

Illicit Tobacco Compliance and Enforcement Uplift – Tasmania

FEDERATION FUNDING AGREEMENT – HEALTH

Table 1: Formalities and operation of schedule

Parties	Commonwealth and Tasmania																																	
Duration	This Schedule is expected to expire on 31 January 2028, or on completion of the initiative, including final performance reporting and processing of final payments against milestones, unless terminated earlier or extended as agreed in writing by the Parties.																																	
Purpose	<p>This Schedule will support the strengthening of compliance and enforcement actions in Tasmania in relation to the trade of illicit tobacco and nicotine products. Actions will target areas of need identified by Tasmania through:</p> <ul style="list-style-type: none"> • Improving information and intelligence capture and sharing; • Expanding operational capability to support proactive compliance and enforcement activity; and • Enhancing and enforcing legislative and regulatory frameworks. <p>This Schedule will also enhance transport, storage and disposal capability for illicit vaping goods.</p>																																	
Estimated financial contributions	<p>The Commonwealth will provide an estimated financial contribution to Tasmania of \$983,251.00 in respect of this Schedule.</p> <p>Note:</p> <table border="1"> <thead> <tr> <th>Table 1</th> <th>2025-26</th> <th>2026-27</th> <th>2027-28</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Estimated total budget</td> <td>\$773,873</td> <td>\$209,378</td> <td>\$0</td> <td>\$983,251</td> </tr> <tr> <td><i>Less estimated National Partnership Payments</i></td> <td>\$773,873</td> <td>\$209,378</td> <td>\$0</td> <td>\$983,251</td> </tr> <tr> <td><i>Illicit tobacco compliance and enforcement uplift funding</i></td> <td>\$679,000</td> <td>\$161,000</td> <td>\$0</td> <td>\$840,000</td> </tr> <tr> <td><i>Illicit vaping goods transport, storage and disposal funding</i></td> <td>\$94,873</td> <td>\$48,378</td> <td>\$0</td> <td>\$143,251</td> </tr> <tr> <td>Balance of non-Commonwealth contributions¹</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> </tbody> </table> <p>¹ Tasmania is contributing funding to the initiatives supported by this Schedule, but the specific amount is unknown.</p>				Table 1	2025-26	2026-27	2027-28	Total	Estimated total budget	\$773,873	\$209,378	\$0	\$983,251	<i>Less estimated National Partnership Payments</i>	\$773,873	\$209,378	\$0	\$983,251	<i>Illicit tobacco compliance and enforcement uplift funding</i>	\$679,000	\$161,000	\$0	\$840,000	<i>Illicit vaping goods transport, storage and disposal funding</i>	\$94,873	\$48,378	\$0	\$143,251	Balance of non-Commonwealth contributions ¹	-	-	-	-
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Additional terms	None.																																	

Table 2: Performance requirements, reporting and payment summary

Outputs	Performance milestones	Report due	Payment
<p>Improving information and intelligence capture and sharing:</p> <ul style="list-style-type: none"> - Implement a new electronic solution for the management of tobacco licencing and regulation. - Roll out mobile inspection application. 	<p>Commonwealth acceptance of an Implementation Plan that articulates timeframes and activities associated with:</p> <ul style="list-style-type: none"> - Developing an electronic fit-for-purpose tobacco licencing and regulatory solution. - Purchasing and implementing the use of a mobile inspection application. - Integrating a mobile inspection application with licencing systems. <p>The Implementation Plan must also outline how Tasmania will identify and manage risks and issues.</p> <p>Provision of a Monitoring Plan that articulates how success will be measured and reported, and at a minimum includes baseline metrics for the following indicators:</p> <ul style="list-style-type: none"> - Current systems and/or approaches used to manage licencing, investigations and evidence management. - Current approach to inspection checklists and templates implemented by officers conducting inspections. 	One month following execution.	\$679,000
<p>Expanding operational capabilities to support proactive compliance and enforcement activity:</p> <ul style="list-style-type: none"> - Develop and implement a training program to ensure staff are best placed to perform duties in line with the regulatory responsibilities and best practice. - Implement a fit for purpose and secure storage solution. - Source equipment to increase evidence quality and officer safety. 	<p>Commonwealth acceptance of an Implementation Plan that articulates timeframes and activities associated with:</p> <ul style="list-style-type: none"> - Procuring storage facilities that are secure and appropriate for the storage of tobacco products. - Equipping tobacco control staff with the contemporary skills and knowledge necessary to carry out compliance and enforcement work in line with regulatory best practice. - Procuring surveillance equipment. <p>The Implementation Plan must also outline how Tasmania will identify and manage risks and issues.</p> <p>Provision of a Monitoring Plan that articulates how success will be measured and reported, and at a minimum includes baseline metrics for the following indicators:</p> <ul style="list-style-type: none"> - Percentage of staff who have completed all training requirements to date. - Current approaches to storing, transport and disposal of seized illicit tobacco. - Current approaches to storing, transport and disposal of other seized illicit nicotine products (as relevant). - Quantities of seized illicit tobacco stored in previous 12 months. - Quantities of other seized illicit nicotine products stored in previous 12 months. - Current surveillance equipment and/or inspection kits available to Tasmanian officers. 		

Table 2: Performance requirements, reporting and payment summary

Outputs	Performance milestones	Report due	Payment
<p>Enhancing and enforcing legislative and regulatory frameworks:</p> <p>Investment in specialist staff to manage the rollout of illicit tobacco enforcement and legislative reform.</p> <p>➤ Improving information and intelligence capture and sharing.</p> <p>➤ Expanding operational capabilities to support proactive compliance and enforcement activity.</p> <p>➤ Enhancing and enforcing legislative and regulatory frameworks.</p>	<p>Commonwealth acceptance of an Implementation Plan that articulates timeframes and activities associated with:</p> <ul style="list-style-type: none"> - The rollout of illicit tobacco enforcement initiatives. - Scoping and drafting of legislation. - Planning for and progress towards implementation of a robust and contemporary legislative framework. <p>The Implementation Plan must also outline how Tasmania will identify and manage risks and issues.</p> <p>Provision of a Monitoring Plan that articulates how success will be measured and reported, and at a minimum includes baseline metrics for the following indicators:</p> <ul style="list-style-type: none"> - Current number of staff engaged to work on legislative frameworks and regulatory change. - Current powers and tools available under the legislative framework. <p>Commonwealth acceptance of a Status Report which includes the following:</p> <ul style="list-style-type: none"> - A summary of the illicit tobacco and other nicotine products (as relevant) compliance and enforcement activities that have been supported by the Schedule to date. - Progress against the Implementation Plan and forecast activities that were expected to be supported by the Schedule to date. - Detail on the overall performance observed, or if not yet observed the anticipated impact, of the compliance and enforcement uplift being supported by the Schedule. - Data reporting in accordance with the Monitoring Plan, highlighting improvements/increases to indicators reported on at baseline. - Any changes to the activities expected to be supported by this Schedule (including any relevant targets or outcome objectives against which performance will be measured). - Identified risks, management strategies and lessons learned. - Tasmania's initial considerations for ensuring sustainability of system improvements and the advancement of compliance and enforcement activities. <p>Commonwealth acceptance of a Final Report, including:</p> <ul style="list-style-type: none"> - A summary of all activities that have been supported by the Schedule. - Progress against the Implementation Plan and forecast activities that were expected to be supported by the Schedule. - Detail on the overall performance observed, or if not yet observed the anticipated impact, of the compliance and enforcement uplift being supported by the Schedule. 	31 January 2027.	\$161,000
		31 January 2028.	N/A

Table 2: Performance requirements, reporting and payment summary

Outputs	Performance milestones	Report due	Payment
	<ul style="list-style-type: none"> - Data reporting in accordance with the Monitoring Plan, highlighting improvements/increases to indicators and cumulative reporting on indicators at baseline, within the Status Report and for the current period. - Key achievements, challenges and lessons learned, with supporting data where available. - Tasmania's intended approach for ensuring sustainability of system improvements and the advancement of compliance and enforcement activities. 		

Table 3: Performance requirements, reporting and payment summary for additional vaping goods TSD funding

Outputs	Performance milestones	Report due	Payment
Enhance transport, storage and disposal capability for illicit vaping goods	Provision of an Additional Report that provides: <ul style="list-style-type: none"> - An overview describing the planned operational approach and activities related to the transporting, storing and disposing of illicit vaping goods. *Note – transport, storage or disposal activities undertaken should be as a result of vape enforcement activity delivered in alignment with the National Vaping Enforcement Framework.	One month following execution or by 26 June 2026, whichever is earlier.	\$94,873
Enhance transport, storage and disposal capability of illicit vaping goods	ADDITIONAL ITEM to add to Status Report: <ul style="list-style-type: none"> - A summary of the transport, storage and disposal activities undertaken for illicit vaping goods from date of execution of variation to 31 December 2026 including volume (weight) of illicit vaping goods disposed. 	31 January 2027.	\$48,378
Enhance transport, storage and disposal capability of illicit vaping goods	ADDITIONAL ITEM to add to Final Report: <ul style="list-style-type: none"> - A summary of the transport, storage and disposal activities undertaken for illicit vaping goods from 1 January 2027 to 31 December 2027 including volume (weight) of illicit vaping goods disposed. 	31 January 2028.	N/A

The Parties have confirmed their commitment to this schedule as follows:

Signed for and on behalf of the Commonwealth of Australia by



The Honourable Mark Butler MP
Minister for Health and Ageing and
Minister for Disability and the National Disability Insurance Scheme

11 / 05 / 2026

Signed for and on behalf of the
State of Tasmania by



The Honourable Bridget Archer MP
Minister for Health, Mental Health and Wellbeing,
Minister for Aboriginal Affairs and
Minister for Ageing

27 / 5 / 2026