12 investigations were completed and five remain ongoing. Where a breach was found, sanctions applied included formal reprimand, reassignment of duties, reduction in classification and termination of employment.

The department made several changes to the way we declare, manage, record and monitor real or apparent conflicts of interest. This included the introduction of an online reporting form and Secretary approval of all annual declarations of conflicts of interest from our SES cohort. The introduction of the online reporting form saw the department achieve record compliance levels, including 100 per cent compliance for the SES cohort.

The department's Preventing Sexual Exploitation, Abuse and Harassment Policy applies to all staff and everyone we partner with. We adhere to and promote this policy by choosing to partner with, and fund, only those organisations prepared to meet the standards we set. Consistent with best practice and our commitment to accountability and transparency, we received 86 external notifications from our partners in 2021–22, and four internal notifications, of alleged sexual exploitation, abuse or harassment. When the department receives a notification relating to a partner organisation, we oversee the response to the alleged incident to ensure it meets our standards. Notifications involving a possible extraterritorial offence are referred to our Transnational Crime Section for potential referral to the Australian Federal Police. Any notifications involving departmental staff members as either alleged victim-survivors or alleged perpetrators are referred to the department's Ethics, Integrity and Professional Standards Section.

We manage sexual assault and harassment allegations under subsection 13(3) of the *Public Service Act 1999* for APS employees. For locally engaged staff, matters are managed through the locally engaged staff code of conduct. Allegations made against contractors are referred to the agency that employs them for action under their guidelines. For Australia-based staff, our procedures for dealing with sexual assault and harassment allegations are outlined in our anti-bullying, harassment and discrimination policy, which provides staff with avenues for reporting allegations and for seeking advice and support.

Where allegations of criminal conduct are received, we refer these to the appropriate law enforcement agency; during the reporting period, one matter involving a locally engaged employee was referred to local law enforcement following termination of their employment, and one matter involving an APS employee was referred to the Australian Federal Police.

ENGAGING WITH RISK AND BUSINESS CONTINUITY

Appropriately engaging with risk is a normal part of the department's business, both in developing policy and ensuring that our global programs and services can be delivered safely, efficiently and effectively. The department's risk management framework is well established and forms the basis of how the department identifies, engages with and manages risks and opportunities. In supporting Australia's COVID-19 recovery, we have continued to address risks to our national interests, navigating a complex operating environment, managing a surging demand for our services, and ensuring the wellbeing of our people both in Australia and across our overseas network.

The department encourages development of a positive risk culture by supporting individuals to actively engage with risk to identify and harness opportunities. Our Risk Management Guide provides direction for line areas to identify, analyse, allocate and treat risks in an informed fashion while pursuing organisational priorities, and outlines our tolerance and appetite for engaging with risk to deliver policy outcomes, programs and services for government. The department's Chief Performance and Risk Officer and specialist risk staff support line areas to implement this framework and manage their risks.

Our enterprise risks are managed through our Enterprise Risk Register. The enterprise risks are reviewed by the department's senior management at least three times a year and are subject to regular oversight through senior governance committees, including the Executive Committee and Operations Subcommittee. This includes a program of deep dives into each enterprise-level risk to provide greater clarity on the drivers of each risk. These reviews provide assurance of the critical controls we rely on to manage our operations and keep risk at the core of our strategic decision-making processes.

Drawing from the lessons learned during the COVID-19 response and recovery, we have continued to strengthen our business continuity arrangements. Our business continuity framework has enabled effective leadership, coordination and communication across our business to maintain focus on organisational outcomes during uncertain times.

The business impact analysis we commenced in 2020–21 has been completed and has greatly assisted in shaping improvements to our processes and framework. By identifying our time-critical functions for Canberra operations, we are better positioned to respond to and recover from future disruptions. With the analysis of Canberra operations completed, we have commenced the rollout of business analysis to our state and territory offices.

External scrutiny

COURTS AND TRIBUNALS

We managed a range of legal matters before courts and tribunals during the reporting period. The department complied with discovery, subpoena and other document production obligations in a range of matters. This included matters brought against the Commonwealth and other Australian Government agencies.

The department continued to manage claims across various jurisdictions. In 2021–22, nine claims were commenced in the Administrative Appeals Tribunal, six of which were resolved. Eight claims remained ongoing at the end of the financial year, including claims commenced in a previous financial year.

The department facilitated, via diplomatic channels, the service of documents and taking of evidence in private litigation in matters brought overseas and in Australia. We also facilitated the service of documents on foreign states in a number of matters under the *Foreign States Immunities Act 1985*.

FREEDOM OF INFORMATION AND PRIVACY

In 2021–22, the department finalised 377 freedom of information (FOI) requests. This reflects a sustained surge in the number of FOI requests received by the department in recent years. Consistent with the requirements of the *Freedom of Information Act 1982*, we continued to publish information under the Information Publication Scheme contained in Part II of the Act. The content is available at dfat.gov.au/about-us/corporate/freedom-of-information/pages/information-publications-scheme.

The department strengthened its privacy governance framework and developed additional tools to promote privacy compliance. We recorded no eligible data breaches under the Office of the Australian Information Commissioner's Notifiable Data Breaches scheme. In 2021–22, 43 non-notifiable data breaches were managed under the department's internal compliance framework. The Australian Information Commissioner received one privacy complaint about the department.

The department put in place a framework to facilitate lodgement of data-sharing applications and guide compliance with the *Data Availability and Transparency Act 2022*.

ACCESS TO ARCHIVES

In 2021–22, the department finalised 491 advices to the National Archives of Australia on international relations public access applications under the *Archives Act 1983*.

PARLIAMENTARY COMMITTEES OF INQUIRY

Information on the department's engagement with parliamentary committees of inquiry is in [Appendix 8](#).

REPORTS BY THE AUDITOR-GENERAL

The Auditor-General tabled in parliament the following reports by the Australian National Audit Office (ANAO) related to the department's operations:

- Report No. 39 of 2021–22: *Overseas Crisis Management and Response: The Effectiveness of the Department of Foreign Affairs and Trade's Management of the Return of Overseas Australians in Response to the COVID-19 Pandemic* – the audit assessed the effectiveness of the department's overseas crisis management and response arrangements in meeting the government's objectives for returning Australians from overseas in response to the COVID-19 global pandemic.
- Report No. 12 of 2021–22: *Management of International Travel Restrictions during COVID-19* (cross-entity audit) – the audit assessed the effectiveness of the management of international travel restrictions during the pandemic.

Details of these reports, including our response, are available on the ANAO website.

COMMONWEALTH OMBUDSMAN

The Commonwealth Ombudsman commenced nine investigations in 2021–22 with respect to the department's activities. At the end of the financial year, five claims had been resolved, with four claims remaining active.

AUSTRALIAN HUMAN RIGHTS COMMISSION

The Australian Human Rights Commission received four claims with respect to the department's activities in 2021–22. Two claims were resolved, and two remained ongoing at the end of the financial year.

COMPENSATION FOR DETRIMENT CAUSED BY DEFECTIVE ADMINISTRATION

In 2021–22, seven claims were commenced under the Scheme for Compensation for Detriment caused by Defective Administration with respect to the department's activities, with nine active claims remaining ongoing at the end of the financial year.

Managing our people

At 30 June 2022, 3,665 APS staff worked in Australia and 942 APS employees worked at our overseas posts, with some temporarily working from Australia due to the impact of the pandemic (see [Appendix 1: Staffing overview](#)).

At 30 June 2022, we employed 2,214 locally engaged staff in our overseas missions. These staff play a crucial role in promoting, protecting

and advancing Australia's interests internationally, and contributing to economic growth and global stability. They provide essential in-country knowledge, networks and continuity at our overseas posts. Locally engaged staff are engaged under local labour law as it applies to diplomatic and consular missions.

WORKFORCE PLANNING AND CAPABILITY, STAFF RETENTION AND TURNOVER

Our diplomatic capability is the key means by which the department puts foreign policy into practice. In May 2022, we established a capability taskforce within the Chief Operating Officer Group to drive the development of a capability framework. The framework will be a foundation element of our ability to attract, develop and retain our talent and to build and maintain a sustainable departmental culture in order to deliver the priorities of the department and government.

The taskforce is responsible for developing and enabling core, leadership and role-specific capabilities to support groups and divisions deliver their business outcomes. It will develop and mature the department's approach to recruitment, learning and development, talent management, leadership development and succession planning for SES roles across the network.

LEARNING AND DEVELOPMENT

The department's Diplomatic Academy continued to expand access to learning for our global network. We rolled out Lumi, a new learning management IT platform, providing a modern and more accessible learning interface for users and administrators. The academy also made available LinkedIn Learning, a catalogue of over 16,000 learning offerings accessible via Lumi, to provide access to just-in-time learning in areas of high demand. It continued to offer its massive open online course, Understanding Australian Foreign Policy, which has now reached over 1,000 learners, and won the Australian Institute of Training and Development's award for Best Capability Building Program in 2021.

The Diplomatic Academy delivered training in 28 languages to 119 students, including new pilot beginner courses in Mandarin and Indonesian,

and provided pre-posting training support to over 800 staff prior to overseas deployments. The academy inaugurated targeted learning for senior executives through a policy masterclass series and provided training to an expanded graduate intake. The academy provided learning in specialist and core skills through 339 face-to-face and online courses. Over 1,350 staff from other Australian Government agencies benefited from our courses, with targeted offerings provided to the Treasury, the Department of the Prime Minister and Cabinet, the Department of Home Affairs, Austrade and the Australian Antarctic Division. We also offered international participants a small number of places on our courses.

INDIVIDUAL PERFORMANCE

The department is committed to building and sustaining a high-performance culture with a focus on regular and engaging performance conversations. We undertook a review of the

performance framework in April–May 2022 and identified opportunities to refresh our approach to continuous performance management in 2022–23.

DIVERSITY AND INCLUSION

Our people reflect the communities we represent and the global environment in which we operate. We proactively embrace the diversity of backgrounds, skills and experiences of all our staff to create a world-class global workforce. The department's diversity and inclusion agenda is underpinned by targeted strategic initiatives aimed at engaging, developing, advancing and retaining the rich diversity of our people. Continuing to invest in diversity and inclusion will strengthen our ability to deliver domestically and overseas through a workforce that brings diverse lived experiences to addressing our complex global challenges.

Results from the 2021 APS Employee Census indicated that 80 per cent of employees (both APS and locally engaged) believe the department supports and actively promotes an inclusive workplace culture.

Our employees proudly fostered inclusion. They supported and celebrated our diversity by attending and organising numerous events and training opportunities across all our locations. Our most senior leaders advocated for diversity through their roles as diversity champions and actively sought input from our diversity employee networks.



Komet Torres Strait Islander Art and Culture Group with DFAT Indigenous Adviser TJ Oberleuter (back row, second from left) and colleagues Tayla Kafer (back row, middle) and Ruth Adams (back row, second from right) during 2022 Reconciliation Week. Credit: Michael Godfrey/DFAT

Aboriginal and Torres Strait Islander employees

At 30 June 2022, 129 of our APS employees identified as Aboriginal and/or Torres Strait Islander, representing 2.8 per cent of all departmental APS employees. To support employment and retention of Aboriginal and Torres Strait Islander peoples, we launched Indigenous Leadership@DFAT as the department's response to the Commonwealth Aboriginal and Torres Strait Islander Workforce Strategy 2020–2024. Indigenous Leadership@DFAT focuses on attraction and recruitment, career planning, professional development, connection to country, and community and culture. We continuously seek to improve the cultural integrity of our workforce and provide career advancement opportunities for Indigenous employees, including through nominating and supporting staff attendance on the Jawun secondment program and the Pat Turner Scholarship, and delivery of Understanding Indigenous Australia and Ngunnawal language courses. We supported several development programs, including the ANU Management Program in partnership with the National Indigenous Australians Agency, and Coolamon Advisors' Talent Management Program 2022. We also commenced development of our new Reconciliation Action Plan 2022–2025. In November 2021, the department received the Australian Human Resources Institute's Aboriginal and Torres Strait Islander Peoples Employment Award for our commitment to ensuring we reflect and represent Indigenous Australia in our workforce.

Employees with disability

At 30 June 2022, 168 departmental employees identified as having a disability, representing 3.6 per cent of our APS workforce. We continued to provide support services to employees with disability and actively worked with the department's Employee Disability Network to identify and remove barriers for employees with disability. This included modifications to and assessments of our office premises, including accessible kitchen taps, fire alarms and office lighting, and provision of accessible parking. We also continued to facilitate the provision of reasonable adjustments, including access

to assistive technologies – both hardware and software. In collaboration with our Employee Disability Network, we continued to provide advocacy and policy support and worked with key stakeholders across government to ensure barriers to postings were removed for employees with disability.

Australia's Disability Strategy 2021–2031 is the overarching framework for inclusive policies, programs and infrastructure that will support people with disability to participate in all areas of Australian life. All levels of government have committed to deliver more comprehensive and visible reporting under the strategy. A range of reports on progress of the strategy's actions and outcome areas will be published and available at disabilitygateway.gov.au/ads. Disability reporting is included in the Australian Public Service Commission's State of the Service reports and the *APS Statistical Bulletin*.

LGBTI employees

According to the 2021 APS Employee Census, 6 per cent of our employees identified as lesbian, gay, bisexual, transgender and/or intersex (LGBTI). The department is committed to creating an environment where all employees feel comfortable to bring their whole selves to work. During 2021–22, the department marked both Wear It Purple Day (August 2021) and International Day Against Homophobia, Biphobia, Interphobia and Transphobia (IDAHOBIT) (May 2022) through internal communications that reiterated our commitment to diversity and highlighted the significant contribution that LGBTI staff make to our work and our workplace. Broader plans for interactive panels had to be cancelled due to the COVID-19 pandemic.

Gender equality

At 30 June 2022, women represented 48 per cent of SES Band 1 employees (against a 43 per cent target), 41 per cent of SES Band 2 employees (against a 40 per cent target), and 46 per cent of heads of missions and posts. To welcome different work and leadership styles, and remove implicit barriers to women's career progress, unconscious bias training was available to all employees. We supported leadership skills development through our mentoring program,

leadership training, peer-to-peer coaching circles and networking opportunities targeting women.

We held the 2022 Gender Equality Awards ceremony as part of International Women's Day celebrations. A total of 26 awards across three categories were given: Inclusive by Design, Women in Leadership at Post, and the Tonia Shand AM Memorial Award for Accountable, Inclusive Leadership. Our Women in Leadership (WIL) Refresh Strategy was a finalist in the Institute of Public Administration Australia's 'Breakthrough' category, and our WIL champion hosted a Women in Leadership lunch with WIL champions from several Australian Government agencies to strengthen cross-APS relationships and promote discussions about the priorities, barriers and successes of women in leadership roles across the APS.

Cultural and linguistic diversity

At 30 June 2022, 630 of our APS employees reported that they were from a non-English-speaking background, representing 13.7 per cent of all departmental APS employees, compared to 17.5 per cent (693 employees) at 30 June 2021. We continued to work closely with our Culturally and Linguistically Diverse (CALD) Employees Network and undertook several successful initiatives this year to mark Harmony Week. Across 2021–22, the department made some significant increases in our recruitment of people from a CALD background. We had one of our largest CALD cohorts in the 2022 graduate intake, at 53.7 per cent compared to 16.6 per cent in 2021. The 2022 graduate cohort also includes several individuals who identify as having an intersectional cultural heritage; for example, some identify as being Indigenous and from CALD backgrounds.

EMPLOYMENT ARRANGEMENTS AND NON-SALARY BENEFITS

The department's Enterprise Agreement sets out the terms and conditions for non-SES APS employees. A subsection 24(1) agency determination made by the Secretary under the *Public Service Act 1999* sets the salaries for non-SES APS employees for 2022 and 2023.

SES staff are employed under the terms of a determination made by the Secretary under subsection 24(1) of the *Public Service Act 1999*. Key management personnel, SES and other highly paid staff remuneration is set out in note 6.2 of the financial statements (see [page 169](#)) and in [Appendix 2](#).

The department provides a range of non-salary benefits, including influenza vaccinations and onsite gym facilities in Canberra and at some posts. In 2021–22, the department continued to allow staff to obtain COVID-19 vaccinations and boosters on paid work time.

The department also offers prioritised access to designated childcare centres in Canberra and enables accessible flexible and remote working arrangements. Over the past year, these flexible and remote work options proved critical to the department's ability to continue delivering for government while protecting the health and welfare of our staff.

WORK HEALTH AND SAFETY

The department's Medical Unit continued its support for posts' COVID-19 response and individual medical care for staff and dependants with COVID-19. In this reporting period, the focus shifted to ensuring staff and dependants in the Australian Government's overseas network were vaccinated. All staff and adult dependants were vaccinated prior to departing overseas. Where practicable, overseas staff and dependants were vaccinated through host nation or similar programs. The initial AstraZeneca program – commenced in March 2021 and completed on 30 September 2021 – ensured that all adult staff and dependants were offered a primary vaccination course. A total of 10,431 doses were administered with take-up rates in excess of 95 per cent. A second program administering the Pfizer vaccine commenced in October 2021 and delivered primary vaccinations for dependant children aged 5 to 17 years, additional doses to staff and dependants who are immunocompromised, and a booster dose offered to all adult staff and dependants. A total of 6,474 doses had been administered as at 30 June 2022, with very high take-up rates.

The department's Staff and Family Support Office (SFO) developed an enhanced model of care to provide a broader suite of services that better identify and manage psychosocial risks at an enterprise level. This model aligns with the APS Mental Health Capability Framework, investing in prevention, early detection and education and thereby reducing the need for intensive clinical interventions.

During the COVID-19 pandemic, the SFO pivoted its services to increase access to counselling and training for staff and families, offering virtual sessions and resources. Our commitment to building the department's mental health literacy and capability, through programs such as Mental Health First Aid and Mental Health for Managers, resulted in the department retaining its Gold status in the Mental Health First Aid Workplace Recognition Program (valid until October 2023), maintaining an average above 3 per cent of staff trained in mental health first aid.

Further information on the department's work health and safety activities is provided in [Appendix 6](#).



Staff from the Medical Unit and People Division COVID-19 Unit farewell the last delivery of vaccines supplied to our overseas network, July 2021.
Credit: DFAT

WHOLE-OF-GOVERNMENT SERVICES

Leading whole-of-government services overseas

The department provided shared services to 2,996 Australia-based and locally engaged staff overseas from 25 APS partner agencies (three signatory partner agencies to the service level arrangements did not have an overseas presence). Services provided included financial, property, human resources, security and ICT support. As global work environments faced disruptions from COVID-19, we continued to provide services to our partner agencies, allowing the government to meet its policy and client service objectives.

In August 2021, the department coordinated the relocation of Australian Government operations from Afghanistan, establishing an interim mission in the Australian Embassy in Qatar. In April 2022, regional conflict required the staff and operations of the Australian Embassy in Ukraine to be temporarily relocated to the Australian Embassy in Poland. We managed these complex and challenging relocations while continuing to protect the welfare of Australians, provide a secure Australian Government presence to support advancing Australia's interests, and maintain service delivery to partner agencies and clients.

Shared services transformation

The shared services transformation initiative is part of the government's vision for a more efficient and sustainable public sector. The initiative will transform the way the APS operates by reforming and standardising traditional operating models to enable a one-APS way of doing business.

In 2021–22, the department finalised negotiations with 36 partner agencies to standardise its service delivery catalogue and arrangements into a single head arrangement commencing in 2022–23. This new arrangement aligns services delivered by the department – as the overseas provider hub under the shared services transformation initiative – to the objectives and requirements of the transformation initiative and the Prime Minister's Directive on the Guidelines for the Management of the Australian Government Presence Overseas.

Delivering a common corporate ICT platform – GovERP

A large component of the shared services transformation initiative is GovERP, a next-generation enterprise resource planning (ERP) platform that will replace disparate and ageing systems across government. GovERP will deliver a common technological solution that forms the digital backbone of the APS. It will enable the APS to implement a flexible operating model that will be more responsive in meeting the government's priorities.

In 2021–22, the department contributed to the development of the GovERP design by engaging in APS design workshops for over 200 standardised business processes across eight end-to-end value streams. We will continue to work with Services Australia to ensure our requirements are included in the design of GovERP, and to support transition and onboarding.

Managing our finances

ASSETS MANAGEMENT

Internal allocations for capital investments are set by the department's executive following assessment of key work units' planned programs of work. The executive reviewed capital investment throughout the year and reallocated resources where necessary. The Finance Division supported long-term strategic planning of the department's investments through

implementation of capital management plans prepared by divisions responsible for key asset holdings. We conducted our annual review and impairment testing of asset classes to ensure asset values were correctly stated in the financial statements and used this information to inform forward planning.

PURCHASING

The department's purchasing was undertaken in accordance with the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and the Commonwealth Procurement Rules.

Information on significant procurements expected to be undertaken in 2022–23 is available in the department's annual procurement plan on the AusTender website, tenders.gov.au.

The department continued to support the government's Indigenous Procurement Policy, including through our Reconciliation Action Plan and Indigenous Diplomacy Agenda. We used Commonwealth procurement to promote reconciliation and to contribute to closing the gap.

The department encouraged best practice in Indigenous procurement, including by

showcasing Indigenous businesses to posts and embedding Indigenous procurement in our policies and practices. We have set the mandatory procurement threshold for Indigenous procurement at procurements valued between \$10,000 and \$200,000.

Details of a number of export-ready Indigenous businesses are available on our website at dfat.gov.au/about-us/business-opportunities/Pages/indigenous-business-engagement.

The Foreign Affairs and Trade portfolio continues to exceed the Indigenous Procurement Policy volume and value targets set each year by the National Indigenous Australians Agency (NIAA). Further details are available on the NIAA website, niaa.gov.au.

REPORTABLE CONSULTANCY AND NON-CONSULTANCY CONTRACTS

During 2021–22, nine new reportable consultancy contracts were entered into involving total actual expenditure of \$0.27 million (inclusive of GST). In addition, five ongoing reportable consultancy contracts were active during the period, involving total actual expenditure of \$0.18 million (inclusive of GST) (tables 5 and 6).

The department selected consultants through panel arrangements, open approach to the

market or limited tender when we required specialist expertise, independent research, review and assessment, or creative solutions to assist decision-making. In all instances, decisions to engage consultants were made in accordance with the PGPA Act and related regulations, including the Commonwealth Procurement Rules and relevant departmental policies.

Annual reports contain information about actual expenditure on reportable consultancy contracts. Information on the value of reportable

consultancy contracts is available on the AusTender website.

Table 5 Reportable consultancy contract expenditure in 2021–22

	Number	Expenditure (\$) (GST inc.)
New contracts entered into during 2021–22	9	269,060
Ongoing contracts entered into during a previous reporting period	5	181,411
Total	14	450,471

Note: Reportable consultancy contracts and expenditure for 2021–22 include overseas contracts entered into from 1 July 2021.

Table 6 Organisations receiving the largest shares of reportable consultancy contract expenditure in 2021–22

Organisation	ABN	Expenditure (\$) (GST inc.)	Share of total expenditure (%)
International Food Policy Research Institute	n.a.	138,146	30.7
Grosvenor Performance Group Pty Ltd	47 105 237 590	82,727	18.4
Deloitte Touche Tohmatsu	74 490 121 060	70,925	15.7
TradeRx GmbH	n.a.	66,198	14.7
Island Minds Ltd	n.a.	56,535	12.6
Ridley4 Pty Ltd	37 151 787 969	25,940	5.8

During 2021–22, 1,605 new reportable non-consultancy contracts were entered into, involving total actual expenditure of \$0.3 billion (inclusive of GST). In addition, 1,387 ongoing reportable non-consultancy contracts were active during the period, involving total actual

expenditure of \$1.3 billion (inclusive of GST) (tables 7 and 8).

Annual reports contain information about actual expenditure on reportable non-consultancy contracts. Information on the value of reportable non-consultancy contracts is available on the AusTender website.

Table 7 Reportable non-consultancy contract expenditure in 2021–22

	Number	Expenditure (\$) (GST inc.)
New contracts entered into during 2021–22	1,605	298,483,689
Ongoing contracts entered into during a previous reporting period	1,387	1,348,196,989
Total	2,992	1,646,680,679

Note: Reportable non-consultancy contracts and expenditure for 2021–22 include overseas contracts entered into from 1 July 2021.

Table 8 Organisations receiving the largest shares of reportable non-consultancy contract expenditure in 2021–22

Organisation	ABN	Expenditure (\$) (GST inc.)	Share of total expenditure (%)
Cardno Emerging Markets (Australia) Pty Ltd	23 006 170 869	255,454,472	15.5
Abt Associates Pty Ltd	76 091 591 294	206,094,791	12.5
Palladium International Pty Ltd	23 010 020 201	130,887,859	7.9
Tetra Tech International Development Pty Ltd	63 007 889 081	99,417,275	6.0
Jones Lang LaSalle (ACT) Pty Ltd	69 008 585 260	75,111,528	4.6

AUSTRALIAN NATIONAL AUDIT OFFICE ACCESS CLAUSES

The department's standard contract templates and the Commonwealth Contracting Suite include provisions allowing the Auditor-General to have access to the contractor's premises, known as ANAO access clauses.

EXEMPT CONTRACTS

In 2021–22, 186 contracts in excess of \$10,000 (inclusive of GST), with a value of \$43.2 million, were exempted from being published in AusTender on the basis that publication would disclose exempt matters under the *Freedom of Information Act 1982*.

PROCUREMENT INITIATIVES TO SUPPORT SMALL BUSINESS

The department supports small business participation in the Commonwealth Government procurement market and recognises the importance of ensuring that small businesses are paid on time. The results of the survey of Australian Government payments to small business are available on the Treasury website, treasury.gov.au. Small and medium-sized enterprise (SME) and small enterprise participation statistics are available on the Department of Finance's website, finance.gov.au.

Despite the challenges arising from the COVID-19 pandemic, the department remained committed to ensuring that SMEs could engage in fair competition. Our procurement practices during the 2021–22 financial year were consistent with the Commonwealth Procurement Rules and our commitment was demonstrated through:

- the use of the Commonwealth Contracting Suite for low-risk procurements valued under \$200,000
- following the small business engagement principles outlined in the government's Industry Innovation and Competitiveness Agenda, including communicating in clear, simple language and presenting information in an accessible format.

The department continued to support small businesses, and products purchased from these vendors have become unique public diplomacy tools in high demand across our network of overseas posts.

GRANTS

Information on grants awarded by the department during the 2021–22 financial year is available on the GrantConnect website, grants.gov.au.



04 FINANCIAL STATEMENTS



INDEPENDENT AUDITOR'S REPORT

To the Minister for Foreign Affairs

To the Minister for Trade and Tourism

Opinion

In my opinion, the financial statements of the Department of Foreign Affairs and Trade (the Entity) for the year ended 30 June 2022:

- (a) comply with Australian Accounting Standards – Simplified Disclosures 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 2022 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 2022 and for the year then ended:

- Statement by the Secretary and Chief Finance Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement;
- Administered Schedule of Comprehensive Income;
- Administered Schedule of Assets and Liabilities;
- Administered Reconciliation Schedule;
- Administered 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.

Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Key audit matter**Valuation of overseas properties**

Refer to Note 3.2A Land and Buildings and Note 7.2A Fair Value Measurement, Valuation Techniques and Inputs Used

As at 30 June 2022, the reported fair value of land was \$1,923 million (which is carried at fair value except for \$1.0 million right-of-use assets which are carried at cost) and the carrying value of buildings was \$2,681 million (which is carried at fair value except for \$1,043 million right-of-use assets which are carried at cost). Overseas properties represent a significant proportion of the balances. The Entity engaged an independent valuer to undertake the valuations of these properties.

I focused on the fair value of overseas properties due to:

- The significant value of the asset;
- Large number of properties across a number of geographic locations;
- Variety of valuation methodologies applied; and
- The degree of subjectivity applied by the valuer in determining the fair value of the properties. The key assumptions and judgements include market comparison, incorporating economic conditions and local jurisdictional requirements, assets replacement costs and discount rates.

How the audit addressed the matter

To address this key audit matter, I:

- Evaluated the competence, capability and objectivity of the Entity's valuer;
- On a sample basis, assessed the appropriateness of methodologies used for compliance with accounting standards, the Entity's accounting policies and generally accepted valuation techniques;
- On a sample basis, tested the accuracy of key data utilized by the valuer; and
- On a sample basis, evaluated and substantiated the appropriateness of key assumptions and judgements applied by the Entity's valuer.

Key audit matter**Accuracy of international development assistance**

Refer to Note 2.1A International Development Assistance

The Entity reported international development assistance of \$3,491 million for the year ended 30 June 2022.

The international development assistance programs are focused on providing assistance to developing countries to reduce poverty and improve living standards.

I considered this to be a key audit matter due to:

- The significant value of the expenses incurred through the Entity's aid programs; and
- Expenses being incurred across a broad range of agreements. These agreements cover a variety of geographical areas with

How the audit addressed the matter

To address this key audit matter I:

- On a sample basis, assessed the design, implementation and operating effectiveness of the key controls supporting international development assistance relating to the recording, monitoring and approval of funding agreements and expenditure;
- Assessed whether the Entity's aid management system's information technology general controls were designed, implemented and operating effectively, including:
 - The interface between the aid management system and the financial management information system; and
 - The workflow approval process supporting the accurate and complete transfer of data; and

various counterparties including international organisations, emergency and humanitarian programs, contributions to non-Government organisations and volunteer programs.

- Examined supporting documentation for a sample of international development assistance payments to assess the accuracy of expenditure amounts including compliance with funding agreements and applicable acquittal processes.

Accountable Authority's responsibility for the financial statements

As the Accountable Authority of the Entity, the Secretary 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 – Simplified Disclosures and the rules made under the Act. The Secretary is also responsible for such internal control as the Secretary 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 Secretary 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 Secretary 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.

From the matters communicated with the Accountable Authority, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Australian National Audit Office



Rona Mellor PSM
Deputy Auditor-General
Delegate of the Auditor-General

Canberra
5 September 2022

Department of Foreign Affairs and Trade STATEMENT BY THE SECRETARY AND CHIEF FINANCE OFFICER

In our opinion, the attached financial statements for the year ended 30 June 2022 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.

The following exemptions to the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015* (FRR) are published on the Department of Finance website and have been applied to the Department of Foreign Affairs and Trade's (DFAT) financial statements:

- a) Subsections 37(a) and 43(2)(b) to require net recording of receipts on behalf of other entities as per section 74 of the PGPA Act.
- b) Subsection 43(3)(a) to require net recording of cash payments on behalf of other entities made from appropriations.
- c) Section 47 to not require separate disclosure of money paid on behalf of other entities.

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

Signed.....

Jan Adams AO PSM
Secretary

2 September 2022

Signed.....

Murali Venugopal
Chief Finance Officer

02 September 2022

Department of Foreign Affairs and Trade
STATEMENT OF COMPREHENSIVE INCOME
for the period ended 30 June 2022

	Notes	2022 \$'000	2021 \$'000	Original Budget ¹ \$'000
NET COST OF SERVICES				
Expenses				
Employee benefits	1.1A	913,524	841,546	975,248
Suppliers	1.1B	636,697	514,036	753,929
Depreciation and amortisation	3.2A	344,130	383,015	312,791
Impairment loss on financial instruments	1.1C	4	10	-
Write-down and impairment of other assets	1.1D	12,640	59,718	-
Grants and other contributions		18,800	10,881	-
Finance costs	1.1E	14,295	14,607	13,162
Losses from asset sales		-	89	3,788
Foreign exchange losses		21,990	-	-
Total expenses		1,962,080	1,823,902	2,058,918
Own-source income				
Own-source revenue				
Revenue from contracts with customers	1.2A	84,075	93,471	121,186
Rental income	1.2B	52,128	52,629	-
Other revenue	1.2C	5,798	6,755	51,061
Total own-source revenue		142,001	152,855	172,247
Gains				
Gains from sale of assets		2,700	-	-
Foreign exchange gains		-	25,925	-
Other gains	1.2D	27,513	285	630
Total gains		30,213	26,210	630
Total own-source income		172,214	179,065	172,877
Net cost of services		(1,789,866)	(1,644,837)	(1,886,041)
Revenue from Government - departmental appropriations		1,642,259	1,581,771	1,747,927
(Deficit) from continuing operations		(147,607)	(63,066)	(138,114)
OTHER COMPREHENSIVE INCOME				
Items not subject to subsequent reclassification to net cost of services				
Changes in asset revaluation reserve		119,123	(189,766)	-
Total comprehensive (loss)		(28,484)	(252,832)	(138,114)

1. Budget reported in the 2021-22 Portfolio Budget Statements published on 11 May 2021.

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

Department of Foreign Affairs and Trade
STATEMENT OF FINANCIAL POSITION
as at 30 June 2022

	Notes	2022 \$'000	2021 \$'000	Original Budget \$'000
ASSETS				
Financial assets				
Cash and cash equivalents	3.1A	566,512	503,640	216,387
Trade and other receivables	3.1B	675,915	567,265	358,675
Total financial assets		1,242,427	1,070,905	575,062
Non-financial assets¹				
Land	3.2A	1,923,351	1,858,866	1,975,486
Buildings	3.2A	2,680,879	2,626,181	2,929,575
Plant and equipment	3.2A	266,145	241,327	529,743
Computer software	3.2A	148,481	139,090	151,653
Inventories	3.2B	23,746	52,886	42,430
Prepayments		33,974	43,835	69,305
Total non-financial assets		5,076,576	4,962,185	5,698,192
Assets held for sale		-	19,092	12,429
Total assets		6,319,003	6,052,182	6,285,683
LIABILITIES				
Payables				
Suppliers	3.3A	144,661	122,030	92,537
Other payables	3.3B	94,799	64,667	78,003
Total payables		239,460	186,697	170,540
Interest bearing liabilities				
Leases	3.4A	1,094,632	1,086,476	1,201,819
Total interest bearing liabilities		1,094,632	1,086,476	1,201,819
Provisions				
Employee provisions	6.1A	304,722	271,488	268,299
Provision for restoration	3.5A	42,724	38,649	29,528
Total provisions		347,446	310,137	297,827
Total liabilities		1,681,538	1,583,310	1,670,186
Net assets		4,637,465	4,468,872	4,615,497
EQUITY				
Contributed equity		3,170,359	2,973,282	3,203,813
Asset revaluation reserve		2,017,012	1,897,889	2,087,655
Accumulated deficit		(549,906)	(402,299)	(675,971)
Total equity		4,637,465	4,468,872	4,615,497

1. Right-of-use (ROU) assets are included in land, buildings and plant and equipment.

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

Department of Foreign Affairs and Trade
STATEMENT OF CHANGES IN EQUITY
for the period ended 30 June 2022

	ACCUMULATED DEFICIT			ASSET REVALUATION RESERVE			CONTRIBUTED EQUITY			TOTAL EQUITY		
	2022	2021	Original	2022	2021	Original	2022	2021	Original	2022	2021	Original
	\$'000	\$'000	Budget	\$'000	\$'000	Budget	\$'000	\$'000	Budget	\$'000	\$'000	Budget
Opening balance												
Balance carried forward from previous period	(402,299)	(339,233)	(503,761)	1,897,889	2,087,655	2,087,655	2,973,282	2,817,056	2,991,223	4,468,872	4,565,478	4,575,117
Opening balance	(402,299)	(339,233)	(503,761)	1,897,889	2,087,655	2,087,655	2,973,282	2,817,056	2,991,223	4,468,872	4,565,478	4,575,117
Comprehensive income												
Revaluation adjustment	-	-	-	128,336	(184,861)	-	-	-	-	128,336	(184,861)	-
Makegood revaluation adjustment	-	-	-	(9,213)	(4,905)	-	-	-	-	(9,213)	(4,905)	-
(Deficit) for the period	(147,607)	(63,066)	(138,114)	-	-	-	-	-	-	(147,607)	(63,066)	(138,114)
Total comprehensive income	(147,607)	(63,066)	(138,114)	119,123	(189,766)	-	-	-	-	(28,484)	(252,832)	(138,114)
Transactions with owners												
Contributions by owners												
Equity injection - Appropriations	-	-	-	-	-	-	152,761	104,628	152,761	152,761	104,628	152,761
Departmental equity return	-	-	-	-	-	-	(14,103)	(1,807)	-	(14,103)	(1,807)	-
Departmental capital budget (DCB)	-	-	-	-	-	-	79,729	69,539	59,829	79,729	69,539	59,829
Transfers to the Official Public Account	-	-	(34,096)	-	-	-	(21,310)	(16,134)	-	(21,310)	(16,134)	(34,096)
Total transactions with owners	-	-	(34,096)	-	-	-	197,077	156,226	212,590	197,077	156,226	178,494
Closing balance as at 30 June	(549,906)	(402,299)	(675,971)	2,017,012	1,897,889	2,087,655	3,170,359	2,973,282	3,203,813	4,637,465	4,468,872	4,615,497

Accounting Policy

Equity Injections

Amounts appropriated which are designated as 'equity injections' for a year (less any formal reductions) and Departmental Capital Budgets (DCBs) are recognised directly in contributed equity in that year.

Departmental Equity Return

2021-22 includes \$14,103m (2021: \$1,807m) which has been quarantined as part of the no-win / no-loss funding agreement.

Transfers to the Official Public Account

2021-22 includes a transfer of \$21,310m (2021:\$16,134m) from the Overseas Property special account to the consolidated revenue fund.

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

Department of Foreign Affairs and Trade
CASH FLOW STATEMENT
for the period ended 30 June 2022

	Notes	2022 \$'000	2021 \$'000	Original Budget \$'000
OPERATING ACTIVITIES				
Cash received				
Appropriations		1,770,556	1,533,638	1,749,966
Sale of goods and rendering of services		167,686	196,015	157,672
GST ¹ received		41,362	35,552	41,118
Other		4,931	5,596	11,258
Total cash received		1,984,535	1,770,801	1,960,014
Cash used				
Employees		877,157	847,885	971,672
Suppliers		626,417	540,046	796,858
Interest payments on lease liabilities		14,003	14,469	13,162
Section 74 receipts transferred to OPA ²		159,396	170,156	34,096
Other		18,800	10,881	-
Total cash used		1,695,773	1,583,437	1,815,788
Net cash from operating activities		288,762	187,364	144,226
INVESTING ACTIVITIES				
Cash received				
Proceeds from sales of property, plant and equipment		25,605	22,875	37,884
Total cash received		25,605	22,875	37,884
Cash used				
Purchase of land and buildings		117,427	107,654	231,080
Purchase of plant and equipment		68,098	47,507	101,975
Purchase and development of computer software		50,280	28,765	61,745
Total cash used		235,805	183,926	394,800
Net cash (used by) investing activities		(210,200)	(161,051)	(356,916)
FINANCING ACTIVITIES				
Cash received				
Contributed equity		140,058	180,908	229,703
Total cash received		140,058	180,908	229,703
Cash used				
Returns of contributed equity		21,310	16,134	-
Principal payments of lease liabilities		140,755	141,399	126,867
Total cash used		162,065	157,533	126,867
Net cash (used by) / from financing activities		(22,007)	23,375	102,836
Net increase / (decrease) in cash held		56,555	49,688	(109,854)
Cash and cash equivalents at the beginning of the reporting period		503,640	428,027	326,241
Effect of exchange rate movements on cash and cash equivalents at the beginning of the reporting period		6,317	25,925	-
Cash and cash equivalents at the end of the reporting period	3.1A	566,512	503,640	216,387

1. Goods and Services Tax (GST)

2. Official Public Account (OPA)

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

Department of Foreign Affairs and Trade
ADMINISTERED SCHEDULE OF COMPREHENSIVE INCOME
for the period ended 30 June 2022

	Notes	2022 \$'000	2021 \$'000	Original Budget \$'000
NET COST OF SERVICES				
Expenses				
International development assistance	2.1A	3,490,946	3,573,164	3,458,942
Multilateral replenishments and other loans	2.1B	32,381	430,095	15,668
Other grants and contributions	2.1C	437,541	520,961	615,905
Administration expenses - Export Finance Australia (EFA)		11,528	4,441	3,500
Impairment loss on financial instruments		7,383	3,881	-
Other expenses	2.1D	60,926	36,405	7,715
Payments to corporate Commonwealth entities - Tourism Australia		135,347	139,445	135,347
Depreciation and amortisation	4.2A	239	1,513	500
Total expenses		4,176,291	4,709,905	4,237,577
Income				
Fees and charges	2.2A	540,877	185,569	540,118
Loan Interest		13,648	13,254	13,572
EFA National Interest Account (NIA)	2.2B	33,169	61,622	24,467
EFA dividend and competitive neutrality	2.2C	13,550	12,840	14,600
Return of prior year administered expenses	2.2D	59,941	31,296	36,149
Other revenue and gains	2.2E	54,899	19,141	255
Total income		716,084	323,722	629,161
Net cost of services		(3,460,207)	(4,386,183)	(3,608,416)
OTHER COMPREHENSIVE INCOME				
Items not subject to subsequent reclassification to net cost of services				
Remeasurements of defined benefit plans		16,512	5,508	-
Items subject to subsequent reclassification to net cost of services				
Movement in the carrying amount of investments		(408,648)	370	-
Total other comprehensive (loss) / income		(392,136)	5,878	-
Total comprehensive (loss)		(3,852,343)	(4,380,305)	(3,608,416)

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

Department of Foreign Affairs and Trade
ADMINISTERED SCHEDULE OF ASSETS AND LIABILITIES
as at 30 June 2022

	Notes	2022 \$'000	2021 \$'000	Original Budget \$'000
ASSETS				
Financial assets				
Cash and cash equivalents	4.1A	8,796	25,615	12,749
Receivables and loans	4.1B	219,998	236,829	206,010
Investments	4.1C	2,764,130	3,162,781	3,168,308
Total financial assets		2,992,924	3,425,225	3,387,067
Non-financial assets				
Computer software internally developed	4.2A	478	717	2,286
Total non-financial assets		478	717	2,286
Total assets administered on behalf of Government		2,993,402	3,425,942	3,389,353
LIABILITIES				
Payables				
Grants	4.3A	996,891	1,258,362	1,537,207
Other payables	4.3B	745,344	807,334	144,402
Total payables		1,742,235	2,065,696	1,681,609
Provisions				
NIA financial guarantee		29,355	16,330	-
Employee provisions	6.1B	67,262	81,510	93,714
Total provisions		96,617	97,840	93,714
Total liabilities administered on behalf of Government		1,838,852	2,163,536	1,775,323
Net assets		1,154,550	1,262,406	1,614,030

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

Department of Foreign Affairs and Trade
ADMINISTERED RECONCILIATION SCHEDULE
for the period ended 30 June 2022

	2022 \$'000	2021 \$'000
Opening assets less liabilities as at 1 July	1,262,406	1,424,923
Net (cost of) services		
Income	716,084	323,722
Expenses		
Payments to entities other than corporate Commonwealth entities	(4,040,944)	(4,570,460)
Payments to corporate Commonwealth entities - Tourism Australia	(135,347)	(139,445)
Other comprehensive income		
Movement in the carrying amount of investments	(408,648)	370
Actuarial gains on defined benefit plans	16,512	5,508
Transfers (to) / from the Australian Government		
Appropriation transfers from OPA		
Administered assets and liabilities appropriations	5,897	86,704
Annual appropriations		
Payments to entities other than corporate Commonwealth entities	4,090,014	4,086,435
Payments to corporate Commonwealth entities - Tourism Australia	135,347	139,445
Special accounts		
Payments to entities other than corporate Commonwealth entities	8,750	5,408
Special appropriations (unlimited)		
Payments to entities other than corporate Commonwealth entities	329,242	304,139
Appropriation transfers to OPA		
Transfers to OPA	(824,763)	(404,343)
Closing assets less liabilities as at 30 June	1,154,550	1,262,406

Accounting Policy

Administered cash transfers to and from the Official Public Account

Revenue collected by DFAT on behalf of the Government is administered revenue. Collections are transferred to the OPA maintained by the Department of Finance. Conversely, cash is drawn from the OPA to make payments under Parliamentary appropriation on behalf of the Government. These transfers to and from the OPA are adjustments to the administered cash held by DFAT on behalf of the Government and reported as such in the Administered Cash Flow Statement and in the Administered Reconciliation Schedule.

Payments to corporate Commonwealth entities

Payments to corporate Commonwealth entities from amounts appropriated for that purpose are classified as administered expenses, equity injections or loans of the relevant portfolio department. The appropriation to DFAT is disclosed in Note 5.1A: Annual Appropriations ('Recoverable GST exclusive').

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

Department of Foreign Affairs and Trade
ADMINISTERED CASH FLOW STATEMENT
for the period ended 30 June 2022

	Notes	2022 \$'000	2021 \$'000
OPERATING ACTIVITIES			
Cash received			
Fees and charges		501,342	177,637
GST received		127,315	127,429
Return of prior year administered expenses		59,941	31,296
EFA dividend and competitive neutrality		13,550	12,840
EFA - NIA		32,096	29,829
Other		7,560	5,336
Total cash received		741,804	384,367
Cash used			
International development assistance		3,783,586	3,863,728
Other contributions		446,798	508,463
Payments to corporate Commonwealth entities - Tourism Australia		135,347	139,445
Other		8,100	6,574
Total cash used		4,373,831	4,518,210
Net cash (used by) operating activities		(3,632,027)	(4,133,843)
INVESTING ACTIVITIES			
Cash received			
Proceeds from concessional financial instruments		9,751	9,751
Total cash received		9,751	9,751
Cash used			
Purchase of concessional financial instruments		127,048	77,811
Investment in Emerging Markets Impact Investment Fund (EMIIF)		5,897	6,704
Total cash used		132,945	84,515
Net cash (used by) investing activities		(123,194)	(74,764)
Net (decrease) in cash held		(3,755,221)	(4,208,607)
Cash and cash equivalents at the beginning of the reporting period		25,615	23,138
Cash from Official Public Account			
Appropriations		4,554,415	4,610,019
Special accounts		8,750	5,408
Total cash from official public account		4,563,165	4,615,427
Cash to Official Public Account			
Appropriations		(824,763)	(404,343)
Total cash to official public account		(824,763)	(404,343)
Cash and cash equivalents at the end of the reporting period	4.1A	8,796	25,615

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

Department of Foreign Affairs and Trade

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Overview

Objectives of the Department of Foreign Affairs and Trade

The Department of Foreign Affairs and Trade (DFAT) is an Australian Government controlled entity. It is a not-for-profit, non-corporate Commonwealth entity. The continued existence of DFAT in its present form and with its present outcomes and programs is dependent on Government policy and on continuing funding by Parliament for DFAT's administration and programs.

DFAT's role is to advance the interests of Australia and Australians internationally, providing foreign, trade and investment, development and international security policy advice to the Government. DFAT works with other Government agencies to ensure that Australia's pursuit of its global, regional and bilateral interests is coordinated effectively. DFAT's role involves working to strengthen Australia's security, enhancing Australia's prosperity, delivering an effective and high quality aid program and helping Australian travellers and Australians overseas. The DFAT Portfolio Budget Statements are structured to meet three outcomes:

- **Outcome 1:** The advancement of Australia's international strategic, security and economic interests including through bilateral, regional and multilateral engagement on Australian Government foreign, trade and international development policy priorities,
- **Outcome 2:** The protection and welfare of Australians abroad and access to secure international travel documentation through timely and responsive travel advice and consular and passport services in Australia and overseas and
- **Outcome 3:** A secure Australian Government presence overseas through the provision of security services and information and communications technology infrastructure, and the management of the Commonwealth's overseas property estate.

DFAT's activities that contribute towards these outcomes are classified as either departmental or administered. Departmental activities involve the use of assets, liabilities, income and expenses controlled or incurred by DFAT in its own right. Administered activities involve the management or oversight by DFAT, on behalf of the Government, of items controlled or incurred by the Government.

DFAT conducts the following administered activities on behalf of the Government:

- Official development assistance,
- Consular and passport services,
- Public information services and public diplomacy,
- International climate change engagement,
- The New Colombo Plan,
- Programs to promote Australia's international tourism interests, and
- Payments to international organisations.

Official development assistance administered by DFAT includes international development assistance and multilateral replenishments. Appropriation funding is allocated through country, regional and global programs, and includes payments to international organisations, emergency and humanitarian programs, contributions to non-Government organisations (NGOs) and volunteer programs. The aid program promotes Australia's national interest by contributing to sustainable economic growth and poverty reduction, particularly in the Indo-Pacific.

Department of Foreign Affairs and Trade

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Basis of Preparation

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

The financial statements and notes have been prepared in accordance with:

- the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015* (FRR), and
- Australian Accounting Standards and Interpretations – including simplified disclosures for Tier 2 Entities under AASB 1060 issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

DFAT has applied the Simplified Disclosure issued by the AASB with the exception of disclosures prepared under the following accounting standards, as required under subsections 18(2) and 18(4) of the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015* (FRR):

- AASB 7 Financial Instruments: Disclosure (administered only),
- AASB 12 Disclosure of Interests in Other Entities (administered only),
- AASB 13 Fair Value Measurement (administered and departmental),
- AASB 16 Leases (administered and departmental), and
- AASB 116 Property, Plant and Equipment (administered and departmental).

The financial statements have been prepared on an accrual basis and are 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 and values are rounded to the nearest thousand dollars unless otherwise specified. Transactions denominated in a foreign currency are converted at the exchange rate at the date of the transaction. Foreign currency receivables and payables are translated at the exchange rates current at the end of the reporting period. Exchange gains and losses are reported in the Statement of Comprehensive Income. DFAT does not enter into hedging arrangements for its foreign currency transactions and all foreign exchange gains or losses are considered non-speculative in nature.

Administered revenues, expenses, assets, liabilities and cash flows are disclosed in the administered schedules and related notes. Except where otherwise stated below, administered items are accounted for on the same basis and using the same policies as for departmental items, including the application of Australian Accounting Standards.

Taxation

DFAT is exempt from all forms of Australian taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST). Overseas, DFAT may be subject to Value Added Tax (VAT) or similar on the purchase of goods and services. Revenues, expenses, assets and liabilities are recognised net of GST / VAT except:

- where the amount of GST or VAT incurred is not recoverable from the Australian Taxation Office or overseas taxation authority, and
- for receivables and payables.

Events After the Reporting Period

There have been no events after 30 June 2022 which will affect the financial position of DFAT materially at the reporting date.

Department of Foreign Affairs and Trade

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

New Accounting Standards

Standard / Interpretation	Nature of change in accounting policy, transitional provisions, and adjustment to financial statements
AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities	AASB 1060 applies to annual reporting periods beginning on or after 1 July 2021 and replaces the reduced disclosure requirements (RDR) framework. The application of AASB 1060 involves some reduction in disclosure compared to the RDR with no impact on the reported financial position, financial performance and cash flows of DFAT.

Significant Accounting Judgements and Estimates

In the process of applying the accounting policies detailed in these statements, DFAT has made the following estimate and judgement that have a significant impact on the amounts recorded in the departmental financial statements:

- The fair value of land and buildings has been taken to be the market value of similar properties as determined by an independent valuer. The impact of COVID-19 has been taken into account using the best available market data. However, in some instances, DFAT's buildings are purpose built and may in fact realise more or less in the market.

No accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next reporting period.

Administered

In the process of applying the accounting policies detailed in these statements, DFAT has made the following estimate and judgement that have a significant impact on the amounts recorded in the Administered financial statements:

- The fair value of the administered financial instruments in 2021-22 has been determined using professional valuation advice. The fair value of the financial instruments reported in future periods will be affected by variables such as discount rates, exchange rates and possible impairment.

No accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next reporting period.

Department of Foreign Affairs and Trade

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1. Departmental Financial Performance

1.1 Expenses

	2022 \$'000	2021 \$'000
Note 1.1A: Employee benefits		
Wages and salaries	639,383	573,375
Superannuation		
Defined contribution plans	53,040	47,825
Defined benefit plans	48,545	36,284
Leave and other entitlements	77,065	50,914
Fringe benefits expense	86,973	121,371
Separations and redundancies	4,023	7,886
Other employee expenses	4,495	3,891
Total employee benefits	913,524	841,546

Accounting policy

Accounting policies for employee related expenses is contained in section 6: People and relationships.

Note 1.1B: Suppliers

Goods and services supplied or rendered

Passport expenses	96,785	44,783
Property related expenses (excluding rent)	110,112	118,378
Security expenses	53,852	73,886
Information and communication technology	134,892	106,192
Travel expenses	43,049	25,624
Staff related expenses	46,328	38,862
Office expenses	25,397	20,584
Legal and other professional services	40,272	27,152
Contractors	20,583	11,170
Consultants	14,531	6,862
Remuneration of auditors	615	615
Facilitated flights expenses	-	13,690
Facilitated evacuation expenses	23,789	-
Other expenses	19,959	18,035
Total goods and services supplied or rendered	630,164	505,833
Goods supplied	78,320	56,192
Services rendered	551,844	449,641
Total goods and services supplied or rendered	630,164	505,833
Other suppliers		
Short-term leases	2,768	3,015
Workers compensation expenses	3,765	5,188
Total other suppliers	6,533	8,203
Total suppliers	636,697	514,036

1. DFAT has short-term lease commitments of \$0.567m as at 30 June 2022.

Department of Foreign Affairs and Trade**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

	2022 \$'000	2021 \$'000
<u>Note 1.1C: Impairment loss on financial instruments</u>		
Write-down of financial assets	4	10
Total impairment loss on financial instruments	4	10
<u>Note 1.1D: Write-down and impairment of other assets</u>		
Write-down of buildings	3,886	52,483
Write-down of plant and equipment	5,379	4,103
Write-down of computer software	1,056	-
Impairment of non-current assets held for sale or divested	53	640
Write-down of assets under construction	2,266	1,982
Write-off of inventories	-	510
Total write-down and impairment of other assets	12,640	59,718
<u>Note 1.1E: Finance costs</u>		
Unwinding of discount	290	136
Interest on lease liabilities	14,003	14,469
Other interest payments	2	2
Total finance costs	14,295	14,607

Department of Foreign Affairs and Trade

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1.2 Own-source revenue and gains

	2022 \$'000	2021 \$'000
Note 1.2A: Revenue from contracts with customers		
Sale of goods	295	571
Rendering of services	83,780	92,900
Total revenue from contracts with customers	84,075	93,471

Disaggregation of revenue from contracts with customers

DFAT generates revenue from agreements with customers. A significant portion of rendering of services revenue of \$82.208m (2021: \$91.606m) is derived from DFAT providing services for other Commonwealth agencies overseas. The remaining revenue of \$1.572m (2021: \$1.294m) is contributed by employees in relation to expenses that are incurred by DFAT.

DFAT can categorise services provided overseas into accommodation and general support of \$63.773m (2021: \$72.245m) and information technology support of \$18.435m (2021: \$19.361m). The risks and uncertainties in relation to timing of revenue and associate cash flows for both services are identical. Per unit costs are determined at the beginning of the revenue period. Revenue is recognised from customers in arrears based on the agreed unit values. At the end of the revenue period the unit costs are reviewed to determine appropriateness in terms of cost that have been incurred. Revenue recognised for each customer is then adjusted to reflect the actual costs that have been incurred in determining the unit value.

Accounting policy

Revenue from the sale of goods is recognised when control has been transferred to the buyer.

DFAT will classify a service based agreement as within the scope of AASB 15 *Revenue from Contracts with Customers* and recognise revenue in relation to services rendered from that agreement when all the following conditions are satisfied:

- DFAT has an agreement that has been approved by all parties to the agreement;
- The obligations of each party under the agreement can be identified;
- A pattern of transfer of services can be identified;
- The agreement has commercial substance; and
- It is highly probable that DFAT will collect the payments.

Service revenue is predominately generated from providing services to other Commonwealth agencies overseas. The agreements with customers typically involve multiple services. All services relate to specific performance obligations, and as such the services are bundled for the purpose of revenue recognition. Revenue is recognised on a per unit basis and is not considered variable revenue.

The benefits to the customers under the agreements are provided and consumed simultaneously. The likelihood of re-performance of any aspects of the services are low and, as such, DFAT recognises the services revenue over time with proportionate recognition over the period of the agreement. The services are typically charged in arrears and as such, liabilities are not raised in relation to those obligations.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance amount. Collectability of debts are reviewed at the end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

Department of Foreign Affairs and Trade

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

	2022 \$'000	2021 \$'000
Note 1.2B: Rental income		
Operating lease:		
Lease income	37,839	38,151
Subleasing right-of-use assets	14,289	14,478
Total rental income	52,128	52,629

DFAT has in place a number of lease arrangements for operating lease commitments for right-of-use assets and DFAT owned properties. Lease revenue expected to be received is \$162.245m (2021: \$147.319m).

Maturity analysis of operating lease income receivables:

Within 1 year	42,950	47,452
One to two years	41,801	40,783
Two to three years	33,375	29,479
Three to four years	23,380	19,949
Four to five years	11,233	6,492
More than 5 years	9,506	3,164
Total undiscounted lease payments receivable	162,245	147,319

Note 1.2C: Other revenue

Foreign tax refunds	4,484	4,593
Sponsorship revenue	193	368
Resources received free of charge	615	615
Other revenue	506	1,179
Total other revenue	5,798	6,755

Accounting policy

Resources received free of charge, which relates to remuneration of auditors, 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.

Sponsorship revenue is recognised as revenue at the fair value of the sponsorship received or receivable when the probable economic benefits of the transaction will flow to DFAT.

Foreign tax refunds are recognised as revenue at the fair value of the foreign tax refund when the probable economic benefits of the transaction will flow to DFAT.

Note 1.2D: Other gains

Gain on restoration obligation	5,551	53
Assets previously expensed	708	232
Gains arising from asset disposals and derecognition of lease liabilities	21,254	-
Total other gains	27,513	285

Department of Foreign Affairs and Trade

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

2. Income and Expenses Administered on Behalf of Government

2.1 Administered - Expenses

	2022 \$'000	2021 \$'000
Note 2.1A: International development assistance		
Delivery of Australian international development assistance		
International development assistance - suppliers	3,452,042	3,539,325
Total delivery of Australian international development assistance	3,452,042	3,539,325
Employee benefits supporting delivery	38,904	33,839
Total employee benefits supporting delivery	38,904	33,839
Total international development assistance	3,490,946	3,573,164

Accounting Policy

Employee benefit expenses relate to both APS and locally engaged staff working on the direct delivery of the aid program.

Note 2.1B: Multilateral replenishments and other loans

New multilateral replenishments	7,834	414,543
Unwinding costs - multilateral grants and contributions	24,547	15,552
Total multilateral replenishments and other loans	32,381	430,095

Accounting Policy

Accounting policies for other loans and multilateral replenishments are included in Note 4.1: Administered - Financial Assets and Note 4.3: Administered - Payables.

Note 2.1C: Other grants and contributions

Payments to international organisations	331,871	355,139
New Colombo Plan	30,148	48,750
Tourism Australia - Asia marketing fund	19,981	19,923
Tourism Australia - Bushfire response package	-	29,500
Tourism Australia - Implementing Sport 2030	-	3,000
Non-Aid discretionary grants	46,544	36,939
Consular emergency services	8,319	26,867
Other	678	843
Total other grants and contributions	437,541	520,961

Accounting Policy

DFAT administers a number of agreements on behalf of the Australian Government with international organisations. Liabilities are recognised to the extent that:

- the services required to be performed by the recipient have been performed, or
- the eligibility criteria has been satisfied, but payments due have not been made.

Note 2.1D: Other expenses

NIA financial guarantee	13,025	16,330
Facilitated flights	33,179	11,180
Defined benefit pension schemes	10,569	7,776
Passport fee refunds	471	1,115
Consular fee refunds	9	4
Other foreign exchange losses	3,673	-
Total other expenses	60,926	36,405

Department of Foreign Affairs and Trade

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

2.2 Administered - Income

Administered income relates to ordinary activities performed by DFAT on behalf of the Government. As such, administered appropriations are not revenues of the individual entity that oversees distribution or expenditure of the funds as directed.

	2022 \$'000	2021 \$'000
Note 2.2A: Fees and charges		
Passport fees	525,830	171,410
Consular fees	14,333	13,310
Nuclear safeguard charges	714	849
Total fees and charges	540,877	185,569

Accounting Policy

Passport and consular income are based on a fee arrangement, collected both domestically and internationally, for the processing of new passport applications, registering lost or stolen passports, issuing emergency passports, and for other travel related documents and notarial endorsements. Fees are determined under the *Australian Passports (Application Fees) Act 2005* and the income is recognised on receipt of the fees and all income collected is returned to consolidated revenue. The nuclear safeguard charge income is the Uranium Producers Charge, under the *Nuclear Safeguards (Producers of Uranium Ore Concentrates) Act 1993*, for each kilogram of uranium ore concentrate produced in Australia with the income recognised on receipt of the charge and is all income returned to consolidated revenue.

Note 2.2B: EFA - NIA

NIA premiums	15,071	14,989
NIA repayments of interest subsidies and recoveries	18,098	46,633
Total EFA - NIA	33,169	61,622

Accounting Policy

Accounting policies for EFA are included in Note 4.1B: Receivables and loans.

Note 2.2C: EFA dividend and competitive neutrality

EFA dividend	5,671	5,596
Competitive neutrality	7,879	7,244
Total EFA dividend and competitive neutrality	13,550	12,840

Accounting Policy

Under section 61A of the *Export Finance and Insurance Corporation Act 1991* (the EFIC Act) the Minister may apply a debt neutrality charge to Export Finance Australia (EFA) in respect of short-term insurance contracts entered into by EFA. These arrangements ensure EFA does not have an unfair advantage over private sector financiers through its Australian Government ownership.

Department of Foreign Affairs and Trade

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

	2022 \$'000	2021 \$'000
<u>Note 2.2D: Return of prior year administered expenses</u>		
Return of prior year administered expenses	59,941	31,296
Total return of prior year administered expenses	59,941	31,296

Accounting Policy

Return of prior year administered expenses relates to funds returned after finalisation or acquittal of an agreement or funding arrangement that was originally paid from prior year appropriations. These funds are treated as administered revenue in the year the funds are returned and are transferred back to consolidated revenue.

Note 2.2E: Other revenue and gains

Gain from measuring multilateral financial liabilities - at fair value through profit or loss	48,084	9,621
Defined benefit pension schemes - contributions	6,149	4,582
Other foreign exchange gains	-	4,184
Other interest	314	717
Other revenue	352	37
Total other revenue and gains	54,899	19,141

Accounting Policy

Defined benefit schemes

Accounting policies for the defined benefit pension schemes - contributions are included in Note 7.6: Administered - Defined Benefit Pension Schemes.

Department of Foreign Affairs and Trade

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

3. Departmental Financial Position

3.1 Financial Assets

	2022 \$'000	2021 \$'000
Note 3.1A: Cash and cash equivalents		
Cash on hand or on deposit	152,614	87,377
Overseas property special account cash held by the entity	14,256	16,801
Overseas property special account cash held in the OPA	399,642	399,462
Total cash and cash equivalents	566,512	503,640

Accounting policy

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

- cash on hand;
- demand deposits in bank accounts with an original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value; and
- cash in special accounts.

Note 3.1B: Trade and other receivables

Goods and services receivables

Goods and services	66,121	69,657
Other	15,670	15,329
Total goods and services receivables	81,791	84,986

Goods and services are associated with providing services for other Commonwealth agencies and contributions by employees in relation to expenses that are incurred by the Department.

Appropriations receivables

Departmental - operating	415,724	384,625
Departmental - equity and DCB	152,810	74,481
Total appropriations receivable	568,534	459,106

Other receivables

Advances	16,930	15,568
Statutory receivables	6,754	6,020
Cash held by outsiders	148	126
Other	1,900	1,638
Total other receivables	25,732	23,352
Total trade and other receivables (gross)	676,057	567,444

Less impairment loss allowance

	(142)	(179)
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Total trade and other receivables (net)

675,915 567,265

Accounting policy

Aside from cash, financial assets are all classified as receivables. Terms for receivables for goods and services are 30 days (2021: 30 days).

Department of Foreign Affairs and Trade

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 3.1B: Trade and other receivables (continued)

Receivables

Receivables have fixed or determinable payments and are not quoted in an active market. Receivables are initially measured at fair value and subsequently at amortised cost using the effective interest method less impairment.

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.

Under AASB 9 *Financial Instruments*, DFAT can classify 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 DFAT's business model for managing the financial assets and contractual cash flow characteristics at the time of initial recognition. Financial assets are recognised when DFAT becomes a party to the contract and has a legal right to receive cash and derecognised when the contractual rights to the cash flows from the financial asset expire or are transferred upon trade date. Therefore, DFAT's trade and other receivable financial assets are measured, and carried, at amortised cost.

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.

Appropriations

Departmental appropriations for the year (adjusted for any formal additions and reductions) are recognised as Revenue from Government when DFAT 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.

Impairment

Financial assets are assessed for impairment at the end of each reporting period based on Expected Credit Losses (ECL).

The simplified approach has been adopted in measuring the impairment loss allowance for trade and other receivables at an amount equal to lifetime ECL.

Department of Foreign Affairs and Trade NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

3.2 Non-Financial Assets

Note 3.2A: Reconciliation of the opening and closing balances of property, plant and equipment and computer software

Reconciliation of the opening and closing balances for 2022

	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Computer software ¹ \$'000	Total \$'000
As at 1 July 2021					
Gross book value	1,858,866	2,978,579	298,081	310,274	5,445,800
Accumulated depreciation, amortisation and impairment	-	(352,398)	(56,754)	(171,184)	(580,336)
Total as at 1 July 2021	1,858,866	2,626,181	241,327	139,090	4,865,464
ROU reclassification - Gross Value	1,169	(1,169)	-	-	-
ROU reclassification - Accumulated Depreciation	(145)	145	-	-	-
Adjusted total as at 1 July 2021	1,859,890	2,625,157	241,327	139,090	4,865,464
Additions:					
Purchase	3	117,859	68,356	6,600	192,818
Internally developed	-	-	-	43,044	43,044
Right-of-use assets	66,467	114,440	9,711	-	124,151
Revaluations and impairments recognised in other comprehensive income	-	49,955	11,914	-	128,336
Reversal of impairments recognised in net cost of services	-	21,254	-	-	21,254
Depreciation and amortisation expense	-	(85,612)	(54,650)	(37,626)	(177,888)
Depreciation on right-of-use assets	(58)	(164,156)	(2,028)	-	(166,242)
Other movements	-	-	-	-	-
Asset reclassification	-	3,717	(2,146)	(1,571)	-
Disposals	(2,951)	(1,735)	(6,339)	(1,056)	(12,081)
Total as at 30 June 2022	1,923,351	2,680,879	266,145	148,481	5,018,856
Net book value as of 30 June 2022 represented by:					
Gross book value	1,923,554	3,155,884	297,334	333,921	5,710,693
Accumulated depreciation, amortisation and impairment	(203)	(475,005)	(31,189)	(185,440)	(691,837)
Total	1,923,351	2,680,879	266,145	148,481	5,018,856
Carrying amount of right-of-use assets	966	1,042,532	8,042	-	1,051,540

1. The carrying amount of computer software included \$2.481m of purchased software and \$146.000m of internally generated software.

No indicators of impairment were identified for property, plant and equipment, and computer software.

Department of Foreign Affairs and Trade

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 3.2A: Reconciliation of the opening and closing balances of property, plant and equipment and computer software (continued)

Contractual Commitments for the Acquisition of Property, Plant, Equipment and Intangible Assets

DFAT has a number of contractual commitments in place for the purchase and/or development of property, plant, equipment and intangible assets, aged as follows:

	2022	2021
	\$'000	\$'000
Within 1 year	93,082	96,308
Between 1 to 5 years	20,178	10,877
More than 5 years	-	-
Total commitments	113,260	107,185

The majority of these commitments relate to contracts in place for the development, refurbishment and upgrade of properties in DFAT's diplomatic network, and are managed through the Overseas Property Office (OPO). Commitments are GST / VAT inclusive where relevant.

Department of Foreign Affairs and Trade NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 3.2A: Reconciliation of the opening and closing balances of property, plant and equipment and computer software (continued)

Reconciliation of the opening and closing balances for 2021

	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Computer software \$'000	Total \$'000
As at 1 July 2020					
Gross book value	1,989,064	3,005,010	385,534	281,255	5,660,863
Accumulated depreciation, amortisation and impairment	-	(170,233)	(107,018)	(135,566)	(412,817)
Net book value 1 July 2020	1,989,064	2,834,777	278,516	145,689	5,248,046
Adjusted total as at 1 July 2020	1,989,064	2,834,777	278,516	145,689	5,248,046
Additions:					
Purchase	22	113,043	47,507	9,553	170,125
Internally developed ¹	-	-	-	19,212	19,212
Right-of-use assets	-	84,065	400	-	84,465
Revaluations and impairments recognised in other comprehensive income	(102,059)	(78,184)	(4,618)	-	(184,861)
Write-offs and impairments on right-of-use assets recognised in net cost of services	-	(24,380)	-	-	(24,380)
Assets held for sale ²	(19,583)	-	-	-	(19,583)
Depreciation and amortisation expense	-	(107,309)	(66,042)	(40,162)	(213,513)
Depreciation on right-of-use assets	-	(167,548)	(1,954)	-	(169,502)
Other movements	-	-	-	-	-
Asset reclassification	-	1,398	(8,178)	6,780	-
Disposals	(8,578)	(29,681)	(4,304)	(1,982)	(44,545)
Net book value 30 June 2021	1,858,866	2,626,181	241,327	139,090	4,865,464
Net book value as of 30 June 2021 represented by:					
Gross book value	1,858,866	2,978,579	298,081	310,274	5,445,800
Accumulated depreciation, amortisation and impairment	-	(352,398)	(56,754)	(171,184)	(580,336)
Total	1,858,866	2,626,181	241,327	139,090	4,865,464
Carrying amount of right-of-use assets	-	1,072,018	359	-	1,072,377

1. The carrying amount of computer software included \$5,039m of purchased software and \$134.051m of internally generated software.

2. Assets held for sale relates to land in Jakarta.

No indicators of impairment were identified for property, plant and equipment, and computer software.

No land and building assets are to be sold within the next 12 months, other than those identified as assets held for sale in the Statement of Financial Position.

Department of Foreign Affairs and Trade

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 3.2A: Reconciliation of the opening and closing balances of property, plant and equipment and computer software (continued)

Accounting Policy

Non-financial 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.

Non-financial 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.

Lease Right of Use (ROU) Assets

Lease 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 as separate asset classes to the corresponding assets owned outright, but included in the same column as where the corresponding underlying assets would be presented if they were owned.

Lease ROU assets continue to be measured at cost after initial recognition. An impairment review is undertaken for any ROU lease asset that shows indicators of impairment and an impairment loss is recognised against any ROU lease asset that is impaired.

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 \$5,000 (2021: \$5,000), which are expensed in the year of acquisition

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 DFAT where there exists an obligation to restore the property to its original condition on termination of the lease. These costs are included in the value of DFAT's leasehold improvements with a corresponding provision for the 'make good' disclosed in Note 3.5A: Provision for restoration.

Depreciation

Depreciable property, plant and equipment assets are written-down to their estimated residual values over their estimated useful lives to DFAT using, in all cases, the straight-line method of depreciation. Depreciation and amortisation 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 typical useful lives:

Asset Class	2022	2021
Buildings	Based on remaining useful life	Based on remaining useful life
Leasehold Improvements	Lesser of lease term or up to 15 years	Lesser of lease term or up to 15 years
ROU Assets	Lesser of lease term or useful life	Lesser of lease term or useful life
Plant and Equipment (other than Works of Art)	3 to 25 years	3 to 25 years
Plant and Equipment (Works of Art)	100 years	100 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.

Department of Foreign Affairs and Trade

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 3.2A: Reconciliation of the opening and closing balances of property, plant and equipment and computer software (continued)

Revaluations

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

The Commonwealth owned, non-Defence overseas property estate, comprising both land and buildings, and managed by overseas property office (OPO), is subject to a three-year rolling revaluation cycle in which each property is subject to a full revaluation once in the cycle. The top 20 by value property assets receive a desktop update as a minimum each year, with remaining properties subject to a market review. A desktop report is required where there has been material movement in the market in excess of 10% over the past 12 months, or when substantial works have been undertaken on an asset. Where a property is not required to be professionally valued due to being outside the top 20, out of cycle or not having experienced a market movement in excess of 10%, a management revaluation is undertaken largely to recognise foreign exchange movements since the last professional revaluation.

Due to COVID-19 travel restrictions, DFAT has amended its rolling program and only a limited number of full valuations were undertaken in 2022. Desktop valuations were undertaken for countries where it was difficult to travel. In the prior year no full inspections were able to be undertaken.

Restrictions on Title

Due to the diplomatic nature of the overseas property portfolio, some properties have restrictions on title. Restrictions on title vary depending on local Government rules and regulations, such as long term title that prohibits the Commonwealth of Australia from profiting from sale of land. Whilst the effect of restrictions on some titles can be quantified, there are others that cannot, such as those titles held in limited or unsophisticated markets. As part of the valuation process, consideration is given to the restrictions on title.

The other tangible assets are subject to revaluation every three years by class based on the following cycle:

	Asset Class to be Revalued
Year 1	Vehicles / Plant and Equipment / Furniture and Fittings / Office Equipment
Year 2	Works of Art / Leasehold Improvement
Year 3	IT Equipment / Special Assets

DFAT has engaged Colliers International Valuation and Advisory Services (CIVAS) to undertake the revaluation of land and buildings and Jones Lang LaSalle Incorporated (JLL) to undertake the revaluation of other tangible 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 re-valued amount. Assets held overseas are valued in local currencies and translated into Australian dollars at the exchange rates current at revaluation date.

Derecognition

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

Department of Foreign Affairs and Trade**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

Note 3.2A: Reconciliation of the opening and closing balances of property, plant and equipment and computer software (continued)*Impairment*

All assets were assessed for impairment at 30 June 2022. Where indications of impairment existed, the asset's recoverable amount was estimated and an impairment adjustment made if the asset's recoverable amount was less than its carrying amount. The recoverable amount of any 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 DFAT were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

Computer software

DFAT's computer software comprises purchased and 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 life of DFAT's software is 5 to 10 years (2021: 5 to 10 years).

All software assets were assessed for indications of impairment as at 30 June 2022.

Assets held for sale

Non-current assets are classified as held for sale if the carrying amount is to be recovered principally through a sale transaction rather than through continuing use. On classification as held for sale, the asset is measured at the lower of its carrying amount and fair value less costs to sell. Any write down to fair value less costs to sell is recognised as an impairment loss. Assets which have been classified as held for sale are no longer subject to depreciation or amortisation.

Assets Under Construction

Assets under construction (AUC) are recorded at acquisition cost. They include expenditure to date on various capital projects carried as AUC. AUC projects are reviewed annually for indicators of impairment and all tangible AUC older than 12 months prior to the reporting date are externally revalued to fair value. Computer software AUC are reviewed through an internal monthly process. Prior to rollout into service, the accumulated AUC balance is reviewed to ensure accurate capitalisation of built or purchased assets.

Department of Foreign Affairs and Trade**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

	2022 \$'000	2021 \$'000
<u>Note 3.2B: Inventories</u>		
Inventories held for sale		
Finished goods	23,746	52,886
Total inventories	<u>23,746</u>	<u>52,886</u>

During 2022, \$36.394m of inventory held for sale was recognised as an expense (2021: \$12.739m) and \$nil inventory was written off in the current financial year (2021: \$0.510m).

Accounting policy

Inventories held for sale are valued at cost. Costs incurred in bringing each item of inventory to its present location and condition include the cost of direct materials and labour plus attributable costs that can be allocated on a reasonable basis.

Department of Foreign Affairs and Trade

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

3.3 Payables

	2022	2021
	\$'000	\$'000
Note 3.3A: Suppliers		
Trade creditors and accruals	143,187	118,230
Other	1,474	3,800
Total suppliers	144,661	122,030

Settlement terms for trade creditors were within 20 days (2021: 20 days).

Note 3.3B: Other payables

Wages and salaries	17,744	14,117
Superannuation	7,281	7,603
Separations and redundancies	-	110
Unearned income	66,821	42,260
Other	2,953	577
Total other payables	94,799	64,667

Accounting policy

Payables are classified as other financial liabilities and are recognised and measured at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

The liability for wages and salaries and superannuation recognised as at 30 June 2022 represents outstanding amounts and contributions for the final payroll fortnight of the financial year.

Department of Foreign Affairs and Trade

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

3.4 Leases

	2022	2021
	\$'000	\$'000
Note 3.4A: Leases		
Lease Liabilities		
Land	1,036	1,037
Buildings	1,085,625	1,085,107
Plant and equipment	7,971	332
Total leases	1,094,632	1,086,476
Maturity analysis - contractual undiscounted cash flows		
Within 1 year	140,354	152,759
Between 1 to 5 years	422,857	456,618
More than 5 years	640,851	674,159
Adjustment for discount	(109,430)	(197,060)
Total leases	1,094,632	1,086,476

Total cash outflow for leases for the year ended 30 June 2022 was \$154.757m (2021: \$155.868m)

DFAT in its capacity as lessee has 125 leases with fixed price escalation clauses (2021: 111) and 475 leases with extension options (2021: 503). It is assumed DFAT will take all of the extension options if they are available, and it has been reflected in the lease liabilities calculations.

Accounting Policy

For all new contracts entered into, DFAT considers whether the contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

Once it has been determined that a contract is, or contains a lease, the lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease, if that rate is readily determinable, or the department's incremental borrowing rate.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification to the lease. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset or profit and loss depending on the nature of the re-assessment or modification.

Department of Foreign Affairs and Trade

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

3.5 Provisions

	2022 \$'000	2021 \$'000
Note 3.5A: Provision for restoration		
Provision for restoration obligations	42,724	38,649
Total other provisions	42,724	38,649
 Provision for restoration		
As at 1 July 2021	38,649	29,528
Additional provisions made	57	5,411
Amounts used	(48)	(11)
Amounts reversed	(5,551)	(53)
Revaluation of provision	9,213	4,905
Changes in foreign exchange rates	114	(1,267)
Unwinding of discount	290	136
Total as at 30 June 2022	42,724	38,649

The entity currently has 67 (2021: 86) agreements for the leasing of premises which have provisions requiring the entity to restore the premises to their original condition at the conclusion of the lease. The entity has made a provision to reflect the present value of this obligation.

Accounting Policy

For a number of property leases, DFAT has obligations to restore to their original condition or makegood leasehold improvements. These are assessed on a site-by-site basis in line with the relevant clauses of the underlying lease, with fair value calculated based on estimated costs per square metre at the time the makegood obligation falls due, discounted to present value.

DFAT engages an independent expert to assist in the valuation of the estimated costs to makegood. The total provision is reviewed at the end of each reporting period and adjusted to reflect the current best estimate. Where the adjustment relates to the revaluation of the provision and there is sufficient related asset revaluation surplus for the associated leasehold improvement assets, the adjustment is recorded against the asset revaluation reserve. All other adjustments are recognised in the Statement of Comprehensive Income.

Department of Foreign Affairs and Trade

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

4. Assets and Liabilities Administered on Behalf of Government**4.1 Administered - Financial Assets**

	2022 \$'000	2021 \$'000
Note 4.1A: Cash and cash equivalents		
Cash on hand or on deposit	8,471	8,585
Special account cash held by the entity	-	5
Cash in special accounts held in the OPA	325	17,025
Total cash and cash equivalents	8,796	25,615

Accounting policy

The closing balance of cash in special accounts does not include amounts held in trust of \$4.529m (2021: \$4.976m). See Note 5.2A: Special accounts and Note 5.2B: Assets held in trust for more information.

Note 4.1B: Receivables and loans**Receivables**

Passport fines	9	9
Scholarship debts	4,456	2,603
Statutory receivables	18,749	23,084
Net position of EFA - NIA	29,590	40,101
Other	821	575
Total receivables	53,625	66,372

Loans

Concessional loan receivable - AIPRD ¹	169,662	165,840
Other - travellers emergency loans	8,899	9,486
Total loans	178,561	175,326

Total receivables and loans (gross)	232,186	241,698
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Less impairment allowance

Advances and loans - travellers emergency loans	(7,741)	(2,277)
Other receivables - external parties	(4,447)	(2,592)
Total impairment allowance	(12,188)	(4,869)
Total receivables (net)	219,998	236,829

The impairment loss allowance is based on an assessment of debts outstanding and is predominantly aged more than 90 days.

1. Australia and Indonesia Partnership for Reconstruction and Development (AIPRD)

Department of Foreign Affairs and Trade

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 4.1B: Receivables and loans (continued)

Reconciliation of the impairment loss allowance

Movements in relation to 2022

	Advances and loans \$'000	Receivables - external parties \$'000	Total \$'000
Opening balance	2,277	2,592	4,869
Amounts impaired	5,464	1,855	7,319
Amounts recovered and reversed	-	-	-
Closing balance	7,741	4,447	12,188

Movements in relation to 2021

	Advances and loans \$'000	Receivables - external parties \$'000	Total \$'000
Opening balance	712	1,990	2,702
Amounts impaired	1,565	621	2,186
Amounts recovered and reversed	-	(19)	(19)
Closing balance	2,277	2,592	4,869

Accounting Policy

Receivables and loans

Consistent with DFAT's outcomes, long-term loans are provided to other entities at concessional rates. On DFAT providing these loans, differences between the nominal value of the loan subscription and the fair value of the associated assets are recorded in the administered schedule of comprehensive income as an expense administered on behalf of Government.

Where loans and receivables are not subject to concessional treatment, they are carried at amortised cost using the effective interest method. Gains and losses due to impairment, de-recognition and amortisation are recognised through profit or loss.

EFA – NIA

Part 5 of the EFIC Act provides for the Minister for Trade, Tourism and Investment to give an approval or direction to EFA to undertake any transaction that the Minister considers is in the national interest. Such transactions may relate to a class of business which EFA is not authorised to undertake, or involve terms and conditions EFA would not accept in the normal course of business on its Commercial Account. EFA manages these transactions on the NIA.

For these transactions, the credit risk is borne by the Government and the funding risk is borne by EFA on the Commercial Account. Accordingly, premium or other income arising from these transactions are paid by EFA to the Government. EFA recovers from the Government the costs of administration and any losses incurred in respect of such business.

Loans on the NIA are funded from the EFA Commercial Account at fair value. The amount disclosed above reflects the Commonwealth's exposure on business undertaken on the NIA. It reflects the net amount of:

- Assets in the form of loans to and rescheduled credit insurance debts owing by foreign governments, commitment fees on loans received by EFA but not yet paid to the Commonwealth and bond premiums receivable from exports; and,
- Liabilities relating to the reimbursement to EFA for debt forgiveness on loans, provisions for unearned income on loan premiums, accrued expenses including EFA administration fees and other creditors.

Department of Foreign Affairs and Trade

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

	2022 \$'000	2021 \$'000
Note 4.1C: Investments		
Non-monetary IDA and ADF Subscriptions - fair value through Other Comprehensive Income	2,133,725	2,560,275
EFA - Commercial Account	586,874	542,792
Tourism Australia	41,481	53,010
Emerging market impact investment fund	2,050	6,704
Total investments	2,764,130	3,162,781

Accounting Policy

Administered investments are measured at their fair value through other comprehensive income as at 30 June 2022. Administered investments in subsidiaries, joint ventures and associates are not consolidated because their consolidation is relevant only at the whole-of-Government level. Financial instruments are recognised on a trade date basis.

Non-monetary International Development Association (IDA) and Asian Development Fund (ADF) Subscriptions

The Australian Government holds these investments long-term for policy reasons, with the issuers being partner foreign governments and multilateral aid organisations including the IDA and the ADF. The investment represents subscription-based membership rights held by the Australian Government in accordance with the articles of association for the IDA and the ADF.

The subscriptions to the IDA and the ADF are classified as equity investments and have been reclassified at fair value through other comprehensive income under AASB 9: *Financial Instruments*. There is no intention to trade these investments, as there is no observable market value for them. DFAT, based on independent expert valuation advice, values the investment on a discounted cash flow basis. The basis assumes the redemption of the Commonwealth's pro-rata share of the outstanding loan principal for each fund. The redemption basis is consistent with the withdrawal provisions of the articles of association with the IDA and the ADF.

The discount rate used to equate the future cash flows to a present value reflects the risk adjusted rate of return demanded by a hypothetical investor. The discount rate range uses the "build up method" based on the following components: risk free rate (20 year US Government bond rate), currency risk premium, sovereign risk premium and liquidity risk premium. Changes in fair value are recognised directly in the administered reconciliation schedule. Foreign currency movements and impairment losses and reversals are recorded in the administered schedule of comprehensive income.

EFA – Commercial Account

EFA's principal activity is the provision of competitive finance and insurance services to Australian exporters and Australian companies investing in new projects overseas. The Australian Government guarantees to EFA's creditors the payment of monies payable by EFA on the Commercial Account. The Minister for Trade, Tourism and Investment has the powers to determine and instruct EFA to pay a dividend in accordance with section 55(1) of the EFIC Act. Fair value has been taken to be the Australian Government's proportional interest in the net assets of EFA as at the end of the reporting period.

Tourism Australia

Tourism Australia is the Australian Government agency responsible for attracting international visitors to Australia, both for leisure and business events. DFAT administers Tourism Australia on behalf of the Government for oversight and management purposes and to improve linkages internationally. Funding appropriated to DFAT for Tourism Australia is disclosed as Payments to corporate Commonwealth entities in the Administered Schedule of Comprehensive Income. Fair value has been taken to be the Australian Government's interest in the net assets of Tourism Australia as at the end of the reporting period.

Emerging Markets Impact Investment Fund (EMIIF)

EMIIF is a development financing mechanism for the Australian Government. It provides investment capital and technical assistance to financial intermediaries who in turn provide access to financing for small and medium enterprises in South Asia, Southeast Asia and the Pacific. Value is based on fair value of net assets which has been adjusted for current market conditions.

Department of Foreign Affairs and Trade

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

4.2 Administered - Non-Financial Assets

Note 4.2A: Reconciliation of the opening and closing balances for computer software

	2022	2021
	\$'000	\$'000
As at 1 July		
Gross book value	13,144	13,144
Accumulated depreciation, amortisation & impairment	(12,427)	(10,914)
Net book value 1 July	717	2,230
Depreciation & amortisation expenses	(239)	(1,513)
Net book value 30 June	478	717
Net book value as of 30 June represented by		
Gross book value	13,144	13,144
Accumulated depreciation, amortisation & impairment	(12,666)	(12,427)
Net book value 30 June	478	717

No indicators of impairment were identified for computer software in 2022 (2021: nil).

Accounting Policy

Accounting policies are included in Note 3.2: Non-Financial Assets.

Department of Foreign Affairs and Trade**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS****4.3 Administered - Payables**

	2022 \$'000	2021 \$'000
Note 4.3A: Grants		
Multilateral grants payable - fair value through profit or loss	996,891	1,258,362
Total grants	996,891	1,258,362
Grants are expected to be settled in		
No more than 12 months	197,470	193,747
More than 12 months	799,421	1,064,615
Total grants	996,891	1,258,362
Note 4.3B: Other payables		
Multilateral contributions - fair value through profit or loss	499,333	582,234
International development assistance	242,770	212,602
Other payables	3,241	12,498
Total other payables	745,344	807,334

Accounting Policy

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

Financial liabilities at fair value through profit or loss include multilateral grants payable and multilateral contributions payable. 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.

Other financial liabilities include trade creditors and accruals and 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 yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Department of Foreign Affairs and Trade NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

5. Funding

5.1 Appropriations

Note 5.1A: Annual appropriations ('recoverable GST exclusive')

Annual Appropriations for 2022

	Annual Appropriation \$'000	Adjustments (Section 74 and 75 PGPA Act) \$'000	Total appropriation \$'000	Appropriation applied in 2022 (current and prior years) \$'000	Variance ¹ \$'000
Departmental²					
Ordinary annual services	1,748,057	163,302	1,911,359	(1,704,583)	206,776
Capital budget ³	79,729	-	79,729	(81,892)	(2,163)
Equity	152,761	-	152,761	(58,166)	94,595
Total departmental	1,980,547	163,302	2,143,849	(1,844,641)	299,208
Administered					
Ordinary annual services					
Capital budget ³	528	-	528	-	528
Administered items ⁴	4,091,041	-	4,091,041	(3,945,924)	145,117
Payments to corporate Commonwealth entities	135,347	-	135,347	(135,347)	-
Other services					
Administered assets and liabilities	5,897	-	5,897	(5,897)	-
Total administered	4,232,813	-	4,232,813	(4,087,168)	145,645

1. Variances in appropriation may result from using prior year non-lapsed appropriations to fund operating and capital expenditure incurred in the current financial year, making payments for benefits to be received in future years and where obligations in the current financial year are not settled by financial year end.

2. In 2021-22, there were adjustments that met the recognition criteria of a formal addition or reduction in revenue, capital budget or in equity but at law the appropriations had not been amended before the end of the reporting period as Departmental appropriations do not lapse at financial year end. The adjustments were: an increase to revenue of \$21,908m relating to no-win / no-loss funding for foreign exchange; a decrease to revenue of \$37,776m relating to no-win / no-loss funding for Passport Funding Agreement; a decrease to revenue of \$37,583m relating to no-win / no-loss funding for FBT payable on living away from home allowance; a decrease of \$39,953m relating to no-win / no-loss funding for security related operating expenditure overseas and a reduction in equity of \$14,103m relating to no-win / no-loss funding for security Kabul capital projects. A net decrease in appropriation of \$93,404m will be applied against 2021-22 Appropriation Act (No. 1) and a net decrease in appropriation of \$14,103m will be applied against 2021-22 Appropriation Act (No.2). An increase of \$159,396m of section 74 adjustment and \$3,906m of section 75 transfer will be applied against 2021-22 Appropriation Act (No.1).

3. Departmental Capital Budgets are appropriated through Appropriations Acts (No. 1 and No. 3). They form part of the ordinary annual services and are not separately identified in the Appropriations Acts.

4. Commonwealth Superannuation Corporation (CSC) spends money from the Consolidated Revenue Fund on behalf of DFAT in accordance with the Papua New Guinea (Staffing Assistance) Act 1973. In 2021-22 CSC has withdrawn \$3,367m from DFAT's administered appropriation. This amount is included in the appropriation applied amount above.

Department of Foreign Affairs and Trade NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 5.1A: Annual appropriations ('recoverable GST exclusive') (continued)

Annual Appropriations for 2021				
	Annual Appropriation ¹ \$'000	Section 74 PGPA Act \$'000	Total appropriation \$'000	Appropriation applied in 2021 (current and prior years) \$'000
				Variance ² \$'000
Departmental				
Ordinary annual services	1,710,249	170,156	1,880,405	343,135
Capital budget ³	69,539	-	69,539	2,163
Equity	104,628	-	104,628	(8,904)
Total departmental	1,884,416	170,156	2,054,572	336,394
Administered				
Ordinary annual services				
Capital budget ³	528	-	528	528
Administered items ⁴	4,358,782	-	4,358,782	390,406
Payments to corporate Commonwealth entities	139,445	-	139,445	-
Other services				
Administered assets and liabilities	6,704	-	6,704	(80,000)
Total administered	4,505,459	-	4,505,459	310,934

1. Variances in appropriation may result from using prior year non-lapsed appropriations to fund operating and capital expenditure incurred in the current financial year, making payments for benefits to be received in future years and where obligations in the current financial year are lower than funding received or are not settled by financial year end.
2. In 2020-21, there were adjustments that met the recognition criteria of a formal addition or reduction in revenue, capital budget or in equity but at law the appropriations had not been amended before the end of the reporting period as Departmental appropriations do not lapse at financial year end. The adjustments were: a decrease to revenue of \$14.073m relating to no-win / no-loss funding for foreign exchange; a decrease to revenue of \$82.491m relating to no-win / no-loss funding for Passport Funding Agreement; a decrease to revenue of \$31.914m relating to no-win / no-loss funding for FBI payable on living away from home allowance; and, a reduction in equity of \$1.807m relating to no-win/no-loss funding for Security Kabul capital projects.
A net decrease in appropriation of \$128.478m will be applied against 2020-21 Appropriation Act (No.1) and a net decrease in appropriation of \$1.807m will be applied against 2020-21 Appropriation Act (No.2). An increase of \$170.156m of section 74 adjustment will be applied against 2020-21 Appropriation Act (No. 1).
3. Departmental Capital Budgets are appropriated through Supply Act (No. 1) and Appropriations Acts (No. 1 and No. 3). They form part of the ordinary annual services, and are not separately identified in the Supply Act and Appropriations Acts.
4. Commonwealth Superannuation Corporation (CSC) spends money from the Consolidated Revenue Fund on behalf of DFAT in accordance with the *Papua New Guinea (Staffing Assistance) Act 1973*. In 2020-21 CSC has drawn down \$3.881m from DFAT's administered appropriation. This amount is included in the appropriation applied amount above.

Department of Foreign Affairs and Trade

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 5.1B: Unspent annual appropriations ('recoverable GST exclusive')

	2022	2021
	\$'000	\$'000
Departmental		
Appropriation Act (No.1) 2018-19 - DCB ¹	-	9,638
Appropriation Act (No.2) 2018-19 ²	-	3,016
Appropriation Act (No.1) 2019-20 ³	13,743	13,743
Supply Act (No. 2) 2020-21	14,152	51,526
Appropriation Act (No.1) 2020-21 ⁴	128,478	430,761
Appropriation Act (No.2) 2020-21 ⁵	1,807	11,471
Appropriation Act (No.3) 2020-21	-	82,341
Appropriation Act (No.3) 2020-21 - DCB	-	2,163
Appropriation Act (No.4) 2020-21	-	11,128
Appropriation Act (No.1) 2020-21 - Cash at bank and on hand	-	87,377
Appropriation Act (No.1) 2021-22 ⁶	525,428	-
Appropriation Act (No.2) 2021-22 ⁷	152,761	-
Appropriation Act (No.1) 2021-22 - Cash at bank and on hand	152,614	-
Total departmental	988,983	703,164

1. Appropriation Act (No. 1) 2018-19 DCB includes \$9.638m repealed on 1 July 2021.

2. Appropriation Act (No. 2) 2018-19 includes \$3.016m repealed on 1 July 2021.

3. Appropriation Act (No. 1) 2019-20 includes \$13.743m withheld under section 51.

4. Appropriation Act (No. 1) 2020-21 includes \$128.478m withheld under section 51.

5. Appropriation Act (No. 2) 2020-21 includes \$1.807m withheld under section 51.

6. Appropriation Act (No. 1) 2021-22 includes \$93.404m which is quarantined and \$16.300m withheld under section 51.

7. Appropriation Act (No. 2) 2021-22 includes \$14.103m which is quarantined.

DFAT has in place a number of no-win / no-loss funding agreements due to the complex and variable environment the department operates in overseas. The difference between the balance of departmental appropriation receivable disclosed in Note 3.1B: Trade and other receivables and the above balance on unspent annual appropriations is due to these agreements and cash at bank and on hand. Adjustments relating to the no-win / no-loss agreements are recognised as formal additions or reductions in DFAT's accounts.

Department of Foreign Affairs and Trade

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 5.1B: Unspent annual appropriations ('recoverable GST exclusive') (continued)

	2022 \$'000	2021 \$'000
Administered		
Appropriation Act (No. 1) 2018-19 ¹	-	73,156
Appropriation Act (No. 1) 2018-19 - ACB ¹	-	461
Supply Act (No. 1) 2019-20	202	202
Appropriation Act (No. 1) 2019-20	80,320	80,320
Appropriation Act (No. 1) 2019-20 - ACB	71	71
Supply Act (No. 2) 2019-20	252,114	252,114
Appropriation Act (No. 2) 2019-20	272,958	272,958
Supply Act (No. 1) 2020-2021	52,148	52,148
Supply Act (No. 1) 2020-2021 - ACB	308	308
Appropriation Act (No. 1) 2020-21	157,495	317,948
Appropriation Act (No. 1) 2020-21 - ACB	220	220
Appropriation Act (No. 1) 2020-21 Cash at Bank and on hand	-	8,585
Appropriation Act (No. 3) 2020-21	25,219	107,522
Appropriation Act (No. 1) 2021-22	387,873	-
Appropriation Act (No. 1) 2021-22 - ACB	528	-
Appropriation Act (No. 1) 2021-22 Cash at Bank and on hand	8,471	-
Total administered	1,237,927	1,166,013

1. Appropriation Act (No.1) 2018-19 and Appropriation Act (No.1) 2018-19 - ACB were repealed on 01 July 2021

Department of Foreign Affairs and Trade

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 5.1C: Special appropriations ('recoverable GST exclusive')

Authority	Type	Purpose	Appropriation applied	
			2022 \$'000	2021 \$'000
<i>Export Finance and Insurance Corporation (Efic) Act 1991 s.54(10), Administered</i>	Unlimited Amount	For the payment by the Commonwealth to EFA of amounts equal to the amount of capital determined by the EFA Board as necessary to overcome the inadequacies, in the moneys or other assets of EFA to meet the expected liabilities, losses or claims against EFA.	-	-
<i>Public Governance, Performance and Accountability Act 2013 s77, Administered¹</i>	Refund	To provide an appropriation where an Act or other law requires or permits the repayment of an amount received by the Commonwealth and apart from this section there is no specific appropriation for the repayment.	497	1,148
<i>Special Appropriation - Official Development Assistance Multilateral Replenishment Obligations (Special Appropriation) Act 2020 - s6 official development payments, Administered</i>	Unlimited Amount	To provide an appropriation for the payment of Official Development Assistance Multilateral Replenishment encashment obligations	328,745	302,991
Total special appropriation applied			329,242	304,139

1. DFAT uses section 77 of the PGPA Act to make refunds of passport and consular fees in certain circumstances, where there is no other specific appropriation available to make the repayment.

2. On 16 June 2020 the Official Development Assistance Multilateral Replenishments Obligations (Special Appropriation) Act 2020 came into effect. The Act allows funding out of the Consolidated Revenue Fund for expenditure in relation to Australia's official development assistance multilateral replenishment obligations and for related purposes. Previously these expenses were funded from Appropriation Act 1.

DFAT also holds a special appropriation under section 5 *International Fund for Agricultural Development Act 1977*. This appropriation has not been drawn on in either the current or prior year.

Department of Foreign Affairs and Trade

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

5.2 Special Accounts

Note 5.2A: Special accounts ('recoverable GST exclusive')

	Overseas property special account ¹ (Departmental)		DFAT Services for Other Entities and Trust Moneys (SOETM) Special Account 2019 ² (Administered)	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Balance brought forward from previous period	416,263	335,360	5,197	5,619
Increases	163,544	239,187	13,356	11,115
Total increases	163,544	239,187	13,356	11,115
Available for payments	579,807	574,547	18,553	16,734
Decreases				
Administered	-	-	(13,793)	(11,537)
Departmental	(165,909)	(158,284)	-	-
Total decreases	(165,909)	(158,284)	(13,793)	(11,537)
Total balance carried to the next period	413,898	416,263	4,760	5,197
Balance represented by:				
Cash held in entity bank accounts	14,256	16,801	-	-
Cash held in the Official Public Account	399,642	399,462	4,760	5,197
Total balance carried to the next period	413,898	416,263	4,760	5,197

	Consular services special account ³ (Administered)		EXPO 2020 Dubai ⁴ (Administered)	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Balance brought forward from previous period	77	37	16,731	17,514
Increases	151	176	10,201	4,243
Total increases	151	176	10,201	4,243
Available for payments	228	213	26,932	21,757
Decreases				
Administered	(134)	(136)	(26,932)	(5,026)
Total decreases	(134)	(136)	(26,932)	(5,026)
Total balance carried to the next period	94	77	-	16,731
Balance represented by:				
Cash held in entity bank accounts	-	-	-	5
Cash held in the Official Public Account	94	77	-	16,726
Total balance carried to the next period	94	77	-	16,731

Department of Foreign Affairs and Trade

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 5.2A: Special accounts ('recoverable GST exclusive') (continued)

1. Appropriation: *Public Governance, Performance and Accountability Act 2013* section 78
 Establishing Instrument: PGPA Act Determination (Establishment of Overseas Property Special Account 2017)
 Purpose:
 - a) acquire, lease, construct, manage, operate, repair, maintain, divest, finance, identify or advise on, and undertake any other activities in relation to, the real property of the Commonwealth outside Australia
 - b) repay to an original payer amounts credited to the special account or to the former special account, after any necessary payments made for the purposes mentioned in paragraph (a)
 - c) carry out activities that are incidental to a purpose mentioned in paragraph (a)
 - d) reduce the balance of the Special Account (and, therefore, the available appropriation for the Account) without making a real or notional payment, including to give effect to the remittance of amounts to the Official Public Account as agreed between the Finance Minister and the responsible minister
 - e) repay amounts where an Act or other law requires or permits the repayment of an amount received.

2. Appropriation: *Public Governance, Performance and Accountability Act 2013* section 78
 Establishing Instrument: PGPA Act Determination (DFAT SOETM Special Account 2019)
 Purpose:
 - a) to disburse an amount held on trust or otherwise for the benefit of a person other than the Commonwealth;
 - b) to disburse an amount in connection with services performed for or on behalf of other governments and bodies, including Commonwealth entities;
 - c) to disburse an amount in connection with joint activities performed for, on behalf of, or together with, another Commonwealth entity, Commonwealth company, another government, organisation or person;
 - d) to disburse an amount in connection with an agreement between the Commonwealth and another government;
 - e) to repay an amount where a court order, Act or other law requires or permits the repayment of an amount received; and
 - f) to reduce the balance of the special account (and, therefore, the available appropriation for the special account) without making a real or notional payment.

The SOETM Special Account includes the balance of funds held in trust for overseas governments via delegated co-operation agreements and for private individuals for amounts being transferred back to Australia in accordance with established policy. These amounts are \$7,603,624.37 and \$2,430.78 respectively and have, therefore, been excluded from presentation in the Administered Financial Statements.

3. Appropriation: *Public Governance, Performance and Accountability Act 2013* section 78
 Establishing Instrument: PGPA Act (Consular Services Special Account 2015 - Establishment) Determination 2015/05
 Purpose:
 - a) providing assistance to Australian citizens and permanent residents overseas:
 - i. in circumstances of urgency
 - ii. when commercial money transfer services are unavailable or inappropriate
 - b) to repay to an original payer amounts credited to the Special Account and residual after any necessary payments have been made under paragraph (a)
 - c) activities that are incidental to a purpose mentioned in paragraphs (a) or (b)
 - d) to reduce the balance of the Special Account (and, therefore, the available appropriation for that Account) without making a real or notional payment
 - e) to repay amounts where an Act or other law requires or permits the repayment of an amount received

The entire balance of the Consular Special Account is held in trust.

Department of Foreign Affairs and Trade

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 5.2A: Special accounts ('recoverable GST exclusive') (continued)

4. Appropriation: *Public Governance, Performance and Accountability Act 2013* section 78

Establishing Instrument: PGPA Act Determination (Expo 2020 Dubai Special Account).

Purpose:

- a) to undertake activities in relation to the Commonwealth's participation at Expo 2020, including, but not limited to:
 - i. acquiring, leasing, hiring, constructing, managing, operating, repairing, maintaining, identifying or advising on assets;
 - ii. costs related to staff and contractors to carry out activities listed in clause (a)i above; and,
 - iii. activities that are incidental to those listed in clause (a)i above.
- b) to disburse an amount in connection with an agreement between the Commonwealth and another government in relation to the Expo 2020;
- c) to repay an amount where an Act, other law, or court order requires or permits the repayment of an amount credited to the special account;
- d) to reduce the balance of the special account (and, therefore, the available appropriation for the special account) without making a real or notional payment.

Department of Foreign Affairs and Trade

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

	2022 \$'000	2021 \$'000
<u>Note 5.2B: Assets held in trust</u>		
As at 1 July	4,976	4,981
Receipts	13,510	11,535
Payments	(13,957)	(11,540)
Total as at 30 June	4,529	4,976
Total assets held in trust	4,529	4,976

Accounting policy

All trust funds are held as cash within special accounts in OPA for the benefit of third parties. The SOETM Special Account includes the balance of funds held in trust for overseas governments via delegated co-operation agreements and for private individuals for amounts being transferred back to Australia in accordance with established policy. Consular trust funds are held to provide assistance to Australian citizens and permanent residents overseas in circumstances of urgency, or when commercial money transfer services are unavailable or inappropriate.

Department of Foreign Affairs and Trade

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

6. People and Relationships

6.1 Employee Provisions

	2022 \$'000	2021 \$'000
Note 6.1A: Employee provisions		
Leave	231,275	202,516
Separations and redundancies	22,734	21,940
Superannuation	20,774	17,759
Other employee provisions	29,939	29,273
Total employee provisions	304,722	271,488

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.

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 DFAT's employer superannuation contribution rates and other employment on-costs, to the extent that the leave is likely to be taken during service rather than paid out on separation.

The liability for long service leave has been determined with reference to the work of an actuary as at 31 October 2019. The estimate of the present value of the liability takes into account attrition rates, pay increases through promotion and inflation. DFAT engages an actuary every three years unless it is assessed that there is a material movement in DFAT's staff profile.

Separation and Redundancy

In some countries, locally engaged staff employed by DFAT at overseas posts are entitled to separation benefits under local labour laws. DFAT provides for these separation benefits, and they have been classified as an employee benefit.

DFAT recognises a provision for redundancy when a decision by management has been made and affected employees have been informed that DFAT will carry out those terminations of employment.

Superannuation

The Australian-based staff of DFAT are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS), the Public Sector Superannuation accumulation plan (PSSap), or other superannuation schemes. The CSS and PSS are defined benefit schemes for the Australian Government. The PSSap and the other superannuation schemes are defined contribution schemes.

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.

DFAT makes employer contributions to the employee superannuation schemes at rates determined by the Government. For defined benefit scheme employer contribution rates are determined by an actuary to be sufficient to meet the current cost to the Government. DFAT accounts for these as if they were contributions to defined contributions plans.

Where required, DFAT makes superannuation contributions for locally engaged staff overseas to comply with local labour laws. Australian based staff who are engaged on a temporary basis and locally engaged staff overseas who are considered to be Australian residents for taxation purposes have compulsory employer superannuation contributions made on their behalf by DFAT.

Department of Foreign Affairs and Trade

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

	2022	2021
	\$'000	\$'000
<u>Note 6.1B: Administered employee provisions</u>		
Leave	6,471	5,581
Superannuation	538	429
Separations and redundancies	5,410	4,696
Defined benefit pension schemes	54,843	70,804
Total administered employee provisions	67,262	81,510

Accounting Policy

DFAT administers defined benefit pension schemes for some locally engaged staff in Washington, Ottawa, London, Port Louis and New Delhi on behalf of the Australian Government. DFAT recognises an administered liability for the present values of the Government's expected future payments arising from the unfunded components of the Washington, Ottawa, London and Port Louis Pension Schemes and the New Delhi Gratuity Scheme.

Increases in the accrued benefits liability, pursuant to regular estimates of the liability taking account of actuarial reviews, are recognised as an expense and classified as employee superannuation expense. Defined benefit pension schemes are measured at the 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.

Re-measurement of the net defined benefit obligation is recognised in other comprehensive income as outlined in AASB 119 *Employee Benefits*. DFAT engages actuaries to estimate the unfunded provisions and expected future cash flows as at the end of the reporting period each year. More details on the defined benefit pension schemes are included in Note 7.6: Administered – Defined Benefit Pension Schemes.

Department of Foreign Affairs and Trade

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

6.2 Key Management Personnel Remuneration

DFAT's key management personnel (KMP) are those persons having authority and responsibility for planning, directing and controlling the activities of the department. DFAT has determined the KMP to be the Portfolio and Assisting Ministers, the Secretary, Associate Secretary and Deputy Secretaries. The definition of KMP included the Chief People Officer, Chief Performance and Risk Officer and Chief Finance Officer from 1 July 2021 to 31 March 2022, however the officers determined to be KMP were revised following a restructure to Executive Governance arrangements with an effective date of 1 April 2022.

	2022 \$'000	2021 \$'000
Short-term employee benefits	3,866	3,740
Post-employment benefits	597	627
Other long-term employee benefits	93	94
Total key management personnel remuneration expenses¹	4,556	4,461

The total number of key management personnel that are included in the above table are 16 (2021: 13).

1. The above key management personnel remuneration excludes the remuneration and other benefits of the Portfolio Ministers. The Portfolio Ministers remuneration and other benefits are set by the Remuneration Tribunal and are not paid by DFAT.

6.3 Related Party Disclosures

Related party relationships

DFAT is an Australian Government controlled entity. DFAT's related parties are key management personnel including the DFAT Portfolio and Assisting Ministers, and other Australian Government entities.

Transactions with related parties

Given the breadth of Government activities, related parties may transact with the government sector in the same capacity as ordinary citizens.

Transactions with related parties of DFAT have occurred within normal customer or supplier relationships on terms and conditions no more favourable than those which it is reasonable to expect DFAT would have entered into on an arm's-length basis. These transactions have not been separately disclosed in this note.

Giving consideration to relationships with related entities, and transactions entered into during the reporting period by DFAT, it has been determined that there are no related party transactions (2021: nil) to be separately disclosed.

Department of Foreign Affairs and Trade

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

7. Managing Uncertainties

7.1 Contingent Assets and Liabilities

Contingent liabilities and contingent assets are not recognised in the Statement of Financial Position but are reported in the notes. They may arise from uncertainty as to the existence of a liability or asset or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are reported when settlement is probable but not virtually certain and contingent liabilities are disclosed when the probability of settlement is greater than remote.

Note 7.1A: Contingent assets and liabilities

	Guarantees		Claims for damages or costs		Total	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Quantifiable contingent liabilities	1,160	710	-	470	1,160	1,180
Balance from previous period	-	454	-	-	-	454
New contingent liabilities recognised	-	(4)	-	-	-	(4)
Re-measurement	6	-	-	-	6	(4)
Obligations expired	-	-	-	(470)	-	(470)
Total contingent liabilities	1,166	1,160	-	-	1,166	1,160

Unquantifiable Contingencies

At 30 June 2022, DFAT was involved in a number of litigation matters for alleged losses suffered by claimants. DFAT is defending these claims. It is not possible to estimate the amounts of any eventual payments that may be required in relation to these claims.

Department of Foreign Affairs and Trade**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS****Note 7.1B: Administered - contingent assets and liabilities**

DFAT has no administered contingent assets or liabilities (2021: nil).

Quantifiable Administered Contingencies

There are no quantifiable administered contingencies disclosed in the Administered Schedule of Assets and Liabilities (2021: nil).

Unquantifiable Administered Contingencies

At 30 June 2022, DFAT was involved in a number of matters relating to the recovery of funds. It is not possible to estimate the amounts of any eventual recoveries that may be received in relation to these matters. There are no unquantifiable administered liabilities.

Significant Remote Administered Contingencies

Under section 62 of the Efic Act, the Australian Government guarantees EFA's creditors the due payment of all monies payable, or that may at any time become payable, by EFA on the Commercial Account and has a \$1.200B (2021: \$1.200B) callable capital facility available for this purpose. This guarantee has never been utilised.

Department of Foreign Affairs and Trade

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

7.2 Fair Value Measurements

The following tables provide an analysis of assets and liabilities that are measured at fair value. The remaining assets and liabilities disclosed in the statement of financial position do not apply the fair value hierarchy.

The different levels of the fair value hierarchy are defined below.

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at measurement date.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Unobservable inputs for the asset or liability.

Accounting policy

An annual assessment is undertaken to determine whether the carrying amount of the assets is materially different from their fair value. DFAT's assets are held for operational purposes and not held for the purposes of deriving a profit. The current use of all non-financial assets is considered their highest and best use. DFAT's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. There were no transfers between levels 1 and 2 for recurring fair value measurements during the year.

The methods utilised to determine and substantiate the unobservable inputs are derived and evaluated as follows:

Buildings and Leasehold Improvements - Replacement Cost of New Assets and Contracted Prices

DFAT also controls assets situated in locations where construction cost evidence is limited. In determining the replacement cost for new assets measured using the depreciated replacement cost approach, reference has been made to the available building cost information. The valuer has used significant professional judgement in determining the fair value measurements of these assets.

Leasehold improvements - Physical depreciation and obsolescence

Assets that are not transacted with enough frequency or transparency to develop objective opinions of value from observable market evidence have been measured utilising the Depreciated Replacement Cost approach. Under the Depreciated Replacement Cost approach, the estimated cost to replace the asset is calculated and then adjusted to take into account physical depreciation and obsolescence. Physical depreciation and obsolescence has been determined based on professional judgement regarding physical, economic and external obsolescence factors relevant to the asset under consideration. For all leasehold improvement assets, the consumed economic benefit / asset obsolescence deduction is determined based on the term of the associated lease.

Land and Buildings - Adjusted Market Transactions, Estimated Market Rental Values and Capitalisation Rates

DFAT also controls assets situated in locations where property markets experience relatively few transactions. In determining fair value of these assets, reference has been made to available sales evidence together with other relevant information related to local economic conditions and property market conditions. The valuer has used significant professional judgement in determining the fair value measurements of these assets.

Investment in the EFA Commercial Account and Tourism Australia

DFAT has determined that the reported net asset values represent fair value at the end of the reporting period.

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.

Other Financial Liabilities

Other 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 yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

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).

Department of Foreign Affairs and Trade

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 7.2A: Fair value measurements, valuation techniques and inputs used

	2022 \$'000	2021 \$'000	Category (Level 1, 2 or 3)	Valuation Technique	Inputs Used
Non-financial assets:					
Land	1,005,994	969,176	2	Market approach	AMT
Land	916,391	889,690	3	Market approach	AMT, SPJ
Buildings	337,166	240,546	2	Market approach	AMT
Buildings	15,477	15,507	3	Market approach	AMT, SPJ
Buildings	284,181	287,896	2	Income approach	MRT, CR
Buildings	18,368	16,160	3	Income approach	MRT, CR, SPJ
Buildings	754,796	740,845	3	Cost approach	RCN, CEB
Leasehold Improvements	228,359	253,210	3	Cost approach	RCN, CEB
Plant and Equipment	198,407	185,839	2	Market approach	AMT
Plant and Equipment	-	19	3	Market approach	AMT, SPJ
Plant and Equipment	59,696	55,110	3	Cost approach	RCN, CEB
Assets held for sale - land	-	19,092	2	Market approach	AMT
Total non-financial assets	3,818,835	3,673,090			
Total fair value measurement of assets in the statement of financial position	3,818,835	3,673,090			

Valuation Techniques:

Market Approach: This approach seeks to estimate the current value of an asset with reference to recent market transactions involving identical or comparable assets.

Income Approach: Converts future amounts (cash flows or income and expenses) to a single current (i.e. discounted) amount. The fair value measurement is determined on the basis of the value indicated by current market expectations about those future amounts.

Cost Approach: The amount a market participant would be prepared to pay to acquire or construct a substitute asset of comparable utility, adjusted for physical depreciation and obsolescence.

Inputs Used:

Adjusted Market Transactions (AMT): Market transactions of comparable assets, adjusted to reflect differences in price sensitive characteristics.

Significant Professional Judgement (SPJ): Significant professional adjustments, made by the independent valuer, to the available market transactions to reconcile the valuation.

Market Rental Transactions (MRT): Market rental transactions of comparable assets, adjusted to reflect differences in price.

Capitalisation Rate (CR): Capitalisation rates as represented by the income produced by an investment property, expressed as a percentage of the assets value.

Replacement Cost of New Assets (RCN): The amount a market participant would pay to acquire or construct a new substitute asset of comparable utility.

Consumed Economic Benefits (CEB): Obsolescence of assets, physical deterioration, functional or technical obsolescence and conditions of the economic environment specific to the asset.

The COVID-19 pandemic has had varied financial impacts on markets in which DFAT controls property, plant and equipment which has led to some uncertainty over values at year end. The external independent valuer has taken into account the impact of COVID-19 on the valuation inputs by using the best available market data, noting that in some cases the markets have experienced limited observable inputs.

There are no assets classified as held for sale in this financial year. The land held for sale in the previous financial year related to land held in Jakarta, which was measured at fair value less cost to sell at 30 June 2021 for \$19.092m. The land in Jakarta was sold in July 2021.

Department of Foreign Affairs and Trade

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 7.2B: Reconciliation for recurring level 3 fair value measurements

	Non-Financial assets - 2022				
	Land \$'000	Buildings \$'000	Leasehold improvements \$'000	Plant and equipment \$'000	Total \$'000
Opening balance - 1 July 2021	889,690	772,512	253,210	55,129	1,970,541
Total gains / (losses) recognised in other comprehensive income ¹	26,660	11,530	(42,886)	(10,371)	(15,067)
Purchases	41	2,376	15,508	257	18,182
Disposals	-	-	(1,568)	(1,129)	(2,697)
Transfers into Level 3 ²	-	2,223	4,095	16,810	23,128
Transfers out of Level 3 ³	-	-	-	(1,000)	(1,000)
Closing balance - 30 June 2022	916,391	788,641	228,359	59,696	1,993,087

	Non-Financial assets - 2021				
	Land \$'000	Buildings \$'000	Leasehold improvements \$'000	Plant and equipment \$'000	Total \$'000
Opening balance - 1 July 2020	906,842	846,621	324,825	77,451	2,155,739
Total gains / (losses) recognised in other comprehensive income ¹	(68,167)	(89,077)	(62,512)	(20,527)	(240,283)
Reclassifications	-	-	1,398	-	1,398
Purchases	138	2,238	17,601	49	20,026
Disposals	(414)	(215)	(28,102)	(1,844)	(30,575)
Transfers into Level 3 ²	83,624	12,945	-	-	96,569
Transfers out of Level 3 ³	(32,333)	-	-	-	(32,333)
Closing balance - 30 June 2021	889,690	772,512	253,210	55,129	1,970,541

1. These gains / (losses) are presented in the Statement of Comprehensive Income under Depreciation and Amortisation, Write-down and Impairment of Assets, and change resulting from asset revaluation.

2. There have been transfers of land and buildings assets into Level 3 due to a combination of, limited market transactions, use of significant professional judgement, or a change in the valuation technique from the market approach to depreciated replacement cost approach.

3. There have been transfers of land out of Level 3 due to a combination of, the identification of market transactions, or a change in the valuation technique from the depreciated replacement cost approach to the market approach.

Department of Foreign Affairs and Trade

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

7.3 Financial Instruments

		2022 \$'000	2021 \$'000
Note 7.3A: Categories of financial instruments			
Financial assets	Notes		
Financial assets at amortised cost			
Cash and cash equivalents	3.1A	566,512	503,640
Goods and services receivables (gross)	3.1B	66,121	69,657
Cash held by outsiders	3.1B	148	126
Total financial assets at amortised cost		632,781	573,423
Total financial assets		632,781	573,423
Financial liabilities			
Financial liabilities measured at amortised cost			
Trade creditors and accruals	3.3A	143,187	118,230
Total financial liabilities measured at amortised cost		143,187	118,230
Total financial liabilities		143,187	118,230

Accounting policy

Accounting policies for financial assets can be found in Note 3.1: Financial Assets. Accounting policies for financial liabilities can be found in Note 3.3: Payables.

Note 7.3B: Net gains or losses on financial assets

Financial assets at amortised cost		
Foreign exchange gains / (losses)	5,038	(10,410)
Movement in impairment loss allowance	6	105
Net gains / (losses) on financial assets at amortised cost	5,044	(10,305)
Net gains / (losses) on financial assets	5,044	(10,305)

Note 7.3C: Net gains or losses on financial liabilities

Financial liabilities measured at amortised cost		
Foreign exchange (losses) / gain	(22,946)	36,335
Net (losses) / gains on financial liabilities measured at amortised cost	(22,946)	36,335
Net (losses) / gains on financial liabilities	(22,946)	36,335

Department of Foreign Affairs and Trade NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

7.4 Administered – Fair Value Measurements

The following tables provide an analysis of administered assets and liabilities measured at fair value. The remaining assets and liabilities disclosed in the Schedule of Administered Assets and Liabilities do not apply the fair value hierarchy. See Note 7.2: Fair Value Measurements for an overview of the different levels of the fair value hierarchy and techniques and inputs used to determine fair value.

Note 7.4A: Fair value measurements, valuation techniques and inputs used

	Fair value measurements at the end of the reporting period using			For Levels 2 and 3 fair value measurements	
	2022 \$'000	2021 \$'000	Level (1, 2 or 3)	Valuation technique(s) ¹	Inputs used ²
Financial assets:					
Other investments:					
Non-monetary IDA and ADF subscriptions at FVOCI	2,133,725	2,560,275	3	Discounted cash flow method	A discounted rate range using the “build up” method based on the following components: risk free rate (20 year US government bond rate), currency risk premium, sovereign risk premium and liquidity risk premium to discount the expected loan principal repayments of the loan portfolio of IDA and ADF.
Investment in EFA's Commercial Account	586,874	542,792	3	Net asset position	Statement of financial position of EFA's Commercial Account.
Tourism Australia EMIIF	41,481 2,050	53,010 6,704	3 3	Net asset position Net asset position	Statement of financial position of Tourism Australia. Statement of financial position of EMIIF.
Total financial assets	2,764,130	3,162,781			
Total non-financial assets	-	-			
Total fair value measurements of assets in the administered schedule of assets and liabilities	2,764,130	3,162,781			

Department of Foreign Affairs and Trade
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 7.4A: Fair value measurements, valuation techniques and inputs used (continued)

	Fair value measurements at the end of the reporting period using			Valuation technique(s) ¹	For Levels 2 and 3 fair value measurements	
	2022 \$'000	2021 \$'000	Level (1, 2 or 3)		Inputs used ²	
Financial liabilities:						
Multilateral grants	996,891	1,258,362	3	Discounted cash flow method	A discounted rate range of 2, 3, 5 and 10 year government bond rates are used to discount the expected payment of each grant agreement. The rate applied is based on the approximate expected timing of payment. The 2, 3, 5 and 10 year government bond rates are applied based upon the term of the agreement and a discounted rate range (comprising a risk free rate (20 year US government bond rate), currency, sovereign and liquidity risk premium) is used to discount the expected payment of each loan agreement.	
Multilateral contributions payable	499,333	582,234	3	Discounted cash flow method		
Total financial liabilities	1,496,224	1,840,596				
Total fair value measurements of liabilities in the administered schedule of assets and liabilities	1,496,224	1,840,596				

There have been no transfers between levels during the year (2021: nil). DFAT's policy for determining when transfers between levels are deemed to have occurred can be found in Note 7.2: Fair Value Measurements.

Fair value measurements – highest and best use differs from current use for non-financial assets

DFAT's Administered assets are held for operational purposes and not held for the purposes of deriving a profit. The current use of all controlled assets is considered their highest and best use.

1. There have been no changes to valuation techniques used.
2. There were no significant inter-relationships between unobservable inputs that materially affect fair value.

The future economic benefits of DFAT's assets are not primarily dependent on their ability to generate cash flows. The determination of fair value and the use of observable and unobservable data is disclosed as part of Note 4.1C: Investments.

Department of Foreign Affairs and Trade

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 7.4B: Reconciliation for recurring level 3 fair value measurements**Recurring Level 3 fair value measurements - reconciliation for assets**

	Financial assets	
	Investments	Total
	2022 \$'000	2022 \$'000
Opening balance - 1 July 2021	3,162,781	3,162,781
Total gains recognised in net cost of services ¹	4,100	4,100
Total (losses) recognised in other comprehensive income ¹	(408,648)	(408,648)
Purchases	5,897	5,897
Closing balance - 30 June 2022	2,764,130	2,764,130
Changes in unrealised gains / (losses) recognised in net cost of services for assets held at the end of the reporting period ²	-	-
	Financial assets	
	Investments	Total
	2021 \$'000	2021 \$'000
Opening balance - 1 July 2020	3,155,707	3,155,707
Total gains recognised in other comprehensive income ¹	370	370
Purchases	6,704	6,704
Closing balance - 30 June 2021	3,162,781	3,162,781
Changes in unrealised gains / (losses) recognised in net cost of services for assets held at the end of the reporting period ²	-	-

Department of Foreign Affairs and Trade
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 7.4B: Reconciliation for recurring level 3 fair value measurements (continued)

Recurring Level 3 fair value measurements - reconciliation for liabilities

	Financial Liabilities		
	Multilateral grants 2022 \$'000	Multilateral contributions payable 2022 \$'000	Total 2022 \$'000
Opening balance - 1 July 2021			
Total (losses) / gains recognised in net cost of services ³	1,258,362	582,234	1,840,596
Settlements	(59,773)	44,147	(15,626)
	(201,698)	(127,048)	(328,746)
Closing balance - 30 June 2022	996,891	499,333	1,496,224
Changes in unrealised gains / (losses) recognised in net cost of services for assets held at the end of the reporting period ²	-	-	-

	Financial Liabilities		
	Multilateral grants 2021 \$'000	Multilateral contributions payable 2021 \$'000	Total 2021 \$'000
Opening balance - 1 July 2020			
Total gains recognised in net cost of services ³	1,058,130	664,311	1,722,441
Settlements	425,411	(4,266)	421,145
	(225,179)	(77,811)	(302,990)
Closing balance - 30 June 2021	1,258,362	582,234	1,840,596
Changes in unrealised gains / (losses) recognised in net cost of services for assets held at the end of the reporting period ²	-	-	-

1. These gains / (losses) are represented in the Administered Schedule of Comprehensive Income.
2. There are no unrealised gains (losses) for level 3 assets and liabilities in the Administered Schedule of Comprehensive Income as at both 30 June 2022 and 30 June 2021.
3. These gains / (losses) are represented in the Administered Schedule of Comprehensive Income and in Note 2.1B: Multilateral replenishments and other loans.

Department of Foreign Affairs and Trade

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

7.5 Administered - Financial Instruments

	Notes	2022 \$'000	2021 \$'000
Note 7.5A: Categories of financial instruments			
Financial assets			
Financial assets at amortised cost			
Cash and cash equivalents	4.1A	8,796	25,615
Receivables	4.1B	4,465	2,612
Concessional loan receivable	4.1B	169,662	165,840
Net position of EFA - NIA	4.1B	29,590	40,101
Traveller Emergency Loans	4.1B	8,899	9,486
Total financial assets at amortised cost		221,412	243,654
Financial assets at fair value through other comprehensive income (FVOCI)			
Non-monetary IDA and ADF Subscriptions	4.1C	2,133,725	2,560,275
EFA - Commercial Account	4.1C	586,874	542,792
Tourism Australia	4.1C	41,481	53,010
Emerging market impact investment fund	4.1C	2,050	6,704
Total financial assets at fair value through other comprehensive income		2,764,130	3,162,781
Total financial assets		2,985,542	3,406,435
Financial Liabilities			
Financial liabilities measured at amortised cost			
International development assistance	4.3B	242,770	212,602
Other payables	4.3B	3,241	12,498
Total financial liabilities measured at amortised cost		246,011	225,100
Financial liabilities at fair value through profit or loss			
Multilateral grants payable	4.3A	996,891	1,258,362
Multilateral contributions payable	4.3B	499,333	582,234
Total financial liabilities at fair value through profit or loss		1,496,224	1,840,596
Total financial liabilities		1,742,235	2,065,696

The carrying value of DFAT's administered assets and liabilities has also been assessed as the fair value of these assets and liabilities. The process for determining fair value is regularly reviewed.

The table at Note 7.4A: Fair value measurements, valuation techniques and inputs used provides an analysis of financial instruments that are measured at fair value, by valuation method.

Department of Foreign Affairs and Trade

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

		2022 \$'000	2021 \$'000
<u>Note 7.5B: Net gains or losses on financial assets</u>			
Financial assets at amortised cost			
Interest revenue		13,962	13,971
Impairment	4.1B	(7,319)	(2,186)
Write-off		(64)	(1,695)
Dividend revenue	2.2C	5,671	5,596
Competitive neutrality revenue	2.2C	7,879	7,244
Gains recognised in profit or loss for reversal of impairment	4.1B	-	19
Net gains on financial assets at amortised cost		20,129	22,949
Financial assets at fair value through other comprehensive income			
Revaluation (losses) / gains recognised in equity		(408,648)	370
Net (losses) / gains on financial assets at fair value through other comprehensive income		(408,648)	370
Net (losses) / gains on financial assets		(388,519)	23,319
<u>Note 7.5C: Net income and expense from financial liabilities</u>			
Financial liabilities measured at amortised cost			
Foreign exchange (losses) / gains		(3,673)	4,184
Net (losses) / gain on financial liabilities measured at amortised cost		(3,673)	4,184
Financial liabilities at fair value through profit or loss			
Gains on remeasuring at fair value through profit or loss	2.2E	48,084	9,621
Net gains on financial liabilities at fair value through profit or loss		48,084	9,621
Net gains on financial liabilities		44,411	13,805

Department of Foreign Affairs and Trade NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 7.5D: Credit risk

Recognised in the DFAT Administered Accounts

DFAT's senior executive has endorsed policies and procedures for debt management (including the provision of credit terms) to reduce the incidence of credit risk. Collateral is not required on any loan.

Credit risk is the possibility that a debtor will not repay all or a portion of a loan or will not repay in a timely manner and will therefore cause a loss to DFAT. DFAT has exposure to concentrations of credit risk with regard to the 'loan receivable' and the 'non-monetary equity instrument at fair value'. The maximum exposure DFAT has to credit risk at reporting date in relation to each class of recognised financial assets is presented in the following table excluding any collateral or credit enhancements.

DFAT has assessed the risk of default on payment and has allocated \$12.188m (2021: \$4.869m) to an impairment allowance for doubtful debts account. DFAT has no collateral to mitigate against credit risk.

Maximum exposure to credit risk (excluding any collateral or credit enhancements)

	2022 \$'000	2021 \$'000
Credit quality of financial instruments not best representing maximum exposure to credit risk		
Amortised cost		
Fair value through other comprehensive income	201,249	213,745
Total credit quality of financial instruments not best representing maximum exposure to credit risk	2,764,130	3,162,781
Credit quality of financial liabilities not best representing maximum exposure to credit risk	2,965,379	3,376,526
Amortised cost		
Through profit or loss	246,011	225,100
Total credit quality of financial liabilities not best representing maximum exposure to credit risk	1,496,224	1,840,596
	1,742,235	2,065,696

Credit quality of financial assets not past due or individually determined as impaired

	Not past due or impaired 2022 \$'000	Not past due or impaired 2021 \$'000	Past due or impaired 2021 \$'000
Loans and receivables	192,743	208,292	5,453
Fair value through other comprehensive income	2,764,130	3,162,781	-
Total	2,956,873	3,371,073	5,453

Department of Foreign Affairs and Trade NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 7.5E: Liquidity risk

The continued existence of DFAT in its present form and with its present programs is dependent on government policy and on continuing appropriations by Parliament for DFAT's administration and programs. The probability of the Government encountering difficulties meeting its administered financial obligations is less than remote.

Maturities for non-derivative financial liabilities 2022

	On demand \$'000	Within 1 year \$'000	Between 1 to 2 years \$'000	Between 2 to 5 years \$'000	More than 5 years \$'000	Total \$'000
Financial liabilities measured at amortised cost	-	246,011	-	-	-	246,011
Financial liabilities at fair value through profit or loss	-	302,490	310,668	722,806	160,260	1,496,224
Total	-	548,501	310,668	722,806	160,260	1,742,235

Maturities for non-derivative financial liabilities 2021

	On demand \$'000	Within 1 year \$'000	Between 1 to 2 years \$'000	Between 2 to 5 years \$'000	More than 5 years \$'000	Total \$'000
Financial liabilities measured at amortised cost	-	225,100	-	-	-	225,100
Financial liabilities at fair value through profit or loss	-	288,103	300,524	912,081	339,888	1,840,596
Total	-	513,203	300,524	912,081	339,888	2,065,696

DFAT had no derivative financial liabilities in both the current and prior financial year.

Department of Foreign Affairs and Trade

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 7.5F: Market risk

Market risk is defined as the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises the following types of risk, either alone or in combination: interest rate risk, sovereign risk and liquidity risk (for the purposes of discounting the future value of the non-monetary available-for-sale debt instrument); currency risk (for the purposes of converting to Australian dollars the discounted United States dollar value of the non-monetary available-for-sale debt instrument); and the 10-year government bond rate for the purposes of discounting future liabilities relating to multilateral loan and grant commitments. The following sensitivity analysis discloses the effect that a reasonable possible change in each risk variable, either alone, or in total, would have on DFAT's administered income and expenses.

The following table illustrates the effect on DFAT's administered net income less expenses and equity as at 30 June 2022 from 8.31% (2021: 7.89%) increase or decrease against the AUD in the currencies in which the financial instruments were administered by DFAT with all other variables held constant.

Sensitivity analysis of the risk that the entity is exposed to for 2022

	Risk variable	Change in risk variable %	Effect on	
			Profit and loss \$'000	Equity \$'000
Currency risk	\$/USD	+ 8.31%	(163,825)	(163,825)
Currency risk	\$/USD	- 8.31%	193,545	193,545
Interest rate risk	Discount rates	+ 0.79%	(224,715)	(224,715)
Interest rate risk	Discount rates	- 0.79%	382,676	382,676

Sensitivity analysis of the risk that the entity is exposed to for 2021

	Risk variable	Change in risk variable %	Effect on	
			Profit and loss \$'000	Equity \$'000
Currency risk	\$/USD	+ 7.89%	(187,376)	(187,376)
Currency risk	\$/USD	- 7.89%	219,103	219,103
Interest rate risk	Discount rates	+ 0.74%	(98,583)	(98,583)
Interest rate risk	Discount rates	- 0.74%	122,079	122,079

All other items are denominated in AUD and are not subject to market risk due to exchange fluctuations.

Department of Foreign Affairs and Trade

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

7.6 Administered - Defined Benefit Pension Schemes

	2022	2021
	\$'000	\$'000
<i>The amounts recognised in the Administered Schedule of Assets and Liabilities are as follows:</i>		
Present value of funded obligations	46,466	64,460
Fair value of plan assets	(38,243)	(45,202)
	8,223	19,258
Present value of unfunded obligations	46,620	51,546
Net liability in schedule of administered assets and liabilities	54,843	70,804
<i>Movements in the net liability recognised in the Administered Schedule of Assets and Liabilities as follows:</i>		
Net liability at the start of the year	70,804	82,653
Exchange differences on foreign plans	3,688	(4,148)
Net expense recognised in the Administered Schedule of Comprehensive Income	2,949	2,320
Net actuarial (gains)	(16,512)	(5,508)
Contributions by employers	(6,086)	(4,513)
Net liability at the end of the year	54,843	70,804
<i>Reconciliation of opening and closing balance of the defined benefit obligation:</i>		
Opening liability	116,006	123,745
Exchange differences on foreign plans	1,940	(3,275)
Service cost	1,120	658
Interest cost	2,794	2,480
Actuarial (gains) due to experience	1,422	(1,261)
Actuarial (gains) / losses due to changes in financial assumptions	(24,012)	(688)
Actuarial (gains) due to changes in demographic assumptions	(91)	(767)
Benefits paid	(6,093)	(4,886)
Closing liability	93,086	116,006
<i>Reconciliation of opening and closing balance of the fair value of plan assets:</i>		
Opening assets	45,202	41,092
Exchange differences on foreign plans	(1,748)	872
Expected return on plan assets	965	817
Contributions by employer	2,820	1,512
Actuarial gains	(6,169)	2,794
Benefits paid	(2,827)	(1,885)
Closing assets	38,243	45,202

Department of Foreign Affairs and Trade

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

7.6 Administered - Defined Benefit Pension Schemes (continued)

	2022 \$'000	2021 \$'000
<i>The amounts recognised in the Administered Schedule of Comprehensive Income are as follows:</i>		
Current service cost	697	658
Net interest on net defined benefit liability	1,829	1,662
Past service cost	423	-
Total included 'employee benefit expense account'	2,949	2,320

Amounts recognised directly in administered equity

Financial year ended	2022 \$'000	2021 \$'000
Actuarial gains	16,512	5,508

Cumulative amounts of losses recognised in administered equity

Financial year ended	2022 \$'000	2021 \$'000
Actuarial losses	(27,635)	(44,147)

Pension Scheme Assets

The fair value of scheme assets is represented by:

Financial year ended	2022	2021
Cash	4.4%	0.0%
Insured Pensioner	0.9%	1.6%
Investment in LIC India	6.4%	4.7%
Diversified Growth Fund	72.2%	79.0%
Liability Driven Investments	14.7%	13.7%
Deposit Administration Policy	1.4%	1.1%

Fair Value of pension scheme assets

The fair value of scheme assets does not include amounts relating to:

- any of DFAT's (and the Australian Government's) own financial instruments, and
- any property occupied by, or other assets used by DFAT (or the Australian Government).

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

Financial year ended	2022	2021
Discount rate at 30 June	4.25%	2.33%
Expected return on assets at 30 June		
Salary growth	2.81%	2.86%
Price inflation	2.86%	3.05%
Pension growth	2.73%	2.89%

Department of Foreign Affairs and Trade

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

7.6 Administered - Defined Benefit Pension Schemes (continued)

Historical Information

Financial year ended	2022 \$'000	2021 \$'000	2020 \$'000	2019 \$'000	2018 \$'000
Present value of defined benefit obligations	(93,086)	(116,006)	(123,745)	(117,974)	(107,375)
Fair value of scheme assets	38,243	45,202	41,092	40,361	37,767
Deficit in the scheme	(54,843)	(70,805)	(82,653)	(77,613)	(69,608)
Actuarial gains / (losses) - net liabilities	16,512	5,508	(6,696)	(5,309)	6,414
Effect of exchange rate (losses) / gains	(3,688)	4,148	(622)	(3,126)	(2,966)

Expected Employer Contributions

Financial year ended	2023 \$'000	2022 \$'000
Expected employer contributions	5,030	4,637

Scheme information

DFAT administers on behalf of the Australian Government, defined benefit pension schemes for locally engaged staff across a number of agencies at posts in London, Port Louis and New Delhi, and also Ottawa and Washington (the North American Pension Scheme). Port Louis and New Delhi are still open to new employees. All schemes, with the exception of the New Delhi Gratuity Scheme, provide pensions that are linked to final salaries. Figures disclosed are based on formal actuarial reviews that are generally conducted triennially and reviewed and updated by the actuary on an annual basis. The New Delhi, Port Louis and London schemes are partially funded and the North American Pension Scheme is fully unfunded. Contributions for the North American Scheme are made to the Consolidated Revenue Fund, which will provide funding for the benefits payable under the scheme.

Weighted average maturity profile of defined benefit obligation

Financial year ended	2022	2021
Weighted average duration of defined benefit obligation (years)	11.81	14.15

Sensitivity to assumptions

DFAT's defined benefit obligation at the reporting date has been determined using actuarial calculations that require assumptions about future events. The estimated sensitivity of the defined benefit obligation to each significant assumption shown below has been determined at an individual scheme level if each assumption were changed in isolation. In practice, the schemes are subject to multiple externally experienced items which may vary the defined benefit obligation over time. The methods and assumptions used in preparing these sensitivity results remain consistent with those used in previous reporting periods.

The estimated effects of variations in the principal actuarial assumptions on DFAT's defined benefit obligation at the reporting date are as follows:

Increase / (decrease) in defined benefit obligation

Financial year ended	2022 \$'000	2021 \$'000
Discount rate		
Increase of 0.5%	(5,586)	(8,080)
Decrease of 0.5%	5,814	8,371
Future salary increases		
Increase of 0.5%	250	570
Decrease of 0.5%	(230)	(549)
Future inflation increases		
Increase of 0.5%	5,379	7,747
Decrease of 0.5%	(5,208)	(7,528)

Department of Foreign Affairs and Trade

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

8. Other Information

8.1 Current/Non-Current Distinction For Assets and Liabilities

	2022 \$'000	2021 \$'000
Note 8.1A: Current / non-current distinction for assets and liabilities		
Assets expected to be recovered in:		
No more than 12 months		
Cash and cash equivalents	566,512	503,640
Trade and other receivables	647,666	540,341
Inventories	23,746	18,976
Assets held for sale	-	19,092
Prepayments	29,316	42,567
Total no more than 12 months	1,267,240	1,124,616
More than 12 months		
Trade and other receivables	28,249	26,924
Land	1,923,351	1,858,866
Buildings	2,680,879	2,626,181
Plant and equipment	266,145	241,327
Computer software	148,481	139,090
Inventories	-	33,910
Prepayments	4,658	1,268
Total more than 12 months	5,051,763	4,927,566
Total assets	6,319,003	6,052,182
Liabilities expected to be settled in:		
No more than 12 months		
Suppliers	144,661	122,030
Other payables	88,961	59,530
Employee provisions	108,553	95,344
Provision for restoration	4,902	5,593
Leases	127,209	126,355
Total no more than 12 months	474,286	408,852
More than 12 months		
Other payables	5,838	5,137
Employee provisions	196,169	176,144
Provision for restoration	37,822	33,056
Leases	967,423	960,121
Total more than 12 months	1,207,252	1,174,458
Total liabilities	1,681,538	1,583,310

Department of Foreign Affairs and Trade

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

	2022 \$'000	2021 \$'000
Note 8.1B: Administered - current / non-current distinction for assets and liabilities		
Assets expected to be recovered in:		
No more than 12 months		
Cash and cash equivalents	8,796	25,615
Receivables and loans	45,446	63,780
Total no more than 12 months	54,242	89,395
More than 12 months		
Receivables and loans	174,552	173,049
Computer software internally developed	478	717
Investments	2,764,130	3,162,781
Total more than 12 months	2,939,160	3,336,547
Total assets	2,993,402	3,425,942
Liabilities expected to be settled in:		
No more than 12 months		
Grants	197,470	193,747
Other payables	246,011	225,100
Employee provisions	2,836	2,313
Total no more than 12 months	446,317	421,160
More than 12 months		
Grants	799,421	1,064,615
Other payables	499,333	582,234
NIA financial guarantee	29,355	16,330
Employee provisions	64,426	79,197
Total more than 12 months	1,392,535	1,742,376
Total liabilities	1,838,852	2,163,536

Department of Foreign Affairs and Trade

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

8.2 Restructuring

Note 8.2A: Departmental Restructuring

	2022
Function	Seasonal Worker Programme
Entity	DESE
	\$'000
FUNCTIONS ASSUMED	
Assets recognised	
Trade and other receivables	1,255
Total assets recognised	1,255
Liabilities recognised	
Employee provisions	1,408
Total liabilities recognised	1,408
Net assets/(liabilities) recognised	(153)
Income assumed	
Recognised by the receiving entity - revenue from Government	3,906
Recognised by the losing entity	5,129
Total income assumed	9,035
Expenses assumed	
Recognised by the receiving entity	5,165
Recognised by the losing entity	5,129
Total expenses assumed	10,294

Seasonal Worker Programme functions were transferred from the Department of Education, Skills and Employment (DESE) as the result of the Machinery of Government change (MoG) announced on 23 November 2021, with an effective date of 31 January 2022.

Department of Foreign Affairs and Trade**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS****Note 8.2B: Administered Restructuring**

	2022
Function	Seasonal Worker Programme
Entity	DESE
	\$'000
FUNCTIONS ASSUMED	
Income assumed	
Recognised by gaining entity	500
Total income assumed	500
Expenses assumed	
Recognised by gaining entity	500
Total expenses assumed	500

Department of Foreign Affairs and Trade

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

8.3 Budgetary Reporting - Explanation of Major Variances

8.3A: Explanation of major departmental variances

The following provides explanations of major variances between DFAT's original budget estimates, as published in the 2021-22 Portfolio Budget Statements (PBS) and the final outcome for the financial year, as presented, in accordance with the Australian Accounting Standards. Major variances are those relevant to an analysis of DFAT's performance, not merely on numerical differences between the actual amounts and budget. Unless otherwise individually significant, no additional commentary has been included.

There are a number of items not incorporated into PBS estimates due to their unpredictable, uncontrollable and/or unplanned nature. This includes:

- The write-down, impairment and sale of assets reported in the Statement of Comprehensive Income;
- Gains or losses from foreign exchange differences reported in the Statement of Comprehensive Income and Cash Flow Statement;
- Accounting adjustments for DFAT's provision for the future make-good of leasehold improvements in leased properties reported in the Statement of Comprehensive Income and Statement of Changes in Equity; and
- Adjustments to revenue from Government for no-win/no-loss funding arrangements with the Department of Finance which are reported in the Statement of Comprehensive Income and Statement of Financial Position.

DFAT does not estimate or factor in revaluation adjustments for land, buildings and plant and equipment assets as these movements are beyond DFAT's control and are difficult to predict. This item impacts depreciation and other comprehensive income reported in the Statement of Comprehensive Income, Statement of Changes in Equity and non-financial asset balances reported in the Statement of Financial Position.

While DFAT operations have steadily been returning to pre-COVID-19 normal, the pandemic and associated supply chain issues continued to have an impact on 2021-22 expenditure across the department's operations.

Major variances between actual figures reported in the financial statement and the PBS estimates include:

- Employee benefits are \$61.7m (6.3%) lower than budget primarily due to staffing levels throughout the year being lower than estimated, although the department reached a full complement of staff by the end of the financial year. An increase in the long-term Government bond rate used for valuing employee provisions (\$7.2m) and a reduction in overseas allowance related expenditure following continued COVID-19 effects on posts also contributed to the reduction. Employees provisions are \$36.4m (13.6%) higher due to staff taking less leave throughout the year than anticipated and the number of staff at year end being higher than estimated.
- Supplier expenses are \$117.2m (15.5%) lower than budget due to passport allocations for the year being lower than estimated, despite a significant surge in applications near year end. There was also reduced expenditure on security (\$20.4m) following the closure of the Kabul embassy. This also impacts the cash used for suppliers in the Cash Flow Statement.
- Overall own-source revenue is \$30.2m (17.6%) lower than budget due to activity by related entities overseas being impacted by COVID-19, resulting in reduced cost recoveries for the provision of shared services. This also affects the Sale of goods and rendering of services in the Cash Flow Statement.
- Cash and cash equivalents are \$350.1m (161.8%) higher due to the timing of rent receipts from other related entities and several Posts temporarily holding additional funds in local bank accounts to accommodate upcoming payments and to facilitate operations in challenging geopolitical conditions.
- Trade and other receivables are \$317.2m (88.4%) higher than budget mainly due to higher appropriations receivable reflecting delays in a number of large capital projects, largely due to the impact of the COVID pandemic on supply chains and international workforce availability.
- Lease liabilities are \$107.2m (8.9%) lower than budget mainly due to foreign exchange movement when remeasuring lease liabilities (\$22.1m), the discontinuation of leases in Kabul following the closure of the embassy and a reduced level of extension options in new leases. This also impacts Principal payments of lease liabilities in the Cash Flow Statement.
- Cash used for investing activities is \$159.0 m (40.3%) lower than budget due to delays in engagement of resources for implementing overseas properties, IT and security capital projects. This also impacts non-financial assets in the Statement of Financial Position and contributed equity in the Cash Flow Statement.
- Inventories are \$18.7m (44.0%) lower than budget due to increased demand for passports towards the end of the year and the transition to a new passport series.
- Timing of payments had an impact on Statement of Financial Position balances for total payables which are \$68.9m (40.4%) higher than budget and prepayments which are \$35.3m (51.0%) lower than budget.

Department of Foreign Affairs and Trade**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

The Cash Flow Statement variance to budget analysis also includes variances due to items excluded from PBS estimates. Excluded items are section s74 receipts transferred to the Official Public Account (OPA) and subsequently re-drawn as appropriations, GST payments to suppliers and subsequent refunds received from the Australian Taxation Office.

Department of Foreign Affairs and Trade

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

8.3B: Explanation of major administered variances

There are a number of items excluded from the Portfolio Budget Statement (PBS) estimates on the Administered Schedule of Comprehensive Income, due to the unpredictable, uncontrollable and/or unplanned nature of some transactions, specifically items such as contributions, unplanned revenue and gains, impairments, movements on financial instruments, write-offs of loans, EFA NIA income and EFA NIA financial guarantees.

Further, DFAT does not estimate or factor in adjustments for re-measurement of the net liability for defined benefit pension schemes or movements in the carrying amount of investments, on the Administered Schedule of Assets and Liabilities. Nor does it estimate the corresponding entries in Other Comprehensive Income (100.0% variance) or other movements on the Administered Schedule of Comprehensive Income relating to the revaluation of multilateral replenishments. This is because the main factors that drive these movements are beyond DFAT's control, such as movements due to changes in the value of the Australian Dollar (AUD) on currency markets.

Overall expenses are \$61.7m (1.5%) lower than the original PBS budget. International Development Assistance expenses are higher by \$32.0m (0.9%) due to the Government providing additional budget funding for temporary targeted and supplementary measures and a \$50.0m humanitarian assistance package for the Ukraine. These measures were in part offset by a decrease in other grants and contributions of \$178.4m (29.0%) due to budget adjustments and foreign exchange movements. The original PBS estimates for other grants and contributions were based on obligations to pay as assessed by international organisations such as the United Nations (UN), whereas the actual contributions paid depend on resolutions passed by UN members.

Other expenses were higher than budget by \$52.8m (684.8%) due to a financial guarantee for NIA loans of \$12.9m, also recognised as a provision and costs associated with COVID-19 facilitated flights of \$33.2m. EFA expenses for administering the NIA were \$8.0m (229.4%) higher than budget due to increased activity on AIFFP and COVID-19 loans.

Total administered revenue is \$85.3m (13.6%) higher than budget. Returns of prior year administered expenses reported as revenue were higher than budget by \$23.8m (65.8%). These funds relate to acquittal of funding provided upfront subject to unforeseen circumstances in delivery that influence the actual amounts spent. Accordingly, the actual funds returned, and the budget can be difficult to anticipate. Gains from measuring multilateral replenishment financial liabilities at fair value, \$48.1m (100%), which are not budgeted for, has also contributed towards the increase in revenue.

Total payables are \$60.6m (3.6%) higher than budget due an increase in International Development Assistance accruals of \$98.4m (68.1%) and employee provisions are lower than budget by \$26.0m (27.7%) due to the revaluation of the defined benefit pension schemes.

The actual cash on hand or on deposit balance reported in the Administered Schedule of Assets and Liabilities is lower than budget by \$4.0m (31.0%) due to the completion of the Dubai Exposition 2020.

The timing of the preparation of estimates included in the PBS can also result in variances to actual results. PBS estimates generally prepared in March for inclusion in the Federal Budget, are based on the current financial year estimates at that point in time. Movements and adjustments that occur late in a financial year are not able to be incorporated into the estimates, resulting in variances.



05 APPENDIXES

Appendix 1: Staffing overview

Table 9 All ongoing employees, 2021–22

	Male			Female			Total
	Full-time	Part-time	Total Male	Full-time	Part-time	Total Female	
NSW	19	1	20	35	10	45	65
Qld	11	–	11	25	6	31	42
SA	12	1	13	14	4	18	31
Tas	7	1	8	5	3	8	16
Vic	22	2	24	48	13	61	85
WA	6	2	8	9	9	18	26
ACT	1,198	62	1,260	1,690	296	1,986	3,246
NT	2	–	2	5	–	5	7
Overseas	1,055	4	1,059	1,323	47	1,370	2,429
Americas	97	–	97	130	–	130	227
Asia	498	–	498	624	18	642	1,140
<i>South Asia</i>	103	–	103	86	–	86	189
<i>Southeast Asia</i>	308	–	308	434	6	440	748
<i>North Asia</i>	87	–	87	104	12	116	203
Europe	156	1	157	166	16	182	339
Middle East and Africa	134	1	135	128	–	128	263
Multilateral	33	1	34	57	5	62	96
New Zealand and the Pacific	137	1	138	218	8	226	364
Total	2,332	73	2,405	3,154	388	3,542	5,947

Table 10 All ongoing employees, 2020–21

	Male			Female			Total
	Full-time	Part-time	Total Male	Full-time	Part-time	Total Female	
NSW	18	1	19	36	13	49	68
Qld	8	–	8	28	8	36	44
SA	9	1	10	12	6	18	28
Tas	7	1	8	8	4	12	20
Vic	24	1	25	48	15	63	88
WA	7	1	8	9	10	19	27
ACT	988	76	1,064	1,372	284	1,656	2,720
NT	3	–	3	5	1	6	9
Overseas	1,052	7	1,059	1,243	61	1,304	2,363
Americas	92	–	92	118	1	119	211
Asia	538	1	539	579	24	603	1,142
<i>South Asia</i>	65	–	65	94	12	106	171
<i>Southeast Asia</i>	211	–	211	158	2	160	371
<i>North Asia</i>	262	1	263	327	10	337	600
Europe	145	2	147	163	21	184	331
Middle East and Africa	126	1	127	119	1	120	247
Multilateral	33	1	34	46	4	50	84
New Zealand and the Pacific	118	2	120	218	10	228	348
Total	2,116	88	2,204	2,761	402	3,163	5,367

Table 11 All non-ongoing employees, 2021–22

	Male			Female			Total
	Full-time	Part-time	Total Male	Full-time	Part-time	Total Female	
NSW	–	–	–	1	–	1	1
Qld	–	–	–	–	–	–	–
SA	–	–	–	–	–	–	–
Tas	–	–	–	–	–	–	–
Vic	–	–	–	1	–	1	1
WA	1	–	1	1	–	1	2
ACT	45	15	60	67	15	82	142
NT	–	–	–	1	–	1	1
Overseas	250	68	318	314	95	409	727
Americas	16	8	24	20	5	25	49
Asia	73	26	99	98	48	146	245
<i>South Asia</i>	29	11	40	18	7	25	65
<i>Southeast Asia</i>	37	8	45	67	28	95	140
<i>North Asia</i>	7	7	14	13	13	26	40
Europe	20	20	40	27	22	49	89
Middle East and Africa	51	7	58	57	4	61	119
Multilateral	12	3	15	11	2	13	28
New Zealand and the Pacific	78	4	82	101	14	115	197
Total	296	83	379	385	110	495	874

Table 12 All non-ongoing employees, 2020–21

	Male			Female			Total
	Full-time	Part-time	Total Male	Full-time	Part-time	Total Female	
NSW	1	–	1	1	–	1	2
Qld	–	–	–	–	–	–	–
SA	–	–	–	–	–	–	–
Tas	–	–	–	–	–	–	–
Vic	–	–	–	1	–	1	1
WA	–	–	–	–	–	–	–
ACT	29	11	40	31	20	51	91
NT	–	–	–	–	–	–	–
Overseas	237	36	273	319	81	400	673
Americas	14	3	17	22	7	29	46
Asia	68	8	76	91	42	133	209
<i>South Asia</i>	9	3	12	14	12	26	38
<i>Southeast Asia</i>	25	3	28	17	4	21	49
<i>North Asia</i>	34	2	36	60	26	86	122
Europe	17	13	30	24	11	35	65
Middle East and Africa	47	6	53	63	8	71	124
Multilateral	8	2	10	9	2	11	21
New Zealand and the Pacific	83	4	87	110	11	121	208
Total	267	47	314	352	101	453	767

Table 13 APS ongoing employees, 2021–22

	Male			Female			Total
	Full-time	Part-time	Total Male	Full-time	Part-time	Total Female	
Secretary	–	–	–	1	–	1	1
Dir Safeguards*	1	–	1	–	–	–	1
SES Band 3	6	–	6	8	–	8	14
SES Band 2	40	–	40	33	–	33	73
SES Band 1	103	1	104	96	1	97	201
Medical Officer Cl 5	1	–	1	–	–	–	1
Medical Officer Cl 4	–	–	–	2	1	3	3
EL 2	294	12	306	369	26	395	701
EL 1	665	28	693	831	172	1,003	1,696
APS 6	301	15	316	432	55	487	803
APS 5	215	12	227	391	74	465	692
APS 4	39	–	39	55	7	62	101
APS 3	7	1	8	20	4	24	32
APS 2	–	–	–	–	1	1	1
APS 1	1	–	1	2	–	2	3
Graduates	54	–	54	66	1	67	121
Total	1,727	69	1,796	2,306	342	2,648	4,444

* Director General of the Australian Safeguards and Non-Proliferation Office

Table 14 APS ongoing employees, 2020–21

	Male			Female			Total
	Full-time	Part-time	Total Male	Full-time	Part-time	Total Female	
Secretary	–	–	–	1	–	1	1
Dir Safeguards	1	–	1	–	–	–	1
SES Band 3	8	–	8	7	–	7	15
SES Band 2	34	–	34	29	–	29	63
SES Band 1	99	2	101	80	–	80	181
Medical Officer Cl 5	1	–	1	–	–	–	1
Medical Officer Cl 4	–	–	–	1	1	2	2
EL 2	262	11	273	304	31	335	608
EL 1	521	35	556	653	143	796	1,352
APS 6	244	19	263	360	61	421	684
APS 5	221	12	233	388	97	485	718
APS 4	35	1	36	50	6	56	92
APS 3	9	1	10	18	5	23	33
APS 2	–	–	–	–	1	1	1
APS 1	–	–	–	–	–	–	–
Graduates	45	–	45	43	–	43	88
Total	1,480	81	1,561	1,934	345	2,279	3,840

Table 15 APS non-ongoing employees, 2021–22

	Male			Female			Total
	Full-time	Part-time	Total Male	Full-time	Part-time	Total Female	
Secretary	–	–	–	–	–	–	–
Dir Safeguards	–	–	–	–	–	–	–
SES Band 3	5	–	5	–	–	–	5
SES Band 2	7	–	7	–	–	–	7
SES Band 1	–	–	–	–	–	–	–
Medical Officer Cl 5	–	–	–	–	–	–	–
Medical Officer Cl 4	4	1	5	–	2	2	7
EL 2	7	–	7	1	1	2	9
EL 1	11	13	24	8	10	18	42
APS 6	8	1	9	11	2	13	22
APS 5	1	–	1	20	1	21	22
APS 4	17	–	17	29	–	29	46
APS 3	1	–	1	2	–	2	3
APS 2	–	–	–	–	–	–	–
APS 1	–	–	–	–	–	–	–
Graduates	–	–	–	–	–	–	–
Total	61	15	76	71	16	87	163

Table 16 APS non-ongoing employees, 2020–21

	Male			Female			Total
	Full-time	Part-time	Total Male	Full-time	Part-time	Total Female	
Secretary	–	–	–	–	–	–	–
Dir Safeguards	–	–	–	–	–	–	–
SES Band 3	5	–	5	1	–	1	6
SES Band 2	5	–	5	2	–	2	7
SES Band 1	1	–	1	–	–	–	1
Medical Officer Cl 5	–	–	–	–	–	–	–
Medical Officer Cl 4	2	–	2	4	1	5	7
EL 2	6	–	6	2	2	4	10
EL 1	15	9	24	6	10	16	40
APS 6	3	1	4	9	1	10	14
APS 5	4	1	5	15	5	20	25
APS 4	1	–	1	2	1	3	4
APS 3	–	–	–	–	–	–	–
APS 2	–	–	–	–	–	–	–
APS 1	–	–	–	–	–	–	–
Graduates	–	–	–	–	–	–	–
Total	42	11	53	41	20	61	114

Table 17 APS employees by full-time and part-time status, 2021–22

	Ongoing			Non-ongoing			Total
	Full-time	Part-time	Total ongoing	Full-time	Part-time	Total non-ongoing	
Secretary	1	–	1	–	–	–	1
Dir Safeguards	1	–	1	–	–	–	1
SES Band 3	14	–	14	5	–	5	19
SES Band 2	73	–	73	7	–	7	80
SES Band 1	199	2	201	–	–	–	201
Medical Officer Cl 5	1	–	1	–	–	–	1
Medical Officer Cl 4	2	1	3	4	3	7	10
EL 2	663	38	701	8	1	9	710
EL 1	1,496	200	1,696	19	23	42	1,738
APS 6	733	70	803	19	3	22	825
APS 5	606	86	692	21	1	22	714
APS 4	94	7	101	46	–	46	147
APS 3	27	5	32	3	–	3	35
APS 2	–	1	1	–	–	–	1
APS 1	3	–	3	–	–	–	3
Graduates	120	1	121	–	–	–	121
Total	4,033	411	4,444	132	31	163	4,607

Table 18 APS employees by full-time and part-time status, 2020–21

	Ongoing			Non-ongoing			Total
	Full-time	Part-time	Total ongoing	Full-time	Part-time	Total non-ongoing	
Secretary	1	–	1	–	–	–	1
Dir Safeguards	1	–	1	–	–	–	1
SES Band 3	15	–	15	6	–	6	21
SES Band 2	63	–	63	7	–	7	70
SES Band 1	179	2	181	1	–	1	182
Medical Officer Cl 5	1	–	1	–	–	–	1
Medical Officer Cl 4	1	1	2	6	1	7	9
EL 2	566	42	608	8	2	10	618
EL 1	1,174	178	1,352	21	19	40	1,392
APS 6	604	80	684	12	2	14	698
APS 5	609	109	718	19	6	25	743
APS 4	85	7	92	3	1	4	96
APS 3	27	6	33	–	–	–	33
APS 2	–	1	1	–	–	–	1
APS 1	–	–	–	–	–	–	–
Graduates	88	–	88	–	–	–	88
Total	3,414	426	3,840	83	31	114	3,954

Table 19 APS employment type by location, 2021–22

	Ongoing	Non-ongoing	Total
NSW	65	1	66
Qld	42	–	42
SA	31	–	31
Tas	16	–	16
Vic	85	1	86
WA	26	2	28
ACT	3,246	142	3,388
NT	7	1	8
Overseas	926	16	942
Americas	78	3	81
Asia	401	6	407
<i>South Asia</i>	63	1	64
<i>Southeast Asia</i>	239	4	243
<i>North Asia</i>	99	1	100
Europe	112	2	114
Middle East and Africa	117	–	117
Multilateral	51	2	53
New Zealand and the Pacific	167	3	170
Total	4,444	163	4,607

Table 20 APS employment type by location, 2020–21

	Ongoing	Non-ongoing	Total
NSW	68	2	70
Qld	44	–	44
SA	28	–	28
Tas	20	–	20
Vic	88	1	89
WA	27	–	27
ACT	2,720	91	2,811
NT	9	–	9
Overseas	836	20	856
Americas	69	3	72
Asia	367	6	373
<i>South Asia</i>	66	1	67
<i>Southeast Asia</i>	210	5	215
<i>North Asia</i>	91	–	91
Europe	95	2	97
Middle East and Africa	110	–	110
Multilateral	41	2	43
New Zealand and the Pacific	154	7	161
Total	3,840	114	3,954

Table 21 APS Indigenous employment, by employment type and classification, 2021–22

	Total
Ongoing	127
Non-ongoing	2
Total	129
	Total
SES Band 2	1
SES Band 1	4
EL 2	9
EL 1	27
APS 6	31
APS 5	41
APS 4	9
APS 3	3
Graduate	4
Total	129

Table 22 APS Indigenous employment, by employment type and classification, 2020–21

	Total
Ongoing	118
Non-ongoing	2
Total	120
	Total
SES Band 2	1
SES Band 1	5
EL 2	8
EL 1	23
APS 6	21
APS 5	44
APS 4	11
APS 3	0
Graduate	7
Total	120

Table 23 APS employment arrangements, 2021–22

	SES	Non-SES	Total
Enterprise agreement	–	4,235	4,235
Individual flexibility arrangements	–	29	29
Australian workplace agreements	–	–	–
Common law contracts	–	–	–
Determinations under subsection 24(1) of the <i>Public Service Act 1999</i>	301	40	341
Total	301	4,304	4,605

Note: The Secretary and the Director General of the Australian Safeguards and Non-Proliferation Office have not been included in the above figures as they are statutory appointments.

Table 24 APS employment salary ranges by classification level, 2021–22

	Minimum salary (\$)	Maximum salary (\$)
SES Band 3	292,207	441,994
SES Band 2	232,539	291,480
SES Band 1	180,887	250,466
Medical Officer CI 5	180,887	259,147
Medical Officer CI 4	168,950	240,754
EL 2	133,818	214,208
EL 1	110,767	172,522
APS 6	88,949	139,261
APS 5	80,675	119,656
APS 4	73,162	83,791
APS 3	65,290	80,301
APS 2	57,614	62,219
APS 1	49,767	49,767
Graduate	71,163	73,162

Notes

Includes annualised shift penalties.

Includes Executive Level 2 staff deployed to head of mission SES positions overseas.

The Secretary and the Director General of the Australian Safeguards and Non-Proliferation Office have not been included in the above figures as their remuneration is set by the Remuneration Tribunal.

Table 25 APS performance pay by classification level, 2021–22

	Number of employees receiving performance pay	Aggregated (sum total) of all payments made (\$)	Average of all payments made (\$)	Minimum payment made to employees (\$)	Maximum payment made to employees (\$)
SES Band 3	–	–	–	–	–
SES Band 2	–	–	–	–	–
SES Band 1	–	–	–	–	–
EL 2	17	16,390	964	574	1,072
EL 1	34	30,004	882	292	1,070
APS 6	51	49,464	970	309	1,064
APS 5	207	186,379	900	64	1,064
APS 4	3	2,221	740	605	809
APS 3	19	15,544	818	354	1,051
APS 2	–	–	–	–	–
APS 1	–	–	–	–	–
Other	–	–	–	–	–
Total	331	300,002	–	–	–

Appendix 2: Executive remuneration

REMUNERATION POLICIES AND PRACTICES

SES staff are remunerated via determinations made under subsection 24(1) of the *Public Service Act 1999*. The Secretary is the delegate for any changes made to the remuneration provided by the determinations. The remuneration of the Secretary and the Director General of the Australian Safeguards and Non-Proliferation Office is determined by the Remuneration Tribunal.

All other highly paid personnel are remunerated under the terms set out in the DFAT Enterprise Agreement 2019.

‘Other short-term benefits’ include overseas allowances, accommodation and fringe benefits tax paid on behalf of APS employees posted overseas. Employees posted overseas are remunerated in accordance with the department’s overseas conditions of service framework. The framework exists to compensate for the differences in locations such as cost of living, hardship and security environment. It also addresses additional costs incurred, such as family medical and educational costs, to ensure posted staff are not disadvantaged.

The department provides accommodation for staff and their families for the duration of their posting. While staff and families benefit from this provision, they do not receive direct remuneration for rental costs.

The reported value of accommodation in tables 29 and 30 reflects the high property costs and rental costs in many of the 113 locations of our posts, such as Hong Kong, Moscow and New York.

The total cost of accommodation reported also covers the full rental value of properties used by ambassadors and high commissioners. It does not recognise that most official residences have a residential component and a working component, which is used to support Australian Government objectives, including engagement with local political and business representatives and visiting Australian ministers.

REMUNERATION GOVERNANCE ARRANGEMENTS

The department’s Executive Committee, chaired by the Secretary, is responsible for assessing and reallocating resources across the department. The department adjusts overseas allowances fortnightly in response to changes to the overseas environment and foreign exchange movements based on a common methodology used by all APS agencies with staff posted to Australian posts. These adjustments draw on data from an independent commercial provider (ECA International).

KEY MANAGEMENT PERSONNEL

The department's key management personnel (KMP) are those persons having authority and responsibility for planning, directing and controlling the activities of the department. The department has determined the KMP to be the Secretary, Associate Secretary and deputy secretaries. The definition of KMP included the Chief People Officer, Chief Performance and Risk Officer and Chief Finance Officer from 1 July 2021 to 31 March 2022; however, the officers determined to be KMP were revised following a restructure of executive governance arrangements, with an effective date of 1 April 2022.

The names of key management personnel and the length of their terms as KMP are summarised in Table 26.

Table 26 Key management personnel, 2021–22

Name	Position title	Term as KMP during 2021–22
Kathryn Campbell	Secretary	22 July 2021 – 30 June 2022
Justin Hayhurst	Deputy Secretary	1 July 2021 – 30 June 2022
Ewen McDonald	Deputy Secretary	1 July 2021 – 30 June 2022
Katherine Klugman	Deputy Secretary	1 July 2021 – 1 June 2022
Harinder Sidhu	Deputy Secretary	1 July 2021 – 20 December 2021
Adrian Hudson	Deputy Secretary	10 January 2022 – 30 June 2022
Tony Sheehan	Deputy Secretary	1 July 2021 – 24 August 2021
Simon Newnham	Acting Deputy Secretary	23 August 2021 – 12 December 2021
Craig MacLachlan	Deputy Secretary	13 December 2021 – 30 June 2022
Christopher Langman	Deputy Secretary	1 July 2021 – 24 December 2021
Timothy Yeend	Associate Secretary	10 November 2021 – 30 June 2022
Katrina Cooper	Deputy Secretary	4 January 2022 – 30 June 2022
Murali Venugopal	Chief Finance Officer	1 July 2021 – 31 March 2022
Joanne Talbot	Chief People Officer	1 July 2021 – 31 March 2022
Christopher Cannan	Chief Performance and Risk Officer	5 July 2021 – 4 January 2022
John Geering	Chief Performance and Risk Officer	4 January 2022 – 31 March 2022

The following tables are prepared on an accrual basis.

Table 27 Key management personnel remuneration, 2021–22

	2021–22 \$
Short-term benefits	
Base salary	3,707,544
Bonus	–
Other benefits and allowances	158,760
Total short-term benefits	3,866,304
Superannuation	597,308
Total post-employment benefits	597,308
Other long-term benefits	–
Long service leave	92,676
Total other long-term employee benefits	92,676
Termination benefits	–
Total key management personnel remuneration	4,556,288

In accordance with the PGPA Rule, this information is disaggregated in Table 28.

Table 28 Key management personnel remuneration, 2021–22

Name	Position title	Short-term benefits (\$)			Post-employment benefits (\$)			Other long-term benefits (\$)		Termination benefits (\$)	Total remuneration ³ (\$)
		Base salary ¹	Bonuses	Other benefits and allowances ²	Superannuation contributions	Long service leave	Other long-term benefits				
Kathryn Campbell	Secretary	767,529	0	1,408	102,635	18,281	0			0	889,853
Justin Hayhurst	Deputy Secretary	349,155	0	25,871	57,442	9,016	0			0	441,484
Ewen McDonald	Deputy Secretary	369,070	0	31,254	69,642	9,139	0			0	479,105
Katherine Klugman	Deputy Secretary	286,754	0	24,252	52,085	7,442	0			0	370,533
Harinder Sidhu	Deputy Secretary	170,508	0	12,803	29,004	4,577	0			0	216,892
Adrian Hudson	Deputy Secretary	173,011	0	723	34,093	3,843	0			0	211,670
Tony Sheehan	Deputy Secretary	60,870	0	0	10,830	1,538	0			0	73,238
Simon Newnham	Acting Deputy Secretary	100,975	0	7,678	15,403	1,951	0			0	126,007
Craig MacLachlan	Deputy Secretary	176,501	0	13,757	31,437	4,675	0			0	226,370
Christopher Langman	Deputy Secretary	171,958	0	13,461	24,229	4,442	0			0	214,090
Timothy Yeend	Associate Secretary	307,131	0	954	40,082	6,900	0			0	355,067
Katrina Cooper	Deputy Secretary	152,548	0	13,157	27,013	3,929	0			0	196,647
Murali Venugopal	Chief Finance Officer	211,730	0	0	33,839	6,008	0			0	251,577
Joanne Talbot	Chief People Officer	211,500	0	1,121	39,186	5,699	0			0	257,506
Christopher Cannan	Chief Performance and Risk Officer	125,405	0	11,965	20,290	3,482	0			0	161,142
John Geering	Chief Performance and Risk Officer	72,899	0	356	10,098	1,754	0			0	85,107
Total		3,707,544	0	158,760	597,308	92,676	0			0	4,556,288

1. Base salary includes recreation leave accruals and higher duties payments during the year.

2. Other benefits and allowances include car parking, car allowances and fringe benefits tax expenses.

3. Some figures are impacted by the duration of service as KMP. Table 26 provides details of the length of service for officers that were classified as KMP.

Table 29 Senior executive staff remuneration, 2021–22

Remuneration Band (\$)	Number of Senior Executives	Short-term Benefits (\$)				Post-employment Benefits (\$)		Other Long-term Benefits (\$)			Termination Benefits (\$)		Total remuneration (\$)	
		Average Base Salary		Average Bonuses		Average Other Benefits and Allowances		Average Superannuation Contributions		Average Long Service Leave		Average Other Long-term Benefits		Total Remuneration plus Housing Cost (\$)
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	
Under 220,000	66	86,693	222	2,667	11,974	18,152	4,999	0	0	0	0	0	122,041	124,707
220,001 – 245,000	23	175,282	1,096	2,491	16,225	30,764	9,961	0	0	0	0	0	233,327	235,818
245,001 – 270,000	41	194,748	0	784	22,807	34,478	9,253	0	0	0	0	0	261,286	262,070
270,001 – 295,000	49	197,119	0	3,920	31,414	37,117	8,988	0	0	0	0	0	274,638	278,558
295,001 – 320,000	15	195,580	605	8,936	52,863	36,441	11,862	0	0	0	0	0	297,350	306,287
320,001 – 345,000	23	232,014	131	4,016	44,240	41,940	13,389	0	0	0	0	0	331,714	335,730
345,001 – 370,000	17	213,479	178	15,813	75,266	38,554	11,776	0	0	0	0	0	339,253	355,066
370,001 – 395,000	16	192,287	344	31,954	115,567	32,904	7,463	0	0	0	0	0	348,565	380,519
395,001 – 420,000	11	176,950	225	60,616	133,264	32,484	6,717	0	0	0	0	0	349,640	410,256
420,001 – 445,000	11	192,112	275	55,629	139,375	34,334	7,357	0	0	0	0	0	373,452	429,082
445,001 – 470,000	10	197,345	605	58,223	151,106	34,222	12,785	0	0	0	0	0	396,063	454,287
470,001 – 495,000	11	193,926	0	67,697	168,934	35,295	9,068	0	0	0	8,334	0	415,557	483,254
495,001 – 520,000	7	226,085	0	89,242	145,471	40,064	6,951	0	0	0	0	0	418,571	507,813
520,001 – 545,000	10	202,438	593	111,611	165,722	37,076	13,481	0	0	0	0	0	419,309	530,920
545,001 – 570,000	8	195,248	0	168,216	146,046	39,401	8,171	0	0	0	0	0	388,866	557,082
570,001 – 595,000	9	200,008	0	168,905	169,742	40,457	6,960	0	0	0	0	0	417,166	586,071
595,001 – 620,000	4	194,320	0	193,134	171,711	34,544	10,877	0	0	0	0	0	411,452	604,586
620,001 – 645,000	6	217,658	0	121,046	250,660	39,533	7,914	0	0	0	0	0	515,765	636,811
645,001 – 670,000	6	212,456	504	234,779	164,139	38,354	10,048	0	0	0	0	0	425,500	660,279
670,001 – 695,000	6	226,601	1,008	178,785	216,666	48,135	8,643	0	0	0	0	0	501,052	679,837
720,001 – 745,000	1	203,377	0	374,382	95,410	48,673	6,373	0	0	0	0	0	353,833	728,215
745,001 – 770,000	6	217,138	0	268,012	218,277	39,207	9,464	0	0	0	0	0	484,085	752,097
770,001 – 795,000	1	184,199	0	233,872	321,653	33,574	6,809	0	0	0	0	0	546,236	780,108
795,001 – 820,000	2	279,017	0	273,752	195,174	52,441	7,808	0	0	0	0	0	534,440	808,191

Table 29 Senior executive staff remuneration, 2021–22 (continued)

Remuneration Band (\$)	Number of Senior Executives	Short-term Benefits (\$)				Post-employment Benefits (\$)		Other Long-term Benefits (\$)		Termination Benefits (\$)		Total remuneration (\$)		
		Average Base Salary		Average Bonuses		Average Other Benefits and Allowances		Average Superannuation Contributions		Average Long Service Leave		Average Other Long-term Benefits		Average TOTAL
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	
		Overseas Housing Cost												Total Remuneration plus Housing Cost (\$)
820,001 – 845,000	2	233,937	0	424,247	127,575	39,841	5,883	0	0	0	0	407,236	831,483	
845,001 – 870,000	1	249,386	0	198,126	315,604	41,828	43,794	0	0	0	0	650,612	848,738	
870,001 – 895,000	1	250,753	0	300,620	268,370	44,434	22,921	0	0	0	0	586,477	887,097	
895,001 – 920,000	4	276,242	0	406,327	160,515	47,302	12,517	0	0	0	0	496,576	902,903	
945,001 – 970,000	1	246,890	0	384,357	276,965	47,995	8,639	0	0	0	0	580,489	964,846	
970,001 – 995,000	1	445,553	0	281,973	168,055	65,911	15,104	0	0	0	0	694,623	976,596	
995,001 – 1,020,000	2	230,382	0	587,033	130,594	44,347	7,852	0	0	0	0	413,175	1,000,207	
1,020,001 – 1,045,000	1	298,363	0	462,198	194,734	53,760	12,980	0	0	0	0	559,838	1,022,036	
1,045,001 – 1,070,000	1	223,394	0	494,006	287,140	40,933	8,420	0	0	0	0	559,888	1,053,894	
1,095,001 – 1,120,000	1	188,774	0	753,849	125,399	38,385	3,374	0	0	0	0	355,931	1,109,780	
1,195,001 – 1,220,000	1	338,759	0	664,893	125,091	59,946	14,989	0	0	0	0	538,785	1,203,678	
1,320,001 – 1,345,000	1	308,604	0	768,598	199,542	50,190	6,283	0	0	0	0	564,619	1,333,217	
1,445,001 – 1,470,000	1	190,472	0	1,099,718	112,686	36,346	7,084	0	0	0	0	346,588	1,446,305	
1,645,001 – 1,670,000	1	218,217	0	1,219,935	178,431	43,198	8,956	0	0	0	0	448,801	1,668,736	
1,720,001 – 1,745,000	2	322,079	0	1,174,152	154,449	63,679	16,961	0	0	0	0	557,167	1,731,319	
1,845,001 – 1,870,000	1	264,222	0	1,420,335	130,327	46,950	7,645	0	0	0	0	449,145	1,869,480	
2,295,001 – 2,320,000	1	272,467	0	1,898,589	97,747	41,194	7,660	0	0	0	0	419,068	2,317,658	

Note: Other short-term benefits and allowances include overseas housing allowance paid on behalf of APS staff posted overseas. These staff are remunerated with the department's overseas conditions of service framework, which is designed to compensate for the differences in locations in such matters as the cost of living, the cost of accommodation and the security environment. The Department of Foreign Affairs and Trade provides accommodation for staff and their families while posted overseas. While staff benefit from these arrangements, they do not receive direct remuneration for rental costs and the value of the accommodation allowances is determined by the location of each posting rather than the work or personal circumstances of individual staff. The value of housing allowances reported in the table above generally reflects the high property costs in many of the overseas locations where staff are posted. In these circumstances, the total value of an individual staff member's total remuneration is impacted by the value of the overseas housing allowances paid on behalf of the staff member and the table above is reported to enable a fuller understanding of the extent of this impact, while still reporting the total remuneration of each relevant staff member as required by the disclosure requirements of the PGPA Rule.

Table 30 Other highly paid staff remuneration, 2021–22

Remuneration Band (\$)	Number of Other Highly Paid Staff	Short-term Benefits (\$)					Post-employment Benefits (\$)		Other Long-term Benefits (\$)		Termination Benefits (\$)	Total Remuneration	
		Average Base Salary	Average Bonuses	Other Benefits and Allowances	Average Superannuation Contributions	Average Long Service Leave	Average Other Long-term Benefits	Average Termination Benefits	Total Remuneration	Total	Remuneration plus Housing Cost	Average TOTAL	
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
235,001 – 245,000	33	109,171	1,612	37,293	69,308	18,557	4,509	0	0	0	203,156	240,449	
245,001 – 270,000	96	117,353	1,606	38,834	72,515	20,438	5,624	0	0	0	217,537	256,371	
270,001 – 295,000	90	117,665	1,431	49,516	89,304	20,478	5,137	0	0	0	234,016	283,531	
295,001 – 320,000	86	119,567	1,788	60,418	99,158	21,286	4,704	0	0	0	246,502	306,920	
320,001 – 345,000	68	120,717	1,544	71,163	114,055	21,681	4,801	0	0	0	262,798	333,961	
345,001 – 370,000	41	126,962	2,015	82,125	117,926	22,570	5,491	0	0	0	274,963	357,088	
370,001 – 395,000	40	130,512	2,135	82,234	138,900	23,592	5,066	0	0	0	300,205	382,439	
395,001 – 420,000	32	133,673	2,056	88,675	152,013	24,665	4,926	0	0	0	317,333	406,008	
420,001 – 445,000	18	127,040	1,884	99,873	172,358	23,993	4,656	0	0	0	329,932	429,805	
445,001 – 470,000	22	140,516	2,534	97,061	187,208	26,186	5,092	0	0	0	361,535	458,597	
470,001 – 495,000	10	127,512	1,520	125,217	198,877	24,250	5,762	0	0	0	357,921	483,138	
495,001 – 520,000	13	150,436	2,690	110,712	207,875	28,277	5,642	0	0	0	394,921	505,633	
520,001 – 545,000	7	145,421	2,895	164,373	186,358	27,934	5,532	0	0	0	368,141	532,514	
545,001 – 570,000	2	149,225	2,750	169,325	196,557	26,682	5,763	0	0	0	380,977	550,302	
570,001 – 595,000	3	124,385	1,834	211,918	211,700	22,134	4,376	0	0	0	364,429	576,347	
595,001 – 620,000	3	139,545	2,015	187,127	253,186	26,631	5,524	0	0	0	426,901	614,028	
620,001 – 645,000	2	127,510	2,511	186,225	285,338	28,495	783	0	0	0	444,638	630,863	
645,001 – 670,000	3	156,434	3,023	204,154	256,578	30,115	6,415	0	0	0	452,565	656,720	
670,001 – 695,000	2	120,069	1,239	331,017	208,886	20,327	4,008	0	0	0	354,530	685,547	
720,001 – 745,000	1	149,751	0	412,148	138,303	27,496	7,589	0	0	0	323,139	735,287	
745,001 – 770,000	1	161,328	3,023	142,209	404,473	29,755	6,210	0	0	0	604,788	746,997	

Note: Other short-term benefits and allowances include overseas housing allowance paid on behalf of APS staff posted overseas. These staff are remunerated with the department's overseas conditions of service framework, which is designed to compensate for the differences in locations in such matters as the cost of living, the cost of accommodation and the security environment. The Department of Foreign Affairs and Trade provides accommodation for staff and their families while posted overseas. While staff benefit from these arrangements, they do not receive direct remuneration for rental costs and the value of the accommodation allowances is determined by the location of each posting rather than the work or personal circumstances of individual staff. The value of housing allowances reported in the table above generally reflects the high property costs in many of the overseas locations where staff are posted. In these circumstances, the total value of an individual staff member's total remuneration is impacted by the value of the overseas housing allowances paid on behalf of the staff member and the table above is reported to enable a fuller understanding of the extent of this impact, while still reporting the total remuneration of each relevant staff member as required by the disclosure requirements of the PGPA Rule.

Appendix 3: Agency resource statement

Table 31 Department of Foreign Affairs and Trade Agency Resource Statement, 2021–22

	Actual available appropriation for 2021–22 \$'000	Payments made 2021–22 \$'000	Balance remaining 2021–22 \$'000
Ordinary annual services¹			
Departmental appropriation	2,202,199	1,786,475	415,724
Total	2,202,199	1,786,475	415,724
Administered expenses			
Outcome 1	4,037,291	3,937,049	
Outcome 2	53,750	8,875	
Administered capital budget	528	–	
Payments to corporate entities ²	135,347	135,347	
Total	4,226,916	4,081,271	
Total ordinary annual services [A]	6,429,115	5,867,746	
Other services			
Departmental non-operating³			
Equity injections	126,031	58,166	67,865
Total	126,031	58,166	67,865
Administered non-operating			
Administered assets and liabilities	5,897	5,897	
Total	5,897	5,897	
Total other services [B]	131,928	64,063	
Total available annual appropriations [A + B]	6,561,043	5,931,809	
Special appropriations			
Special appropriations limited by criteria/entitlement			
<i>Public Governance, Performance and Accountability Act 2013 – s77 Administered</i>		497	
<i>Official Development Assistance Multilateral Replenishment Obligations (Special Appropriation) Act 2020 Administered</i>		328,745	
Total special appropriations [C]		329,242	
Special accounts⁴			
Opening balance	416,263		
Appropriation receipts	85,389		
Appropriation receipts from other entities	53,486		
Non-appropriation receipts to Special Accounts	24,670		
Payments made		165,909	
Total special accounts [D]	579,808	165,909	
Total resourcing [A + B + C + D]	7,140,851	6,426,960	
Less appropriations drawn from annual or special appropriations above and credited to special accounts	(85,389)	–	
and/or payments to corporate entities through annual appropriations	(135,347)	(139,445)	
Total net resourcing and payments for DFAT	6,920,115	6,287,515	

1. Includes *Appropriation Act (No. 1) 2021–2022* and *Appropriation Act (No. 3) 2021–2022*. This also includes prior-year departmental appropriation and section 74 Retained Revenue Receipts.

2. Corporate entities are corporate Commonwealth entities and Commonwealth companies as defined under the *PGPA Act 2013*.

3. *Appropriation Act (No. 2) 2021–2022*. This also includes prior-year equity injections available for use.

4. Excludes Special Public Money held in accounts like Consular Services Account (CSA), Services for Other Entities and Trust Moneys accounts (SOETM) and EXPO Dubai 2020.

Note: Departmental capital budgets are not separately identified in Appropriation Bill (No.1, 3, 5) and form part of ordinary annual services items.

Table 32 Expenses for Outcome 1

Outcome 1: The advancement of Australia's international strategic, security and economic interests including through bilateral, regional and multilateral engagement on Australian Government foreign, trade and international development policy priorities	Budget* 2021–22 \$'000 (a)	Actual expenses 2021–22 \$'000 (b)	Variation 2021–22 \$'000 (a – b)
Program 1.1: Foreign Affairs and Trade Operations			
Administered expenses			
Ordinary annual services (<i>Appropriation Act Nos. 1 and 3</i>)	77,337	73,109	4,228
Expenses not requiring appropriation in the Budget year ²	9,000	21,604	(12,604)
Special appropriations	100	1	99
Departmental expenses			
Departmental appropriation ¹	985,389	828,490	156,899
Expenses not requiring appropriation in the Budget year ²	143,580	142,152	1,428
Total for program 1.1	1,215,406	1,065,356	150,050
Program 1.2: Official Development Assistance			
Administered expenses			
Ordinary annual services (<i>Appropriation Act Nos. 1 and 3</i>)	3,502,749	3,490,946	11,803
Expenses not requiring appropriation in the Budget year ²	500	2,095	(1,595)
Departmental expenses			
Departmental appropriation ¹	266,806	266,806	–
Total for program 1.2	3,770,055	3,759,847	10,208
Program 1.3: Official Development Assistance – Multilateral Replenishments			
Administered expenses			
Expenses not requiring appropriation in the Budget year ²	7,834	32,381	(24,547)
Total for program 1.3	7,834	32,381	(24,547)
Program 1.4: Payments to International Organisations			
Administered expenses			
Ordinary annual services (<i>Appropriation Act Nos. 1 and 3</i>)	364,666	331,871	32,795
Total for program 1.4	364,666	331,871	32,795
Program 1.5: New Colombo Plan – Transforming Regional Relationships			
Administered expenses			
Ordinary annual services (<i>Appropriation Act Nos. 1 and 3</i>)	43,871	30,148	13,723
Total for program 1.5	43,871	30,148	13,723
Program 1.6: Public Information Services and Public Diplomacy			
Administered expenses			
Ordinary annual services (<i>Appropriation Act Nos. 1 and 3</i>)	26,687	24,482	2,205
Total for program 1.6	26,687	24,482	2,205
Program 1.7: Programs to Promote Australia's International Tourism Interests			
Administered expenses			
Tourism Australia – Corporate Commonwealth Entity	135,347	135,347	–
Ordinary annual services (<i>Appropriation Act Nos. 1 and 3</i>)	19,981	19,981	–
Total for program 1.7	155,328	155,328	–
Outcome 1 Totals by appropriation type			
Administered Expenses			
Ordinary annual services (<i>Appropriation Act Nos. 1 and 3</i>)	4,035,291	3,970,537	64,754
Corporate Commonwealth Entity	135,347	135,347	–
Expenses not requiring appropriation in the Budget year ²	17,334	56,080	(37,151)
Special appropriations	100	1	99
Departmental expenses			
Departmental appropriation ¹	1,252,195	1,095,296	156,899
Expenses not requiring appropriation in the Budget year ²	143,580	142,152	1,428
Total expenses for Outcome 1	5,583,847	5,399,413	186,029
		2020–21	2021–22
Average staffing level (number)		3,732	3,948

* Full-year budget, including any subsequent adjustments made to the 2021–22 Budget through 2021–22 additional estimates and estimated outcome as published in the 2022–23 Budget.

1. Departmental appropriation combines 'ordinary annual services (*Appropriation Act No. 1, Act No. 3*)' and 'section 74 revenue receipts'.

2. Expenses not requiring appropriation in the budget year may include depreciation expenses (excluding right-of-use depreciation, which is funded from appropriation), amortisation expenses, 'make good' expenses, audit fees, concessional costs for loans, finance costs and impairment of financial instruments.

Table 33 Expenses for Outcome 2

Outcome 2: The protection and welfare of Australians abroad and access to secure international travel documentation through timely and responsive travel advice and consular and passport services in Australia and overseas	Budget* 2021–22 \$'000 (a)	Actual expenses 2021–22 \$'000 (b)	Variation 2021–22 \$'000 (a – b)
Program 2.1: Consular Services			
Administered expenses			
Ordinary annual services (<i>Appropriation Act Nos. 1 and 3</i>)	43,071	8,319	34,752
Expenses not requiring appropriation in the Budget year ²	–	5,527	(5,527)
Special appropriations	100	9	91
Departmental expenses			–
Departmental appropriation ¹	139,558	139,558	–
Total for program 2.1	182,729	153,413	29,316
Program 2.2: Passport Services			
Administered expenses			
Expenses not requiring appropriation in the Budget year ²	–	–	–
Special appropriations	2,000	471	1,529
Departmental expenses			
Departmental appropriation ¹	267,462	270,691	(3,229)
Total for program 2.2	269,462	271,162	(1,700)
Outcome 2 Totals by appropriation type			
Administered expenses			
Ordinary annual services (<i>Appropriation Act Nos. 1 and 3</i>)	43,071	8,319	34,752
Expenses not requiring appropriation in the Budget year ²	–	5,527	(5,527)
Special appropriations	2,100	480	1,620
Departmental expenses			
Departmental appropriation ¹	407,020	410,249	(3,229)
Total expenses for Outcome 2	452,191	424,575	27,616
		2020–21	2021–22
Average staffing level (number)		1,063	1,125

* Full-year budget, including any subsequent adjustments made to the 2021–22 Budget through 2021–22 additional estimates and estimated outcome as published in the 2022–23 Budget

1. Departmental appropriation combines 'ordinary annual services (*Appropriation Act No. 1, Act No. 3*)'

2. Expenses not requiring appropriation in the budget year may include depreciation expenses (excluding right-of-use depreciation, which is funded from appropriation), amortisation expenses, 'make good' expenses, audit fees, concessional costs for loans, finance costs and impairment of financial instruments

Table 34 Expenses for Outcome 3

Outcome 3: A secure Australian Government presence overseas through the provision of security services and information and communications technology infrastructure, and the management of the Commonwealth's overseas property estate	Budget* 2021–22 \$'000 (a)	Actual expenses 2021–22 \$'000 (b)	Variation 2021–22 \$'000 (a – b)
Program 3.1: Foreign Affairs and Trade Security and IT			
Departmental expenses			
Departmental appropriation ¹	208,892	208,892	–
Total for program 3.1	208,892	208,892	–
Program 3.2: Overseas Property			
Departmental expenses			
Expenses not requiring appropriation in the Budget year ²	38,534	105,491	(66,957)
Total for program 3.2	38,534	105,491	(66,957)
Outcome 3 Totals by appropriation type			
Departmental expenses			
Departmental appropriation ¹	208,892	208,892	–
Expenses not requiring appropriation in the Budget year ²	38,534	105,491	(66,957)
Total expenses for Outcome 3	247,426	314,383	(66,957)
		2020–21	2021–22
Average staffing level (number)		863	912

* Full-year budget, including any subsequent adjustments made to the 2021–22 Budget through 2021–22 additional estimates and estimated outcome as published in the 2022–23 Budget.

1. Departmental appropriation combines 'ordinary annual services (*Appropriation Act No. 1, Act No. 3*)'.

2. Expenses not requiring appropriation in the budget year may include depreciation expenses (excluding right-of-use depreciation, which is funded from appropriation), amortisation expenses, 'make good' expenses, audit fees, concessional costs for loans, finance costs and impairment of financial instruments.

Appendix 4: Development program budget

Table 35 provides details of development program budget estimates by country and region for 2021–22. Table 36 provides details of DFAT-managed terminating budget measures for 2021–22. Actual expenditure is planned to be published on the departmental website in February 2023 in Australia's Official Development Assistance: Statistical Summary 2021–22 following collection of information from other government departments and delivery partners, including detailed breakdowns of geographic flows of expenditure.

Table 35 Total Australian official development assistance,¹ by country and region of benefit, 2021–22 budget estimate

Country and region ²	Total \$m
Papua New Guinea	587.8
Solomon Islands	156.4
Vanuatu	75.6
Fiji	81.2
Samoa	39.7
Tonga	35.6
Kiribati	32.0
Nauru	32.2
Tuvalu	13.8
Niue and Tokelau	3.9
North Pacific ³	11.1
Pacific Regional	372.5
Pacific	1,441.8
Indonesia	299.0
Timor-Leste	105.2
Philippines	79.0
Vietnam	78.9
Cambodia	65.9
Myanmar	95.5
Laos	39.3
Mongolia	7.0
Southeast and East Asia Regional	242.2
Southeast and East Asia	1,012.0
Afghanistan	51.0
Bangladesh	133.8
Sri Lanka	22.7
Pakistan	8.0
Nepal	20.5
Bhutan	4.4
Maldives	2.2
South and West Asia Regional	30.4
South and West Asia	273.1

Table 35 Total Australian official development assistance,¹ by country and region of benefit, 2021–22 budget estimate (continued)

Country and region ²	Total \$m
Sub-Saharan Africa	59.3
Middle East and North Africa ⁴	31.4
Middle East and Africa	90.7
Caribbean	0.2
Latin America	1.3
Latin America and the Caribbean	1.6
Core contributions to multilateral organisations and other ODA not attributable to particular countries or regions⁵	1,180.9
Grand total⁶ Australian ODA flows by country and region of benefit, 2021–22 budget estimate	4,000.0

ODA = Official Development Assistance.

1. Australian ODA includes \$259.9 million in estimated expenditure managed by other government departments.

2. Regional totals include amounts attributable to the region but not a specific country.

3. Federated States of Micronesia, Palau and the Republic of the Marshall Islands, noting Palau graduated from ODA eligibility in January 2022.

4. Includes Iraq, Syria, the Palestinian Territories and other flows to the region.

5. Includes payments to some UN and Commonwealth organisations and UN peacekeeping operations. The ODA-eligible components of cash payments to the International Development Association, Asian Development Fund, Global Environment Facility, Heavily Indebted Poor Countries Initiative and the Montreal Protocol Multilateral Fund are also included.

6. Due to rounding, discrepancies may occur between sums of the component items and totals.

Table 36 Terminating budget measures, 2021–22 budget estimate

	Total \$m
Vaccine Access and Health Security Initiative	162.6
Pacific and Timor-Leste	74.8
Southeast Asia	87.8
COVID-19 Response Package for Pacific and Timor-Leste	100.0
Economic, Development and Security measures for Southeast Asia recovery	56.0
Pacific Labour Mobility	9.9
Australian Support for India¹	0.7
Australian support for Ukraine	50.0
Global Health Security²	77.5
Total	456.6

1. The Department of Health provided \$31.475 million of ODA-eligible in-kind donations in 2021–22 from Australia's domestic stockpile as part of the government's international COVID-19 response. This included \$21.9 million of emergency health supplies provided to India.

2. Contribution to the COVAX Advance Market Commitment provided by the Department of Health.

Appendix 5: Audit and Risk Committee

Table 37 Audit and Risk Committee, 2021–22

Member name and status	Qualifications, knowledge, skills and experience	Number of meetings attended / total number of meetings*	Total annual remuneration (incl. GST)
Brendan Sargeant Chair from March 2018 to March 2022	Professor Sargeant was Professor of Practice in Defence and Strategic Studies and Head of the Strategic and Defence Studies Centre at the Coral Bell School of Asia Pacific Affairs, Australian National University. He retired from the Australian Public Service (APS) in October 2017, having been involved in the development and implementation of defence policy over many years. From September 2013 to October 2017, he was the associate secretary of the Department of Defence and was responsible for oversight of the implementation of the First Principles Review, a major reform of the Defence organisation and enterprise governance, planning, performance and risk management. We were deeply saddened by Professor Sargeant's unexpected passing in early 2022. In his four years as chair of the Audit and Risk Committee, he provided invaluable strategic and balanced advice that has led to enhancements to enterprise governance, performance and risk management in the department.	5/5 ARC 3/3 APSSC	\$24,750
Mark Ridley Member from June 2021 to February 2022; chair from March 2022	Mr Ridley has served as an independent chair and member of audit and risk committees for several large and medium-sized Commonwealth agencies since 2011. This includes the Australian Signals Directorate, the departments of Defence, Home Affairs, and Human Services, the Australian Federal Police, and the Australian National University. He also advises entities on the governance and risk management of information and communications technology (ICT)–based programs. He was formerly a senior partner of PwC Australia and has held leadership roles in risk advisory work, internal audit and ICT project assurance.	8/8 ARC	\$40,960

Table 37 Audit and Risk Committee, 2021–22 (continued)

Member name and status	Qualifications, knowledge, skills and experience	Number of meetings attended / total number of meetings*	Total annual remuneration (incl. GST)
Chris Ramsden Commenced in November 2019	Mr Ramsden is a Fellow Certified Practising Accountant of CPA Australia and a highly experienced APS officer (now retired), specialising in corporate and enabling service roles. He has over 38 years' experience and has served as chief financial officer for the Australian Customs Service and ComSuper. He was also the chief operations officer for the Clean Energy Regulator and was responsible for managing all corporate support functions (finance, human relations, information technology, project management, risk management, communications, investigations) for the newly formed agency. Mr Ramsden is the chair of the department's Financial Statements Subcommittee and has attended the department's Annual Performance Statements Subcommittee as a proxy when required.	8/8 ARC 2/2 APSSC 5/5 FSSC	\$40,010
Jenny Morison AM Commenced in March 2022	Ms Morison is a Fellow Chartered Accountant of Chartered Accountants Australia and New Zealand, and public sector financial management specialist, with 40 years' experience across commerce and government. For the last 19 years, she has been a professional independent member of several Australian Capital Territory and Commonwealth audit committees. In 2022, Ms Morison was awarded a Member (AM) in the general division of the Order of Australia for significant service to business in the field of accountancy, and to professional associations. Ms Morison has also previously served as a member of DFAT's Audit and Risk Committee, and former AusAID Audit Committee (for a period of eight years, ceasing in 2018). Ms Morison is a member of the department's Financial Statements Subcommittee.	2/3 ARC 2/2 FSSC	\$21,833
Ian McPhee AO Commenced in March 2022	Mr McPhee was previously the auditor-general for Australia from 2005 to 2015 and held senior positions within the Department of Finance and the Australian National Audit Office. He currently holds the position of Distinguished Honorary Professor at the Australian National University, is a council member of Central Queensland University, chair of the Audit Quality Advisory Board for PwC Australia, a chair and member of a number of audit and risk committees, and (part-time) Australian Capital Territory Public Sector Standards Commissioner. He was made an Officer of the Order of Australia in 2015, awarded a Public Service Medal in 2002, awarded a First Class Medal of Honour by the Indonesian government in 2009, and has received several other prestigious awards for his contribution to the public sector, including an honorary doctorate, and a federal government leader of the year award. Mr McPhee is a member of the department's Annual Performance Statements Subcommittee.	3/3 ARC 1/1 APSSC	\$15,963

Table 37 Audit and Risk Committee, 2021–22 (continued)

Member name and status	Qualifications, knowledge, skills and experience	Number of meetings attended / total number of meetings*	Total annual remuneration (incl. GST)
Roxanne Kelley Commenced in February 2021	Ms Kelley is the Deputy Secretary, Corporate and Foreign Investment Group at the Department of the Treasury. She has also served as chief operating officer and deputy secretary for a number of government agencies, including Services Australia (previously the Department of Human Services), the Department of Social Services and the Department of Defence. She has extensive expertise in departmental strategy and transformation, governance, ministerial and parliamentary services, and corporate functions including finance, human resources, audit, legal, procurement and communications. Ms Kelley is the chair of the department's Annual Performance Statements Subcommittee.	7/8 ARC 2/4 APSSC	\$0
Donna Hardman Member from November 2018 to December 2021	Ms Hardman is a professional company director with experience in business and ICT transformation, change leadership and governance. She has over 30 years' experience in the global financial services industry, specialising in business strategy, general management and transformational change leadership roles. Ms Hardman currently holds eight independent governance appointments with Australian Government departments and agencies, and consults to the private sector on board performance, enhancement and future-readiness.	5/5 ARC	\$21,670

ARC = Audit and Risk Committee

APSSC = Annual Performance Statements Subcommittee

FSSC = Financial Statements Subcommittee

AusAID = Australian Agency for International Development

* Total number of meetings reflects the number of meetings the member was eligible to attend.

Appendix 6: Work health and safety

The health, safety and wellbeing of our people, and those affected by our work, is an important priority for the department. In 2021–22, the ongoing effects of COVID-19 continued to complicate our efforts to address this priority across our global network.

We remain committed to a culture that actively promotes effective risk management and improved work practices, and fosters attitudes that sustain a respectful, safe and healthy environment.

NEW WORK HEALTH AND SAFETY INITIATIVES

In 2021–22, the department undertook several new work health and safety (WHS) initiatives, including the introduction of an injury prevention toolkit, the development of new WHS training materials, and the establishment of an assurance framework.

Toolkit to prevent body stressing injuries

In October 2021, in recognition of the importance of ergonomics and the significant cost of body stressing injuries, the department introduced a long-term preventative toolkit. Consisting of three self-paced e-learning tools, the toolkit assists staff with correct workstation set-up; includes specific guidance on how to prevent or reduce the incidence of injuries and alleviate symptoms; and provides examples of workplace exercises to maintain flexibility, prevent muscle strain injuries and improve posture. A formal evaluation of this initiative is scheduled for October 2022, but initial data indicates a reduction in incidents and compensation claims relating to computer-based tasks.

Work health and safety education and awareness

Throughout the reporting period, the department's Employee Health and Safety Section (EHS) delivered 28 pre-posting WHS briefings to our heads of missions and posts. These briefings were tailored to each specific post and were designed to assist heads of missions and posts in complying with their due diligence responsibilities under the *Work Health and Safety Act 2011*.

We worked to develop a WHS due diligence e-learning module to support the implementation of our existing pre-posting briefings and the Officer Due Diligence Manual. We expect the e-learning module will be launched in October 2022.

Since January 2022, EHS has been developing WHS 'team talk' sheets, designed to help supervisors hold team discussions about WHS matters relevant to their work area's WHS risk profile. We expect to launch this initiative in October 2022.

The department recognises that investing in the capability of our EHS staff is critical to supporting our organisational priorities. Throughout the reporting period, the department funded postgraduate and vocational qualifications in WHS and rehabilitation management for relevant staff. We expect that this upskilling of our EHS team will lead to improved guidance.

The department's anti-bullying and harassment team continued to deliver proactive workplace bullying and harassment awareness training. During the year, we delivered 51 sessions to various workplaces across our global network, and 38 diversity and harassment officers received training.

EHS assurance framework

In March 2022, EHS established an assurance framework. As part of this framework, the department's WHS unit undertakes audits to verify implementation of our WHS management system. During the reporting period, the

WHS unit conducted an audit of the contract provisions for property management services in Australia and overseas, and audits of two overseas posts. Through the implementation of audit recommendations, we expect to achieve increased compliance with WHS legislation and a reduction in injury rates over the longer term.

Wellbeing@DFAT program

In mid-2021, the department's executive approved the Wellbeing@DFAT program, which seeks to support our workers in maintaining healthy lifestyle behaviours. In January 2022, we undertook an employee wellbeing survey to identify possible events for the program's priority areas of nutrition and hydration, alcohol reduction, smoking cessation, physical activity, and social and emotional wellbeing. In June 2022, the Executive Committee approved the proposed program of events for 2022–23.

Domestic and family violence supports

In June 2022, the department completed a review of our domestic and family violence policy. Key outcomes of this review included the establishment of a case management function within EHS, and the development of an awareness and training package to support managers and work areas that might need to

support an employee experiencing domestic or family violence.

Working with children checks

In April 2022, EHS commenced a global audit to identify departmental roles that work with children. During the reporting period, 120 such roles were identified. All departmental roles known to involve working with children will undertake screening processes, as stipulated in the recently developed working with children screening policy and supporting procedure.

Psychosocial risk mitigation

The department's Staff and Family Support Office provided all staff with access to counselling services tailored to COVID-19 challenges, and delivered mental health for managers and mental health first aid training. The office also conducted psychological assessments and screenings when selecting staff for vulnerable roles and high-risk postings. In addition to overseeing the provision of Employee Assistance Program services, the office coordinated management consultations to assist with identifying and managing staff with known mental health conditions, and conducted wellbeing check-ins with staff, including those in vulnerable roles and locations.

ONGOING WORK HEALTH AND SAFETY INITIATIVES

The department made progress with WHS initiatives commenced in previous reporting periods, including the ongoing response to COVID-19, the delivery of virtual first aid training, and continued implementation of the WHS business partner model.

COVID-19

The department continued to work proactively to ensure health and safety risks arising from COVID-19 were effectively managed. In 2021–22, COVID-19 initiatives included:

- investigating and assessing suspected COVID-19 workplace incidents
- providing advice to heads of missions and posts on their due diligence obligations

- assisting in the review of COVID-safe risk assessments
- conducting staff awareness sessions
- undertaking a WHS risk assurance check of COVID-19 controls and risk registers across the global network.

These measures continued to help us provide and maintain as safe a working environment as possible.

Virtual first aid training

During the reporting period, we continued the rollout of the department's virtual first aid training, involving course instruction and practical exercises run by an Australian-accredited first aid training provider using videoconferencing.

To comply with the requirement that learners demonstrate their capabilities, we sent practical demonstration kits to posts. This approach allowed overseas staff to receive refresher first aid training, which would otherwise have been prevented by international travel restrictions and the inability to access an Australian-registered training provider overseas. Additionally, the virtual delivery provided the opportunity for locally engaged staff to receive accredited first aid training to Australian standards.

During the first half of 2022, 20 members of staff from the Manila, Suva and Papeete posts obtained Australian first aid qualifications. This training was completed through virtual, small-group classes with our training providers in Australia. In addition, eight staff from the

Noumea, Koror and Bali posts, as well as Canberra-based staff, individually completed virtual training by taking part in our training provider's online public courses. We hope to continue to expand access to virtual first aid training across the network in the coming year.

Work health and safety business partner model

The department continued to implement its WHS business partner model. The model aims to improve WHS outcomes by providing guidance and support to managers and supervisors in reviewing their WHS risk registers, responding to WHS incidents and hazards, and undertaking other compliance activities.

REPORTING REQUIREMENTS UNDER THE *WORK HEALTH AND SAFETY ACT 2011*

- Incident notification: 16 incidents were notified to Comcare under Part 3 of the Act.
- Enforceable undertakings: No directions were given to the department under Part 11, section 217 of the Act.
- Securing compliance: No investigations were commenced in 2021–22.
- Enforcement measures: No notices were issued under Part 10, section 191 of the Act.

REHABILITATION MANAGEMENT

In November 2021, the department launched its Rehabilitation and Early Intervention Improvement Strategy 2021–2024. The strategy aims to improve rehabilitation outcomes by minimising the duration of absences from work through effective rehabilitation and early intervention. During 2021–22, the department progressed three key initiatives from the strategy:

- We completed an external review of high-cost rehabilitation claims in early 2022, and we are continuing to implement the review's recommendations.
- In June 2022, the department's rehabilitation management system was audited by an external provider. While the formal report has not yet been provided, the auditor orally advised that no non-conformances had been identified.

- The department developed an early intervention e-learning module to support the implementation of our existing early intervention policy. We expect to launch the e-learning module in August 2022.

In April 2022, the department conducted a global review of its workers compensation arrangements for locally engaged staff. The outcome of this review ensured that these employees can, if necessary, access suitable workers compensation insurance provisions.

In 2021–22, Comcare accepted 6 workers compensation claims by departmental staff (compared to 18 claims in 2020–21), and our premium rate for 2021–22 remained lower than the Commonwealth average of 0.79 per cent for the same period (Table 38).

Table 38 Claims accepted by Comcare, and Comcare premium, 2019–20 to 2021–22

	2019–20	2020–21	2021–22
Number of claims accepted by Comcare ¹	17	18	6
Department's premium rate as a percentage of total department wages and salaries ²	0.53%	0.77%	0.72%

1. The figures for the number of claims accepted by Comcare in 2019–20 and 2020–21 have been adjusted in the table above, compared to the table that appeared on page 239 of the 2020–21 Annual Report. The number of claims accepted by Comcare and reported in a specific financial year may need to be adjusted due to several factors, including:
 - differences between date of lodgement and date of acceptance
 - backdating claims to the date of injury
 - decisions subject to appeal in the Administrative Appeals Tribunal
 - reconsideration of claims.
2. The figure for the department's 2019–20 department premium rate has been adjusted in the table above, compared to the table that appeared on page 239 of the 2020–21 Annual Report. The variation relates to the department's share of the final performance premium pool.

Appendix 7: Ecologically sustainable development and environmental performance

The department's policy activities and operations accorded with the principles of ecologically sustainable development, as required by section 516A of the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act).

SUPPORT FOR INTERNATIONAL ENVIRONMENTAL AGREEMENTS

The department supported government deliberations on Australia's commitments under the United Nations Framework Convention on Climate Change (UNFCCC) and the Paris Agreement. We advocated for strong outcomes in Australia's interest in international negotiations on frameworks and commitments on climate change, maritime decarbonisation and electricity grid integration, through:

- the completion of the operational details for the practical implementation of the Paris Agreement (the 'Paris Rulebook'), including building in indigenous human rights protections, at the 26th United Nations Climate Change conference (COP26) in Glasgow in October–November 2021
- the Glasgow Climate Pact

- the Clydebank Declaration for green shipping corridors
- the One Sun One World One Grid initiative for an interconnected global renewable energy grid
- initiatives under the Equal by 30 campaign – a commitment by public and private sector organisations to work towards gender equality in the clean energy sector by 2030.

The department led the international communication of Australia's enhanced emissions reduction commitment and revised nationally determined contribution under the Paris Agreement, and the doubling of our climate finance commitment to \$2 billion from 2020 to 2025, including \$700 million of benefit to the Pacific.

SUPPORT FOR ECOLOGICALLY SUSTAINABLE DEVELOPMENT

The department contributed to the development of global frameworks supporting ecologically sustainable development, including through ongoing negotiations over the post-2020 Global Biodiversity Framework and contributions to the Global Environment Facility.

We launched targeted climate development programs at COP26, including the Climate Resilient by Nature program in the Indo-Pacific with WWF Australia, and the Science and Technology for Climate Partnerships

(SciTech4Climate) with CSIRO and the Australian National University.

We supported biodiversity and sustainable development through Australia's engagement with the International Partnership for Blue Carbon, and activities in Papua New Guinea and Fiji under the Pacific Blue Carbon program.

The department delivered \$346 million in climate finance to developing countries, an increase of 13 per cent on the previous financial year, and delivered \$92.5 million specifically supporting

environment and biodiversity in the Indo-Pacific, including:

- launching the ReefCloud open access platform in Fiji and Palau, using innovative technology and artificial intelligence to support coral reef management
- working with the national meteorological services of all 14 Pacific island partner countries of the Secretariat of the Pacific Regional Environment Programme to update national-level climate projections
- supporting Pacific women negotiators to engage in the UNFCCC and COP26
- promoting healthy oceans for sustainable development and the ability of Pacific island countries to plan for and respond to oil spills through the Pacific Islands Marine Spill Response Plan; and supporting Japan and the Federated States of Micronesia to address the risks of oil leaking from potentially polluting shipwrecks in Chuuk Lagoon.

The department progressed a strong pipeline of climate-resilient infrastructure investments across the region, and delivered capacity building to state-owned enterprises in the Pacific to help improve environment and social management systems. For example, through the Australian Infrastructure Financing Facility for the Pacific, we reached financial close and commenced construction on a 15.27 megawatt-peak solar facility and 12.9 megawatt-hour battery storage system that will deliver approximately 20 per cent of Palau's energy requirements.

We worked to build the capacity of Pacific communities to manage the impact of climate change and increasing population on coastal fisheries, through the implementation of community-based fisheries management methods, and by assisting Pacific island countries to establish their maritime zones. We supported sustainable fisheries management and oceans governance at the local, national and regional levels across the Pacific, and protected fisheries resources in the region by supporting coordinated regional efforts to combat illegal, unreported and unregulated fishing.

The department worked with the Bureau of Meteorology to provide support to Pacific national meteorological organisations to adapt to and mitigate the impacts of climate

variability. We also worked extensively to ensure strong and meaningful Pacific participation at COP26, including supporting delegations from nine Pacific island countries to attend the Glasgow conference.

We continued to integrate climate change action and disaster risk reduction across our development program in accordance with our Climate Change Action Strategy (2020–2025), including by:

- co-designing and delivering with the Australian National University the first Climate and Adaptation in Development course for 36 officers from DFAT and other government agencies
- maintaining open access to the department's Climate Change, Energy and the Environment online learning site, hosted by the Diplomatic Academy.

We delivered innovative Australia Awards virtual short courses in renewable energy, water management, and climate change adaptation and mitigation to technicians and mid-level public servants from Africa, Asia and the Pacific.

In March 2022, we funded the Australian Climate Finance Partnership's first investment in a sustainable forestry fund in Southeast Asia, helping catalyse private investment for sustainable forestry, gender inclusion, biodiversity and livelihoods.

We promoted clean energy partnerships with Indo-Pacific partners, collaborating with the Clean Energy Regulator, the Department of Industry, Science, Energy and Resources, the Australian Energy Market Operator, Fortescue Future Industries, and the Sydney Energy Forum.

The department promoted sustainable development assistance through our Environmental and Social Safeguard Policy, which includes mandatory steps for screening all aid investments for potential environmental and social impacts. In accordance with our Environmental and Social Safeguard framework, we assessed whether any projects required referral to the Minister for the Environment under the EPBC Act. In 2021–22, no projects required referral.

ENVIRONMENTAL MANAGEMENT OF OUR OVERSEAS PROPERTIES

The department continued to consider sustainable development and environmental performance in applicable property-related decisions in the overseas estate. In 2021–22, we commenced planning for collection of utilities consumption data and reporting on property-related emissions measurement to inform prioritised implementation of renewable energy projects.

We applied cost-effective environmentally sustainable design principles in new construction projects. We reduce waste to landfill through prefabrication products, and we reuse and recycle where practicable. We included sustainability measures, such as photovoltaic cells, green roofs, energy-efficient lighting, daylight and motion sensors, zoned air-conditioning systems, rainwater harvesting and building management systems, in all new construction projects.

Examples of environmental initiatives in our overseas properties in 2021–22 include:

- developing a prototype for an off-grid and environmentally sustainable new chancery property solution in the Pacific
- completing planning and design for solar energy pilot projects, and commencing project delivery at the Islamabad chancery compound, with construction scheduled to begin in the fourth quarter of 2022 – further planning and design feasibility for other suitable sites is underway
- continuing to assist posts to achieve energy-efficient outcomes by measuring energy consumption and implementing a building tuning program at selected posts to increase operational efficiencies.

In 2021–22, the department commenced development of a strategy to support electric vehicle charging at owned properties overseas, reflecting expansion of electric vehicles in the DFAT overseas fleet, as well as a strategy for installing charging banks to support electric bikes and scooters in the overseas property portfolio.

ENERGY EFFICIENCY AND CONSUMPTION IN THE DOMESTIC PROPERTY PORTFOLIO

The Energy Efficiency in Government Operations (EEGO) policy sets the minimum energy performance standards for Australian Government buildings as a strategy for achieving energy targets. This ensures that entities progressively improve their performance through the procurement and ongoing management of energy-efficient office buildings and environmentally sound equipment and appliances.

Agencies are required to meet the target of no more than 7,500 megajoules (MJ) per person each year for office tenant light and power under the EEGO policy. In 2021–22, the department met this target, using approximately 6,474 MJ per person (Table 39). As the department's electricity and gas use in tenancies is separately metered at all of its reportable leased office sites in Australia, it is not required to report central services energy consumption.

Table 39 Performance of domestic property portfolio against energy efficiency targets, 2018–19 to 2021–22

End-use category	EEGO annual target	Unit	2018–19	2019–20	2020–21	2021–22
Tenant light and power	7,500 MJ	Megajoules (MJ) per person	7,343	7,185	6,886	6,474
Other buildings	N/A	Megajoules (MJ) per square metre	588	565	471	484

EEGO = Energy Efficiency in Government Operations

Overall, the department's total domestic energy consumption remained relatively consistent over the past four years (Table 40).

Table 40 Domestic property portfolio's energy consumption, 2018–19 to 2021–22

Category	2018–19	2019–20	2020–21	2021–22	Change (%) (2020–21 to 2021–22)
Office – tenant light and power – electricity (MJ)	29,819,247	29,179,249	27,356,784	26,684,721	–2%
Office gas (MJ)	4,456,126	4,450,126	4,215,894	5,360,044	27%
Other building energy (MJ)	885,742	850,246	708,664	728,729	3%
Total energy (MJ)	35,161,115	34,479,621	32,281,342	32,773,494	2%

MJ = megajoule

The RG Casey Building in Canberra continues to be the dominant source of the department's domestic energy consumption. This building is monitored closely and we are working with the building owner's representative to identify, implement and review energy efficiency measures. These include:

- tuning building air-conditioning equipment
- monitoring and adjusting temperature set points and hours of operation

- activating 'after hours' mode over the Christmas – New Year period.

These initiatives, along with a drop in building occupation due to an increase in remote working, resulted in a decrease in electricity consumption of approximately 7 per cent for the RG Casey Building alone, although 2021–22 saw a significant increase (27 per cent) in the amount of gas consumed in this building.

GREEN LEASING ARRANGEMENTS

As part of our accommodation planning for the domestic property portfolio, the department undertakes to meet the requirements of green lease schedules under the National Green Leasing Policy. Under the policy, tenancies of greater than 2,000 square metres with a lease term greater than two years should meet a minimum National Australian Built Environment Rating System (NABERS) rating of 4.5 stars.

Table 41 summarises the green lease schedules the department had in place during the reporting period across the domestic property portfolio and the corresponding NABERS ratings, where available.

Table 41 Green lease schedules and NABERS ratings for the domestic property portfolio, 2021–22

Site	Green Lease Schedule	NABERS tenancy rating	
		Target	Current (2021–22)
RG Casey Building, John McEwen Crescent, Barton	A1	4.5	Not rated ¹
255 London Circuit, Canberra City	Nil ²	4.5	4.5 ³
51 Allara St, Canberra City	C2	4.5	5.0
Level 2, 747 Collins St, Melbourne	B1	4.5	5.5 ⁴
44 Sydney Ave, Barton	C2	4.5	5.0

- 1. Rating not formally completed.
- 2. Lease in place prior to development of green lease schedules.
- 3. Voluntary rating for whole building.
- 4. Combined tenancy with the Australian Taxation Office.

PASSPORT PRODUCTION

All Australian passports issued during the 2021–22 reporting period were printed on paper produced from wood pulp certified as sustainable and ethically sourced.

Appendix 8: Parliamentary committees of inquiry

This appendix contains information on the department's engagement with parliamentary committees of inquiry during the reporting period.

Funding for public research into foreign policy issues

In July 2021, departmental officers appeared as witnesses before the Senate Foreign Affairs, Defence and Trade References Committee inquiry into funding for public research into foreign policy issues. The committee's report was tabled in August 2021 and can be found at:

aph.gov.au/Parliamentary_Business/Committees/Senate/Foreign_Affairs_Defence_and_Trade/ForeignPolicyResearch/Report

Senate Select Committee on COVID-19

In July 2021, departmental officers appeared as witnesses before the Senate Select Committee on COVID-19. The committee's final report was tabled in April 2022 and can be found at:

aph.gov.au/Parliamentary_Business/Committees/Senate/COVID-19/COVID-19/Report

Functions of Export Finance Australia

In August 2021, the department and Export Finance Australia made a joint submission to the Senate Foreign Affairs, Defence and Trade Legislation Committee inquiry into the Export Finance and Insurance Corporation Amendment (Equity Investments and Other Measures) Bill 2021. The submission can be found at:

aph.gov.au/Parliamentary_Business/Committees/Senate/Foreign_Affairs_Defence_and_Trade/EquityInvestmentsBill/Submissions

The committee's report was tabled in August 2021 and can be found at:

aph.gov.au/Parliamentary_Business/Committees/Senate/Foreign_Affairs_Defence_and_Trade/EquityInvestmentsBill/Report

Regional Comprehensive Economic Partnership Agreement

In August 2021, departmental officers appeared as witnesses before the Joint Standing Committee on Treaties inquiry into the Regional Comprehensive Economic Partnership Agreement.

The committee's *Report 196: Regional Comprehensive Economic Partnership Agreement* was tabled in August 2021 and can be found at:

aph.gov.au/Parliamentary_Business/Committees/Joint/Treaties/RCEP/Report_196

The department coordinated the government's response, which was tabled in February 2022 and can be found at:

aph.gov.au/Parliamentary_Business/Committees/Joint/Treaties/RCEP/Government_Response

Minamata Convention on Mercury

In August 2021, departmental officers appeared as witnesses before the Joint Standing Committee on Treaties inquiry into the Minamata Convention on Mercury.

The committee's *Report 197: OCCAR Managed Programmes Participation Agreement; Minamata Convention on Mercury* was tabled in August 2021 and can be found at:

aph.gov.au/Parliamentary_Business/Committees/Joint/Treaties/MinamataConvention/Report_197

The government's response to the report was tabled in November 2021 and can be found at:

aph.gov.au/Parliamentary_Business/Committees/Joint/Treaties/MinamataConvention/Government_Response

Advancing Australia's strategic interests

In August 2021, departmental officers appeared as witnesses before the Senate Foreign Affairs, Defence and Trade References Committee inquiry into the opportunities for advancing Australia's strategic interests through existing regional architecture. The committee's final report was tabled in October 2021 and can be found at:

aph.gov.au/Parliamentary_Business/Committees/Senate/Foreign_Affairs_Defence_and_Trade/RegionalArchitecture/Report

Trade agreement and treaty-making process

In August 2021, the Joint Standing Committee on Treaties tabled its *Report 193: Strengthening the Trade Agreement and Treaty-Making Process in Australia*, which can be found at:

aph.gov.au/Parliamentary_Business/Committees/Joint/Treaties/Treaty-makingProcess/Report_193

The department coordinated the government's response, which was tabled in March 2022 and can be found at:

aph.gov.au/Parliamentary_Business/Committees/Joint/Treaties/Treaty-makingProcess/Government_Response

Targeted sanctions to address human rights abuses

Following the tabling in December 2020 of the Joint Standing Committee on Foreign Affairs, Defence and Trade Human Rights Sub-committee report, *Criminality, corruption and impunity: Should Australia join the Global Magnitsky movement*, the department coordinated the government's response, which was tabled in August 2021 and can be found at:

aph.gov.au/Parliamentary_Business/Committees/Joint/Foreign_Affairs_Defence_and_Trade/MagnitskyAct/Government_Response

Trade and foreign investment diversification

Following the tabling in February 2021 of the Joint Standing Committee on Trade and Investment Growth report, *Pivot: Diversifying Australia's Trade and Investment Profile*, the department coordinated the government's response (in consultation with relevant departments and agencies across government), which was tabled in August 2021 and can be found at:

aph.gov.au/Parliamentary_Business/Committees/Joint/Joint_Standing_Committee_on_trade_and_Investment_Growth/DiversifyingTrade/Government_Response

Annual report of Parliamentary Joint Committee on Intelligence and Security

In September 2021, the Parliamentary Joint Committee on Intelligence and Security tabled its *Annual Report of Committee Activities 2020–2021*, which can be found at:

aph.gov.au/Parliamentary_Business/Committees/Joint/Intelligence_and_Security/AnnualReport2020-2021/Report

Trade with Pacific nations

In September 2021, the Joint Standing Committee on Foreign Affairs, Defence and Trade tabled its report, *One Region, One Family, One Future: Deepening relations with the Pacific nations through trade*, which can be found at:

aph.gov.au/Parliamentary_Business/Committees/Joint/Foreign_Affairs_Defence_and_Trade/TradewithPacific/Report

Relisting of terrorist organisations under the Criminal Code

In October 2021, departmental officers appeared as witnesses before the Parliamentary Joint Committee on Intelligence and Security's review of the relisting of five organisations as terrorist organisations under the Criminal Code. The committee's report was tabled in October 2021 and can be found at:

aph.gov.au/Parliamentary_Business/Committees/Joint/Intelligence_and_Security/Fiverelistings2021/Report

Australia's engagement in Afghanistan

In October 2021, the department made a submission to the Senate Foreign Affairs, Defence and Trade References Committee inquiry into Australia's engagement in Afghanistan. The submission can be found at:

aph.gov.au/Parliamentary_Business/Committees/Senate/Foreign_Affairs_Defence_and_Trade/Afghanistanengagement/Submissions

In October and November 2021, and February 2022, departmental officers appeared as witnesses before the committee.

The committee's interim report was tabled in January 2022 and can be found at:

aph.gov.au/Parliamentary_Business/Committees/Senate/Foreign_Affairs_Defence_and_Trade/Afghanistanengagement/Interim_Report

The committee's first progress report was tabled in March 2022 and can be found at:

aph.gov.au/Parliamentary_Business/Committees/Senate/Foreign_Affairs_Defence_and_Trade/Afghanistanengagement/Final_report_-_first_progress_report

The committee's second progress report was also tabled in March 2022 and can be found at:

aph.gov.au/Parliamentary_Business/Committees/Senate/Foreign_Affairs_Defence_and_Trade/Afghanistanengagement/Final_report_-_second_progress_report

The committee's final report was tabled in April 2022 and can be found at:

aph.gov.au/Parliamentary_Business/Committees/Senate/Foreign_Affairs_Defence_and_Trade/Afghanistanengagement/Report

Periodic report on human rights

In September and November 2021, departmental officers appeared as witnesses before the inquiry into certain aspects of the Department of Foreign Affairs and Trade Annual Report 2019–20, undertaken by the Joint Standing Committee on Foreign Affairs, Defence and Trade's Human Rights Sub-committee. The committee tabled its report, *First periodic report on Human Rights*, in March 2022. The report can be found at:

aph.gov.au/Parliamentary_Business/Committees/Joint/Foreign_Affairs_Defence_and_Trade/AR1920DFAT/Report

Senate Select Committee on Job Security

In October 2021, and February and March 2022, departmental officers appeared as witnesses before the Senate Select Committee on Job Security. The committee's *Third interim report: labour hire and contracting* was released in November 2021 and can be found at:

aph.gov.au/Parliamentary_Business/Committees/Senate/Job_Security/JobSecurity/Third_Interim_Report

In February 2022, the committee tabled its fourth interim report, *The job insecurity report*, which can be found at:

aph.gov.au/Parliamentary_Business/Committees/Senate/Job_Security/JobSecurity/Fourth_Interim_Report

In March 2022, the committee tabled its *Final report: matter of possible privilege*, which can be found at:

aph.gov.au/Parliamentary_Business/Committees/Senate/Job_Security/JobSecurity/Report

Human rights of women and girls in the Pacific

In November 2021, the Joint Standing Committee on Foreign Affairs, Defence and Trade's Human Rights Sub-committee tabled its report on the inquiry into the human rights of women and girls in the Pacific. The report can be found at:

aph.gov.au/Parliamentary_Business/Committees/Joint/Foreign_Affairs_Defence_and_Trade/womenandgirlsPacific/Report

European Union tariff-rate quotas

In November 2021, departmental officers appeared as witnesses before the Joint Standing Committee on Treaties inquiry into EU tariff-rate quotas following the UK withdrawal from the European Union. The committee's *Report 198: European Union Tariff-Rate Quotas Following Withdrawal of the United Kingdom* was tabled in November 2021 and can be found at:

aph.gov.au/Parliamentary_Business/Committees/Joint/Treaties/EUTariff-RateQuotas/Report_198

Agreement for the Exchange of Naval Nuclear Propulsion Information

In November 2021, departmental officers appeared as witnesses before the Joint Standing Committee on Treaties inquiry into the Agreement for the Exchange of Naval Nuclear Propulsion Information. In December 2021, the committee tabled its *Report 199: Agreement for the Exchange of Naval Nuclear Propulsion Information*, which can be found at:

aph.gov.au/Parliamentary_Business/Committees/Joint/Treaties/ENNPIA/Report

The government's response to the report was tabled in March 2022 and can be found at:

aph.gov.au/Parliamentary_Business/Committees/Joint/Treaties/ENNPIA/Government_Response

Australia's response to the coup in Myanmar

In June 2021, the Joint Standing Committee on Foreign Affairs, Defence and Trade's Foreign Affairs and Aid Sub-committee tabled its report, *Australia's response to the coup in Myanmar*, which can be found at:

aph.gov.au/Parliamentary_Business/Committees/Joint/Foreign_Affairs_Defence_and_Trade/ForeignAffairsAR19-20/Interim_Report

The department coordinated the government's response, which was tabled in December 2021 and can be found at:

aph.gov.au/Parliamentary_Business/Committees/Joint/Foreign_Affairs_Defence_and_Trade/ForeignAffairsAR19-20/Government_Response

Comprehensive and Progressive Agreement for Trans-Pacific Partnership

In February 2022, the Joint Standing Committee on Foreign Affairs, Defence and Trade tabled its report, *Expanding the membership of the Comprehensive and Progressive Trans-Pacific Partnership*, which can be found at:

aph.gov.au/Parliamentary_Business/Committees/Joint/Foreign_Affairs_Defence_and_Trade/CPTPPMembership/Report

Global convention on higher education qualifications

In February 2022, departmental officers appeared as witnesses before the Joint Standing Committee on Treaties inquiry into the Global Convention on the Recognition of Qualifications concerning Higher Education. The inquiry lapsed when the Joint Standing Committee on Treaties ceased to exist at the dissolution of the House of Representatives on 11 April 2022.

Controlled trials of trade and customs practices

In February 2022, the department made a submission to the Senate Legal and Constitutional Affairs Legislation Committee inquiry into the Customs Amendment (Controlled Trials) Bill 2021. The submission can be found at:

aph.gov.au/Parliamentary_Business/Committees/Senate/Legal_and_Constitutional_Affairs/Controlledtrials/Submissions

The committee's report was tabled in March 2022 and can be found at:

aph.gov.au/Parliamentary_Business/Committees/Senate/Legal_and_Constitutional_Affairs/Controlledtrials/Report

Strengthening Australia's relationships in the Pacific

In March 2022, the Joint Standing Committee on Foreign Affairs, Defence and Trade tabled its report, *Strengthening Australia's relationships in the Pacific*, which can be found at:

aph.gov.au/Parliamentary_Business/Committees/Joint/Foreign_Affairs_Defence_and_Trade/PacificRelationships/Report

Protocol to the Forced Labour Convention

In March 2022, departmental officers appeared as witnesses before the Joint Standing Committee on Treaties inquiry into the International Labour Organization Protocol of 2014 to the Forced Labour Convention 1930 (No. 29). The committee's *Report 200: International Labour Organization Protocol of 2014 to the Forced Labour Convention, 1930 (No. 29)* was tabled in March 2022 and can be found at:

aph.gov.au/Parliamentary_Business/Committees/Joint/Treaties/2014protocolforcedlabour/Report

Oil and gas exploration and production in the Beetaloo Basin

In March 2022, departmental officers appeared as witnesses before the Senate Environment and Communications References Committee inquiry into oil and gas exploration and production in the Beetaloo Basin. In April 2022, the committee tabled its second progress report, which can be found at:

aph.gov.au/Parliamentary_Business/Committees/Senate/Environment_and_Communications/BeetalooBasin/Second_Progress_Report

Appendix 9: Advertising and market research

As required under section 311A of the *Commonwealth Electoral Act 1918*, Table 42 lists agencies and organisations contracted by the department (including at overseas posts) to provide advertising and market research services. The list includes payments above \$14,500 (GST inclusive).

The department ran extensions of the Smartraveller COVID-19 campaign during the period 1 July 2021 to 30 June 2022. The first extension of the Smartraveller COVID-19 campaign ran from 6 June 2021 to 31 December 2021 and the second extension ran from 5 January 2022 to 30 June 2022.

Further information on this campaign is available at dfat.gov.au and smartraveller.gov.au and in the reports on Australian Government advertising prepared by the Department of Finance, available at finance.gov.au/publications/reports/advertising.

Table 42 Advertising and market research, 2021–22

Account name	Service provided	Program*	Amount (\$)
Advertising agencies			
Clemenger BBDO (Melbourne) Pty Ltd	Smartraveller COVID-19 campaign	2.1	32,705
BMF Advertising Pty Ltd	Smartraveller campaign concept development	2.1	138,856
Market research organisations			
Kantar Public Australia Pty Ltd	Smartraveller Phase 2a: Concept testing and incentives	2.1	28,980
Hall & Partners Pty Ltd	Smartraveller COVID-19 – tracking research	2.1	134,130
Pragma Partners Pty Ltd	Smartraveller website user testing and development of recommendations report	2.1	432,355
Orima Research Pty Ltd	Passport client satisfaction survey	2.2	69,201
Kantar Public Australia Pty Ltd	Quantitative and qualitative passport-related market research	2.2	66,000
Merdeka Strategic Development Centre	Survey on Malaysian views about Australia, the region and contemporary issues	1.1	39,659
University of Adelaide	Market research project on understanding of special and differential treatment and the role of trade in development in a post-pandemic world	1.1	32,008
Mekong Development Research Institute	Survey of Vietnamese opinions in 2022 for the Australian Embassy	1.1	31,358
Media advertising organisations			
Universal McCann	Smartraveller campaign advertising services (media placement)	2.1	4,941,787
Telstra Corporation Limited	White Pages advertising	1.1, 2.1, 2.2	91,937
Print Media Group	Information flyer accompanying the issue of passports	2.2	41,497

* Program in DFAT Portfolio Budget Statements 2021–22.

Appendix 10: Contributions

Table 43 lists payments made by the department from administered non-ODA appropriations totalling \$331.9 million, consisting of \$154.1 million to 26 international organisations and international treaty secretariats, and \$177.8 million to 12 international peacekeeping operations.

Table 43 Contributions to international organisations and peacekeeping operations

	2021–22 \$m
International organisations	
ABAC Secretariat	51,368
Antarctic Treaty Secretariat	83,955
APEC Secretariat	525,382
Arms Trade Treaty	33,874
Asia Europe Foundation	55,801
Biological Weapons Convention	31,564
Commission for the Conservation of Antarctic Marine Living Resources	812,920
Commonwealth Secretariat	3,857,284
Comprehensive Nuclear-Test-Ban Treaty	4,169,912
Convention on Certain Conventional Weapons	60,937
International Atomic Energy Agency	16,225,742
International Bureau of the Permanent Court of Arbitration	42,150
International Centre for the Study of the Preservation and Restoration of Cultural Property	138,808
International Criminal Court	9,540,950
International Seabed Authority	307,295
International Tribunal for the Law of the Sea	579,422
International Tribunals for War Crimes	2,121,354
Organisation for Economic Co-operation and Development	14,361,699
Organisation for the Prohibition of Chemical Weapons	2,313,981
Ottawa Convention	31,784
Pacific Economic Cooperation Council	59,291
United Nations – assessed contribution	84,879,432
United Nations Educational, Scientific and Cultural Organization	10,017,333
Voluntary Principles on Security and Human Rights	38,972
Wassenaar Arrangement	82,225
World Trade Organization	3,664,646
International organisations total	154,088,081

Table 43 Contributions to international organisations and peacekeeping operations (continued)

	2021–22 \$m
International peacekeeping operations	
UN Disengagement Observer Force	1,589,015
UN Hybrid Operation in Darfur	1,819,365
UN Interim Force in Lebanon	14,519,654
UN Interim Mission in Kosovo	1,175,100
UN Interim Security Force for Abyei	7,978,447
UN Mission for the Referendum in Western Sahara	1,681,349
UN Mission in South Sudan	34,332,100
UN Multidimensional Integrated Stabilization Mission in Mali	35,778,587
UN Multidimensional Integrated Stabilization Mission in the Central African Republic	31,288,121
UN Organization Stabilization Mission in the Democratic Republic of the Congo	32,375,527
UN Peacekeeping Force in Cyprus	851,400
UN Support Office for African Union Military Observer Mission in Somalia	14,394,173
International peacekeeping operations total	177,782,838
Grand total	331,870,919

Appendix 11: List of sponsors

The following is a list of sponsors who supported projects or events undertaken by the department during the reporting period. The list includes sponsorship equivalent to \$10,000 and above (GST inclusive).

Sponsor	Project/Event	Program*	Amount (\$)
Fortescue Future Industries Pty Ltd	70 Years of Australian-German Diplomatic Relations (Berlin)	1.1	25,000
Hong Kong Fringe Club	2021 Christmas Card Competition Event (Hong Kong)	1.1	51,797
SM Megamall at Mandaluyong, Philippines	Australia Day and Friendship Day 2022 (Manila)	1.1	29,700
James Richardson Corporation	Australian Embassy Israel promotion video 2022 (Tel Aviv)	1.1	15,354
Lisa Fox	<i>Australia now</i> program 2022 (Paris)	1.1	19,861
Meat & Livestock Australia	EXPO 2020 Dubai (Dubai)	1.1	215,000
Aspen Medical	EXPO 2020 Dubai (Dubai)	1.1	110,000
University of Wollongong	EXPO 2020 Dubai (Dubai)	1.1	275,000
WA Government	EXPO 2020 Dubai (Dubai)	1.1	200,000
Queensland Government	EXPO 2020 Dubai (Dubai)	1.1	500,000
Victorian Government	EXPO 2020 Dubai (Dubai)	1.1	385,000
Vamp	EXPO 2020 Dubai (Dubai)	1.1	200,295
Bega Cheese Limited	EXPO 2020 Dubai (Dubai)	1.1	200,000
EventsAir	EXPO 2020 Dubai (Dubai)	1.1	70,000
Sunpower Renewables	EXPO 2020 Dubai (Dubai)	1.1	20,097
Knight Fine Art	EXPO 2020 Dubai (Dubai)	1.1	21,000
Lajjarri Gallery	EXPO 2020 Dubai (Dubai)	1.1	16,500
Schiavello	EXPO 2020 Dubai (Dubai)	1.1	144,051
Nightlife Music Pty Ltd	EXPO 2020 Dubai (Dubai)	1.1	97,237
Mainie Australia	EXPO 2020 Dubai (Dubai)	1.1	13,896
Treasury Wine Estates	EXPO 2020 Dubai (Dubai)	1.1	200,000
Jacaru Australia	EXPO 2020 Dubai (Dubai)	1.1	13,500
Green Eco Technologies	EXPO 2020 Dubai (Dubai)	1.1	45,000
Hospitality Solution Group	EXPO 2020 Dubai (Dubai)	1.1	80,000
Stuart & Sons	EXPO 2020 Dubai (Dubai)	1.1	40,000
Gravity iLabs	EXPO 2020 Dubai (Dubai)	1.1	330,000
Ramus Illumination Pty Ltd	EXPO 2020 Dubai (Dubai)	1.1	259,396
The Sanderson Group	EXPO 2020 Dubai (Dubai)	1.1	30,000
Black Creations Consulting	EXPO 2020 Dubai (Dubai)	1.1	168,000
Culligan International (Emirates)	EXPO 2020 Dubai (Dubai)	1.1	75,195
Haddins Fitness, United Arab Emirates	EXPO 2020 Dubai (Dubai)	1.1	12,000

* Program in DFAT Portfolio Budget Statements 2021–22.

Appendix 12: Summary of the overseas network

At 30 June 2022, the Australian Government's overseas network comprised 122 posts in 85 countries, including nine Austrade-managed posts providing consular services (see Table 44). These figures do not include:

- a prototype pop-up Embassy in Tallinn, Estonia, that only physically opens for short periods. This mission is accredited with a non-resident Ambassador.
- the Interim Mission on Afghanistan operating from the Australian Embassy in Doha, Qatar.

As part of the Canada–Australia Consular Services Sharing Agreement, 16 Canadian missions provided consular assistance to Australians in 19 locations. In turn, 17 Australian missions provided consular assistance to Canadians in 21 locations.

Throughout the reporting period, there were an additional 48 consulates headed by an honorary consul, two of which were managed by Austrade (see Table 45).

More information about our overseas network is available on the department's website at dfat.gov.au/about-us/our-locations/missions/our-embassies-and-consulates-overseas and [smartraveller.gov.au](https://dfat.gov.au/about-us/our-locations/missions/our-embassies-and-consulates-overseas).

Table 44 Australian Government embassies, high commissions, consulates, multilateral missions and representative offices managed by DFAT and Austrade, at 30 June 2022

Location	City	Type
Argentina	Buenos Aires	Embassy
Austria	Vienna	Embassy and Permanent Mission to the United Nations
Bangladesh	Dhaka	High Commission
Belgium	Brussels	Embassy and Mission to the European Union
Brazil	Brasília	Embassy
	São Paulo	Consulate-General*
Brunei Darussalam	Bandar Seri Begawan	High Commission
Cambodia	Phnom Penh	Embassy
Canada	Ottawa	High Commission
	Toronto	Consulate-General*
Chile	Santiago	Embassy
China	Beijing	Embassy
	Chengdu	Consulate-General
	Guangzhou	Consulate-General
	Hong Kong	Consulate-General
	Shanghai	Consulate-General
	Shenyang	Consulate-General
Colombia	Bogotá	Embassy
Cook Islands	Rarotonga	High Commission
Croatia	Zagreb	Embassy
Cyprus	Nicosia	High Commission
Denmark	Copenhagen	Embassy
Egypt	Cairo	Embassy

Table 44 (continued)

Location	City	Type
Ethiopia	Addis Ababa	Embassy
Federated States of Micronesia	Pohnpei	Embassy
Fiji	Suva	High Commission
France	Paris	Embassy and Permanent Delegation to UNESCO
	Paris	Delegation to the OECD
French Polynesia (France)	Papeete	Consulate-General
Germany	Berlin	Embassy
	Frankfurt	Consulate-General*
Ghana	Accra	High Commission
Greece	Athens	Embassy
India	New Delhi	High Commission
	Chennai	Consulate-General
	Kolkata	Consulate-General
	Mumbai	Consulate-General
Indonesia	Jakarta	Embassy
	Jakarta ASEAN	Mission
	Bali (Denpasar)	Consulate-General
	Makassar	Consulate-General
	Surabaya	Consulate-General
Iran	Tehran	Embassy
Iraq	Baghdad	Embassy
Ireland	Dublin	Embassy
Israel	Tel Aviv	Embassy
Italy	Rome	Embassy and Permanent Mission to the FAO
	Milan	Consulate-General*
Japan	Tokyo	Embassy
	Osaka	Consulate-General*
Jordan	Amman	Embassy
Kenya	Nairobi	High Commission
Kiribati	Tarawa	High Commission
Korea, Republic of	Seoul	Embassy
Kuwait	Kuwait City	Embassy
Laos	Vientiane	Embassy
Lebanon	Beirut	Embassy
Malaysia	Kuala Lumpur	High Commission
Malta	Malta	High Commission
Marshall Islands, Republic of the	Majuro	Embassy
Mauritius	Port Louis	High Commission
Mexico	Mexico City	Embassy
Mongolia	Ulaanbaatar	Embassy
Morocco	Rabat	Embassy
Myanmar	Yangon	Embassy
Nauru	Nauru	High Commission
Nepal	Kathmandu	Embassy
Netherlands	The Hague	Embassy
New Caledonia (France)	Noumea	Consulate-General
New Zealand	Wellington	High Commission
	Auckland	Consulate-General*
Nigeria	Abuja	High Commission
Niue	Alofi	High Commission

Table 44 (continued)

Location	City	Type
Pakistan	Islamabad	High Commission
Palau, Republic of	Koror	Embassy
Papua New Guinea	Port Moresby	High Commission
	Lae	Consulate-General
Peru	Lima	Embassy
Philippines	Manila	Embassy
Poland	Warsaw	Embassy
Portugal	Lisbon	Embassy
Qatar	Doha	Embassy
Russia	Moscow	Embassy
Samoa	Apia	High Commission
Saudi Arabia	Riyadh	Embassy
Serbia	Belgrade	Embassy
Singapore	Singapore	High Commission
Solomon Islands	Honiara	High Commission
South Africa	Pretoria	High Commission
Spain	Madrid	Embassy
Sri Lanka	Colombo	High Commission
Sweden	Stockholm	Embassy
Switzerland	Geneva	Permanent Mission to the United Nations
	Geneva	Permanent Mission to the WTO and Consulate-General
Thailand	Bangkok	Embassy and Permanent Mission to ESCAP
	Phuket	Consulate-General
Timor-Leste	Dili	Embassy
Tonga	Nuku'alofa	High Commission
Trinidad and Tobago	Port of Spain	High Commission
Türkiye	Ankara	Embassy
	Çanakkale	Consulate
	Istanbul	Consulate-General
Tuvalu	Funafuti	High Commission
Ukraine	Kyiv	Embassy
United Arab Emirates	Abu Dhabi	Embassy
	Dubai	Consulate-General*
United Kingdom	London	High Commission
United States of America	Washington DC	Embassy
	Chicago	Consulate-General
	Honolulu	Consulate-General
	Houston	Consulate-General*
	Los Angeles	Consulate-General
	New York	Consulate-General
	New York	Permanent Mission to the United Nations
	San Francisco	Consulate-General*
Vanuatu	Port Vila	High Commission
Vatican City	Vatican City	Embassy to the Holy See
Vietnam	Hanoi	Embassy
	Ho Chi Minh City	Consulate-General
Zimbabwe	Harare	Embassy

* Posts managed by Austrade and providing consular services.

Notes

In Ramallah, the Australian Government maintains the Australian Representative Office.

In Taipei, the Australian Office represents Australian interests in Taiwan in the absence of formal relations.

Table 45 Consulates headed by honorary consuls, 2021–22

Region	Country	City	Responsible post
Africa	Angola	Luanda	Pretoria
	Botswana	Gaborone**	Pretoria
	Cameroon	Yaounde	Abuja
	Madagascar	Antananarivo	Port Louis
	Malawi	Lilongwe	Harare
	Mozambique	Maputo	Pretoria
	Namibia	Windhoek	Pretoria
	Nigeria	Lagos	Abuja
	Uganda	Kampala	Nairobi
	Zambia	Lusaka**	Harare
Asia	Kazakhstan	Almaty	Moscow
	Malaysia	Kota Kinabalu	Kuala Lumpur
	Malaysia	Kuching	Kuala Lumpur
	Malaysia	Penang	Kuala Lumpur
	Pakistan	Karachi	Islamabad
	Pakistan	Lahore	Islamabad
	Thailand	Chiang Mai	Bangkok
Caribbean	Barbados	St James / Bridgetown	Port of Spain
	Jamaica	Kingston	Port of Spain
Central/South America	Bolivia	La Paz	Lima
	Brazil	Rio de Janeiro	Brasilia
	Costa Rica	San Jose	Mexico City
	Ecuador	Guayaquil	Santiago
	El Salvador	San Salvador	Mexico City
	Guatemala	Guatemala City	Mexico City
	Honduras	Tegucigalpa	Mexico City
	Mexico	Cancun	Mexico City
	Nicaragua	Managua	Mexico City
	Panama	Panama City	Mexico City
	Paraguay	Asuncion	Buenos Aires
Europe	Uruguay	Montevideo	Buenos Aires
	Bosnia-Herzegovina	Sarajevo	Vienna
	Bulgaria	Sofia	Athens
	Czech Republic	Prague*	Warsaw
	Estonia	Tallinn	Stockholm
	Finland	Helsinki	Stockholm
	Latvia	Riga	Stockholm
	Lithuania	Vilnius	Warsaw
	North Macedonia	Skopje	Belgrade
	Romania	Bucharest	Athens
	Russia	St Petersburg	Moscow
	Slovenia	Ljubljana	Vienna
	Spain	Barcelona	Madrid
Middle East	Oman	Muscat	Riyadh
	Saudi Arabia	Jeddah	Riyadh
North America	Canada	Vancouver*	Ottawa
	United States	Denver	Los Angeles
	United States	Miami	Washington

* Austrade-managed consulate

** Gaborone in Botswana – awaiting host government approval; Lusaka in Zambia – vacant from 30 April 2022

Appendix 13: List of corrections

The following errors appeared in the DFAT Annual Report 2020–21.

Location – preceding heading and page number	Printed text	Correct text
Secretary's review, p. 4, final paragraph	... and Dr Robert Floyd was elected as Secretary-General of the Comprehensive Nuclear-Test-Ban Treaty Organization (CTBTO) Preparatory Commission.	... and Dr Robert Floyd was elected as Executive Secretary of the Comprehensive Nuclear-Test-Ban Treaty Organization (CTBTO) Preparatory Commission.
Footnote to Figure 2: Organisational chart as at 30 June 2021, p. 8; and footnote to Figure 3: Foreign Affairs and Trade portfolio structure as at 30 June 2021, p. 9	Ms Kathryn Campbell AO CSC commenced as Secretary on 26 July 2021.	Ms Kathryn Campbell AO CSC commenced as Secretary on 22 July 2021.
Candidacies highlight box, p. 77, third dot point	In May 2021, Dr Robert Floyd was elected as Secretary-General of the Comprehensive Nuclear-Test-Ban Treaty Organization (CTBTO) Preparatory Commission.	In May 2021, Dr Robert Floyd was elected as Executive Secretary of the Comprehensive Nuclear-Test-Ban Treaty Organization (CTBTO) Preparatory Commission.
Footnote to Table 26: Key management personnel, p. 223	Kathryn Campbell AO CSC commenced as Secretary on 26 July 2021.	Kathryn Campbell AO CSC commenced as Secretary on 22 July 2021.

In addition, Table 44: Consulates headed by honorary consuls, on page 255, erroneously included a reference to the consulate headed by an honorary consul in Nassau (Bahamas). This reference should not have been included in Table 44 as the Nassau consulate was closed from November 2020 through the remainder of the 2020–21 reporting period due to the honorary consul's return to Australia.

Appendix 14: List of requirements

PGPA Rule reference	Part of report	Description	Requirement
17AD(g)	Letter of transmittal		
17AI	p. vii	A copy of the letter of transmittal signed and dated by accountable authority on date final text approved, with statement that the report has been prepared in accordance with section 46 of the Act and any enabling legislation that specifies additional requirements in relation to the annual report.	Mandatory
17AD(h)	Aids to access		
17AJ(a)	pp. ii–iii	Table of contents (print only).	Mandatory
17AJ(b)	pp. 256–270	Alphabetical index (print only).	Mandatory
17AJ(c)	pp. 252–255	Glossary of abbreviations and acronyms.	Mandatory
17AJ(d)	pp. 244–249	List of requirements.	Mandatory
17AJ(e)	Inside front cover	Details of contact officer.	Mandatory
17AJ(f)	Inside front cover	Entity's website address.	Mandatory
17AJ(g)	Inside front cover	Electronic address of report.	Mandatory
17AD(a)	Review by accountable authority		
17AD(a)	pp. 2–5	A review by the accountable authority of the entity.	Mandatory
17AD(b)	Overview of the entity		
17AE(1)(a)(i)	pp. 6–7	A description of the role and functions of the entity.	Mandatory
17AE(1)(a)(ii)	p. 8	A description of the organisational structure of the entity.	Mandatory
17AE(1)(a)(iii)	p. 7	A description of the outcomes and programmes administered by the entity.	Mandatory
17AE(1)(a)(iv)	p. 7	A description of the purposes of the entity as included in corporate plan.	Mandatory
17AE(1)(aa)(i)	p. 6	Name of the accountable authority or each member of the accountable authority	Mandatory
17AE(1)(aa)(ii)	p. 6	Position title of the accountable authority or each member of the accountable authority	Mandatory
17AE(1)(aa)(iii)	p. 6	Period as the accountable authority or member of the accountable authority within the reporting period	Mandatory
17AE(1)(b)	p. 9	An outline of the structure of the portfolio of the entity.	Portfolio departments – mandatory

PGPA Rule reference	Part of report	Description	Requirement
17AE(2)	N/A	Where the outcomes and programs administered by the entity differ from any Portfolio Budget Statement, Portfolio Additional Estimates Statement or other portfolio estimates statement that was prepared for the entity for the period, include details of variation and reasons for change.	If applicable, mandatory
17AD(c) Report on the performance of the entity			
Annual Performance Statements			
17AD(c)(i); 16F	pp. 12–93	Annual performance statements in accordance with paragraph 39(1)(b) of the Act and section 16F of the Rule.	Mandatory
17AD(c)(ii) Report on Financial Performance			
17AF(1)(a)	pp. 94–97	A discussion and analysis of the entity's financial performance.	Mandatory
17AF(1)(b)	pp. 212–215	A table summarising the total resources and total payments of the entity.	Mandatory
17AF(2)	N/A	If there may be significant changes in the financial results during or after the previous or current reporting period, information on those changes, including: the cause of any operating loss of the entity; how the entity has responded to the loss and the actions that have been taken in relation to the loss; and any matter or circumstances that it can reasonably be anticipated will have a significant impact on the entity's future operation or financial results.	If applicable, mandatory
17AD(d) Management and Accountability			
Corporate Governance			
17AG(2)(a)	p. vii	Information on compliance with section 10 (fraud systems)	Mandatory
17AG(2)(b)(i)	p. vii	A certification by accountable authority that fraud risk assessments and fraud control plans have been prepared.	Mandatory
17AG(2)(b)(ii)	p. vii	A certification by accountable authority that appropriate mechanisms for preventing, detecting incidents of, investigating or otherwise dealing with, and recording or reporting fraud that meet the specific needs of the entity are in place.	Mandatory
17AG(2)(b)(iii)	p. vii	A certification by accountable authority that all reasonable measures have been taken to deal appropriately with fraud relating to the entity.	Mandatory
17AG(2)(c)	pp. 100–104	An outline of structures and processes in place for the entity to implement principles and objectives of corporate governance.	Mandatory
17AG(2)(d) – (e)	N/A	A statement of significant issues reported to Minister under paragraph 19(1)(e) of the Act that relates to noncompliance with Finance law and action taken to remedy noncompliance.	If applicable, mandatory
Audit Committee			
17AG(2A)(a)	p. 101	A direct electronic address of the charter determining the functions of the entity's audit committee.	Mandatory
17AG(2A)(b)	pp. 218–220	The name of each member of the entity's audit committee.	Mandatory

PGPA Rule reference	Part of report	Description	Requirement
17AG(2A)(c)	pp. 218–220	The qualifications, knowledge, skills or experience of each member of the entity's audit committee.	Mandatory
17AG(2A)(d)	pp. 218–220	Information about the attendance of each member of the entity's audit committee at committee meetings.	Mandatory
17AG(2A)(e)	pp. 218–220	The remuneration of each member of the entity's audit committee.	Mandatory
External Scrutiny			
17AG(3)	pp. 105–106	Information on the most significant developments in external scrutiny and the entity's response to the scrutiny.	Mandatory
17AG(3)(a)	p. 105	Information on judicial decisions and decisions of administrative tribunals and by the Australian Information Commissioner that may have a significant effect on the operations of the entity.	If applicable, mandatory
17AG(3)(b)	pp. 105–106; 230–234	Information on any reports on operations of the entity by the Auditor-General (other than report under section 43 of the Act), a Parliamentary Committee, or the Commonwealth Ombudsman.	If applicable, mandatory
17AG(3)(c)	N/A	Information on any capability reviews on the entity that were released during the period.	If applicable, mandatory
Management of Human Resources			
17AG(4)(a)	pp. 107–111	An assessment of the entity's effectiveness in managing and developing employees to achieve entity objectives.	Mandatory
17AG(4)(aa)	pp. 198–199	Statistics on the entity's employees on an ongoing and non-ongoing basis, including the following: <ul style="list-style-type: none"> • statistics on full-time employees • statistics on part-time employees • statistics on gender • statistics on staff location. 	Mandatory
17AG(4)(b)	pp. 200–204	Statistics on the entity's APS employees on an ongoing and non-ongoing basis; including the following: <ul style="list-style-type: none"> • statistics on staffing classification level • statistics on full-time employees • statistics on part-time employees • statistics on gender • statistics on staff location • statistics on employees who identify as Indigenous. 	Mandatory
17AG(4)(c)	p. 204	Information on any enterprise agreements, individual flexibility arrangements, Australian workplace agreements, common law contracts and determinations under subsection 24(1) of the <i>Public Service Act 1999</i> .	Mandatory
17AG(4)(c)(i)	p. 204	Information on the number of SES and non-SES employees covered by agreements etc. identified in paragraph 17AG(4)(c).	Mandatory
17AG(4)(c)(ii)	p. 205	The salary ranges available for APS employees by classification level.	Mandatory
17AG(4)(c)(iii)	p. 110	A description of non-salary benefits provided to employees.	Mandatory

PGPA Rule reference	Part of report	Description	Requirement
17AG(4)(d)(i)	p. 205	Information on the number of employees at each classification level who received performance pay.	If applicable, mandatory
17AG(4)(d)(ii)	p. 205	Information on aggregate amounts of performance pay at each classification level.	If applicable, mandatory
17AG(4)(d)(iii)	p. 205	Information on the average amount of performance payment, and range of such payments, at each classification level.	If applicable, mandatory
17AG(4)(d)(iv)	p. 205	Information on aggregate amount of performance payments.	If applicable, mandatory
Assets Management			
17AG(5)	p. 113	An assessment of effectiveness of assets management where asset management is a significant part of the entity's activities	If applicable, mandatory
Purchasing			
17AG(6)	p. 113	An assessment of entity performance against the Commonwealth Procurement Rules.	Mandatory
Reportable consultancy contracts			
17AG(7)(a)	p. 113	A summary statement detailing the number of new reportable consultancy contracts entered into during the period; the total actual expenditure on all such contracts (inclusive of GST); the number of ongoing reportable consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting period on those ongoing contracts (inclusive of GST).	Mandatory
17AG(7)(b)	p. 113	A statement that <i>"During [reporting period], [specified number] new reportable consultancy contracts were entered into involving total actual expenditure of \$[specified million]. In addition, [specified number] ongoing reportable consultancy contracts were active during the period, involving total actual expenditure of \$[specified million]"</i> .	Mandatory
17AG(7)(c)	p. 113	A summary of the policies and procedures for selecting and engaging consultants and the main categories of purposes for which consultants were selected and engaged.	Mandatory
17AG(7)(d)	p. 114	A statement that <i>"Annual reports contain information about actual expenditure on reportable consultancy contracts. Information on the value of reportable consultancy contracts is available on the AusTender website."</i>	Mandatory
Reportable non-consultancy contracts			
17AG(7A)(a)	p. 114	A summary statement detailing the number of new reportable non-consultancy contracts entered into during the period; the total actual expenditure on such contracts (inclusive of GST); the number of ongoing reportable non-consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting period on those ongoing contracts (inclusive of GST).	Mandatory
17AG(7A)(b)	p. 114	A statement that <i>"Annual reports contain information about actual expenditure on reportable non-consultancy contracts. Information on the value of reportable non-consultancy contracts is available on the AusTender website."</i>	Mandatory

PGPA Rule reference	Part of report	Description	Requirement
17AD(daa)	<i>Additional information about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts</i>		
17AGA	pp. 114–115	Additional information, in accordance with section 17AGA, about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts.	Mandatory
<i>Australian National Audit Office Access Clauses</i>			
17AG(8)	p. 115	If an entity entered into a contract with a value of more than \$100 000 (inclusive of GST) and the contract did not provide the Auditor-General with access to the contractor's premises, the report must include the name of the contractor, purpose and value of the contract, and the reason why a clause allowing access was not included in the contract.	If applicable, mandatory
<i>Exempt contracts</i>			
17AG(9)	p. 115	If an entity entered into a contract or there is a standing offer with a value greater than \$10 000 (inclusive of GST) which has been exempted from being published in AusTender because it would disclose exempt matters under the FOI Act, the annual report must include a statement that the contract or standing offer has been exempted, and the value of the contract or standing offer, to the extent that doing so does not disclose the exempt matters.	If applicable, mandatory
<i>Small business</i>			
17AG(10)(a)	p. 115	A statement that "[Name of entity] supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance's website."	Mandatory
17AG(10)(b)	p. 115	An outline of the ways in which the procurement practices of the entity support small and medium enterprises.	Mandatory
17AG(10)(c)	p. 115	If the entity is considered by the Department administered by the Finance Minister as material in nature – a statement that "[Name of entity] recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Treasury's website."	If applicable, mandatory
<i>Financial Statements</i>			
17AD(e)	pp. 117–194	Inclusion of the annual financial statements in accordance with subsection 43(4) of the Act.	Mandatory
<i>Executive Remuneration</i>			
17AD(da)	pp. 206–211	Information about executive remuneration in accordance with Subdivision C of Division 3A of Part 2-3 of the Rule.	Mandatory

PGPA Rule reference	Part of report	Description	Requirement
17AD(f)	Other Mandatory Information		
17AH(1)(a)(i)	p. 235	If the entity conducted advertising campaigns, a statement that <i>"During [reporting period], the [name of entity] conducted the following advertising campaigns: [name of advertising campaigns undertaken]. Further information on those advertising campaigns is available at [address of entity's website] and in the reports on Australian Government advertising prepared by the Department of Finance. Those reports are available on the Department of Finance's website."</i>	If applicable, mandatory
17AH(1)(a)(ii)	N/A	If the entity did not conduct advertising campaigns, a statement to that effect.	If applicable, mandatory
17AH(1)(b)	p. 115	A statement that <i>"Information on grants awarded by [name of entity] during [reporting period] is available at [address of entity's website]."</i>	If applicable, mandatory
17AH(1)(c)	p. 109	Outline of mechanisms of disability reporting, including reference to website for further information.	Mandatory
17AH(1)(d)	p. 105	Website reference to where the entity's Information Publication Scheme statement pursuant to Part II of FOI Act can be found.	Mandatory
17AH(1)(e)	p. 243	Correction of material errors in previous annual report.	If applicable, mandatory
17AH(2)	p. 111; pp. 221–224; pp. 225–228; p. 235	Information required by other legislation.	Mandatory



06 REFERENCE MATERIAL

Glossary of acronyms, abbreviations and terms

Term	Definition
AANZFTA	ASEAN – Australia – New Zealand Free Trade Area
ABS	Australian Bureau of Statistics
ACIAR	Australian Centre for International Agriculture Research
AGPR	Australian Government Property Register
AHP	Australian Humanitarian Partnership
AI-ECTA	Australia–India Economic Cooperation and Trade Agreement
AIFFP	Australian Infrastructure Financing Facility for the Pacific
ANAO	Australian National Audit Office
ANU	Australian National University
APEC	Asia-Pacific Economic Cooperation
APO	Australian Passport Office
APS	Australian Public Service
APSSC	Annual Performance Statements Subcommittee
ARC	Audit and Risk Committee
ASEAN	Association of Southeast Asian Nations
ASNO	Australian Safeguards and Non-Proliferation Office
Australia-UKFTA	Australia – United Kingdom Free Trade Agreement
AUKUS	Australia – United Kingdom – United States
AUSMAT	Australian Medical Assistance Team
AUSMIN	Australia – United States Ministerial Consultations
AVV	Ascend Vietnam Ventures
BEQUAL	Basic Education Quality and Access in Lao PDR
CALD	culturally and linguistically diverse
CANZ	Canada, Australia and New Zealand
CDPP	Commonwealth Director of Public Prosecutions
CCTCP	Cyber and Critical Tech Cooperation Program
CEC	Consular Emergency Centre

Term	Definition
CFI	Counter Foreign Interference
COP26	26th Conference of Parties to the UN Framework Convention on Climate Change
COVAX	COVID-19 Vaccines Global Access Facility – the vaccines pillar of the Access to COVID-19 Tools Accelerator
CPTPP	Comprehensive and Progressive Agreement for Trans-Pacific Partnership
CSIRO	Commonwealth Scientific and Industrial Research Organisation
CSP	Comprehensive Strategic Partnership
CT	Counter-terrorism
CTBTO	Comprehensive Nuclear-Test-Ban Treaty Organization
disinformation	the intentional use of false or manipulated information to deceive and mislead target audiences for the purposes of causing strategic, political economic, social or personal harm
EEES	Australia–Vietnam Enhanced Economic Engagement Strategy
EEGO	Energy Efficiency in Government Operations
EFA	Export Finance Australia
EHS	Employee Health and Safety Section
EL	Executive Level
EMIIF	Emerging Markets Impact Investment Fund
ENNPJA	Exchange of Naval Nuclear Propulsion Information Agreement
EPBC Act	<i>Environment Protection and Biodiversity Conservation Act 1999</i>
FAO	Food and Agriculture Organization
FCF	Facilitated Commercial Flights program
FOI	freedom of information
FSSC	Financial Statements Subcommittee
FTA	free trade agreement
G7	Group of Seven (Canada, France, Germany, Italy, Japan, United Kingdom and United States)
G20	Group of Twenty (19 member countries and the European Union) – forum for international economic cooperation
GovERP	Government Enterprise Resource Planning
IA-CEPA	Indonesia–Australia Comprehensive Economic Partnership Agreement
IAEA	International Atomic Energy Agency
ICT	Information and communications technology
ICVC	International COVID-19 Vaccination Certificate
IDA	International Development Association (World Bank)

Term	Definition
IgNITE	Indigenous Network for Investment, Trade and Export
IPAA	Institute of Public Administration Australia
IPEF	Indo-Pacific Economic Framework for Prosperity
IPETCA	Indigenous Peoples Economic and Trade Cooperation Arrangement
JLL	Jones Lang LaSalle (trading as JLL)
KMP	key management personnel
LGBTI	lesbian, gay, bisexual, transgender and intersex
MAP	Mekong–Australia Partnership
MRA	mutual recognition agreement
NABERS	National Australian Built Environment Rating System
NATO	North Atlantic Treaty Organization
NCP	New Colombo Plan
NGO	non-government organisation
NIAA	National Indigenous Australians Agency
NIC	National Intelligence Community
ODA	Official Development Assistance
OECD	Organisation for Economic Co-operation and Development
ONI	Office of National Intelligence
PACER Plus	Pacific Agreement on Closer Economic Relations Plus
PALM	Pacific Australia Labour Mobility
PBS	portfolio budget statements
PGPA Act	<i>Public Governance, Performance and Accountability Act 2013</i>
PGPA Rule	Public Governance, Performance and Accountability Rule 2014
PRIM	Provincial Road Improvement and Maintenance
PSPF	Protective Security Policy Framework
Quad	Australia, India, Japan and United States
RCEP	Regional Comprehensive Economic Partnership Agreement
ROK	Republic of Korea
SES	Senior Executive Service
SFO	Staff and Family Support Office
SME	small and medium-sized enterprise

Term	Definition
SWOT	Strengths, Weaknesses, Opportunities and Threats
TAFF2	Tropical Asia Forest Fund 2
UAE	United Arab Emirates
UNESCAP	United Nations Economic and Social Commission for Asia and the Pacific
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNFCC	United Nations Framework Convention on Climate Change
UNFPA	United Nations Population Fund
UNICEF	United Nations Children's Fund
UNOCT	United Nations Office of Counter-Terrorism
USAID	United States Agency for International Development
WHS	work health and safety
WIL	Women in Leadership
WIN DRR	Women's International Network on Disaster Risk Reduction
WMD	weapons of mass destruction
WRD	Women's Resilience to Disasters
WTO	World Trade Organization

Index

An ‘i’ following a page number refers to an image.

2+2 Foreign and Defence Ministers’ meeting, 3, 30

A

abbreviations, 252–255

Aboriginal and Torres Strait Islander peoples,
69, 109

see also First Nations peoples;
Indigenous entries

accountable authority, 6, 12

Adams, Jan, 12

see also Secretary

Adams, Ruth, 108i

administered finances, 97

Administrative Appeals Tribunal, 105

advertising and market research, 235

advice to government, 31

advice, travel, 79, 82–83

Afghanistan

embassy relocation, 3, 112

evacuations, 3, 71, 79

humanitarian assistance, 63

parliamentary committees of inquiry, 232

Africa, 5, 70, 71

agency resource statement, 212–215

agricultural trade, 39, 71

Aid Governance Board, 100, 101

air travel assistance, 2, 36

Albanese, Anthony, 28, 29

Alliance for Multilateralism, 52

annual performance statements, 12–93, 102

Annual Performance Statements
Subcommittee, 101

APEC (Asia-Pacific Economic Cooperation), 26, 39

APEC Growing Indigenous Businesses
Through Trade, 49

APS Employee Census, 108

archives, 105

Archives Act 1983, 105

arms control, 51–52, 53

Ascend Vietnam Ventures, 60

ASEAN – Australia – New Zealand Free
Trade Area, 41

ASEAN–Australia Comprehensive Strategic
Partnership, 3, 22–23

ASEAN Economic Cooperation Support
Program, 41

ASEAN Outlook on the Indo-Pacific, 3, 23

Asia-Pacific Economic Cooperation (APEC), 26, 39

asset management, 113
overseas property, 92

assets and liabilities, 96

Assistant Minister for Foreign Affairs, 9

Assistant Minister for Manufacturing, 9

Assistant Minister for Trade, 9

Association of Southeast Asian Nations,
see ASEAN entries

Attorney-General’s Department, 87

Audit and Risk Committee
members, 218–220
role, 101

Auditor-General
ANAO access clauses, 115
reports by, 106

auditor’s report, 118–121

AUKUS defence and technology partnership,
3, 21, 28

AusTender, 66, 113, 114–115

Austrade, *see* Australian Trade and Investment Commission

Australia Assists, 62

Australia Awards, 34, 57

Australia – European Union Free Trade Agreement, 4, 5, 41

‘Australia for ASEAN Digital Transformation and Future Skills’ initiative, 23

‘Australia for ASEAN Futures’ initiative, 23

‘Australia for ASEAN’ scholarships, 23

Australia–India Economic Cooperation and Trade Agreement, 22, 40, 43, 48

Australia–India Virtual Summit, 30

Australia now, 73

Australia Pacific Training Coalition, 34, 57

Australia – United Kingdom Free Trade Agreement, 40, 48

Australia – United States Ministerial Consultations, 27, 52

Australia – United States Strategic Commercial Dialogue, 27

Australia–Vietnam Business Champions, 24

Australia–Vietnam Enhanced Economic Engagement Grant, 24

Australia–Vietnam Enhanced Economic Engagement Strategy, 24

Australian businesses
Indigenous businesses, 48–49
markets, Indonesia, 29
support to, 47–48
trade diversification, 4, 43

Australian Centre for International Agricultural Research, 9

Australian Climate Finance Partnership, 60, 226

Australian Defence Force, 36

Australian Federal Police, 22

Australian Government Crisis Management Framework, 79, 86

Australian government overseas presence (Priority 7), 87–93

Australian Government Property Register, 93

Australian Human Resources Institute
Aboriginal and Torres Strait Islander Peoples Employment Award, 109

Australian Human Rights Commission, 106

Australian Humanitarian Partnership, 62

Australian Information Commissioner, 105

Australian Infrastructure Financing Facility for the Pacific, 2, 33, 35, 57, 226

Australian Institute of Training and Development, 107

Australian Medical Assistance Teams, 36, 62

Australian National Audit Office, 12, 70, 74, 101, 106, 115

Australian NGO Cooperation Program, 4

Australian Operational Service Medals (Civilian), 3

Australian Passport Office, 76–77, 85

Australian Passports Act 2005, 77

Australian Secret Intelligence Service, 9

Australian Trade and Investment Commission (Austrade), 9, 101, 239

Australians’ welfare overseas (Priority 6), 76–86

Australia’s Disability Strategy 2021–2031, 109

awards, 3, 85, 107, 109, 110

Ayres, Tim, 9

B

Baker Boy (Indigenous artist), 73i

Bali Process on People Smuggling, Trafficking in Persons and Related Transnational Crime, 52

Bangladesh, 62, 63

barley exports, 4, 42, 71

Beetaloo Basin, 234

Belarus, 69

Biggs, Ian, 53i

bilateral and regional agreements, 21–27

biological weapons, 51–52

Blackrock Peacekeeping and Humanitarian Assistance and Disaster Relief Camp (Fiji), 33

Blueprint for Trade and Investment with Indonesia, 29

Bowes, Elisabeth, 41i

Brazil, 42

Brunei, 24

business continuity, 104

businesses, *see* Australian businesses

C

Cambodia

- COVID–19 support, 23, 24
- Mekong–Australia Partnership, 24, 57

Cambodian Investment Board, 25

Campbell, Andrew, 9

Campbell, Kathryn, 5, 6, 9

Canada–Australia Consular Services Sharing Agreement, 239

candidacies for multilateral leadership roles, 4, 68

capability taskforce, 107

Charlesworth, Hilary, 68

chemical weapons, 51–52, 53

Chief Auditor, 101

children

- safety nets for, 59
- sexual exploitation, 25
- working with, 222

China

- exports and imports, 44
- ministerial engagements, 29
- relations with, 3, 22, 25–26
- security agreement with Solomon Islands, 33
- trade blockages, 4, 42, 47

China Practical Paediatric Workshop webinars, 26

churches, 34

clean energy partnerships, 226

Climate and Oceans Support Program in the Pacific, 58

climate change

- Australia Assists, 62
- environmental performance, 225–226
- initiatives, 3, 58

Climate Change Action Strategy, 226

Climate Resilient by Nature program, 225

Comcare

- claims, 223–224
- notifications, 223

Commission on the Status of Women, 69

committees, 100–101, 218–220

Commonwealth Aboriginal and Torres Strait Islander Workforce Strategy 2020–2024, 109

Commonwealth Contracting Suite, 115

Commonwealth Director of Public Prosecutions, 77

Commonwealth Electoral Act 1918, 235

Commonwealth Fraud Control Framework, 102

Commonwealth Ombudsman, 106

Commonwealth Procurement Rules, 113, 115

communication and reach, 72–73

Comprehensive and Progressive Agreement for Trans-Pacific Partnership, 4, 27, 41, 233

Comprehensive Strategic Partnerships

- ASEAN, 3, 22–23
- India, 21, 30
- Republic of Korea, 3, 22, 30, 47

conduct and ethics, 103

conflicts of interest, 103

Conroy, Pat, 9

consular officers, 86

consular services, 5, 78–81, 83

consulates, 239–242

consultancy contracts, 72, 89, 113–114

contingency planning, 86

contributions to international organisations,
236–237

Cook Islands, 33

COP26 (United Nations Climate Change
conference, Glasgow), 225, 226

corporate governance, 100–104

corporate plan, 6, 12, 102

corrections to annual report 2020–21, 243

Counter Foreign Interference Diplomatic
Strategy, 52

Counter-Terrorism Strategy, 50

courts and tribunals, 105

COVID–19

- business continuity, 104
- consular services, 79
- DFAT management, audit reports, 106
- economic impacts, 33
- employee welfare, 111, 222
- overseas property impacts, 90
- Pacific region support, 24, 36, 55, 62
- passport services, 85
- program delivery impacts, 67
- quarantine arrangements, 75
- Senate Select Committee, 230
- travel advice, 82
- vaccination certificates, 4, 26, 39, 72, 85
- vaccines, 2–4, 23–24, 35, 36, 55, 71
- WTO response, 39

COVID–19 Response Package, 2, 34–35, 36

crisis planning, 86

crisis services, 79

critical minerals, 4, 22, 27, 45–46

cultural and linguistic diversity, 110

cultural heritage, Pacific region, 34

Curtis, Robert, 80i

customs, 234

customs duties, 39

Cyber and Critical Tech Cooperation Program, 51

cybersecurity, 4, 87

D

Daesh/ISIS, 51, 71

Data Availability and Transparency Act 2022, 105

data breaches, 105

Dave, Swati, 9

death penalty, 69

defective administration, 106

Department of Defence, 53, 71

Department of Health, 71, 82

Department of the Prime Minister and
Cabinet, 28, 107

development program budget, 216–217

development program delivery (Priority 4), 55–67

Digicel Pacific, 2

digital trade, 4, 43

diplomacy, Indo-Pacific, 20–30

Diplomatic Academy, 107, 226

diplomatic and geostrategic engagement, 68–69

diplomatic corps in Australia, 74–75

disability inclusion, 66, 109

disaster response, 61–64

disinformation, 52

diversity and inclusion, 4, 108–110

Documents on Australian Foreign Policy series, 73

domestic and family violence policy, 222

domestic property portfolio, 93, 227–229

drug trafficking, 25

E

east Micronesia cable, 57

ecologically sustainable development, 225–229

Economic and Social Commission for Asia and
the Pacific, 32

economic policy and trade, 45–46

economic recovery, 56

economic, trade and investment opportunities (Priority 2), 38–49

education
 New Colombo Plan, 37
 Pacific region, 34, 35
 Papua New Guinea, 34
 qualifications recognition, 233
 see also scholarships

electric vehicles, 227

electronic commerce, 39

embassies and missions, 239–241

Emerging Markets Impact Investment Fund, 60

Employee Assistance Program, 222

Employee Disability Network, 109

employees, *see* human resources

energy consumption, 227–228

Energy Efficiency in Government Operations, 227

Enterprise Agreement, 110, 206

Enterprise Risk Register, 104

Environment Protection and Biodiversity Conservation Act 1999, 225

Environmental and Social Safeguard Policy, 226

environmental performance, 225–229

Equal Rights Coalition, 69

Eritrea, 69

Estonia, 239

Ethics, Integrity and Professional Standards Section, 103

Ethiopia, 4, 79

Europe, 70

European Union
 cooperation, 27
 free trade agreement, 4, 41
 tariff-rate quotas, 233
 trade diversification, 43

European Union Ministerial Forum on the Indo-Pacific, 28

evaluations of development programs, 66

Exchange of Naval Nuclear Propulsion Information Agreement, 21, 233

Executive Committee, 100–101, 104, 206

executive remuneration, 110, 206–211

exempt contracts, 115

expenses, 95, 96

Export Council of Australia, 43

Export Finance Australia, 2, 4, 9, 46, 97, 230

export markets, *see* free trade agreements

exports
 agricultural products, 39, 71
 critical minerals, 4, 22, 27, 45–46
 destinations and value, 44
 renewable energy, 4

external scrutiny, 105–106

F

Facebook, 82, 83

Facilitated Commercial Flights program, 79

Farrell, Don, 9, 38i

federal, state and territory government relations, 75

Federated States of Micronesia, 33, 226

Fifield, Mitch, 68i

Fiji
 Australia Assists, 62
 COVID–19 support, 24, 34, 36, 62
 disaster preparedness, 62
 fisheries subsidies, 4, 40
 meteorological services, 58
 Pacific Blue Carbon program, 225
 Pacific Islands Forum, 32
 ReefCloud open access platform, 226
 security support, 33
 women's disaster preparedness, 64

Fiji Sugar Corporation, 58

financial crime, 25

financial management, 113–115

financial performance, 94–97

financial statements, 117–194

Financial Statements Subcommittee, 101

first aid training, 222–223

First Nations peoples, 5, 49, 69
see also Aboriginal and Torres Strait
 Islander peoples

fisheries management, 35, 226

fisheries subsidies, 4, 39, 40

food security, 35, 39

Forced Labour Convention, 52, 234

foreign interference, 52

foreign investment, 46, 47–48, 231

Foreign Ministers' Cyber Framework Dialogue, 30

foreign policy, 54, 107

Foreign States Immunities Act 1985, 105

forestry, 60, 226

France, 3, 71, 73

fraud control, 102

free trade agreements, 3–4, 5, 40–41, 46, 48
 European Union, 4, 41
 FTA Portal, 48
 India, 3, 22, 27, 40, 48
 negotiations 2021–22, 43
 Pacific Agreement on Closer Economic
 Relations (PACER) Plus, 33
 Republic of Korea, 41
 United Kingdom, 3, 27, 40, 41, 48

freedom of information, 105

Freedom of Information Act 1982, 105, 115

funding for public research into foreign
 policy issues, 230

funding of DFAT, 94

G

G20 Trade and Investment Working Group, 39

gas consumption, 228

gender equality, 4, 29, 35, 58, 59, 60, 69, 109–110
 program investment monitoring for, 66

Gender Equality Awards, 110

Germany, 28, 44

Global Biodiversity Framework, 225

Global Coalition Against Daesh, 51, 71

Global Convention on the Recognition of
 Qualifications concerning Higher
 Education, 233

global cooperation (Priority 5), 68–75

Global Environment Facility, 3, 225

Global Market Insights, 43, 48

global rules-based trade, 38–40

Global Terrorism Index, 51, 71

glossary, 252–255

GovERP, 112

Goyal, Piyush, 21i

grants awarded, 115

green leasing, 228–229

Guatemala, 42

H

Hanifa, Nuraini Rahma, 64

harassment, 103, 221

Hardman, Donna, 220

Harmony Week, 110

Harrison, Phillipa, 9

health security, 27, 56
see also COVID–19

high commissions, 239–241

Hong Kong, 45

Horizons International Engagement
 Leadership Program, 48

Hu'akavameiliku, Hon., 63i

human resources
 Aboriginal and Torres Strait Islander
 employees, 109, 204
 capability taskforce, 107
 cultural and linguistic diversity, 110
 disability inclusion, 66, 109
 diversity and inclusion, 4, 108–110

employee statistics, 107, 198–205
 employment arrangements, 110, 204, 206
 Enterprise Agreement, 110, 206
 executive remuneration, 110, 206–211
 gender equality, 109–110
 key management personnel, 207–208
 learning and development, 107
 LGBTI employees, 109
 non-salary benefits, 110
 overseas allowances, 206
 overseas local staff numbers, 107
 performance management, 108
 remuneration, 110, 205
 staff numbers, 107
 training, 86, 89, 107, 222–223
see also work health and safety

human rights, 4, 22, 69, 231, 232, 233

human trafficking, 4, 52

humanitarian assistance, 61–64

Humanitarian Emergency Fund, 62

I

Implementation Subcommittee, 101

imports, origin and value, 44

independent auditor's report, 118–121

Independent International Commission of Inquiry on Ukraine, 68

India

Comprehensive Strategic Partnership, 21, 30
 counter-terrorism dialogue, 51
 exports to, 44
 free trade agreement, 3, 22, 27, 40, 48
 market access to, 47
 ministerial engagements, 30
 sugar exports, 42
 supply chains, 27
see also Quad (Australia, India, Japan, United States)

Indigenous businesses, 48–49, 113

Indigenous Leadership@DFAT, 109

Indigenous Network for Investment, Trade and Export, 48

Indigenous Peoples Economic and Trade Cooperation Arrangement, 48–49

Indigenous peoples' rights, 4, 69

Indigenous Procurement Policy, 113

Indigenous Trade and Economic Policy Implementation Plan, 48

Indo-Pacific Economic Framework for Prosperity, 4, 5, 20, 21, 26, 27

Indo-Pacific Partnership for Maritime Domain Awareness, 28

Indonesia

climate and infrastructure partnership, 5
 counter-terrorism dialogue, 51
 COVID–19 support, 24, 57i, 62
 economic development, 3, 29, 41
 empowering women, 59
 infrastructure development, 67
 market access to, 47
 ministerial engagements, 28–29
 sustainable agriculture, 60
 trade diversification, 43

Indonesia–Australia Comprehensive Economic Partnership Agreement, 29, 41

Indonesia–Australia Economic, Trade and Investment Ministers' Meeting, 29

Indonesia–Australia Partnership for Infrastructure, 67

information and communications technology, 91, 112

Information Publication Scheme, 105

infrastructure development, 2, 3, 5, 33, 35, 57, 67, 226

injury prevention toolkit, 221

Institute of Public Administration Australia Spirit of Service Awards, 85

intellectual property rules, 4

intelligence and security, 231

Interim Mission on Afghanistan, 3, 71

Internal Audit Branch, 101

International Aid Transparency Initiative, 66

International Atomic Energy Agency, 51, 53

International Committee of the Red Cross, 63

International Counter-Terrorism Engagement Program, 50

International COVID-19 Vaccination Certificate, 4, 26, 39, 72, 77, 85

International Cyber and Critical Tech Engagement Strategy, 51

International Day Against Homophobia, Biphobia, Interphobia and Transphobia, 109

international development program, 4, 55–67

International Engagement Strategy on Human Trafficking and Modern Slavery, 52

international environmental agreements, 225

International Monetary Fund, 32

international organisations, contributions to, 236–237

International Partnership for Blue Carbon, 225

International Women's Day, 110

Investing in Women, 59

investment monitoring of development programs, 65–67

investment opportunities, 5

Iran, 51

ISIS/Daesh, 51, 71

Islamabad, 227

Issenberg, Michael, 9

J

Japan

- exports and imports, 44
- joint infrastructure projects, 2, 57
- oil spills planning, 226
- Partners in the Blue Pacific, 33
- Reciprocal Access Agreement, 3, 21
- Special Strategic Partnership, 21, 30
- supply chains, 27
- see also* Quad (Australia, India, Japan, United States)

job security, 232

Joint Declaration on Security Cooperation (with Japan), 30

K

Kabul embassy, 95

Kafer, Tayla, 108i

Katalis (program under Indonesia–Australia Comprehensive Economic Partnership Agreement), 29

Kayess, Rosemary, 68, 68i

Kelley, Roxanne, 220

Kelly, Paul, 59i

key management personnel, 207–208

Kiribati

- COVID-19 support, 24, 36, 62
- fisheries management, 35
- patrol boats, 33
- women's disaster preparedness, 64

Komet Torres Strait Islander Art and Culture Group, 108i

Korea–Australia Free Trade Agreement, 41

Kuleba, Dmytro, 70i

Kuwait, 71

L

labour mobility programs, 2, 22, 33, 35

Laos, 24, 57

Latin America, 70, 71

leadership roles, Australian candidacies, 4, 68

leasing arrangements, 228–229

letter of transmittal, vii

LGBTI employees, 109

LGBTI rights, 4, 69

Liechtenstein veto, 69

LinkedIn Learning, 107

list of requirements, 244–249

Low and Zero Emissions Technology Partnership, 22

M

Malaysia

Australia now, 73

counter-terrorism dialogue, 51

ministerial engagements, 28, 28i

mutual recognition agreements, 45

management and accountability, 99–115

market opportunities, 40–44

Martínez-Almeida, José Luis, 45i

McIntyre, Sophia, 45i

McPhee, Ian, 219

meat shelf life, 71

media, 34

Medical Unit, 111, 111i

Mekong–Australia Partnership, 24–25, 57

Mekong–Australia Partnership –
Transnational Crime, 25

Mekong subregion, 24, 47–48, 57

Memorandum of Understanding on
Cooperation in Critical Mineral
Supply Chains, 22

mental health welfare, 111, 222

meteorological services, 35, 58, 226

Mexico, 71

Middle East, 70, 71

Millar, James M, 9

Minamata Convention on Mercury, 230

Minerals Security Partnership, 27

Minister for Defence Industry, 9

Minister for Foreign Affairs, 9, 77

Minister for International Development
and the Pacific, 9

Minister for the Environment, 226

Minister for Trade and Tourism, 9

ministerial advice, 31

ministerial engagements, 27–30

ministerial travel, 31

misconduct, 103

Moon, Jae-in, 22, 30

Moore, Rachael, 63i

Morison, Jenny, 219

Morocco, 5, 71

Mudie, Robyn, 58i

museums, 34

mutual recognition agreements, 45

Myanmar

Australia's response to coup, 233

empowering women, 59

humanitarian assistance, 3, 62, 63

Mekong–Australia Partnership, 24, 57

N

National Archives of Australia, 105

National Foundation for Australia–China
Relations, 25–26

National Green Leasing Policy, 228

National Indigenous Australians Agency, 109, 113

National Intelligence Community, 54

NATO (North Atlantic Treaty Organization), 28

Nauru, 24

naval nuclear propulsion information, 21, 233

Netherlands, 28

New Colombo Plan, 37

New Forests Tropical Asia Forest Fund 2, 60

New Zealand, 3, 33

non-consultancy contracts, 113–115

non-Official Development Assistance, 24,
236–237

North Atlantic Treaty Organization (NATO), 28

North Korea, 51

Northern Territory Indigenous Business and
Employment Hub, 48

nuclear-powered submarines, 53

nuclear proliferation, 4, 51
 nuclear propulsion information, 21, 233
 nuclear safety, 51

O

Oberleuter, TJ, 108i
 OECD Development Assistance Committee, 36, 66
 OECD Trade Committee, 39
 Office of First Nations Engagement, 5
 Office of National Intelligence, 54
 Office of Southeast Asia, 5
 Office of the Australian Information
 Commissioner's Notifiable Data
 Breaches scheme, 105
 Official Development Assistance
 administration, 94
 budget estimate, 216–217
 budget summary, 66
 Pacific region, 22, 33
 statistical summary, 55, 66
 official development programs, 4
 oil and gas exploration, 234
 oil spills planning, 226
 Olympic Games, 34, 73
 operating result, 94
 Operations Committee, 100
 Operations Subcommittee, 101, 104
 Organisation for the Prohibition of
 Chemical Weapons, 51, 53
 organisational structure, 6, 8
 Outcome 1, 7, 20–75
 expenses, 213
 Outcome 2, 7, 76–86
 expenses, 214
 Outcome 3, 7, 87–93
 expenses, 215
 overseas network, iv–v, 239–242
 overseas presence (Priority 7), 87–93

overseas property, 90, 227
 Overseas Property Office and Services, 92
 Overseas Property Special Account, 94
 overview of DFAT, 6–9

P

Pacific Agreement on Closer Economic
 Relations (PACER) Plus, 33
 Pacific and Timor-Leste, Step-up in, 32–36
 Pacific Australia Labour Mobility, 2, 22, 33, 35
 Pacific Blue Carbon program, 225
 Pacific Church Partnerships Program, 34
 Pacific Climate Infrastructure Financing
 Partnership, 3
 Pacific Fusion Centre, 33
 Pacific Islands Forum, 2, 32, 33
 Pacific Islands Forum Women Leaders Meeting, 35
 Pacific Maritime Security Program, 33
 Pacific Virtual Museum pilot program, 34
 Pacific Women Lead, 58
 PacificAus Sports program, 34, 73
 PacificAus TV, 34
 Palau
 energy system, 226
 Palau spur cable, 57
 ReefCloud open access platform, 226
 Papua New Guinea
 COVID–19 support, 24, 36, 62
 disaster preparedness, 62
 education support, 34, 35
 mother and child support, 59
 Pacific Blue Carbon program, 225
 patrol boats, 33
 Paralympic Games, 34, 73
 Paris Agreement, 3, 225
 parliamentary committees of inquiry, 105,
 230–234
 partner agencies, service provision overseas, 112

- Partners in the Blue Pacific, 21, 33
- Partnerships for Recovery, 32, 55
- passport applications, 4, 72, 76–78, 229
- passport services, 5, 85, 94
- patrol boats, 33
- Payne, Marise, 28, 70i
- peacekeeping, 69, 236–237
- Peak Bodies Consultative Group, 47
- people, *see* human resources
- people smuggling, 52
- people-to-people connections, Pacific region, 34
- people with disability, 66, 69, 109
- performance
 - annual performance statements, 12–93
 - financial performance, 94–97
 - framework, 102
 - monitoring and reporting, 5
 - summary, 12–19
 - see also* *Priorities*
- Performance, Risk and Resourcing Committee, 100
- personnel security, 87
- Philippines
 - counter-terrorism dialogue, 51
 - COVID–19 support, 23, 24
 - empowering women, 59
- planning and performance, 102
- Pobjie, Tony, 72i
- portfolio budget statements, 7, 12, 102
- portfolio structure, 9
- posts and people, iv–v
- Preventing Sexual Exploitation, Abuse and Harassment Policy, 103
- Priority 1: Promote a stable and prosperous Indo-Pacific
 - 1.1 diplomacy, 20–30
 - 1.2 quality and timely advice, 31
 - 1.3 Step-up in Pacific and Timor-Leste, 32–36
 - 1.4 New Colombo Plan, 37
- Priority 2: Pursue our economic, trade and investment opportunities
 - 2.1 global rules-based trade, 38–40
 - 2.2 market opportunities, 40–44
 - 2.3 economic policy, 45–46
 - 2.4 trade and investment benefits, 47–49
- Priority 3: Keep Australia and Australians safe and secure
 - 3.1 security, 50–53
 - 3.2 national intelligence, 54
- Priority 4: Deliver an effective and responsive development program
 - 4.1 development program, 55–60
 - 4.2 humanitarian assistance, 61–64
 - 4.3 program management, 65–67
- Priority 5: Advance global cooperation
 - 5.1 diplomatic and geostrategic engagement, 68–69
 - 5.2 relationships with Europe, Middle East, Latin America and Africa, 70–71
 - 5.3 communication and reach, 72–73
 - 5.4 diplomatic corps in Australia, 74
 - 5.5 federal, state and territory government relations and Australian health requirements, 75
- Priority 6: Support Australians overseas
 - 6.1 passport applications, 76–78
 - 6.2 consular services, 78–81
 - 6.3 travel advice, 82–84
 - 6.4 passport services, 85
 - 6.5 crisis planning, 86
- Priority 7: Provide a secure and effective overseas presence
 - 7.1 security management, 87
 - 7.2 Security Enhancement Program, 88
 - 7.3 Security Culture Implementation Plan, 89
 - 7.4 overseas property development, 90
 - 7.5 information and communications technology, 91
 - 7.6 asset management, overseas property, 92
 - 7.7 Overseas Property Office, 92
 - 7.8 domestic property portfolio, 93
- privacy governance framework, 105
- procurement, 113, 115
- Protective Security Policy Framework, 87
- protocol services, 74–75

Provincial Road Improvement and Maintenance program, 67

public diplomacy, 73

Public Governance, Performance and Accountability Act 2013, 101, 113

public health requirements, Australia, 75

public interest disclosures, 103

Public Service Act 1999, 103, 110, 206

purchasing, 113, 115

purpose of DFAT, 6, 7

Q

Qatar, 71, 112, 239

Quad (Australia, India, Japan, United States), 3, 21, 27, 28, 30, 51

Quad Vaccine Partnership, 4, 23, 55

quality and timely advice, 31

Queensland Berries, 22

R

Ramsden, Chris, 219

Reciprocal Access Agreement (with Japan), 3, 21

Reconciliation Action Plan, 109, 113

Regional Comprehensive Economic Partnership Agreement, 3, 27, 40, 48, 230

Regional Cooperative Agreement for Asia and the Pacific, 53

Rehabilitation and Early Intervention Improvement Strategy 2021–2024, 223

rehabilitation management, 223

remuneration, *see* human resources

Remuneration Tribunal, 206

renewable energy, 4, 226

reportable consultancy and non-consultancy contracts, 113–115

Republic of Korea

Comprehensive Strategic Partnership, 3, 22, 30, 47

exports to, 44

free trade agreement, 41

Responsibility to Protect principle, 69

revenue, 95

Ridley, Mark, 218

risk management, 104

Roberts, Peter, 34i

Russia, 28, 51, 68, 79

sanctions against, 3, 70, 72

Russian Elites, Proxies and Oligarchs Task Force, 71

S

Saifuddin, Abdullah, 28i

Samoa

- Australia Assists, 62
- COVID–19 vaccines, 24
- education support, 35
- free trade agreement, 33

Sargeant, Brendan, 218

Scheme for Compensation for Detriment caused by Defective Administration, 106

scholarships

- ASEAN, 23
- Mekong subregion, 25
- Pacific region, 34, 57
- see also* education

Science and Technology for Climate Partnerships (SciTech4Climate), 225

seasonal workers, *see* labour mobility programs

Secretary, 6, 9

- review by, 2–5
- statement of preparation, 12

security

- Pacific region, 33
- parliamentary committee report, 231
- Priority 3: Keep Australia and Australians safe and secure, 50–54
- Priority 7: Provide a secure and effective overseas presence, 87–89

- see also* AUKUS defence and technology partnership
 - Security Culture Implementation Plan, 89
 - Security Enhancement Program, 88
 - Senate Select Committee on COVID–19, 230
 - Services Exports Action Plan, 45, 46
 - sexual exploitation, 103
 - shared services transformation initiative, 112
 - Simonet, Xavier, 9
 - Singapore, 3, 5, 29, 44, 45
 - Singapore–Australia Green Economy Agreement, 5, 29
 - Singapore–Australia Joint Ministerial Committee, 29
 - skills development, *see* education; scholarships
 - slavery, 4, 52
 - small and medium-sized enterprises, 59, 60, 115
 - Smarttraveller COVID campaign, 235
 - Smarttraveller website, 79, 82–84
 - social media, 48, 72–73, 79, 82, 83
 - Soko, Vasiti, 64
 - Solomon Islands
 - Australia Assists, 62
 - civil unrest, 2, 22, 33, 57
 - COVID–19 support, 24, 36, 62
 - disaster preparedness, 62
 - education support, 35
 - fisheries management, 35
 - security, 33
 - South China Sea, 25
 - South Korea, *see* Republic of Korea
 - Southeast Asia Dialogue of Women Leaders, 29
 - Southeast Asia Economic Strategy, 5
 - space security policy, 51
 - Spain, 45
 - Special Minister of State, 9
 - Special Overseas Hardship Fund, 79, 81
 - sponsors, 238
 - sport, 34, 73
 - Sri Lanka, 4, 69
 - stability, 56
 - stable and prosperous Indo-Pacific (Priority 1), 20–37
 - staff, *see* human resources
 - Staff and Family Support Office, 111, 222
 - steel exports, 42
 - Step-up in Pacific and Timor-Leste, 32–36
 - strategic interests through regional architecture, 231
 - Strategic Policy Committee, 100
 - Strategic Policy Subcommittee, 101
 - Strategy for Cooperation in the Indo-Pacific, 27
 - Strengthening Australia's relationships in the Pacific, 234
 - Sudan, 69
 - sugarcane, 42, 58
 - Supply Chain Resilience Initiative, 27
 - Sustainable Development Goals, 40, 58, 68
 - Swinburne University of Technology, 37
 - Symon, Paul, 9
- ## T
- Taiwan, 45
 - telecommunications, 2
 - Telstra, 2
 - Tene, Michael, 53i
 - terrorism, 4, 5, 50–51, 71
 - terrorist organisations, 51, 71, 231
 - Thailand
 - Mekong–Australia Partnership, 24, 57
 - National Security Council, 25
 - Timor-Leste
 - COVID–19 support, 24, 35, 36, 62
 - development assistance, 2
 - development program, 32–36

disaster preparedness, 62
 economic prosperity, 33
 mother and child support, 59

Tonga

Australia Assists, 62
 COVID-19 vaccines, 24
 volcanic eruption, 2, 22, 33, 35, 57, 63

Tourism Australia, 9

trade

advocacy, 48–49
 business support, 47–48
 disputes, 42
 diversification, 43
 economic policy, 45–46
 exports and imports, 44
 global rules-based trade, 38–40
 Indo-Pacific, 27
 market opportunities, 40–44
 Pacific nations, 231
 trade and investment benefits, 47–49

Trade and Investment Subcommittee, 101

training, staff

first aid training, 222–223
 learning and development, 107
 overseas contingency planning, 86
 security, 89

transnational threats, 4

travel advice, 79, 82–84

Tuvalu, 24, 36

Twitter, 48, 82, 83

U

Ukraine

Australian support, 3, 28, 51, 53, 68, 70–72, 79, 217
 embassy relocation, 112

UN Economic and Social Commission for Asia and the Pacific, 32

UN Women, 68

Understanding Australian Foreign Policy course, 107

UNFPA, 68

UNICEF, 68

United Arab Emirates, 71

United Kingdom

cultural exchange, 73
 defence agreements, 3
 free trade agreements, 3, 27, 40, 41, 48
 mutual recognition agreements, 45
 Partners in the Blue Pacific, 33
 trade diversification, 43
see also AUKUS defence and technology partnership

United Nations Climate Change conference, Glasgow (COP26), 225, 226

United Nations Convention on the Law of the Sea, 25

United Nations Declaration on the Rights of Indigenous Peoples, 69

United Nations Development Programme, 68

United Nations engagement, 68–69

United Nations Framework Convention on Climate Change, 225

United Nations General Assembly, 3, 52, 69

United Nations High Commissioner for Refugees, 63

United Nations Human Rights Council, 52, 69 Russia's suspension, 3, 68

United Nations Office for Disaster Risk Reduction, 64

United Nations Office for the Coordination of Humanitarian Affairs, 63

United Nations Office of Counter-Terrorism, 5, 71

United Nations Office on Drugs and Crime, 52

United Nations Security Council, 69

United States

bilateral cooperation, 27
 defence agreements, 3, 21
 exports and imports, 44
 Indo-Pacific relations, 27
 joint infrastructure projects, 2, 57
 Partners in the Blue Pacific, 33
 prosperity framework, 4
see also Quad (Australia, India, Japan, United States)

USAID and Australia Mekong Safeguards Program, 24

V

Vaccine Access and Health Security Initiative, 23, 35, 55

vaccines, *see* COVID–19

values of DFAT, 103

Vanuatu

- Australia Assists, 62
- COVID–19 support, 24, 62
- disaster preparedness, 62
- fisheries management, 35
- patrol boats, 33
- women's disaster preparedness, 64

Vienna Conventions on Diplomatic and Consular Relations, 75

Vietnam

- bilateral agreements, 24
- COVID–19 support, 23, 24
- economic development, 3
- empowering women, 59, 60
- market access to, 47
- Mekong–Australia Partnership, 57
- ministerial engagements, 28
- trade diversification, 43

violent extremism, 50

visas, temporary extensions, 35

W

Watts, Tim, 9

WE RISE Together with UN Women, 24, 57

weapons of mass destruction, 51–52, 53

Wear It Purple Day, 109

website, 46, 48, 55, 66, 82, 84, 103, 216, 235, 239

Wellbeing@DFAT program, 222

whole-of-government services, 112

Wilson, Tom, 73i

wine exports, 4, 42

women and girls

Commission on the Status of Women, 69

COP26 negotiators, 226

crisis services, 35

disaster preparedness, 64

employees, 109–110

empowering, 58, 59

entrepreneurs, 24, 35, 57, 59

finance access, 60

human rights, 233

leadership, 29, 35, 58

see also gender equality

Women, Peace and Security agenda, 58, 69

Women's International Network on Disaster Risk Reduction, 64

Women's Peace and Humanitarian Fund, 69

Women's Resilience to Disasters, 64

Wong, Penny, 9, 28i

work health and safety, 111, 221–224

Work Health and Safety Act 2011, 221, 223

workers compensation, 223

workforce diversity, 4, 108–110

workforce planning, 107

World Bank International Development Association, 58

World Economic Forum, 48, 49

World Food Programme, 63

World Trade Organization

12th Ministerial Conference, 39, 40

dispute settlements, 42

fisheries subsidies, 40

global service rules, 38

trade agreements, 4, 5, 22, 46

Y

year ahead, 5

year in review, 2–4

Yoon, Suk Yeol, 30

