



Australian Government

Department of the Environment and Energy

Introduction of Mandatory Reporting of Petroleum Data in Australia.

Terry Bradley, June 2019



History

The Australian Petroleum Statistics Publication

- Australia has been collecting, compiling and publishing monthly data in the Australian Petroleum Statistics (APS) monthly publication for over forty years.
 - Forms the basis of our reporting to the IEA and JODI.
 - In January 2018, we moved from voluntary to mandatory monthly reporting for all companies over a threshold.
 - Also moved from direct survey collection of upstream data to data sharing arrangements with other agencies who collect similar data for royalty and permitting purposes.
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History

The Australian Petroleum Statistics Publication

- Until recent years, the downstream petroleum industry was quite concentrated with only four major participants who always completed the survey so coverage was near to complete.
 - Many new companies have entered the industry, particularly on the downstream side.
 - The new companies were not reporting to the survey and so coverage fell – particularly for sales.
 - We had no way to make new companies join the (voluntary) survey.
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History

Drivers for Change

- Concerns over the quality of the data led to a series of IEA and Australian Government reviews.
 - They recommended the introduction of mandatory reporting of petroleum data to;
 - improve the data coverage of the Australian liquid fuel market
 - improve the quality of the statistics derived from those data.
 - ensure the APS Report provided accurate, timely and relevant statistics to the petroleum industry, government, international organisations and other users.
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History

Drivers for Change

- In developing Australia's 2016 plan to return to compliance with the International Energy Programme Treaty 90 day net oil stockholding requirement, the Government recognised that accurate measuring of stocks is needed to understanding Australia's compliance position now and for future planning purposes.
 - Stocks represented around 55 days. Imports were (and still are) growing fast.
 - Led to conflict between policy objectives of IEA compliance (stocks data) and broader statistical objectives of a better quality supply and use dataset.
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The Mandatory Scheme

- In April 2016 the Australian Government decided to proceed with the design and implementation of mandatory reporting with start date for obligations on 1 January 2018.
 - The previous voluntary scheme formed the basis of the new scheme.
 - Consultation with industry was predominantly through industry peak bodies and Department out reach.
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The Mandatory Scheme

- The Global Oil Security team (policy lead) and the Petroleum Statistics team (delivery lead) collaborated closely on the implementation of mandatory reporting.
 - The Department commenced formal consultation with potentially affected stakeholders in September 2016 seeking input to the scheme and its design.
 - The introduction of mandatory reporting had the support of all of the companies who reported to the voluntary scheme and key industry bodies – all wanted better data.
 - Other companies were less enthusiastic.
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The Mandatory Scheme

- Following consultation we released discussion papers on design of the scheme in late 2016/early 2017.
 - In late 2017 we released draft templates and guidance material, industry assisted with their design.
 - The templates were delayed as we were hampered by deadlines and legal issues.
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The Mandatory Scheme Legislation

- Legislation developed from late 2016 through to early March 2017. The Petroleum and Other Fuels Reporting (POFR) Bill 2017 was tabled in the Australian Parliament in late March 2017 and debated in August 2017.
- The *POFR Act 2017* came into force on 24 August 2017 setting out a reporting start date of 1 January 2018.
- Most of the detail is contained in ‘subordinate’ Rules, which can be changed by our Minister, rather than having to put changes through all of Parliament.

www.energy.gov.au/government-priorities/energy-data/australian-petroleum-statistics

The Mandatory Scheme

Data Sharing

- The Department consulted with other government agencies at the federal and state level to identify and, where possible, put arrangements in place to share data already reported to government by companies.
 - This was successful in minimising the reporting burden on many reporting businesses.
 - It also introduced definition and reporting inconsistencies into the data across time. We should have done more work up front on these inconsistencies.
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The Mandatory Scheme

- The legal obligation to report petroleum data commenced on 1 January 2018.
 - Since the introduction of mandatory reporting, the Petroleum Statistics team has provided extensive support and assistance to both new and existing reporters to help them make the adjustment to the mandatory scheme.
 - For many months after the start of the scheme team were working to enrol companies to the scheme.
 - Much greater volume of data compared with previously.
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The Mandatory Scheme

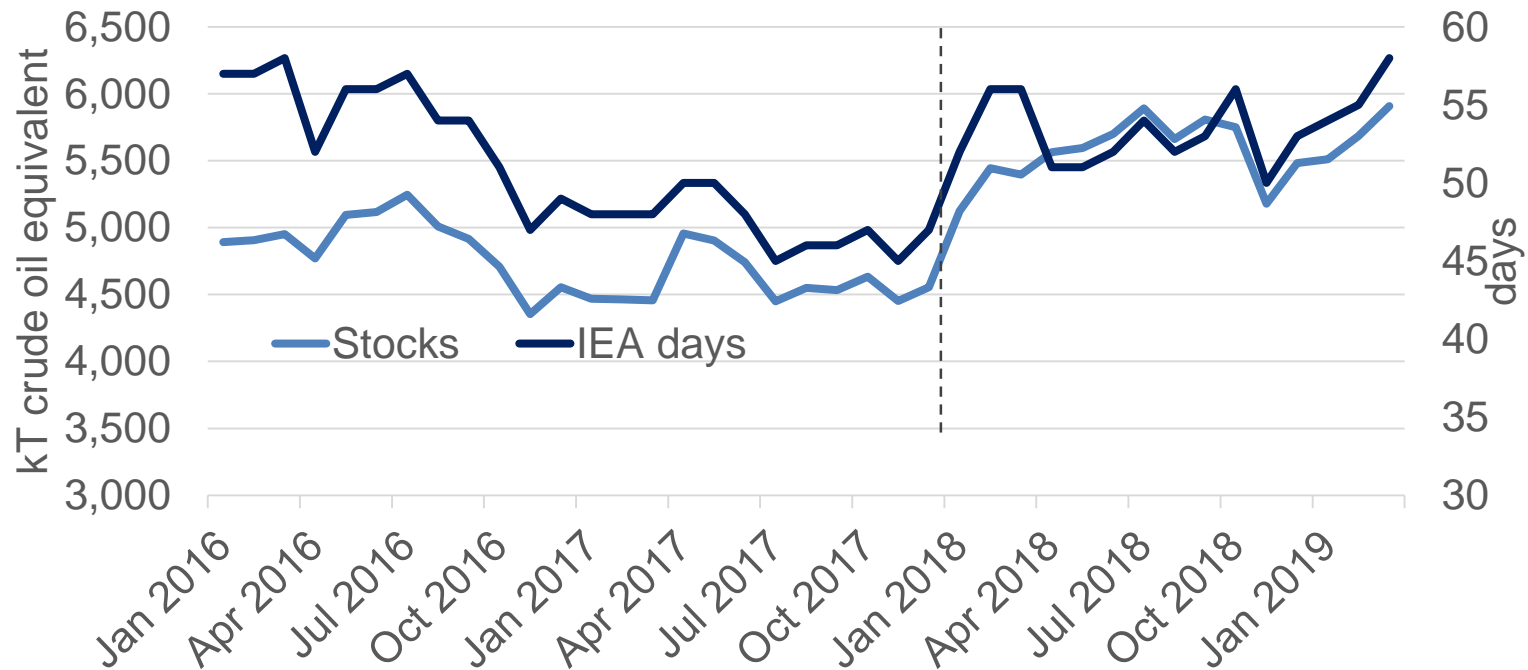
Ongoing Operations

- The team has collected data under the new scheme for sixteen months. The statistics have mostly remained consistent after the change to the mandatory scheme.
 - There are some cases, mostly in downstream and stocks reporting where inconsistencies in the time series before and after the start of the mandatory scheme became obvious.
 - It is likely that when we have a complete picture of the 2018-19 financial year data we will revise some series.
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The Mandatory Scheme

Improved Data Quality

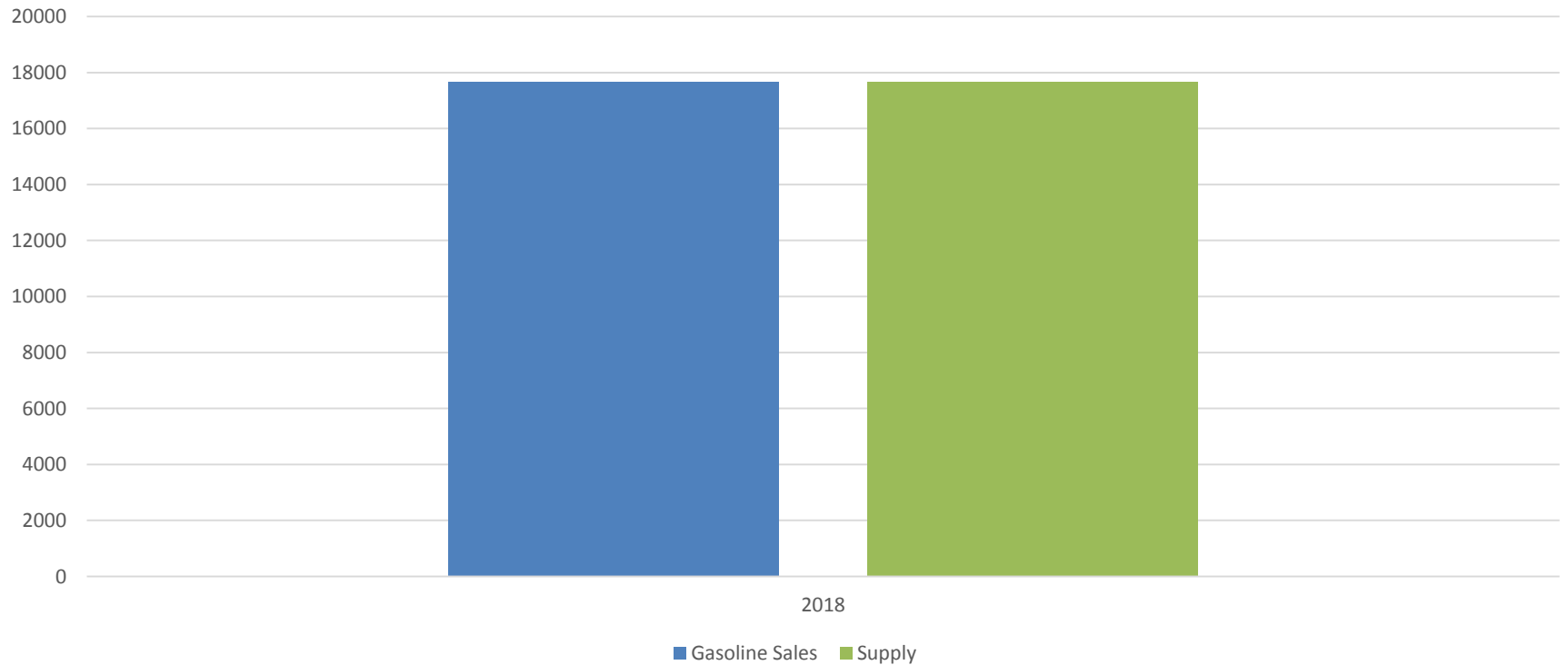
- Achieved increased stocks reporting: Stocks increased by around 10 IEA days, through combination of new reporters and better guidance for existing reporters.



The Mandatory Scheme

Improved data quality.

Gasoline Calendar Year Comparison



The Mandatory Scheme

Review

- The department gave a commitment to stakeholders that a review of the early operation of the scheme would be undertaken after the first six months. The team undertook the review at the end of 2018. The feedback was largely positive with only a few suggestions for minor administrative changes received.
 - The POFR Act stipulates that the government must have an independent review three years after the start of the Act. This review will be in 2020.
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The Mandatory Scheme

Learning from our Experience

- While we needed the policy focus to drive its introduction, the statistics team should have been more involved on survey design the scheme designed to fit. Instead, we had to make our survey fit the Act after it was prepared.
 - Data sharing across agencies is harder than it sounds – need to engage early to ensure consistency.
 - Did not have any parallel reporting because of focus on reducing burden, which did not allow early detection of inconsistencies.
 - Support and engagement with reporters is critical.
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Questions Please

