

Review of the National Freight and Supply Chain Strategy

Terms of Reference

Australia's supply chains are critical to our future economic success and to strengthening the connections between our regions and urban centres. The recent impact and increasing number of natural disasters due to climate change, the COVID-19 pandemic and geopolitical shifts have highlighted the importance of supply chains to the delivery of essential goods and services, reducing cost of living pressures and improving Australia's prosperity. Technological advancements and increased data availability provide opportunities to improve productivity and safety across supply chains. Supply chains also have an important role to play in helping Australia achieve net zero by 2050.

The National Freight and Supply Chain Strategy (Strategy) has the support of all levels of government and provides the framework to meet Australia's growing freight task. Since 2019, it has set a national vision for freight systems and domestic and international supply chains to contribute to a strong and prosperous Australia to 2040 and beyond through achieving the following goals:

- improved efficiency and international competitiveness
- safe, secure and sustainable operations
- a fit for purpose regulatory environment
- innovative solutions to meet freight demand
- a skilled and adaptable workforce
- an informed understanding and acceptance of freight operation

These goals are being achieved by taking national action through five-year action plans. The 2019-2024 action plan outlines four critical areas:

- Smarter and targeted infrastructure investment
- Enable improved supply chain efficiency
- Better planning, coordination and regulation
- Better freight location and performance data

Stakeholders have provided positive feedback through a range of forums that the foundations of the Strategy are sound.

The Strategy is due for review every five years, with the first review due in 2024. Infrastructure and Transport Ministers agreed to commence the first review in 2023 to ensure the Strategy remains fit-for-purpose and is delivering on its objectives. The review will:

- **Assess** if there are gaps in the Strategy's goals to ensure the Strategy remains relevant, such as decarbonisation, supply chain resilience, drawing on lessons learned following significant disruptions (such as floods, bushfires, pandemics, and global impacts).

- **Consider** the performance of Strategy to date and priorities for the next five-year National Action Plan focussing on nationally significant actions for coordinated implementation across jurisdictions.
- **Propose** a small number of national, data-driven and high impact national key performance indicators (KPIs) to monitor implementation of the Strategy over the next five years.

The review will consider the outcomes, findings or principles underpinning related work, including but not limited to:

- the reviews of Infrastructure Australia, Inland Rail and the Road and Rail Supply Chain Resilience Review;
- work already underway to establish a Strategic Fleet and develop an Aviation White Paper and Infrastructure Policy Statement;
- the National Reconstruction Fund's priority investment area of Transport.

The review will consider and provide advice on appropriate governance arrangements to support the implementation of the Strategy, including the role of the Freight Industry Reference Panel.

An important strength of the Strategy has been its close links to the transport, freight and logistics sectors. The Review will be conducted by the Department of Infrastructure, Transport, Regional Development, Communications and the Arts in collaboration with state and territory governments and will include a partnership approach with industry to draw on expert knowledge. The Review will undertake public consultations and consider submissions in the second half of 2023.

The Review will provide a report to Infrastructure and Transport Ministers by the end of 2023. The updated Strategy and National Action Plan for the next five years are anticipated to be completed by mid-2024.