



Australian Government  
Department of the Prime Minister and Cabinet

# Australian Government Impact Analysis Framework

Practical Guide for Agencies



**OIA**  
The Office of  
Impact Analysis

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## Introduction

The Practical Guide for Agencies (the guide) provides agencies with the information needed to develop an impact analysis (IA) in practice.

The guide is intended to be read alongside the *Australian Government's Impact Analysis Framework* (the framework). The framework is the overarching document that sets out Australia's impact analysis requirements. This guide provides additional detail for navigating each of the 5 steps in the IA process, how to manage special cases and how to develop robust analysis and evidence on the intended and potentially unintended effects of a policy proposal.

The guide also includes supporting resources. Agencies will likely find the **Regulatory Burden Estimation Tool** (an Excel workbook) useful when undertaking preliminary analysis and estimating regulatory burden. Likewise, the **Self-Assessment Tool** is a simple way to complete Step 3 in the IA process.

Agencies are encouraged to engage with the Office of Impact Analysis (OIA) for advice whenever needed. On a quarterly basis, agencies are also required to review and report to the OIA on the status of ongoing IAs and any outstanding IAs to be published.

# Impact analysis steps

The IA approach can be summarised in 5 steps.

## Early policy development

Early in policy process, consider the policy problem and objective, and alternative policy options.

## Step 1: Preliminary analysis

Assess whether the policy proposal is in scope. That is, any regulatory policy proposals and proposals with material competition impacts. If in scope, assess the proposal against the IA thresholds to determine if the proposal is expected to have moderate or major impacts.

## Step 2: Impact analysis

Evaluate the policy proposal using the 7 IA questions, including estimating the regulatory burden. Prepare a Dashboard IA (or a Detailed IA if required by the Prime Minister or Cabinet).

## Step 3: Assess the IA

Agencies assess whether the IA provides sufficient and robust analysis to inform a key decision. Agencies also certify that the IA is sufficient to inform a key decision.

## Step 4: Policy decision

The Dashboard (or Detailed) IA is provided to decision-makers to support the key decision.

## Step 5: Publication and reporting

After announcement of the policy, the Dashboard (or Detailed) IA is reviewed then published on the OIA website together with the Statement of Sufficiency.

# Step 1: Preliminary analysis

Preliminary analysis is when an agency determines whether a proposal is in scope and meets or exceeds at least one of the IA thresholds.

Where the proposal is likely to be in scope or meet at least one of the thresholds, a Dashboard IA must be prepared and presented to decision makers at key points. For proposals outside of the scope of the framework, an agency does not need to present a Dashboard IA.

This section provides practical guidance on determining whether a proposal is in scope and then whether it meets the thresholds, including:

- common proposal types and whether they are likely to be in scope
- what is meant by regulatory policy
- what is meant by competition impacts
- proposals not covered by the framework, including machinery changes
- how to assess proposals in scope against the 3 IA thresholds.

Whether the policy meets one or more of the thresholds is a matter of judgement, as the quality of information that is available to policy drafters early in the policy process may be uncertain. Where proposals are in scope but there is significant uncertainty on whether the thresholds are likely to be met, it is suggested that drafters develop a Dashboard.

If your proposal appears to be in scope and may meet a threshold, the **Regulatory Burden Estimation Tool** is a useful resource for underlying data and preliminary analysis of regulatory burden that may assist at this stage. The [OIA website](#) has supplementary material on how to assess economic and other impacts from policy.

If needed, please contact the OIA for further advice.

## What is in scope?

Under the framework, a proposal is in scope if it is either:

- a regulatory policy proposal, or
- a proposal with material competition impacts.

## What is a regulatory policy proposal?

Under the framework, a regulatory policy proposal to establish or reform government rules that set requirements is in scope. This includes quasi-regulation, such as industry-government agreements (co-regulation), which influence the behaviour of people, businesses or community organisations.

Regulatory policy proposals include proposals to:

- create or reform a legal or quasi-legal requirement in primary or delegated (also known as secondary or subordinate) legislation, such as a prohibition, mandatory standard, condition, rule, or approval process
- create or materially change an authorisation scheme, such as a licensing, registration, permit, or accreditation scheme
- change who may lawfully operate, supply, import, export, or undertake an activity, including by changing eligibility criteria, fit-and-proper tests, scope-of-practice rules, or categories of permitted providers/products
- introduce or change mandatory product, service, or conduct standards, including technical standards, safety standards, interoperability requirements, or professional or industry conduct standards
- impose new or expanded compliance obligations, including reporting, disclosure, record-keeping, audit, training, accreditation, certification, monitoring, inspection, or enforcement-related requirements
- introduce or materially change a regulatory permission or “permission to operate” condition, including ongoing conditions attached to a licence/permit/registration requirement
- introduce or materially change a regulatory fee, levy, charge, licence fee, permit fee, or cost-recovery arrangement (noting fees may be part of a broader compliance framework)<sup>1</sup>
- create or materially change a quasi-regulation, such as a co-regulatory or government-backed industry code, or an industry–government arrangement that is endorsed, enforced, or otherwise backed by government in a way that influences behaviour
- enter into or implement obligations arising from a treaty or convention.

Deregulatory proposals are also in scope of the framework.

## What is a material competition impact?

Under the framework, proposals expected to have a material (positive or negative) impact on competition in a market are in scope.

Proposals that are expected to affect business entry or exit, business profitability, the quality, variety or price of goods or services in a market are in scope. Beyond regulatory policies, taxes, subsidies and other policies may have material competition impacts and therefore be in scope of the framework.

Competition impacts include:

- barriers to entry, growth or exit for businesses, organisations or workers
- limiting the number or types of businesses or organisations that can operate

<sup>1</sup> Please also review the [Australian Government Charging Policy](#) when considering a cost-recovery arrangement.

- the ability or incentives for businesses or organisations to compete
- conditions that influence the prices a business can set or their market share
- the choices, information, goods or services available to consumers.

It is important to note that both positive and negative impacts on competition are in scope and should consider changes in dynamism (that is, the entry and exit of businesses or organisations) over time. Refer to the OIA [supplementary guidance on competition and regulation](#) for further information.

## Preliminary analysis of regulatory burden (IA threshold 1)

IA threshold 1 covers proposals likely to change regulatory burden by \$20 million or more in total (over 10 years).

The preliminary analysis of the regulatory burden is undertaken to determine whether a proposal is likely to meet the regulatory burden threshold. This preliminary analysis does not need to be at the same level of detail as the final analysis of regulatory burden included in the Dashboard IA. If regulatory burden is likely to be greater than \$20 million over 10 years, the agency should proceed with the development of a Dashboard IA.

The agency's professional judgement, based on available evidence, around the likely compliance (including administrative costs and substantive compliance costs) and delay costs is sufficient at this stage to make an early estimate of the likely magnitude of regulatory burden. This estimate could be based on the agency's engagements and liaison with its regulated entities or analysis.

The **Regulatory Burden Estimation Tool** may help agencies assess regulatory burden and supports standardised calculations, such as correctly including the relevant costs associated with a proposal's regulatory burden. This tool applies the [Regulatory Burden Measurement Framework](#) and is likely to be useful in later stages of policy development.

To estimate likely regulatory burden, agencies should consider:

- how many businesses, organisations or individuals are likely to be affected?
- what tasks will they need to undertake?
- how much time or expense is involved?
- is there any delay (or change to the delay) caused by regulation before a person or business can operate, supply or trade?

## Preliminary analysis of material economic and social impacts (IA threshold 2)

IA threshold 2 covers proposals likely to have indicative impacts of \$200 million or more a year on economic and social outcomes for people, businesses or community organisations.

The threshold considers a wide range of direct and indirect impacts of a policy proposal. This includes, for example, changes in economic growth, household income, investment, innovation and productivity. Changes in what goods and services consumers can access and at what cost should also be considered – including changes in government-funded goods and services. Health and safety outcomes (such as life years added or lost), education outcomes (such as, graduation rates) and other social outcomes relevant to the policy proposal are also relevant under this threshold, along with environmental outcomes.

This threshold complements the regulatory burden threshold, acknowledging that some proposals do not create ‘red tape’ but nevertheless have a significant impact on Australians.

The application of this threshold is based on a judgement of whether there are likely to be costs/harms or benefits to **any group** of Australians that is likely to have a monetary value of over \$200 million per year.

**For regulatory proposals**, where proposals may reduce or expand opportunities (for example, change to revenue based on introduction or removal of an import or export ban), impact access to or costs of goods and services (for example, by driving changes in prices) or create other economic and social impacts such as on human health or the environment (monetised, for example, using value of statistical life an estimate of the value society places on reducing the risk of dying or environmental values), estimates of such impacts should be compared with the threshold.

**For proposals with material competition impacts**, among others, the size of the government funding (including grants or taxation arrangements) may be a good indicator of whether this threshold has been met. For example, if funding is being provided to a particular sector or businesses that may give them an advantage over domestic competitors, the upper estimate of that funding should be compared with the threshold.

It is not necessary to complete a full cost benefit analysis as part of preliminary analysis, and estimates should be made based on available information. For purposes of preliminary analysis, consideration of the threshold should not include discounting or other adjustments as they are indicative ‘order of magnitude’ estimates only.

**Illustrative example.** A policy drafter understands that a group of exporters have an annual revenue of between \$150 to \$300 million for a single product. The proposal is considering the ban of this product, so the threshold is likely to be met and a Dashboard IA will be prepared.

**Illustrative example.** A policy drafter is working on a proposal that aims to reduce the health risk of misuse of prescription medication. To meet the \$200 million threshold, the proposal would need to be expected to save 34 lives per year (that is, \$5.87 million per life saved multiplied by 34 is around \$200 million, based on [OIA guidance on the value of statistical life](#)). If the agency considers it is unlikely that more than 34 deaths could be avoided per year under this proposal, the threshold is not likely to be met and a Dashboard IA will not be prepared.

## Preliminary analysis of distributional impacts (IA threshold 3)

IA threshold 3 applies where proposals are likely to have a disproportionate and significant impact on a cohort (including small businesses) and no other impact assessment applies.

For preliminary analysis, agencies need to identify relevant cohorts and consider whether the proposal is likely to have a disproportionate and significant impact on them. A cohort is a recognisable group that is affected in a materially different way from others. For example, small businesses, or businesses operating in a particular market segment (such as, a specific region or a specific good or service), or with disproportionate and significant impact on a vulnerable cohort.

### What does ‘disproportionately and significantly’ mean in practice?

Examples might include proposals that:

- concentrate costs or regulatory burden on small businesses that make it difficult for these businesses to be competitive
- create major effects for one particular group of people, occupation, field of study or segment of consumers

An IA would only be required by this threshold where other Australian Government processes do not apply. This includes:

- [Gender Impact Assessments](#)
- [Regional Australia Impact Statements](#)
- [First Nations Impacts Framework](#).

## Are there any exemptions from scope?

Under the framework, all policy proposals must be tested against the framework's scope and IA thresholds.

However, routine indexation, administrative and machinery changes do not require an IA.

All policy proposals must be tested against the IA framework. Some proposals will be out of scope because they are non-regulatory or do not have material competition impacts. Decisions with national security or other sensitivities are not carved out of the IA framework. Where a proposal is sensitive, IA can be prepared including classified material for decision makers and subsequently redacted to be suitable for publication.

Routine indexation, administrative and machinery changes are not within the scope of the framework and do not require an IA. This includes:

- routine indexation changes that use a well-established formula
- routine administrative changes that follow a regular process that has been identified as machinery. Such changes are generally undertaken in accordance with existing legislation and can often be approved by a departmental delegate. These changes tend to involve legislative instruments, but where an Act is amended, it would tend to affect only a schedule or a clause of the legislation
- machinery changes to legislation that do not result in a new regulatory burden or other impact.

These are policy changes that are consequential to, and required as a result of, a substantive policy decision, and for which there is limited discretion available to the decision-maker.

- The [\*Regulatory Impact Analysis Guide for Ministers' Meetings and National Standard Setting Bodies\*](#) (Commonwealth–state IA framework), sets out the IA requirements for decisions taken by intergovernmental decision-making bodies.

# Step 2: Impact analysis

## General approach

**Start development of the IA early.** Considering the 7 IA questions early in the development of the policy proposal will assist in building a robust evidence base. Further detail on the 7 IA questions is also available on the [OIA website](#).

**Where a proposal is in scope and has met one or more of the IA thresholds, agencies need to prepare a Dashboard IA.** Where a Detailed IA is required to provide in-depth analysis to support policy development, agencies will still need to prepare a Dashboard IA as the executive summary.

**Estimate the regulatory burden early and accurately.** The Regulatory Burden Assessment Tool can support agencies to estimate regulatory burden early as part of considering IA threshold 1. Using the tool will also ensure estimates are consistent with the Regulatory Burden Measurement Framework. Using the tool early, at the preliminary analysis stage, can also help inform stakeholder engagement (for example, helping to identify where more information is needed about the likely time to complete compliance activities or the costs associated with delays).

**Provide a standardised regulatory burden estimate.** The [Regulatory Burden Measurement Framework](#) outlines that agencies must provide the final regulatory burden estimate as a point estimate of the average annual change in regulatory burden over 10 years (without discounting). This ensures all estimates can be included as part of the estimated annual impact on regulatory burden for Australian Government policies. Any regulatory burden estimates in addenda to the original IA (see below) will also be included in the estimated annual impact on regulatory burden.

**Use an Impact Analysis Equivalent if possible.** For a Detailed IA, agencies should consider whether a review or similar analysis can be used for an Impact Analysis Equivalent process. This approach aims to remove duplication between comprehensive review processes and Detailed IAs.

**Reach out to the OIA early.** The OIA can provide advice on the IA framework, measuring regulatory burden and potential analytical approaches. As IAs need to be published on the OIA website following policy announcement, early contact can assist with a smooth publication process. The OIA can also assist with providing guidance to agencies on the development of a Detailed IA. Agencies should contact the OIA early to notify them when undertaking a Detailed IA.

## Detailed IA: additional guidance

A Detailed IA is required:

- if the Prime Minister or the Cabinet require a Detailed IA be prepared
- where the proposals consider introducing a mandatory standard that deviates from existing international standards.

The Prime Minister or Cabinet can require a Detailed IA to be prepared at any stage of the policy development process (sometimes referred to as 'calling in' a proposal). For example, a proposal may be 'called in' for a Detailed IA via correspondence from the Prime Minister when providing authority to bring a proposal forward, or subsequently through a Cabinet decision.

For a mandatory standard deviating from an international standard, the Detailed IA must explain why deviation is necessary and demonstrate that the benefits to the community outweigh the costs of deviating (that is, that the international standard is not suitable for the Australian context).

As outlined in the [\*Best Practice Handbook on Standards and Conformance Policy\*](#), if mandatory standards are appropriate to meet a policy objective, then policymakers should use international standards where one exists unless demonstrably unsuitable for the Australian context.

Ministers may also request their agencies prepare a Detailed IA. In this case, the executive summary Dashboard IA must be published. While publication of the full Detailed IA is not a formal requirement, with the agreement of the Prime Minister or Cabinet this may also be published.

Where a Detailed IA is required or requested, use the Detailed IA template on the [OIA website](#).

## Step 3: Assess the IA

When presenting the analysis to decision makers, agencies are required to self-assess the IA.

### Statement of Sufficiency

Agencies must endorse a **Statement of Sufficiency** ahead of a key policy decision. This statement has been included in the IA templates and is also available as a stand-alone document. By endorsing this statement, the Deputy Secretary or equivalent is confirming that the IA is sufficient to inform a key decision.

Agencies can use the Self-Assessment Tool to assist with confirming that the IA addresses the 7 IA questions, including a credible estimate of regulatory burden. The Statement of Sufficiency must be endorsed by a Deputy Secretary (SES Band 3), equivalent, or higher.

The Statement of Sufficiency, including name of the senior public servant signing off on the IA's sufficiency, will be published on the OIA website alongside the final IA following policy announcement.

Details of when to provide the Statement of Sufficiency are covered below.

The Statement of Sufficiency for an Impact Analysis Equivalent should note that the review, or similar analysis, addresses the 7 IA questions, and identify any gaps in analysis that are addressed in the Dashboard IA.

### Self-Assessment Tool

The **Self-Assessment Tool** is designed to help agencies ensure each IA question has been answered in an appropriate level of detail.

The tool provides a rubric for considering each IA question and the relevant details to assess whether the IA is sufficient to inform a policy decision. The tool can assist agencies to evaluate whether the review addressed the 7 IA questions sufficiently, identify any gaps where it does not fully address the 7 IA questions, and address those gaps in the Dashboard IA.

The outcomes of the Self-Assessment Tool should be provided to the agency's senior official to review when completing the Statement of Sufficiency.

## Step 4: Policy decision

Once a proposal is assessed as requiring an IA, key decisions associated with that proposal require proportionate impact analysis to support them. This means the contents of the IA may evolve as the policy proposal is developed.

This section covers:

- decision-making
- what is a key decision
- international treaties or agreements.

### Decision-making

The Cabinet, government ministers, departmental secretaries and agency heads are included among decision-makers who, where relevant, use an IA to inform policy decisions.

Cabinet is typically the decision-maker most relevant for IAs. If the proposal comes to Cabinet (and has been assessed as in scope and meeting an IA threshold), then an IA will need to be prepared. The Prime Minister is also able to make binding decisions on behalf of the Government, for example via exchange of correspondence with the relevant Minister. IAs are also required in this context.

Ministers may also be the decision-maker for policy, for example if a decision has been delegated or is otherwise within the Minister's remit. In this case, the decision typically involves the relevant minister being provided with a brief by their agency, such as on delegated legislation. The agency's brief to the minister would include an IA (where required), and that IA would then be published after policy announcement.

Likewise, departmental secretaries, agency heads, and other senior public servants sometimes have power to make policy decisions. For example, they could make decisions regarding compliance or reporting requirements, or accreditation of agents to represent people's interests. As with Ministers, if the proposal is in scope and meets at least one IA threshold, the secretary or agency head is provided a brief, which would include the IA. The IA would then be published after policy announcement.

Decisions by National Cabinet, other Commonwealth–State ministers' meetings, and standard-setting bodies are not captured by the Australian Government Impact Analysis Framework.

## What is a key decision?

A key decision is a decision taken during policy development which is material to the policy parameters. This may include decisions which widen or narrow the scope of a policy response, change who is affected, alter the scale of the intervention, or change other core design features.

A key decision needs to be supported by an IA (where required) which addresses all the IA questions, regulatory burden estimates and all other requirements.

The IA must be produced and attached prior to the coordination final stage of the Cabinet submission. Earlier inclusion, for example at the exposure draft stage or earlier stages of decision maker consideration is ideal. Outside the Cabinet decision-making, an IA should be provided to decision-makers to inform material decisions on policy parameters.

The final decision before a policy is announced, legislation is introduced to parliament, or the policy is otherwise implemented is also a key decision. A final decision is the key decision where all core design features and/or authority to publicly announce this proposal are finalised. In practice, agencies should treat all key decisions as if they may be final. This means agencies should expect that the IA for any key decision could be published and that agencies should have formally endorsed their IA analysis at the Deputy Secretary (SES Band 3) or equivalent prior to the decision. The IA can be updated if further key decision points are made.

The IA that supports the final decision is the IA that will be published. An IA for a final decision should also have been endorsed as sufficient prior to the final decision being taken.

Agencies can seek advice from the OIA if the IA requirements are unclear at any stage of policy development.

## Step 5: Publication and reporting

Publication is a core requirement of the IA framework. This section explains when and how IA products must be published, and provides practical direction on what is published, timing, treatment of confidential or sensitive information, and the limited circumstances where minor amendments or addenda may be appropriate.

This guidance focuses on:

- what is published
- where and when publication occurs
- publishing Prime Minister exemptions
- how confidential or sensitive information should be treated
- providing additional information after final decision
- agency reporting requirements
- website accessibility and publication standards.

The OIA is available to provide advice on the publication process.

### What is published?

The IA provided to the decision-maker at the time of the final key decision is required to be published, along with the agency's Statement of Sufficiency.

Only the IA and Statement of Sufficiency used for the final, or last, key decision is published. Any IA products which occurred at any previous key decision points are not published. The published IA must be the same IA that was provided to the decision-maker, except for permitted redactions for confidentiality or sensitivity.

In most cases, the published product will be a Dashboard IA.

In the case where a Detailed IA was required to inform the policy decision (see Step 2: Impact analysis), the Detailed IA must be published following policy announcement. The executive summary of a Detailed IA should use the Dashboard IA template.

In the case that a minister requests that their agency prepare a Detailed IA for a key policy decision, the executive summary Dashboard IA must be published. While publication of the full Detailed IA is not a formal requirement, with the agreement of the Prime Minister or Cabinet this may also be published.

## When and where is it published?

The IA is published on the OIA website as soon as possible following announcement and within five working days. The IA must also be attached to any Explanatory Memorandum or Explanatory Statement.

Agencies are required to notify the OIA of relevant policy announcements. Agencies also need to notify the OIA when remaking sunseting legislative instruments that are captured by the IA framework. On a quarterly basis, agencies are also required to review and report to the OIA on the status of ongoing IAs and any outstanding IAs to be published.

The IA must be published on the [OIA website](#). Please reach out to the OIA to arrange publication via [helpdesk-oia@pmc.gov.au](mailto:helpdesk-oia@pmc.gov.au).

Agencies may also publish copies of the IA on their website or elsewhere.

Agencies are responsible for notifying the OIA of IA products which need to be published as well as when the policy has been announced. These notifications enable the OIA to arrange publication of the relevant IA on its website. Agencies should ensure that the material provided to the OIA is ready for publication at the time of notification.

Agencies are encouraged to plan ahead for publication. This includes preparing publication ready documents that meet web accessibility and Australian Government publication standards in advance and staying in touch with the OIA. Publication should occur as soon as practicable following policy announcement and within five working days.

## Publishing Prime Minister's exemptions

When a decision subject to a Prime Minister's exemption is publicly announced, agencies also need to notify the OIA that the proposal was subject to a Prime Ministerial exemption and the reason.

The Prime Minister's exemption also needs to be noted in any relevant Explanatory Memorandum or Explanatory Statement.

## How should confidential or sensitive information be treated?

Some information contained in an IA may not be able to be published or would be more appropriately published in other products. Prior to publication, agencies should remove such material from the IA provided to the OIA.

Information that agencies should remove before publication includes commercially sensitive material, information that could prejudice national security, and other information that is protected under law or established government policy. The removal of information must be limited to where necessary. Agencies should consider the interaction between any material being treated as confidential and obligations such as the *Freedom of Information Act 1982*.

To this end, there are clearly marked sections in the Dashboard IA and Detailed IA that should be removed prior to publication.

- Strategic considerations: where the analysis is intended to support decision-makers to weigh how a proposal aligns with, or detracts from, other policy objectives. The analysis may reference policies at different stages of development.
- Fiscal and revenue estimates: where publication would be inconsistent with established government conventions. Consistent with current practice, these estimates are published through Budget processes rather than through the publication of IA.

Agencies are responsible for identifying and removing confidential or sensitive material.

## Providing additional information after the final decision

After the final key decision, no substantive new material may be subsequently added to the IA. Only limited amendments are permitted to ensure the accuracy, accessibility and usability of the IA. This provides transparency over the information provided to decision-makers.

Agencies may publish an addendum to add or address material issues which are relevant to the policy decision.

**Prior to publication**, only limited amendments may be made to an IA where needed to:

- remove confidential or sensitive information
- correct typographical, formatting or factual errors, but without substantially changing the meaning or analysis in the IA
- include additional relevant information that does not materially alter the substance of the analysis (for example, additional information on future reviews of the policy)

- updates to the impacts to reflect minor modifications to the policy proposal made by the decision-maker(s).

**After publication**, minor typographical, formatting or factual errors may be corrected where they do not alter the substance of the IA. This includes, for example, formatting issues, broken links, meeting accessibility requirements, or other minor inaccuracies. Any such corrections should be limited to ensuring accuracy, accessibility and usability, and should not involve changes to the content, conclusions or balance of the analysis that informed the final decision.

Where errors are corrected after publication, this will be noted on the OIA website.

## Addenda

Agencies may decide that a separate addendum needs to be published in addition to the IA to provide additional information or analysis.

Material covered in addenda must be substantively similar to the content of the original IA. An addendum may be appropriate, for example, where reliable estimates of the impacts could not be developed at the time of decision (for example, where a policy is implemented in stages and early implementation is required before certain impacts can be assessed). Where the addendum would materially change the proposal, a new IA must be prepared.

Where an addendum is published, it should clearly supplement and provide additional context to, rather than revise, the original IA. The original published Dashboard IA or Detailed IA must be retained unedited on the OIA website.

Agencies are responsible for ensuring that any addendum is within the limited scope of providing additional information or analysis.

The OIA can support agencies to consider whether an addendum is needed and, if so, what information could be included. The OIA will also facilitate publication on the OIA website.

## Agency reporting requirements

Agencies should retain a copy of the IA and Statement of Sufficiency and provide it to the OIA for publication following the policy announcement.

In addition to notifying the OIA of relevant policy announcements, on a quarterly basis, agencies are also required to review and report to the OIA on the status of ongoing IAs and any outstanding IAs to be published. Agencies also need to notify the OIA when remaking sunseting legislative instruments that are captured by the IA framework.

In addition, agencies should as good practice:

- retain a copy of the final estimation of the regulatory burden workbook and share the workbook with the OIA
- retain any supporting material provided to decision-makers including tools or workbooks used to estimate costs and benefits, analysis, stakeholder engagement and other evidence.

The OIA will reach out to agencies every quarter to confirm whether any announcements were made that require an IA to be published and to access copies of the regulatory burden calculations (if not already provided).

## Web accessibility and publication standards

IAs and Statements of Sufficiency provided to the OIA for publication must:

- conform to the latest version of the [Web Content Accessibility Guidelines \(WCAG\)](#), as endorsed for use across Australian Government websites
- comply with the [Australian Government Style Manual](#)
- meet the Australian Government's web accessibility requirements, as outlined under the Australian Government's [Digital Service Standard](#).

Agencies are responsible for ensuring that IA documents are accessibility compliant before they are provided to the OIA. This includes ensuring that documents are suitable for online publication and can be accessed by a broad range of users, including those using assistive technologies.

For IAs, any PDF documents must be published in at least one alternative format, such as rich-text format. Agencies also need to ensure all charts and tables meet accessibility requirements.

Agencies should also ensure that documents provided for publication are final, complete and compliant with accessibility requirements, including that confidential or sensitive material has been appropriately removed.

The OIA will include a note on its website if the agency has not provided web accessible documents, until accessible versions are provided.

# Special cases – additional guidance

The following special cases require specific requirements which agencies need to be aware of:

- sunsetting legislative instruments
- international treaties and agreements
- evaluation.

## Sunsetting legislative instruments

Where proposing to remake a sunsetting legislative instrument, agencies need to assess the instrument against the IA scope and IA threshold, if required, prepare and publish a Dashboard IA.

Agencies must notify the OIA where sunsetting legislative instruments are being remade and require a Dashboard IA, and when the Dashboard and Statement of Sufficiency can be published.

Under the sunsetting provisions in the *Legislation Act 2003*, instruments that are not exempted will be automatically repealed (sunset) after 10 years, unless action is taken to preserve them.

For this reason, the impact of remaking a sunsetting instrument is assessed relative to the status quo of there being no instrument in place (that is, the instrument sunsetting).

- Where sunsetting legislative instruments are allowed to sunset, there is no IA requirement.
- Where sunsetting instruments are remade 'as is' or with amendments, agencies must assess the remaking of the instrument against the IA framework relative to no instrument being in place (that is, the status quo).
  - Like any other new proposal, remaking instruments do not require an IA if they are not captured by the IA framework (that is, not in scope and do not meet at least one IA threshold).
  - Remaking instruments, including those with amendments, that are in scope and meet at least one IA threshold require a Dashboard IA to inform the decision to remake the instrument, and to be published along with the Statement of Sufficiency.

The Dashboard IA for remaking of sunsetting legislative instruments should provide:

- proportionate analysis of the costs and benefits relative to the status quo of there being no instrument in place (that is, the instrument sunsetting). This analysis may draw on:
  - previous analysis in any IA developed to support the original policy decision
  - engagement with the regulated community and relevant stakeholders.

- a regulatory burden estimate of the change in regulatory burden relative to the status quo of there being no instrument in place (that is, the instrument sunseting). Any change in regulatory burden for remaking a legislative instrument is not included in the Estimated Annual Impact on Regulatory Burden.

## International treaties and agreements

Where an international treaty or agreement (including free trade agreements, international economic partnership or cooperation agreements, or global standard setting or economic cooperation through organisations such as the International Monetary Fund or International Maritime Organization) is considering policy proposals that are in scope of the framework and meets at least one IA threshold, the decision on the negotiation mandate needs to be supported by a draft IA. The IA needs to be revised and finalised to support the decision to agree to the final negotiated treaty or agreement.

**Mandate to negotiate.** A draft IA must accompany a request to approve the formal commencement of international treaty or agreement negotiations. The draft IA should provide initial analysis of the likely impacts of the relevant policy proposals that require an IA in the prospective agreement and be proportionate to the stage of policy development.

**Government Agreement (following conclusion of negotiations).** After the final text of a treaty or agreement is settled by negotiators, the IA should be revised to assess the impacts of the relevant policy proposals in the final text. The finalised IA should be provided to support decision-maker(s) to consider the policy proposals in the proposed treaty or agreement (decision makers will be Ministers and the Federal Executive Council). The final IA must also be included with the treaty text and National Interest Analysis or Explanatory Statement when it's being considered by Parliament's Joint Standing Committee on Treaties.[1] The IA also needs to be published on the OIA website.

**Implementation of the international treaty or agreement.** Where an IA has been prepared for a treaty or agreement, there is no further IA required to inform domestic legislation (but the earlier IA should be attached to any relevant Explanatory Memorandum or Explanatory Statement) and reforms to implement measures in the treaty or agreement. However, an additional IA may be required where there is a choice between different options in how the relevant policies in the treaty or agreement are implemented.

# Evaluation

Agencies are expected to plan for evaluation of policies as part of the impact analysis process. IA Framework question 7 asks “How will the policy be monitored and evaluated?”

**For a Dashboard IA**, the IA provided to decision-makers (and then published following the policy announcement) should identify if an evaluation is planned, the timing and type of evaluation.

**For a Detailed IA**, the IA should consider if a formal evaluation should be undertaken. Where a formal evaluation will not be undertaken, the IA should include a clear monitoring plan to ensure successful implementation. Where a formal evaluation will be undertaken, the IA should include a draft evaluation plan that is proportionate to the impacts of the proposal, including the measures that will be monitored and indicative timing for evaluation delivery.

Agencies are expected to implement the evaluation plan at the appropriate time including:

- finalising the monitoring and evaluation plan where required
- collecting relevant data
- completing the evaluation by the proposed timeframe.

Agencies should refer to the Australian Treasury’s Australian Centre for Evaluation (ACE) resources for further detail — particularly the Commonwealth Evaluation Policy, templates, and practical tools (including the evaluation plan tool) available at [the Australia Centre for Evaluation](#).

# Glossary

**Addendum:** Additional analysis published alongside an Impact Analysis (IA) that provides relevant information not available when the IA was finalised ahead of the policy decision. Addenda can be completed at the discretion of the agency.

**Agency:** A Commonwealth department, entity or body that is responsible for developing, advising on, or implementing a policy proposal, and for meeting the requirements of the framework in relation to policy proposals.

**Cohort:** A group of people, businesses, communities or community organisations sharing common characteristics or shared experiences.

**Competition impacts:** Occur where a policy changes barriers to set-up (grow, or exit) for businesses, organisations or workers, alters ability or incentives for businesses to compete (such as, through pricing, marketing, or product requirements, or changes incentives to innovate or improve quality), and/or changes to the choices, information, goods or services available to consumers.

**Dashboard IA:** An IA used to inform decision-makers at key decision points, providing a concise and easily accessible assessment of a proposal addressing the 7 IA questions — including the cost, benefits and regulatory burden for policy options.

**Detailed IA:** An IA used to inform decision-makers at key decision points that provides in-depth analysis across the 7 IA questions. A Detailed IA is required only when called in by the Prime Minister or Cabinet, or where a policy proposal is considering introducing a mandatory standard that deviates from existing International Standards.

**Economic and social impacts:** Economic impacts are the positive/negative effects of a policy on the welfare of Australians. This can include, for example, improvements in education, health or environmental outcomes. These may also include cost savings and efficiencies (for example, lower energy or water use), productivity gains (time saved, innovation, improved efficiency or technology), growth in employment and output or purchasing power, and improvements in service quality.

**Impact Analysis Equivalent:** Where a Detailed IA has been required, an Impact Analysis Equivalent refers to a process where agencies may certify an existing published (or to be published) review or similar analysis has undertaken an equivalent process to that required by the IA framework and has substantially addressed the 7 IA questions. Agencies need to summarise the analysis and findings in a Dashboard IA. Where a review or similar analysis does not fully address the 7 IA questions, agencies should undertake proportionate supplementary analysis to address any gaps in the Dashboard IA, including providing a regulatory burden estimate.

**IA threshold:** A criterion used to determine whether an in-scope policy proposal is expected to have moderate or major impacts and therefore requires an IA to support a policy decision.

**International Standards:** Voluntary standards developed by international, multilateral and consensus-based standards organisations that follow the World Trade Organization (WTO) Technical Barriers to Trade (TBT) principles for the development of International Standards, Guides and Recommendations. See [Best Practice Handbook on Standard and Conformance Policy](#).

**In scope:** A proposal is in scope of the IA framework if it is a regulatory policy proposal or has material competition impacts. Proposals must also be assessed against the IA thresholds to determine whether an IA is required.

**Key policy decision:** A decision taken during policy development that is material to selection of policy parameters or the design of key elements of the policy. The final decision before a policy is announced, legislation is introduced to parliament, or the policy is otherwise implemented is also a key decision.

**Preliminary analysis:** Preliminary analysis refers to the initial assessment of whether a proposal is in scope and meets (or exceeds) at least one of the 3 IA thresholds.

**Quasi-regulation:** Any rule or requirement that is not established by a legislative process, but which can influence the behaviour of people, businesses or community organisations. Examples include industry codes of practice, guidance notes, industry–government agreements (co-regulation) and accreditation schemes.

**Regulatory burden:** The change in compliance (including administrative and substantive compliance costs) and delay costs imposed by a policy change on people, businesses, and community organisations. Regulatory Burden includes, for example, administrative tasks, reporting, record-keeping and any substantive requirements imposed by regulation. Regulatory burden should be estimated based on guidance in the [Regulatory Burden Measurement Framework](#).

**Regulatory policy proposal:** Regulatory policy proposals are any proposals to establish or reform government rules that set requirements. This includes quasi-regulation.

**Status quo:** The status quo is a policy option in which all current policy settings remain as they are for the period of analysis. IAs must analyse the impacts of a proposal relative to the status quo.