

Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry, Innovation and Science Portfolio
2015-16 Supplementary Budget Estimates Hearing
22 October 2015

DEPARTMENT: DEPARTMENT OF INDUSTRY, INNOVATION AND SCIENCE

TOPIC: Assessment Process

REFERENCE: Written Question – Senator Xenophon

QUESTION No.: SI-77

How is the NOPSEMA Board appointed and by whom?

ANSWER

The National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA) Board is an advisory board which provides advice and makes recommendations on policy or strategic matters relating to occupational health and safety and environmental management in the offshore petroleum regime. Advice and recommendations are provided to the NOPSEMA Chief Executive Officer, to the Commonwealth Minister for Resources, Energy and Northern Australia, to the relevant State and Northern Territory governments' Energy and Resources Ministers, and to the Council of Australian Governments' Energy Council. The NOPSEMA Board has no governance responsibilities.

Under Section 656 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (OPGG Act), the Commonwealth Minister for Resources, Energy and Northern Australia is responsible for appointing NOPSEMA Board members. Prior to appointment by the Minister, prospective Board members must be selected by the COAG Energy Council. As appointments to the NOPSEMA Board are considered significant Government appointments, the Minister must seek the Prime Minister's and/or Cabinet's agreement before appointing.

The NOPSEMA Board consists of a Chair and at least five, and not more than seven, other members, appointed on a part-time basis for a period of not more than three years. Given NOPSEMA's regulatory responsibilities, members are appointed based on their expertise, abilities and experience rather than on a representational basis, and are evaluated against a skills matrix. As a group, the Board needs to be able to draw upon the following mix of competencies:

- executive/senior leadership experience in the offshore petroleum industry
- knowledge of legislation, regulatory regimes and the operations of regulatory organisations
- broad knowledge of maritime issues relating to the petroleum industry
- an understanding of the safety case approach in regulating major hazard industries
- an understanding of environmental impact assessment and associated regulatory approaches
- an understanding of current best practice and leading research on causes and prevention of major safety and environmental incidents;
- an understanding of international regulatory practices and trends regarding safety and environmental management
- strong communication and stakeholder engagement capacities