

# Risk Appetite Statement

March 2026

## Introduction

The Food Standards Australia New Zealand (FSANZ) Board recognises that identifying and managing risk is integral to delivering high-quality, evidence-based food standards and information. The Board is committed to continual improvement through embedding risk management into governance, strategic planning, operational delivery and decision-making.

The Risk Appetite Statement communicates the Board’s appetite for risk across a range of agency activities which underpin achievement of our goals<sup>1</sup> and strategic objectives<sup>2</sup>, support delivery of Portfolio Budget Statement performance outcomes and ensure compliance with statutory requirements for efficient and effective public governance. The Statement will be used to guide decision making, enhance communication and support compliance. The Statement is dynamic, reviewed annually, sets the tone for risk taking and informs the development of risk tolerances for FSANZ.

## Overall Statement of Risk Appetite

The FSANZ Board takes a careful and cautious approach to risk and generally operates within a low to moderate risk appetite. The Board supports sensible innovation and improvement when benefits outweigh risks and is averse to risk that jeopardises safety, compliance or ethical standards.

Our full risk appetite and tolerance statements across categories of risk are at Attachment A.

## Terminology

Risk appetite: the level and type of risk the Board is willing to accept or retain to achieve its objectives

Risk tolerance: the acceptable deviation from the organisation’s risk appetite.

## Risk Tolerances

The FSANZ Board has determined tolerance levels for each risk category, representing the practical application of risk appetite. FSANZ operates within tolerance levels noting variance between appetite and tolerance occurs. Risks operating outside tolerance levels are unacceptable and require prompt corrective action or escalation.

Guidance on interpreting tolerance levels is provided below.

Level	Details	Control summary
As Low As Reasonably Practicable (ALARP)	Absolute minimum level of risk is accepted, to enable the agency to meet statutory requirements and legislated obligations.	Strict rules, mandatory procedures, strong preventative controls, continuous compliance checks, immediate escalation and enforcement.
Low	Very small risk allowed and accepted only if impact is minimal.	Clear guidance, routine checks to catch small issues, quick corrective actions.
Moderate	Some risk allowed if it supports improvement or efficiency and does not undermine statutory duties.	Principle-based guidance, flexible rules, regular monitoring adjustments and improvements when needed.
Significant	Larger impacts can be absorbed if aligned to strategic objectives or inherent risk.	Higher flexibility with targeted oversight and risk-based adjustments.
High	Wide latitude for impacts where risk taking supports innovation and strategic growth.	Light guidance, freedom to experiment, learning through review and adaption.

<sup>1</sup> Section 3 of the [Food Standards Australia New Zealand Act 1991](#)

<sup>2</sup> See [FSANZ Corporate Plan 2025-26](#)

## Attachment A – FSANZ Risk Appetite and Tolerance

Category	Subcategory	Risk Appetite Statements	Relative Level of Risk Tolerance			
			Low	Mod	Sig	High
<b>Strategy and influence</b>	Strategic alignment	<p>FSANZ confirms and sets its strategic direction annually through statutory and business planning aligned to FSANZ Act objectives and Food Regulation System outcomes and priorities. We are committed to maintaining a high degree of public and industry trust in food safety by setting clear objectives, effectively delivering our essential functions and demonstrating excellence in public administration.</p> <p>FSANZ has <b>low risk appetite</b> for undertaking activities not aligned with its core objectives.</p>	Moderate 			
	Strategic influence	<p>FSANZ's strategic influence is dependent on its reputation as an independent, science-led agency that delivers trusted, evidence-based food standards and advice. Maintaining influence ensures we can deliver on our remit, support public health outcomes and contribute to a trusted Trans-Tasman Food Regulation System.</p> <p>FSANZ has <b>low risk appetite</b> for undertaking activities compromising our influence within the Food Regulation System.</p>	Moderate 			
<b>Public health and safety</b>	Public health and safety	<p>Food-related public health and safety is a shared responsibility of the Australian, New Zealand, state, territory and local governments, industry and consumers. Our work contributes to reducing foodborne risks, promoting safe food practices and supporting evidence-based regulatory decisions that safeguard the health of the community.</p> <p>FSANZ is averse to, and has <b>zero risk appetite</b>, for high-risk issues in areas within its legislated responsibilities that may result in serious public safety or harm, illness or death. FSANZ has <b>low risk appetite</b> for undertaking activities that may compromise public health and safety</p>	ALARP for high-risk issues Low for other 			
	Regulatory response and risk communication	<p>FSANZ is responsible for developing food regulatory measures, providing food standards and labelling information and coordinating regulatory activities with Australian and New Zealand jurisdictions.</p> <p>FSANZ has <b>low risk appetite</b> for activities that may compromise our ability to fulfill our regulatory responsibilities, communicate risks and provide advice to our stakeholders.</p>	Low 			
<b>Legal and regulatory</b>	Compliance with legislative obligations	<p>FSANZ complies with relevant statutory requirements. We achieve this through strong governance, strategic planning and operational management which in turn shapes the organisation's culture of compliance and ethical conduct.</p> <p>FSANZ is averse to, and has <b>zero risk appetite</b> for, any failure to comply with our legislative, regulatory or statutory obligations.</p>	ALARP 			
<b>Scientific integrity</b>	Accuracy and validity of scientific data	<p>Regulatory science underpins our evidence base and risk assessment conclusions. All scientific advice, research and reporting must uphold the highest standards of accuracy, objectivity and ethical conduct.</p> <p>FSANZ is averse to, and has <b>zero risk appetite</b> for, activities that compromise the accuracy and validity of our scientific data.</p>	ALARP 			

Category	Subcategory	Risk Appetite Statements	Relative Level of Risk Tolerance			
			Low	Mod	Sig	High
	Scientific methods and protocols	<p>Scientific methods and protocols support the integrity and quality of FSANZ's scientific assessments and ensure decisions are grounded in sound, defensible evidence.</p> <p>FSANZ has <b>low risk appetite</b> for risk that compromise the integrity, accuracy or consistency of our scientific methods and protocols.</p>	<p>Moderate</p>			
<b>Health, safety and wellbeing of staff</b>	WHS (including psychosocial)	<p>FSANZ prioritises the health and safety of staff. We foster a strong culture of health and safety awareness and risk management, including identifying and managing risks to the greatest extent possible. As an APS workplace of choice, FSANZ maintains processes to support and enhance staff wellbeing.</p> <p>FSANZ is averse to, and has <b>zero risk appetite</b> for, any conduct, conditions or organisational practices that create or contribute to major WHS and psychological harm in the workplace. FSANZ has <b>low risk appetite</b> for risks exposing our staff to WHS and psychosocial risks.</p>	<p>ALARP for major risks</p> <p>Low for other</p>			
<b>People and conduct/ integrity</b>	Confidentiality and information handling	<p>Confidentiality and information handling safeguard the integrity of FSANZ's scientific and regulatory processes by ensuring sensitive information is protected, used appropriately, and shared only when authorised. Effective management of conflicts of interest is essential to maintaining transparency, impartiality and trust in our decisions.</p> <p>FSANZ is averse to, and has <b>zero risk appetite</b> for, breach of privacy and Confidential Commercial Information disclosure, and for undisclosed and unmanaged conflicts of interest.</p>	<p>ALARP</p>			
	Misconduct (Code of Conduct)	<p>FSANZ adheres to APS values and takes any breaches of the APS Code of Conduct very seriously. We comply with relevant statutory requirements for preventing fraud, harassment and discrimination through strong governance, strategic planning and operational management which in turn shapes our culture of compliance and ethical conduct.</p> <p>FSANZ is averse to, and has <b>zero risk appetite</b> for, fraud, harassment, bullying and discrimination.</p>	<p>ALARP</p>			
	Staff capabilities and resourcing	<p>FSANZ ensures it has the right people in the right roles and sufficient resources to meet organisational objectives. Effective workforce management, workload allocation and performance oversight enable the delivery of safe, evidence-based and timely regulatory outcomes.</p> <p>FSANZ has <b>low risk appetite</b> for activities that may compromise capabilities and resourcing.</p>	<p>Moderate</p>			
	Workplace culture	<p>Workplace culture defines the shared values, behaviour and norms within our agency, shaping how staff interact, make decisions and uphold ethical, inclusive and safe practices.</p> <p>FSANZ has <b>low risk appetite</b> for activities that may undermine a positive, ethical and inclusive workplace culture.</p>	<p>Low</p>			
<b>Financial security</b>	Financial position, reporting and procurement	<p>FSANZ needs to remain financially sustainable and adequately resourced to continue to serve its purpose. Our reporting provides reliable and timely information on financial performance and position, supporting accountability, informed decision-making and compliance with legislative requirements.</p> <p>FSANZ has <b>low risk appetite</b> for activities that may compromise our financial position, and for activities that may impact our financial controls, reporting and procurement.</p>	<p>Low</p>			

Category	Subcategory	Risk Appetite Statements	Relative Level of Risk Tolerance			
			Low	Mod	Sig	High
<b>Stakeholder engagement and reputation</b>	Engagement quality and relationship management	<p>FSANZ must work collaboratively with domestic and international stakeholders to support trans-Tasman food safety, identify opportunities and challenges and maintain our reputation. Engagement quality underpins FSANZ's credibility and influence by ensuring interactions are clear, consistent and responsive, fostering collaboration and stakeholder confidence.</p> <p>FSANZ has <b>low risk appetite</b> for activities that may compromise engagement and relationships with our stakeholders.</p>	Moderate			
	Reputation and public trust	<p>Reputation and public trust underpin FSANZ's ability to lead, influence and deliver its objectives. A strong reputation fosters stakeholder confidence, supports compliance and enhances the credibility of scientific and regulatory advice.</p> <p>FSANZ has <b>low risk appetite</b> for activities that may compromise our reputation and impact public trust.</p>	Low			
<b>Business resourcing and operations</b>	Governance	<p>Governance supports FSANZ's ability to deliver its functions by providing clear leadership, robust oversight and effective systems for accountability, risk management and compliance with legislative and policy requirements.</p> <p>FSANZ has <b>low risk appetite</b> for undertaking activities compromising effective governance.</p>	Low			
	Business continuity and service delivery	<p>FSANZ's ability to support operations on a day-to-day basis without disruption is critical to delivering agency objectives and activities. FSANZ must ensure interruptions impacting staff at critical periods are avoided and dealt with quickly if they occur.</p> <p>FSANZ has <b>low risk appetite</b> for activities that may compromise business continuity and service delivery, such as interruptions at critical periods of operations, impacting staff.</p>	Low			
	Systems, infrastructure, and process reliability	<p>FSANZ embraces continuous improvement of its processes, infrastructure and technology to enable efficient service delivery, accurate information flow and resilient operations.</p> <p>FSANZ has <b>low risk appetite</b> for activities that may compromise our systems and infrastructure and reliability of our processes.</p>	Moderate			
	Management of data and information	<p>Management of data and information underpins the quality and integrity of FSANZ's scientific and regulatory work by ensuring information is accurate, well-governed, securely handled and available to support evidence-based decisions.</p> <p>FSANZ has <b>low risk appetite</b> for activities that may compromise our management of data and information.</p>	Low			
Innovation	<p>Innovation supports our ability to modernise scientific, regulatory and organisational processes by encouraging new approaches that strengthen effectiveness, improve service delivery and create long term public value. Innovation and growth are essential to attract staff and maintain our reputation.</p> <p>FSANZ has a <b>moderate risk appetite</b> for innovation, recognising the value it can bring to FSANZ and its stakeholders.</p>	Significant				