



Australian Government

Department of the Prime Minister and Cabinet Office of Best Practice Regulation

Reference: 16169
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Martin Hoffman
Deputy Secretary
Department of Industry

Dear Mr Hoffman

Single-Stage Regulation Impact Statement – Streamlining Environmental Offshore Approvals

Thank you for forwarding the single-stage Regulation Impact Statement (RIS) for the above proposal for final assessment on 23 January 2014. I note that you have formally certified the single-stage RIS as required by the best practice regulation requirements.

The OBPR assesses single-stage RISs for consistency and adequacy – consistency relate to following the prescribed process and adequacy relates to the quality of the analysis. I note our comments of 10 January 2014 on the initial draft have been appropriately addressed, as you confirmed in your letter certifying the final version of the RIS.

I note the agency has been consistent with the RIS guidelines, having twice provided a certified single-stage RIS (addressing all seven elements) to the OBPR for the two-pass assessment before the decision-maker considers the RIS.

I note that the single-stage RIS is adequate as it does not contain obvious errors and has a degree of detail and depth of analysis that is commensurate with the magnitude of the problem and the size of the potential impact of the proposal – the Office of Best Practice Regulation (OBPR) considers that the RIS is a category C RIS, reflecting that the issue is of medium significance in the broader economy with no material competition impacts.

I note that the regulatory costs and cost offsets have been agreed with the OBPR.

I note the problem outlined in the RIS relates to the duplication of regulatory approvals for offshore petroleum projects, and that the Government's objectives are to remove this duplication. I also note that the proposal is an election commitment, so no alternative options to that commitment are considered.

I note that relatively few businesses will be affected by the proposal, but it will affect very large projects by major companies, with the main benefit resulting from reduced delay times in the approval process.

The RIS advises that companies involved in offshore petroleum exploration and development mainly supported the proposal, while environmental groups generally rejected the proposal. I note that the RIS claims that the removal of duplication will lead to economic benefits but with very marginal environmental consequences.

I note that as no decision has been previously announced an options-stage RIS was not required, and that this was flagged in the RIS.

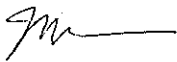
The Government's *Best Practice Regulation Handbook* (June 2013), at paragraph 6.4, requires that for legislation which is tabled in the Parliament, a copy of the single-stage RIS must be included in the explanatory memorandum (for primary legislation) or the explanatory statement (for legislative instruments). Please ensure that your officers provide the OBPR with a copy of (or link to) the explanatory memorandum or explanatory statement when these are made public.

Additionally, the Office of Best Practice Regulation (OBPR) maintains a RIS website and the Government requires that single-stage RISs be posted within 5 business days of a regulatory decision being publicly announced. We would appreciate you advising us when a decision on this proposal is announced, and forwarding a final copy of the single-stage RIS in *Microsoft Word .doc* format in a form meeting the Australian Government's *Web Content Accessibility Guidelines*. We suggest liaising with your web services team to ensure these guidelines are met. The OBPR should be consulted if the single-stage RIS is amended. It is the agency preparing the RIS, not the OBPR, which is responsible for the content of the published single-stage RIS.

The website provides a public comment facility on RISs posted on the site. The OBPR moderates this facility for offensive content but does not moderate debate.

Please retain this letter as a record of the OBPR's advice. Our reference number for this issue is 16169. If you have any further queries, please do not hesitate to contact me.

Yours sincerely



Jason McNamara
Executive Director
Office of Best Practice Regulation
24 January 2014