



22 September 2020

The Hon Mark Coulton MP
Minister for Regional Health, Regional Communications and Local Government
PO Box 6022
Parliament House
Canberra ACT 2600

Dear Minister

Thank you for your correspondence of 8 July 2020 outlining your expectations of my role in administering the Australian Industrial Chemicals Introduction Scheme (AICIS). I appreciate your acknowledgement of my responsibility to contribute towards the protection of Australians and their environment from the potential harmful effects of industrial chemicals and my independence in performing functions conferred by the *Industrial Chemicals Act 2019* (IC Act).

I am pleased to provide you with this Statement of Intent, which sets out how I will meet the expectations you have outlined.

FUNCTION AND PURPOSE

As the Executive Director of AICIS, I will lead the Office of Chemical Safety (OCS) to achieve the objects of the IC Act, and the Government's health, industry and environmental policy directions and objectives. Consistent with the policy intent and the legal framework set out in the IC Act, AICIS will be a risk-proportionate regulatory scheme to protect the Australian people and the environment, while promoting safer innovation by encouraging the introduction of lower risk chemicals.

PRIORITIES

Under my direction, OCS staff will achieve the regulatory objectives through risk-proportionate chemical assessment, compliance monitoring and enforcement. In administering AICIS, OCS staff will continue to work collaboratively within the Commonwealth health portfolio, as well as with other Commonwealth, state, territory, industry and community stakeholders.

Effective transition from the NICNAS to the AICIS

I acknowledge the importance of an effective transition from the former National Industrial Chemicals Notification and Assessment Scheme (NICNAS) to AICIS. The framework set out in the *Industrial Chemicals (Consequential Amendments and Transitional Provisions) Act 2019* (and associated Ministerial Rules) will guide transitional processes and practices so that all affected stakeholders experience an effective and well-managed transition to AICIS.

Effective implementation of the new scheme

Within the framework of the IC Act, the Scheme will maintain current levels of health and environmental protections through:

- a risk-proportionate reduction in pre-market assessment effort
- the publication of meaningful information about the effects of industrial chemicals on human health and the environment

- protection of confidential business information while considering the public interest in accessing this information (through the application of a statutory criteria)
- consultation with risk managers when considering taking certain regulatory actions
- making recommendations to state, territory and Commonwealth risk management agencies to assist in regulating the use, release and disposal of industrial chemicals
- appropriate use of available monitoring and enforcement powers under the IC Act and the *Regulatory Powers (Standard Provisions) Act 2014* to more effectively manage any non-compliance to maintain the integrity of the regulatory scheme.

I will monitor and review the cost recovery model and charging arrangements set out in the Industrial Chemicals Charges Acts and associated regulations in the first year of the scheme's operation. This review will consider the appropriateness of the eight-tier registration charging structure including relevance of the thresholds and whether the introduction value remains the most appropriate proxy for charging.

Implementation of the ban on cosmetic testing on animals

AICIS will deliver relevant components of the ban on cosmetic testing on animals in accordance with the IC Act and associated Ministerial Rules, promote the development and uptake of alternative test methods and publish statistics on the use of animal test data gathered during the first year of operation of the scheme.

International harmonisation

AICIS will encourage greater harmonisation with international approaches in the regulation of industrial chemicals and utilise components of assessments of comparable international regulators in its risk assessments. The Health Minister's Criteria for the adoption of international standards and risk assessments by Health portfolio regulators will be applied in identifying new comparable international regulators.

OCS staff will continue to build and maintain strong cooperative relationships with international regulators through bilateral and multilateral mechanisms.

RELATIONSHIP WITH THE MINISTER AND PORTFOLIO

I acknowledge the role of AICIS in assisting the Government to respond promptly to issues that may arise in industrial chemicals regulation and undertake to provide Government with accurate and timely advice on significant issues related to the regulatory remit of AICIS. These include matters for which the Government is likely to be accountable in Parliament, as well as important operational or budgetary issues.

Under my direction, OCS staff will continue to maintain a close working relationship with other relevant areas within the Department of Health. I will consult with you, as the responsible Minister, the Office of Health Protection and Response and other areas of the Department in developing future work and as specific initiatives and strategies are prepared, considered and agreed by Government.

ORGANISATIONAL GOVERNANCE AND FINANCIAL MANAGEMENT

As an officer under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), I will continue to comply with the principles of the Commonwealth Resource Management Framework and give effect to the governance, performance and accountability requirements of the PGPA Act.

I will continue to maintain the capacity of OCS to be flexible and responsive to emerging priorities and issues that might arise throughout the year and ensure that the Government's priorities are reflected in AICIS's strategic and operational plans.

REGULATORY FRAMEWORK

As the Executive Director of AICIS, I will exercise my functions appropriately and in accordance with the IC Act and Government policies, to minimise regulatory burden and maximise the clarity and transparency of OCS operations.

TRANSPARENCY AND ACCOUNTABILITY

I will continue to recognise and respect the role of the Minister for Regional Health, Regional Communications and Local Government, as the Minister responsible for operation of the IC Act.

As required under the IC Act, a report on the operation of AICIS will be included in the annual report prepared by the Secretary of the Department of Health and given to the Minister for Health under section 46 of the PGPA Act. Copies of this report will be provided to you as Minister responsible for the IC Act, as well as to the Minister for Finance.

Your Statement of Expectations and my response through this Statement of Intent will be published on the AICIS website.

Yours sincerely,



Dr Brian Richards
Executive Director

cc: The Hon Greg Hunt MP, Minister for Health