

FSANZ Board Risk Appetite Statement

Introduction

The FSANZ Board Risk Appetite Statement sets the amount of risk the Board is willing to accept or retain in order to achieve agency objectives. It summarises the Board's appetite for risk across a range of agency activities which underpin achievement of our goals and strategic outcomes, support delivery of Portfolio Budget Statement performance outcomes and ensure compliance with statutory requirements for efficient and effective public governance. The Risk Appetite Statement is dynamic and will be reviewed on an annual basis.

Our Goals

FSANZ was established to help achieve a high standard of public health protection throughout Australia and New Zealand through the following goals:

- a high degree of consumer confidence in the quality and safety of food that is produced, processed or sold in, or imported into or exported from, Australia and New Zealand,
- an effective, transparent and accountable regulatory framework in which industry can work efficiently,
- the provision of adequate information relating to food to enable consumers to make informed choices, and
- the establishment of common rules for both countries and the promotion of consistency between domestic and international food regulatory measures without reducing the safeguards that apply to public health and consumer protection.

Our Strategic Outcomes

The FSANZ Board has set three key strategic outcomes for the agency:

- An independent and trusted leader
- Deeply engaged with stakeholders
- Stewardship of bi-national food standards in a robust and agile food regulatory system






Statement of Risk Appetite






The FSANZ Board has established a **low to moderate risk appetite** for the majority of risks associated with identified agency activities at **Attachment 1**. The Board has a **very low appetite for risk** associated with Commercial Confidential Information. The Board has **medium to high appetite** for risk associated with achieving positive Health, safety and wellbeing, Organisation and culture, and Innovation outcomes.

Attachment 1 details the risk tolerance level and appetite for each identified agency activity.

FSANZ’s Risk Tolerance and Appetite

The table below presents risk tolerance level and risk appetite determined by the FSANZ Board for a range of agency activities. Together these set the amount of risk the Board is willing to accept or retain in order to achieve agency objectives and support decision making..

Agency Activity	Relative Level of Risk Tolerance Lowest Highest	Risk Appetite
Overall strategy		<p>In order to achieve its strategic outcomes, FSANZ must be willing to take and accept risk. We have a moderate risk appetite in the pursuit of our strategies.</p>
		<p>We have a low risk appetite to accept risks which have no alignment with our strategies or have the potential to damage FSANZ’s reputation.</p>
Shared food-related public health and safety responsibilities		<p>Food-related public health and safety is a shared responsibility of the Australian, New Zealand and state and territory governments, industry and consumers. FSANZ is responsible for developing food regulatory measures, for providing information and scientific assessments and for coordinating regulatory activities in consultation with, or at the request of, Australian jurisdictions or New Zealand.</p> <p>In the context of the shared responsibility for food-related public health and safety, we have a low risk appetite.</p>
Financial		<p>FSANZ needs to remain financially sustainable to continue to serve its purpose. FSANZ has a low risk appetite for any activities that could materially damage our financial position.</p>
		<p>We also have a low risk appetite for any activity which may result in a lack of appropriate resources to achieve our roles as set out in the FSANZ Act.</p>

Agency Activity	Relative Level of Risk Tolerance Lowest Highest	Risk Appetite
Delivery of services and capabilities		FSANZ has a low risk appetite for business interruptions at critical periods of operations impacting staff.
		The ability to support operations on a day-to-day basis is important. FSANZ has a moderate risk appetite for change to ensure that it has the right resources, capabilities and organisational structure to optimise performance into the future.
		FSANZ will seek to ensure transparent and clear communication to ensure key stakeholders and the community are well informed. FSANZ has rich data sources that are fostered by open channels of communication, allowing the highest level of information to be conveyed effectively to stakeholders. We have a low risk appetite for activities that will compromise the reputation of the agency.
Health, safety and wellbeing		Whilst FSANZ strives for zero risk in relation to the workplace health and safety of its staff, we have a low risk appetite to accept risk in this area.
		A strong culture of health and safety awareness and risk management is expected of all staff and the Board. This includes identifying and managing health and safety risks to the best extent possible. FSANZ has a moderate to high risk appetite for introducing processes which enhance the wellbeing of staff in the agency.

Agency Activity	Relative Level of Risk Tolerance Lowest Highest	Risk Appetite
<p>Governance and compliance</p>		<p>FSANZ seeks to comply with relevant statutory requirements. We achieve this through strong governance and management which shapes the organisation's culture for compliance, ethical conduct and living our values.</p> <p>FSANZ has robust processes and procedures in place to protect confidential information, including Confidential Commercial Information (CCI). Where FSANZ agrees that material is confidential information, it has zero tolerance and no appetite for risk.</p> <p>Whilst FSANZ strives for zero risk in relation to misconduct, fraud, harassment or discrimination and non-compliance behaviour that undermines our reputation, we have a low risk appetite to accept risk in these areas.</p>
<p>Organisation and Culture</p>		<p>FSANZ relies on motivated, diverse and high-quality staff to perform its functions. It aims to create an environment where staff are empowered.</p> <p>FSANZ staff are expected to conduct themselves with a high degree of integrity, respect and excellence in the work they perform and the outcomes they achieve. We have a low risk appetite for behaviours which do not meet these standards. FSANZ takes any breaches of the APS Code of Conduct very seriously.</p> <p>FSANZ has a moderate to high risk appetite for introducing processes which enhance the culture of the agency.</p>
<p>Innovation</p>		<p>FSANZ embraces innovation and continuous improvement of its staff and processes. Innovation and growth are central to attracting staff and maintaining our reputation as a leader in regulatory science and the development of standards.</p> <p>We have a moderate to high risk appetite for innovation and the value it will bring to FSANZ as well as our stakeholders.</p> <p>We have a low risk appetite for activities that deter the pursuit of innovation and growth.</p>