



**THE HON RICHARD MARLES MP  
DEPUTY PRIME MINISTER  
MINISTER FOR DEFENCE**

Ref No: MS25-001328

Mr Michael Drake  
Director-General  
Australian Naval Nuclear Power Safety Regulator  
PO Box 7925  
CANBERRA BC ACT 2610

Dear Mr Drake

Congratulations on your recent appointment as the Director-General of the Australian Naval Nuclear Power Safety Regulator (ANNPSR). I am writing to acknowledge the important work of the ANNPSR in regulating activities associated with naval nuclear power within the Nuclear-Powered Submarine Enterprise, and to provide you with my strategic direction and expectations in the form of the attached Ministerial Statement of Expectations (MSoE).

I expect the ANNPSR to execute its powers and functions taking account of the matters set out in the MSoE. I would appreciate a response in the form of your Statement of Intent within three months.

To maintain and ensure transparency and accountability, the MSoE and your Statement of Intent should be made publicly available on the ANNPSR website in due course and integrated into your entity's corporate plans and annual reports.

Thank you for your assistance in this matter.

Yours sincerely

RICHARD MARLES

28/1/26

Encl: Australian Naval Nuclear Power Safety Regulator Ministerial Statement of Expectations 2025



## COMMONWEALTH OF AUSTRALIA

### AUSTRALIAN NAVAL NUCLEAR POWER SAFETY REGULATOR MINISTERIAL STATEMENT OF EXPECTATIONS 2025

As the responsible Commonwealth Minister for the Australian Naval Nuclear Power Safety Regulator (ANNPSR) under the *Australian Naval Nuclear Power Safety Act 2024* (ANNPS Act), this statement sets out my expectations for the management and performance of the ANNPSR. This capability remains a priority in line with the National Defence Strategy.

#### Overview

Australia's acquisition of conventionally-armed, nuclear-powered submarines will be integral to the integrated, focused Australian Defence Force, capable of defending Australia and its national interests.

A commitment to nuclear safety to protect Australia's people and the environment is at the centre of this endeavour.

As an independent, specialised and dedicated regulator with functions and powers to regulate activities associated with naval nuclear propulsion across the Nuclear-Powered Submarine Enterprise, including to licence, monitor and enforce in accordance with the ANNPS Act and Regulations, your functions are central to assuring nuclear safety.

As a statutory body, the ANNPSR is accountable to the Parliament and ultimately the public. Accordingly, I expect the ANNPSR to exercise its functions and powers in good faith, taking into account the matters below.

#### Regulatory Framework

The ANNPSR is required to perform its functions in accordance with the ANNPS Act, and associated subordinate legislation, the *Public Governance, Performance and Accountability Act 2013* (the PGPA Act), the *Public Service Act 1999* and other relevant legislation.

I expect the ANNPSR to competently carry out the regulatory functions as laid down in the ANNPS Act. In addition, I expect the ANNPSR to uphold the objects of the ANNPS Act and support the regulated community to do the same. It is the responsibility of the ANNPSR to assure the Australian public that all activities associated with naval nuclear propulsion are conducted with the paramount consideration of nuclear safety.



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### **Regulatory Role and Responsibilities**

The ANNPSR is responsible for regulating naval nuclear propulsion activities in relation to AUKUS submarines, promoting confidence and trust in the nuclear safety and radiation protection of people and the environment, supporting the AUKUS partnership and in so doing promoting the defence and interests of Australia.

I expect the ANNPSR will work closely with existing Australian safety regulators, particularly the Australian Radiation Protection and Nuclear Safety Agency, the Australian Safeguards and Non-Proliferation Office, the Australian Naval Seaworthiness Regulator and the regulated community to protect the safety of our Royal Australian Navy people, defence industry, Australian communities, and the environment.

### **Regulatory Approach**

The ANNPSR regulatory approach will be dependent on the complexity of the activity being regulated. Where appropriate, the ANNPSR may adopt a rules-based approach, prescribing specific rules and processes that must be followed, such as in areas requiring specific standards, or where clarity and certainty are crucial. Similarly, when appropriate, the ANNPSR may employ a principles-based regulatory approach, setting goals for expected outcomes and focusing on desired outcomes and allowing further flexibility in how outcomes are achieved. Regardless of approach, I expect that the ANNPSR will proactively execute its regulatory functions, keeping nuclear safety at the core of all decisions.

I expect the ANNPSR to actively monitor, identify and address regulatory gaps and keep the Australian Government advised about general naval nuclear propulsion safety trends and matters that identify new and emerging risks. Where potential risks arise, I expect the ANNPSR to take appropriate measures, consistent with its statutory framework, to minimise harm and to enhance nuclear safety outcomes.

Furthermore, I expect the ANNPSR to draw to the Australian Government's attention in a timely way where existing policy or regulation presents barriers in fulfilling its roles and responsibilities. Where the Australian Government considers policy or regulatory change is needed, I expect the ANNPSR to support such change to the best of its ability. Where action is required, I expect the ANNPSR to respond expeditiously and without delay to mitigate the risk.

I expect the ANNPSR, in the performance of its regulatory functions, to continue to be guided by the principles outlined in the Australian Government's Regulator Performance Guide (RMG 128).

### **The Government's Policy Priorities and Objectives**

I expect the ANNPSR to support the Australian Government's objectives, including in delivering the Optimal Pathway, and work with the Department of Defence (Defence), the Australian Submarine Agency (ASA), defence industry and other government agencies and regulators to enhance naval nuclear safety and promote the long-term public interest.



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In exercising its regulatory powers and functions, I expect the ANNPSR to take a proportionate risk-based approach and consider the impact on productivity to all their regulatory activities. I also expect the ANNPSR to have regard to, and contribute where possible to the Australian Government's broader policy priorities.

### **Regulatory Reform Agenda**

The regulatory reform agenda is a part of the Australian Government's plan to improve the quality and efficiency of Australia's regulatory system through regulatory stewardship. I expect the ANNPSR to take a whole-of-system approach to regulation to meet current and future challenges, and to recognise regulatory systems as assets that need regular review and maintenance to continue to serve the Australian community and the Nuclear-Powered Submarine Enterprise.

I expect the ANNPSR to contribute to the Australian Government's regulatory reform agenda by implementing regulator best practice as outlined in RMG 128 in its decision making, policies, processes and communication practices, including by maintaining an open working relationship with the regulated community to enhance outcomes and minimise compliance costs.

I expect also that the ANNPSR will demonstrate in its performance reporting how it is meeting the Australian Government's expectations.

### **Transparency and accountability**

The ANNPSR is accountable to me, as the relevant Minister, and to the Parliament. I expect the ANNPSR to fulfil all reporting obligations in accordance with all relevant legislation.

I expect the ANNPSR to signal regulatory expectations to the broader Nuclear-Powered Submarine Enterprise, and promote public understanding of protections available and enforcement activities. To that end, I expect the ANNPSR, where appropriate and taking into account national security considerations, to be transparent and accountable for its regulatory actions. I ask that the ANNPSR report each year in its Annual Report on its compliance and enforcement priorities, and its views on the level of compliance.

To enable greater transparency and accountability, information in this letter along with your response should be published and made publicly available on the ANNPSR website.

### **Relationship with the Minister**

As the responsible Minister, I will provide an enabling environment for ANNPSR to consistently implement best practice by ensuring that you are informed of the Australian Government's policy direction and priorities.

I expect that ANNPSR will provide me with accurate and timely advice.



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### **Relationship with Defence and the Australian Submarine Agency**

Acknowledging the need for demonstrable independence from the regulated community that is in the Defence Portfolio, I expect you to work cooperatively and productively with Defence and the ASA to support their role in advising me on policy, programs, budget and other matters.

In working with Defence and the ASA, I expect the ANNPSR to continue to share expertise and data to contribute to nuclear-powered submarine policy advice, ideas to strengthen naval nuclear propulsion safety in Australia, and to improve the regulatory framework and support regulatory changes.

### **Relationship with other stakeholders**

I expect that the ANNPSR will draw on best practice principles to develop tailored processes in consultation with key stakeholders that are appropriately scaled to their role, regulatory posture, specific legislative objectives, functions and environment.

I expect the ANNPSR to engage proactively with the regulated community in a way that promotes greater understanding and compliance with the law, and confidence across the broader community.

I expect the ANNPSR to maintain effective and constructive working relationships with our international partners to support and promote the AUKUS partnership and nuclear safety, including development of policy having regard to the broader global regulatory operating environment.

I look forward to your reply to this Statement of Expectations, including your Statement of Intent, indicating how you will implement my expectations.

A handwritten signature in blue ink that reads "Richard Marles".

RICHARD MARLES