



Australian
BORDER FORCE

Australian Customs Notice

No. 2025/07

Strengthening and Modernising the Customs Licensing Regime

The *Customs Amendment (Strengthening and Modernising Licensing and Other Measures) Act 2024*, the *Customs Licensing Charges Amendment Act 2024* and the *Customs Amendment (Renewal of Warehouse Licences) Regulations 2025* (collectively known as the Customs Amendment Legislation) form the next steps in the Australian Government's Simplified Trade System (STS) agenda, delivering a simpler, more effective and sustainable cross-border trade environment for Australia.

The Customs Amendment Legislation modernises and strengthens the customs licensing regime. The legislation supports electronic communication methods and streamlines licence fee processes. The amendments also align payment requirements between customs licence types, and streamline administration across depot, warehouse and broker licences. This legislation also uplifts entry requirements to be eligible to hold a licence, aligns fit and proper checks of licensed entities and aligns requirements across licence types to enhance the integrity and security of Australia's borders.

Commencement Date

The Customs Amendment Legislation commenced on 5 March 2025.

Customs Amendment Legislation

The *Customs Amendment (Strengthening and Modernising Licensing and Other Measures) Act 2024* amended the *Customs Act 1901* (Customs Act) and the *AusCheck Act 2007* (AusCheck Act) to modernise and align customs processes and strengthen compliance within customs licensing.

The *Customs Licensing Charges Amendment Act 2024* amended the *Customs Licensing Charges Act 1997* (Charges Act) to incorporate amendments to modernise, streamline and strengthen the calculation of depot licence charges.

The *Customs Amendment (Renewal of Warehouse Licences) Regulations 2025* amended the *Customs Regulation 2015* (Customs Regulation) and are consequential to the *Customs Amendment (Strengthening and Modernising Licensing and Other Measures) Act 2024*, which allows for consistency and streamlined licence renewals for both depots and warehouses.

Background

Modernising Customs Licensing

In May 2017, the then Department of Immigration and Border Protection completed the Review of Customs Licensing Regimes (Licensing Review). That review culminated in a final report that made 15 recommendations related to streamlining licensing arrangements for customs brokers, depots and warehouses. Since the Licensing Review, there has also been a growing need to strengthen the customs licensing regime against the risk of trusted insiders undermining supply chain security.

Many provisions of the legislation that manage customs processes are complex and outdated, and place significant regulatory burden on businesses. These paper-based manual processes are out of touch with the evolving trade environment and impose additional trading costs on businesses and administration costs on government.

As well as reducing the regulatory burden on businesses, the changes support an equal playing field for businesses, as they help ensure that those who comply with their obligations are not undercut by entities who seek to circumvent controls.

They benefit government by reducing the administrative burden associated with managing the customs licensing regime and strengthening the Australian Border Force's (ABF) ability to manage threats of criminal organisation infiltration and opportunistic actors in the supply chain effectively.

The amendments align with the Government's STS agenda, which aims to streamline Australia's trade regulations, modernise trade-related ICT systems and simplify trade processes. The Customs Amendment Legislation delivers a priority STS regulatory reform initiative that simplifies and supports the digitalisation of border processes for both business and government, and improves the effectiveness of the ABF in protecting Australia's borders.

Strengthening Customs Licensing

The integrity of Australia's international supply chain is a vital component of a prosperous, secure and safe Australia. Without it, the supply chain becomes a major vector for harmful contraband entering the community, revenue from duty and taxes remains uncollected, corruption grows, and Australia's reputation as a well-regulated international trading partner is damaged.

In 2020 – 2021, the ABF participated in the Australian Federal Police led covert investigation into transnational and serious organised crime, known as Operation Ironside. Operation Ironside contributed to more than 280 arrests, the finding of approximately 4,000 kilograms of border controlled drugs and the seizure of over \$50 million within Australia.

In 2021, the ABF responded to this on-going threat by establishing Operation Jarden as a two year operation to target the risk of criminal organisations undermining the security of the supply chain of goods through trusted insiders. The ABF now seeks to strengthen fit and proper checks and bolster requirements around licensed entities such as customs brokers and operators of depots and warehouses, and employees and contractors of those entities.

The Customs Amendment Legislation both strengthens customs licensing against threats of criminal organisation infiltration and modernises licensing to facilitate electronic administration.

Summary of Changes

The Customs Amendment Legislation has made a number of improvements to update the legislation, including to:

- modernise licence administration to allow electronic lodgement, variation, renewal and sending of notices
- streamline the regulation of customs broker licensing by expanding nominee eligibility and expediting the disciplinary process for certain breaches, and streamlining cancellation notices
- strengthen the entry requirements to be eligible to hold a licence
- align and enhance the power to give directions in respect of warehouses and depots
- update the administration of licence renewals, suspensions and cancellations
- strengthen the licensing regime by bolstering fit and proper checks of licensed entities
- introduce provisions which would allow for digital claims for return of seized goods

- permit the disclosure of AusCheck scheme personal information to an officer of Customs for the exercise of that officer's powers under the Customs Act; and
- allow the use of electronic documentation when seeking approval for the use of ship and aircraft stores before the departure of the ship or aircraft from its last port of departure.

A full list of changes can be reviewed at **Attachment A**.

Excise Equivalent Goods Warehouses – Administration by the Australian Taxation Office

The amendments to legislation made a number of amendments to Part V of the Customs Act that affect customs warehouses dealing with Excise Equivalent Goods (EEGs) that are administered by the Australian Taxation Office (ATO). Amendments were made in line with the passing and commencement of the *Excise and Customs Legislation Amendment (Streamlining Administration) Act 2024*.

For ATO administered EEG customs warehouses, amendments relating to licensing renewal periods and licensing charges do not apply. In **Attachment A**, amendments relating to ATO administered EEG customs warehouses are marked accordingly.

More Information

The Legislation and related explanatory material are publicly available as follows:

- *Customs Amendment (Strengthening and Modernising Licensing and Other Measures) Act 2024* ([Federal Register of Legislation - Customs Amendment \(Strengthening and Modernising Licensing and Other Measures\) Act 2024](#)).
 - Explanatory memorandum ([ParlInfo - Customs Amendment \(Strengthening and Modernising Licensing and Other Measures\) Bill 2024](#)).
- *Customs Licensing Charges Amendment Act 2024* ([Federal Register of Legislation - Customs Licensing Charges Amendment Act 2024](#)).
 - Explanatory memorandum ([ParlInfo - Customs Licensing Charges Amendment Bill 2024 \(aph.gov.au\)](#)).
- *Customs Amendment (Renewal of Warehouse Licences) Regulations 2025* ([Federal Register of Legislation - Customs Amendment \(Renewal of Warehouse Licences\) Regulations 2025](#))).
 - Explanatory Statement [available on the Federal Register of Legislation](#).

Implementation and Next Steps

The ABF will continue to consult and support businesses with their transition to the changes. Additional guidance material and supporting website content will become available. Any questions or feedback can be directed at licensing@abf.gov.au.

[SIGNED]

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Attachment A

Customs Amendment Legislation – Overview

Modernising the paper based licence regime

- Previously, new applications for customs licences and applications for a variation to a licence held were limited to paper applications. Unlike other provisions under the Customs Act, those provisions do not permit applications to be electronically communicated to the Department.
- The amendments allow all customs licence applications, including to vary or to renew a licence, to be submitted to the Department in paper form or electronically.
- These amendments respond to Recommendation 4 of the Review of Customs Licensing Regimes 2017 (Licensing Review).

Facilitating the electronic service of notices

- Previously, the Customs Act required all depot, warehouse and customs broker licensing notices to be in writing and served in person or by post.
- These amendments allow the electronic giving of notices by providing different methods for giving a notice. Notices may now be given, rather than served, by email or any other electronic means to the relevant person, in addition to the existing methods currently provided for under the Customs Act. The option to serve a notice in person or by post will be retained in the Customs Act.

Modernising requirements for public notices of licence cancellations

- These amendments remove the requirement that a notification of the cancellation of a depot or warehouse licence must be placed in a locally circulated newspaper or gazette. This amendment allows the Comptroller-General of Customs to determine the means of notification as appropriate.
- These amendments have standardised the process with respect to how goods are removed from former depots and warehouses.

Streamlined disciplinary process for Customs Brokers

- Previously, there was a requirement for the Comptroller-General of Customs to send a notice to a customs broker asking for compliance where the customs broker had already failed to comply with a condition of their licence.
- These amendments allow the Comptroller-General of Customs to send a notice of investigation and refer to National Customs Brokers Licensing Advisory Committee (NCBLAC) and take action as required, not just ask the entity to comply with the condition.
- These amendments streamline the process to enable the Comptroller-General of Customs to suspend or cancel licences without referral to NCBLAC when a customs broker has been convicted of a prescribed offence or their company is under liquidation or the licence charge remains unpaid.
- Referrals to NCBLAC are most valuable where it is uncertain what a customs broker has done, or it is uncertain what the appropriate disciplinary decision should be once the relevant factual circumstances have been found.
- These amendments align the natural justice process for customs brokers with the existing regime for depots and warehouses. This allows the licence holder to be presented with evidence that formed the basis for the decision made by the Comptroller-General of Customs and allow for a right of reply.
- These amendments give effect to Recommendation 11 of the Licensing Review.

Expanding who can be a nominee of a Customs Broker

- These amendments remove restrictions on the eligibility to be a nominee of a customs broker that is a company or a partnership.
- Previously, a nominee had to be an “employee” or director of a customs broker that is a company or an employee or member of the partnership. No such requirement applies to nominees of customs brokers that are natural persons.
- These amendments have expanded the eligibility requirements for a customs broker nominee in the Customs Act that will allow a broader range of people to meet the requirements to be a nominee of a customs broker that is a company or a partnership.

- These amendments respond to industry requests to allow for arrangements that are more flexible and address the availability of brokers.

Disclosure of information about transport security identification cards

- AusCheck scheme personal information is defined under the *AusCheck Act 2007* as personal information obtained under or relating to the administration of the AusCheck scheme. The AusCheck scheme itself relates to the conduct and coordination of background checks of individuals.
- These amendments allow the disclosure by AusCheck to an officer of customs information pertaining to the refusal, cancellation or suspension of a “transport security identification card” held by an individual.
- These amendments facilitate information disclosure for fit and proper person assessments under the Customs Act.

Extension of Fit and Proper Person Assessments to additional ‘persons’

- These amendments provide industry with a clearer definition of the requirements for holding a customs depot licence or customs warehouse licence by making a distinction between a ‘natural person’, a ‘partnership’ and a ‘company’.
- These amendments have expanded the scope of who can be considered to control or participate in the management of a depot or warehouse to include those who participate in the depot or warehouses’ ‘operations’.
- This will consequently result in the enhanced security of the supply chain by ensuring all persons are fit and proper persons to operate within a customs licensed place.
- These amendments do not impact natural justice procedures as the applicant is still able to seek a review of a decision where an application may be made to the Administrative Review Tribunal for review.

Enhancing the eligibility to hold a customs depot or warehouse licence

- These amendments have imposed new requirements for the Comptroller-General of Customs to consider for the grant and cancellation of the licence. These amendments have given the Comptroller-General of Customs the power to refuse a licence application or cancel an existing licence if there is evidence to suggest an

applicant or licence holder has inadequate experience, processes and/or governance to maintain compliance with the Customs Act.

- This mitigates the risk of applicants providing standardised or plagiarised material in support of their initial licence application without the experience and knowledge of implementing the material presented as part of their licence application.
- These amendments also protect the integrity of the supply chain by limiting the opportunities for an applicant to make a complete overhaul of their personnel and practices after they are granted a licence, based on the assessment of the applicant's operational procedures, personnel and practices.
- These amendments aligns with Recommendation 14 of the Licensing Review.

Strengthening integrity controls in a licensed place

- These amendments have aligned the provision where the Collector may give written directions in relation to goods subject to customs control to all relevant customs licence types, where currently it only applies to customs depot licences.
- These amendments:
 - enable authorised officers to access and/or obtain documents and information regarding the movements of goods under customs control and direct changes to the place covered by a licence as it relates to the storage and movement of goods under customs control; and
 - provide clarification on the scope of 'natural person', 'partnership' and 'company' as they pertain to the expanded definition of who is subject to fit and proper person assessments.

Streamlining renewal charges

- These amendments have rectified an anomaly whereby the depot licence renewal cannot be calculated if a licence is granted outside the current 'reference year', which is between 1 April of the previous calendar year and 31 March of the current calendar year.
- The calculation of the renewal fee for a depot licence would be zero if the new depot licence were first granted between 1 April and 30 June of the current calendar year.

- This anomaly stems from the calculation of licence charges under the Charges Act being tied to a 'reference year', which is described as starting on 1 April and ending on 31 March.
- These amendments have removed the formula calculation and introduced the principle that if a licence is granted outside of a reference year or has not completed a full reference year, the charge defaults to the \$4,000 renewal fee.

Streamlining renewal payment options

- The amendments have repealed the whole of section 36 of the Customs Regulation to remove the provisions setting out payment of the warehouse licence charge in respect of renewal of a warehouse licence.
- The effect of these amendments is that payment of the warehouse licence charge for renewal of a licence is provided for solely in the Customs Act, rather than in the Customs Regulation and has removed the option for payment by instalment, to now align with renewal processes across licence types.
- These amendments implement Recommendation 6 of the Licensing Review.

Streamlining expiry and suspension timeframes

- These amendment have aligned the failure to pay the renewal fee provision for depots and warehouses. Previously, depot and warehouses had two different timeframes for payment and different consequences for not paying on time. These amendments have aligned these requirements to provide an equitable approach for both depots and warehouses. Importantly, this item enforces the validity period of a licence and where the renewal fee is not paid, the licence cannot be used in the new financial year.
- Previous instances have shown that licence holders would not pay the renewal fee and continue to use the licence in the new financial year and then surrender the licence prior to the expiration or suspension period, effectively obtaining a free period of the licence without any consequence. This approach created a financial advantage for non-compliant entities and created an unequal playing field with compliant licence holders who pay on time.
- These amendments to the Customs Act are to implement Recommendation 6 of the Licensing Review.

Return of Licences

- These amendments have facilitated the digitalising of licences. Originals of licences will no longer be required to be held or displayed at the licenced place. This will have the effect of rendering a number of requirements with respect to surrendering original licences redundant.
- These amendment have removed the requirement to return or surrender cancelled depot and warehouse licences.

Refund of licence charges

- These amendments have only allowed the refund of the remainder of a licence charge where the licence has been voluntarily surrendered. In all other instances, where cancellation occurs due to non-compliance, the amendment ensures the refund provision would not apply.
- These amendments are aligned with the broader community expectation that the Commonwealth is not refunding money to entities who have breached Commonwealth law or committed an offence that has resulted in the loss of a licence.

Approvals for ship and aircraft stores

- These amendments allow for the use of electronic documentation when seeking approval for the use of ship and aircraft stores before the departure of the ship or aircraft from its last port of departure.
- It reduces the reliance on paper-based processing and contribute to an environment of greater efficiency and accountability.

Claims for return of seized goods

- These amendments allow for the use of electronic documentation when making a claim for a return of goods seized, which entities can lodge electronic applications for claims for return of seized goods.
- These amendments reduce the reliance on paper-based processing of claims for the return of goods seized and creates an environment of greater efficiency and accountability.

Contingent amendments

- These amendments have made a number of changes to Part V of the Customs Act, ensuring they aligned with the commencement of the *Excise and Customs Legislation Amendment (Streamlining Administration) Act 2024*.
- These amendments include:
 - allowing electronic applications in relation to warehouse licences
 - expanding the fit and proper person assessment, allowing for decisions to be made for a place covered by an excise equivalent goods (EEGs) warehouse licence that covers many places
 - varying the place covered by a warehouse licence if deemed appropriate by the Comptroller-General of Customs
 - aligning renewal requirements between warehouses that do not store EEGs with depot requirements and
 - stipulating the requirements in relation to the goods in a former warehouse that is no longer covered by a licence.