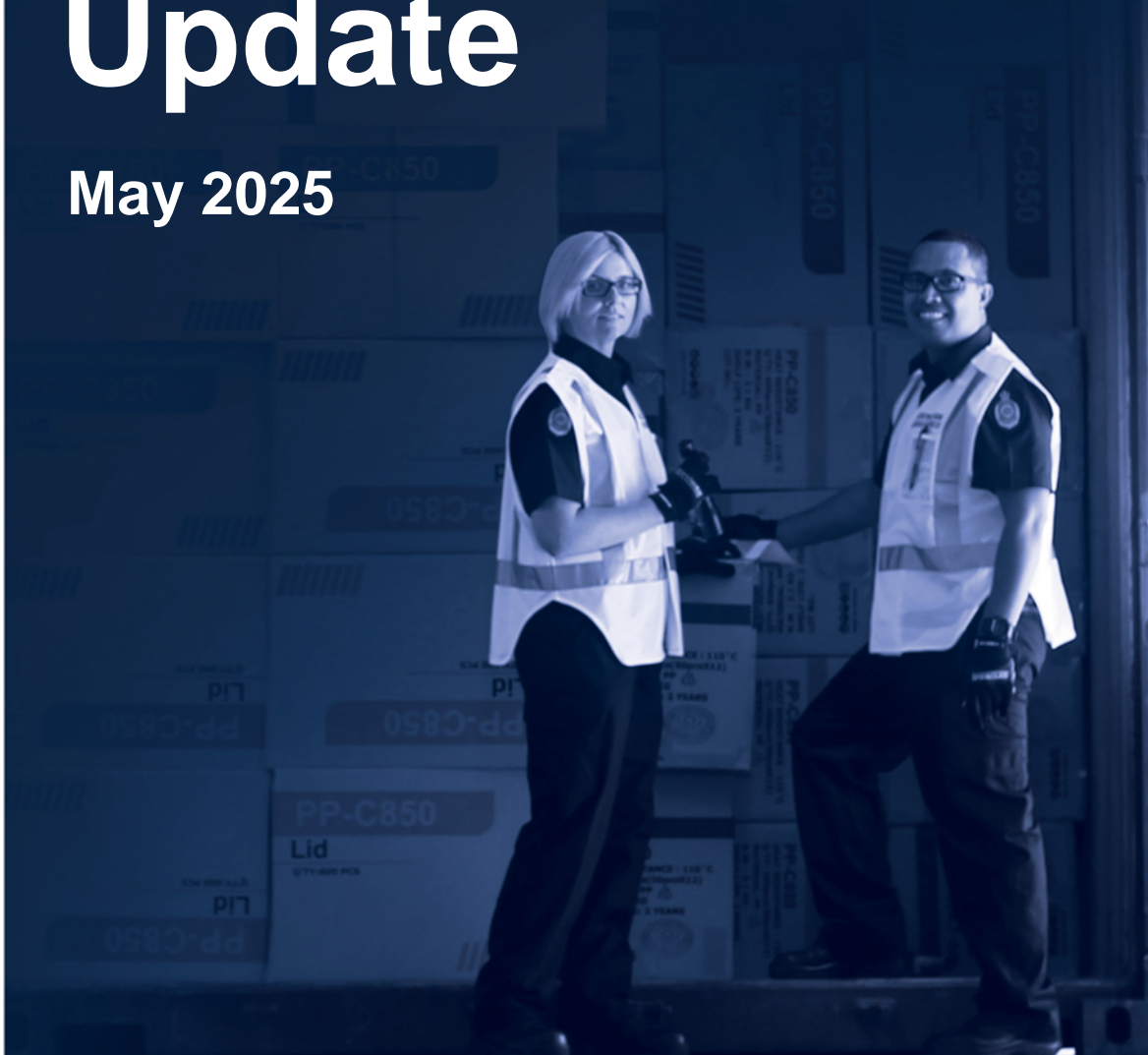




Australian  
**BORDER FORCE**

# Goods Compliance Update

May 2025



# Table of Contents

Commissioner's Foreword	3
Strengthening and Modernising the Customs Licensing Regime	4
Industry Engagement Update	5
Trade Compliance Operational Update	8
Trade Services Update	11
Australian Trusted Trader Update	14
In The Spotlight – 2025 ATT Symposium	15
Customs Licensing Update	16
National Supply Chain Update	21
Australian Customs Notices	22
Compliance program results	23
GCU Next Issue & Contact Information	30

# Commissioner's Foreword

## A message from Commissioner Gavan Reynolds

Welcome to the first edition of the Australian Border Force (ABF) Goods Compliance Update (GCU) for 2025.

My name is Gavan Reynolds and it is a pleasure to introduce myself as the ABF Commissioner and the Comptroller-General of Customs. In this role, I am responsible for ensuring enforcement of customs law, collection of border-related revenue, and trade functions. This is no small task but one that excites me.

The customs function in Australia has a long, rich history, originating before federation with tariffs introduced in NSW in 1800 and forming the majority of Australia's early tax revenue. Control of the customs function transferred from the British Treasury to the colonial government in the 1850s and with the establishment of further colonies, came further customs services, each establishing their own Customs Acts. The six state-based customs services combined to form a single Customs department at federation, establishing one of the first commonwealth departments, and the *Customs Act 1901* was one of the earliest pieces of legislation passed by the new federal government.

The title of Customs Comptroller-General was also established in 1901 and is a title that I am proud to carry as the 24th Comptroller-General of Customs.

I have served Australia in government positions for over four decades, and was most recently the Australian Defence Force's inaugural Chief of Defence Intelligence. In my "first 100 days" here at the ABF, I have become acutely aware of what Comptroller-General of Customs means, as both the ABF and industry experienced our busiest time of the year over the Christmas period.

The challenges facing all of us are many and complex. With a projected 70 per cent increase in cargo volumes over the next decade and over 2.2 million Australian jobs related to trade and more at the border, the ABF must work with industry to balance the challenges of the modern border environment while facilitating legitimate trade.

I have been actively engaged by my team, including those who are driving trade reform through new streamlined business processes, exploring emerging technology and undertaking regulatory reform in consultation with industry and across Government under the Simplified Trade System agenda.



ABF's trade modernisation initiatives aim to improve trader experiences, allow Australian businesses to be more productive and enable the ABF to manage border risks more effectively.

Recently, I met with representatives from two industry peak bodies – the International Forwarders and Customs Brokers Association of Australia (IFCBAA) and the Freight and Trade Alliance (FTA) – to discuss a range of trade related matters relevant to the ABF's role as Australia's Customs agency. I was pleased to receive positive feedback on the relationship between the ABF and industry and ways in which we can work better together.

It is my earnest hope that the ABF and industry can continue our combined efforts to make border processes faster and smarter, and continue to strengthen the border for the prosperity and security of Australia.

In this edition, there are updates from the ABF and industry guidance to provide insight into some of the ABF's compliance focus areas.

We hope you enjoy this edition and we encourage your feedback and ideas to be submitted to the Goods Compliance Update mailbox.

**Gavan Reynolds AO**  
Commissioner  
Australian Border Force

# Feature Article

## 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.

## The Customs Amendment Legislation commenced on 5 March 2025

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 1901* (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.

Additional information can be found at the published Australian Customs Notice [2025/07 - Strengthening and Modernising the Customs Licensing Regime](#).



# Industry Engagement Update

## 2025 Industry engagement calendar

The current dates for 2025 ABF-Industry Committee Meetings (which are subject to change as required):  
Please check our website routinely for the latest schedule of meetings and dates.

Event	Date
Wed 18 June 2025	National Passenger Facilitation Committee (NPFC)
Wed 2 July 2025	Conference of Asia Pacific Express Carriers (CAPEC)
Wed 20 August 2025	Trade Facilitation Initiatives Working Group (TFIWG)
Wed 20 August 2025	Trade Technology Working Group (TTWG)
TBC August 2025	Customs Advisory Board—Trade (CAB)*
TBC September 2025	National Sea Passenger Facilitation Committee (NSPFC)
Wed 17 September 2025	Trade and Goods Compliance Advisory Group (CAG)
TBC October 2025	Customs Advisory Board—Travel (CAB)*
Tue 11 November 2025	National Committee on Trade Facilitation (NCTF)
Wed 12 November 2025	Trade Facilitation Initiatives Working Group (TFIWG)
Wed 12 November 2025	Trade Technology Working Group (TTWG)
Wed 3 December 2025	National Passenger Facilitation Committee (NPFC)

# Industry Engagement Update

Updates from 31 October 2024 to 28 February 2025

## Meeting Snapshots - November 2024

### National Committee for Trade Facilitation (NCTF)

NCTF members discussed:

- Matters that had transpired over the last 12 months, notably the valedictory speech by outgoing Commissioner Michael Outram APM and his vision for the future of the Australian Border Force (ABF); introductory remarks regarding the appointment of Mr Gavan Reynolds AO, who was sworn in as the ABF Commissioner on 10 November 2024.
- Areas of focus for engagement and co-design between industry and the ABF.
- Priority initiatives including Trade Identity, Paperless Trade, Australian Trusted Trader, Border Targeting 2.0, Supply Chain Security and the establishment of a Futures Forum.
- Austrade's Simplified Trade System (STS) Unit's update which included the transition of STS coordination to a permanent fixture rather than a taskforce, and deepening the focus on a strategic forward planning, regulatory reform and developing an STS portfolio oversight and evaluation function.
- Fit and Proper Person (FPP) assessments reforms to reduce the administrative burden on industry.
- Options for Australian Trusted Traders (ATT) to assist in strengthening supply chain integrity.

### Trade Facilitation Initiatives Working Group (TFIWG)

TFIWG members discussed:

- The three-year regulatory reform roadmap proposed by STS partner agencies.
- Additional regulatory reform focus areas being progressed in 2025, as informed by public consultation by the STS Taskforce in 2023.
- A Future Cargo Reporting Model and how existing forms and processes can be incorporated to support paperless trade. ABF led discussion on the project outlining how they are working with DAFF, and noting the need for industry and government co-design.
- ABF lessons learned from previous reviews and reflections on the introduction of the ICS.

### Trade Technology Working Group (TTWG)

The TTWG members discussed:

- The [Digital Trade Accelerator Project \(DTAP\)](#) which builds on the ABF's Foundations to Enable a Single Trade Environment (STE Foundations) project work by developing new industry-government systems integration processes for the provision and receipt of trade information.
- The [Australia's Digital ID System](#) a whole-of-government digital identity project being led by Department of Finance (Finance) and the Australian Taxation Office (ATO).
- The [Biosecurity Cargo Status Tracker](#) that is part of the Simplified Targeting and Enhanced Processing Systems (STEPS) Program, and provides industry with in-progress visibility of the status of goods consignments that have been referred to DAFF. The program also provides details of documentation, inspection, and biosecurity risks found at inspection.
- Potential for digital solutions for notifications of licence renewals and for the transfer of personal information to alleviate negative impacts on industry, particularly associated with the implementation of new obligations incorporated into Customs Broker Licences (as outlined in [ACN 2024/21](#) that came into effect on 1 July 2024).

## Meeting Snapshots - February 2025

### ABF and Conference of Asia Pacific Express Carriers (CAPEC) bilateral meeting

Members discussed a range of issues of specific relevance to the express carriers including:

- The [Customs Amendment \(Strengthening and Modernising Licensing and Other Measures\) Bill 2024](#) [assented on 5 September 2024]. The Bill amends the Customs Act 1901 to streamline processes and requirements for the customs licensing regime.
  - This amendment came into effect as the [Customs Amendment \(Strengthening and Modernising Licensing and Other Measures\) Act 2024](#) on 5 March 2025.
- Expansion of the [Fit and Proper Person](#) requirements to include all persons participating in operations of a licensed place.
- Digitalisation of communications with members of industry to improve efficiency and reduce reliance on paper based processes.
- Adding additional foreign exchange rates fields in the Integrated Cargo System (ICS) to assist industry (all sectors) in lodging their goods declarations.

# Trade Compliance Operational Update

## GST Free Foods and GST Exemptions

The goods and service tax (GST) is a 10% tax on most goods and services sold or consumed in Australia. The Australian Taxation Office (ATO) oversees the administration of GST.

GST is also payable on imported goods unless they are covered by specific exemptions or are GST Free. Australian Border Force (ABF) is responsible for calculating and collecting GST on imported goods and administering all matters concerning taxable importations. This role includes ensuring that:

- GST exemptions claimed by importers are correct
- The value of the taxable importation is correctly calculated
- GST payable on taxable importations is paid to us or appropriately deferred for payment on the next Business Activity Statement.

When it comes to GST exemption, it is important to understand each exemption is based on the legislation that provides the basis of exemption. GST exemptions for most imported goods are governed by *A New Tax System (Goods and Service Tax) Act 1999*. Chapter 3 of the *GST Act 1999* provides information on the exemptions. This means where imported goods are covered by an exemption, an exemption code can be used in the ABF Integrated Cargo System (ICS) to indicate which exemption is being claimed.

Audits completed by the ABF often detect misuse of the GST food exemption in various importations. Careful consideration needs to be made to ensure GST Food exemptions are claimed correctly on food and beverage goods. Consideration needs to be given to ingredients lists on labels, composition and formulation of imported foods and beverages, and seek manufacturer's production processes if required.

Subdivision 38-A Act guides on what is Food, and Food that is not GST-free. Food is defined in section 38.4 of the Act.



## What is Food?

(1) Food means any of these or any combination of any of these:

- Food for human consumption (whether or not requiring processing or treatment);
- ingredients for food for human consumption;
- beverages for human consumption;
- ingredients for beverages for human consumption;
- goods to be mixed with or added to food for human consumption (including condiments, spices, seasonings, sweetening agents or flavourings);
- fats and oils marketed for culinary purposes.



However, does not include:

- live animals (other than crustaceans or molluscs); or
- unprocessed cow's milk; or
- any grain, cereal or sugar cane that has not been subject to any process or treatment resulting in an alteration of its form, nature or condition; or
- plants under cultivation that can be consumed (without being subject to further process or treatment) as food for human consumption.

(2) Beverage includes water.

Schedule 1 of A NEW TAX SYSTEM (GOODS AND SERVICES TAX) ACT 1999 provides information on food of a kind specified that is not GST-free:

Schedule 2 of A NEW TAX SYSTEM (GOODS AND SERVICES TAX) ACT 1999 provides information on Beverages that are GST Free.

Navigating GST exemptions and GST-free foods can be complex for businesses and can cause non-compliance. To avoid potential errors, tools provided by the ATO are useful in verifying the GST status of various food products.

To determine the GST status of food, the Australian Taxation Office (ATO) provides the below tools:

- [GST food and beverage search tool](#) allows you to search food and beverage products to find out if they are taxable or GST-free.
- [Detailed food list](#) to find out more about GST and food and beverage classifications and how they apply to you.
- Do not use the search tool if the food or beverage item is supplied as a dine-in or hot takeaway as these items are taxable. Dine-in includes food or beverage items for consumption on the [premises](#) from which it is supplied.

There are examples provided on the ATO website on [Taxable Foods](#) and [GST- free foods](#)



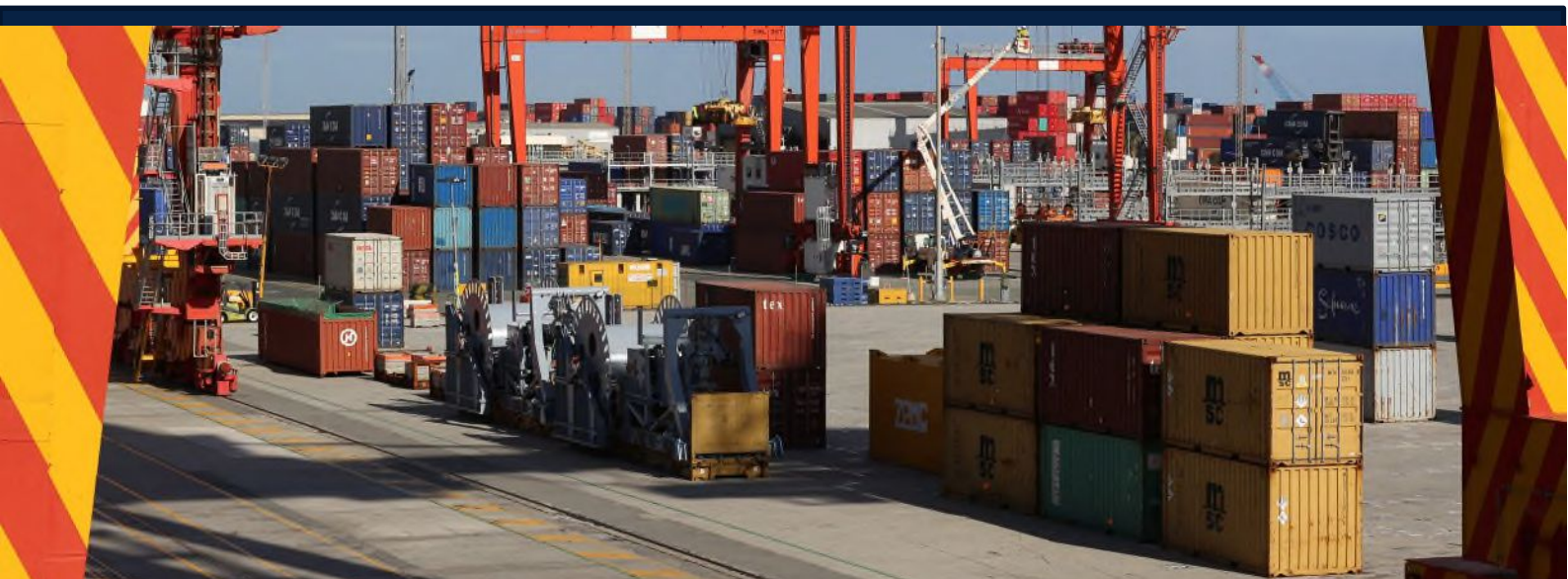
There have been instances when the GST Food Exemption code has been incorrectly used for products for which GST is payable. One such detection by ABF was a goods description including CHIPS. [Schedule 1 of the GST Act 1999](#) provides information on [Food](#) that is not GST- free. The below snip is from Schedule 1 , for item number 15 Savoury snacks – includes chips and implies that GST is payable on chips.

12		crystallised fruit, glace fruit and drained fruit
13		crystallised ginger and preserved ginger
14		edible cake decorations
15	Savoury snacks	potato crisps, sticks or straws, corn crisps or chips, bacon or pork crackling or prawn chips
16		seeds or nuts that have been processed or treated by salting, spicing, smoking or roasting, or in any other similar way
17		caviar and similar fish roe

*Extracted from Schedule 1 of the GST ACT 1999.*

We encourage you to use the tools from the ATO website and schedule available in the Act for correct determination. It is crucial that businesses investigate and amend internal processes where the GST food exemption has been incorrectly applied, and stay informed of the updates made to the details of the GST status of major food and beverage [product lines](#).

Licensed Customs Brokers need to exercise due diligence when claiming a GST Exemption and entering it into their electronic systems. This audit team has multiple examples where the Exemption from GST was claimed incorrectly for 200 consignments relying on information programed in electronic systems.





# Trade Services Update

## How Tariff Advice can benefit businesses



Changes in tariffs can significantly impact small businesses, their supply chains, pricing structures, cash flows and projected profitability. A Tariff Advice can play an important role for Australian businesses and individuals importing goods into Australia. A Tariff Advice can help to ensure that the goods are correctly classified under the international World Customs Organization (WCO) Harmonized System (HS) and Australia's domestic tariff legislation.

### Why is classifying goods important?

The correct tariff classification can help to ensure the correct duties and taxes are paid for the specific goods. It can also help to minimise the risk of errors or delays in the import process, which in the long term saves time and money, and most importantly, it ensures that all applicable border protection laws and regulations are met.

### What is a Tariff Advice?



A Tariff Advice is also formally known as a Tariff Advance Ruling. As this name suggests, a Tariff Advice is formal binding tariff advice to the importer that applies to goods to be imported in future and provides a degree of certainty regarding import costs for prospective new businesses. On the applicant's request, the Tariff Advice ruling will also include a decision on whether the subject goods are eligible for a current valid Tariff Concession Order that entitles them to a concessional rate of duty on import.

An importer (or representative) is not required to seek a Tariff Advice before importing goods; however, once the decision is taken to seek and obtain a Tariff Advice from the Australian Border Force (ABF), this ruling needs to be followed when entering the goods for import, to cover the possibility of administrative penalties in future.

The Tariff Advice system is not captured in customs and related legislation, and is effectively an administrative process that the National Trade Advice Centre (NTAC) provides as a service to help fulfil the ABF's international and domestic commitments, obligations and responsibilities to its stakeholders and clients. Tariff Advices are for a single import shipment consigned from a specific manufacturer to a specific owner, and are subject to the provisions specified in a covering letter. The decision given on the advice is valid for five (5) years from the acquittal date on the advice.

## How can applicants apply?

Applicants can apply for a Tariff Advice either electronically by direct input into the Integrated Cargo System (ICS) via the Tariff and Precedents Information Network (TAPIN) Production module, or manually using a B102 'Application for Tariff Advice' standard form. Applicants for Tariff Advices are generally licensed customs brokers, trade consultants and commercial or private importers.

## How many Tariff Advice applications does the NTAC receive?

Historically, the NTAC has received approximately 1,200 to 1,300 Tariff Advice applications per financial year. As an indication, during the last two financial years, FY 2022/2023 and FY 2023/24, NTAC received 1,259 and 1,309 Tariff Advices respectively. Tariff Advice application numbers received are industry-driven. For example, during FY 2021/2022, NTAC received 1,580 Tariff Advices. The COVID-19 pandemic together with the impact of a global shortage of shipping containers and prevalence of working from home arrangements, were the most likely factors driving the higher numbers during this period.

## How many Tariff Advice applications are rejected?

During the last two financial years, FY2022/2023 and FY2023/2024, NTAC rejected (including withdrawn and void) 154 and 147 Tariff Advice applications respectively. These may seem like small numbers, however it is important to note that during processing, the NTAC team assesses the Illustrated Descriptive Material (IDM) supplied for the goods of each Tariff Advice application it receives on a case-by-case basis, performs due diligence research to source other available relevant information, and classifies these goods according to the Customs Tariff Act 1995. At lodgement, NTAC assesses all Tariff Advice applications it receives for their completeness and validity. Any decision to reject, void or withdraw a Tariff Advice application at lodgement or during processing, therefore still requires officer resources from within the team to assess and action.

## What are some of the common errors encountered when lodging a Tariff Advice?

A long-standing issue with new Tariff Advice applications is insufficient supporting information provided by applicants. NTAC assesses and monitors the circumstances surrounding the lodgements of new Tariff Advice applications daily and depending on these circumstances, will make a decision to exercise one or a combination of alternative options. For example, if the supporting information provided does not relate to the subject goods of the Tariff Advice application, does not accurately describe the Tariff Advice goods in sufficient detail, is incomplete, or contains inconsistent or conflicting information about the goods, NTAC would normally revert to the Tariff Advice applicant asking them to provide the correct information. Subject to exceptional circumstances, if the applicant does not provide this information within specified timeframes, NTAC will reject the Tariff Advice application.

## Issues with Tariff Advice applications

If the applicant does not provide the correct information, other significant factors come into play, such as how the ABF effectively manages risks and its standing with international and domestic stakeholders whilst administering natural justice to the owner/importer/applicant. Unlike the Tariff Concession Order administration system, legislative timeframes do not govern the Tariff Advice System. This means NTAC must continually monitor the level of service delivery and consistently strive to meet its service standards, whilst at the same time balancing industry expectations of service delivery in terms of quality assurance and Tariff Advice processing times.

The correct administration of the WCO HS, Customs Tariff Act 1995 and related legislation forms the basis of correct tariff classification. The work the ABF conducts, ultimately relies on the correct tariff classification of commodities such as firearms, engineered stone, precursor chemicals, illicit cigarettes, vapes, tobacco and tobacco substitutes, alcohol and other prohibited or restricted goods and many others.

## NTAC advice for lodging Tariff Advice



Working proactively with NTAC, Tariff Advice applicants must lodge a completed application for Tariff Advice and continuously strive to improve the quality of the supporting information they provide in support of their Tariff Advance Ruling applications.

NTAC provides relevant guidance to applicants regarding the information they need to provide to the ABF and in what format, advises of lodgement procedures, timeframes and any standard forms the applicant needs to complete, in order to facilitate the timely processing of their Tariff Advice.

The ABF expects that applicants for Tariff Advice will source their own IDM and ensure that it describes the imported goods in sufficient detail to enable the ABF to correctly classify the goods.

To do this, they need to conduct their own due diligence research on the goods they are intending to import, before lodging their Tariff Advice application with the ABF for processing.

Failure to do so will mean the ABF will need to ask for further information before lodgement or during processing, which if not provided will likely result in the Tariff Advice being rejected, withdrawn or placed on query, pending the provision of further information. This causes delays in processing time, the likely consequences being that Tariff Advice applicants will be waiting longer to receive their finalised Tariff Advices, resulting in a lack of certainty for importers, and more importantly, an increased risk of non-compliance with Australia's international obligations under the WCO HS and Australia's border related laws.

# Australian Trusted Trader Update

## Program Update

The Australian Trusted Trader (ATT) program accredits Australian businesses who demonstrate high levels of supply chain security, trade compliance and a commitment to continuous improvement. The ATT program is now in its ninth year, since commencement in 2016, and throughout this time has demonstrated the success of building trusted partnerships that deliver supply chain security and trade facilitation benefits for both ABF and industry.

As at 1 April 2025, the ATT program is actively managing 999 entities, including 872 accredited Trusted Traders and 127 active applications across nearly all sectors of the economy. This sustained growth and development has seen ATT become a benchmark for Authorized Economic Operator (AEO) programs globally.

In 2020, the program transitioned from the implementation phase to sustainment. In sustainment, the focus of the program is ongoing assurance and ensuring the integrity of the program. The ATT program continues to assess new applicants and on-board entities into the program who can demonstrate strong supply chain security, trade compliance and a commitment to continuous improvement. Processing timeframes for new applicants range from 12-18 months, with the assessment of new applications balanced with the program priority of facilitating reaccreditations, assurance activities, support to accredited Trusted Traders, and prioritisation of application processing for high volume/value entities.

Assurance activity continues to support the integrity of the ATT Program. Since commencement of the ATT, program 90 entities have withdrawn ATT applications following an onsite supply chain security assessment, due to an inability to achieve the requirements of the ATT Rule, or for other reasons.

This is in addition to the 38 entities that have been refused ATT accreditation and 176 entities that have had ATT accreditation terminated. It is important that entities make sure they have strong supply chain security and trade compliant practices before applying for the program.

To support entities and accredited Trusted Traders to better understand the core components of supply chain security and how to limit supply chain exploitation, the 'ATT Online International Supply Chain Security Education Program' includes eleven modules intended to provide a basic understanding of supply chain security. This online program is available to all those active in the international supply chain, not just accredited Trusted Traders, and can be accessed through the QR code.



# In The Spotlight – 2025 ATT Symposium



The annual ATT Symposium will be held in May 2025.

Participants are invited to come together to the ATT Symposium to recognise and celebrate the program's collaborative approach to facilitating legitimate trade, strengthening supply chain security and detecting illicit trade activity.

Trusted Traders have the opportunity to hear from ABF's new Commissioner, Gavan Reynolds AO, as well as hear from, and speak with, other representatives from:

- Australian Border Force
- Australian Transaction Reports and Analysis Centre (AUSTRAC)
- Australian Federal Police
- Department of Agriculture, Fisheries and Forestry
- Department of Home Affairs
  - Cyber & Infrastructure Security Centre
- University of Sydney



# Customs Licensing Update

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## Customs Broker Licensing

### Suspensions of customs broker licences

In 2024, the nominee customs broker and sole Director of a corporate customs broker was identified as lodging 147 Full Import Declarations whilst travelling overseas.

As this was a clear breach of additional licence condition 7 of a customs broker licence, a Delegate of the Comptroller-General of Customs (Delegate) referred the nominee and corporate licence in this matter to the National Customs Brokers Licensing Advisory Committee (NCBLAC) for investigation and report.

During the NCBLAC hearing, the customs broker made admissions to lodging import declarations whilst travelling overseas and conceded that they were aware of additional licence condition 7 in relation to not lodging from overseas.

After considering the NCBLAC recommendation report on this matter, the Delegate concluded that the corporate and nominee Customs broker had ceased to perform the duties of a customs broker in a satisfactory and responsible manner; and were guilty of conduct that was an abuse of the rights and privileges arising from their licence. In November 2024, the Delegate decided to; suspend the nominee licence for a period of 3 months; reprimand the nominee and corporate customs broker licence holder; and require the customs broker to complete a corporate governance training course.



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In 2024, the nominee customs broker and sole Director of a corporate customs broker was identified as lodging over 1,000 Full Import Declarations, over a two year period, whilst travelling overseas. As this was a clear breach of additional licence condition 7 of a customs broker licence, a Delegate referred the nominee and corporate licence in this matter to the NCBLAC for investigation and report.

During the NCBLAC hearing, the customs broker made admissions to lodging import declarations whilst travelling overseas and conceded that they were aware of additional licence condition 7 in relation to not lodging from overseas.

After considering the NCBLAC recommendation report on this matter, the Delegate concluded that the corporate and nominee Customs broker had ceased to perform the duties of a customs broker in a satisfactory and responsible manner; and were guilty of conduct that was an abuse of the rights and privileges arising from their licence. In December 2024, the Delegate decided to; suspend the nominee licence for a period of 3 months; reprimand the nominee and corporate customs broker licence holder; and require the customs broker to complete a corporate governance training course.

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# Customs Licensing Update

## Cancellation of a nominee and corporate customs broker licence

In October 2024, an ABF investigation identified that a nominee customs broker and sole Director of a corporate customs broker had;

- Lodged 14 Full Import Declarations, over a 16 month period, for consignments which resulted in the ABF detecting:
  - 21.4 million sticks of undeclared cigarettes;
  - 17,100 kg of undeclared tobacco products;
  - 200 kg of methamphetamine.
- Lodged 300 Full Import Declarations in a two week period whilst travelling overseas; and
- Shared their system access and customs broker licence credentials with an unlicensed entity, allowing them to lodge import declarations.

The ABF investigation concluded that the Customs broker had not undertaken any due diligence in order to verify the information provided to the ABF or the identity of the importer or the legitimacy of the goods. A Delegate referred the nominee and corporate customs broker licence in this matter to the NCBLAC for investigation and report. As the Delegate deemed it necessary for the protection of the revenue and in the public interest to do so, the nominee customs brokers licence was suspended pending NCBLAC investigation and report in accordance with section 183CR(1) of the Customs Act 1901.

During the NCBLAC hearing, the customs broker;

- Conceded that they had not been conducting any of the due diligence measures required of a customs broker, namely verifying the information provided by their clients. The customs broker made admissions that they often had no contact with the importer and that despite the presence of red flags, assumed the Freight Forwarders were conducting the necessary checks.
- Conceded that whilst travelling overseas for two weeks, they permitted an unlicensed and unqualified employee to lodge 300 import declarations by utilising the customs brokers nominee and corporate customs broker licence credentials without any oversight.
- Conceded that they have allowed an unlicensed and unqualified employee to lodge import declarations utilising their licence credentials on an ongoing basis and for over five years.

After considering the NCBLAC report, the Delegate noted the extent of the non-compliance and that the practice identified was unlawful, undermined the licensing regime, compromised the integrity of the supply chain and was a breach of the professional obligations of a nominee and corporate customs broker licence holder.

The Delegate concluded that the corporate and nominee customs broker had ceased to perform the duties of a customs broker in a satisfactory and responsible manner; and were guilty of conduct that was an abuse of the rights and privileges arising from their licence. The Delegate decided to cancel the nominee and corporate customs broker licence in this matter.

# Customs Licensing Update

## Mandatory Continuing Professional Development module

The Australian Border Force (ABF) introduced a mandatory Continuing Professional Development (CPD) module for customs brokers in the 2023/24 CPD year, which was updated and repeated for the 24/25 CPD year. This mandatory CPD module focused on customs broker due diligence requirements and assisting customs brokers in identifying suspicious transactions and traders. The module was well received and garnered a lot of positive feedback from industry.

The ABF will again be hosting a mandatory CPD module for the 2025/26 CPD year, however, **it will be released later in the CPD year and only accessible for a finite amount of time, approximately two months**. However, the ABF will work with any customs brokers who are unable to complete the module during this time due to travel, illness etc. to support its completion.

Prior to the 2025/26 mandatory CPD module being released, additional information will be provided to assist customs brokers with accessing and completing the online module.

## Fit and Proper Person Assessments

### Customs Licensing Fit and Proper Person Assessment - B301 vs B1555

The image shows two sample consent forms from the Australian Border Force. The left form is titled 'Consent to obtain personal information' and the right form is titled 'Consent form Fit and Proper Checks'. Both forms contain sections for personal details, consent, and a declaration of fit and proper person status.

The ABF licenses individuals and companies under the Customs Act 1901 (the Act) to perform privileged functions across the supply chain. Working in a Customs Licensed s77G Depot or s79 Warehouse (excluding Australian Taxation Office administered warehouses) requires that the Comptroller-General of Customs (Comptroller-General) is satisfied that any person who participates in the operations of the licensed place (in a management or control role, in any other capacity, on site or remotely) is a 'Fit and Proper' person.

The Comptroller-General requires an individual's consent to conduct checks to determine if the individual is a Fit and Proper person to participate in the operations of a licensed place. There are two different Fit and Proper Person Assessment consent forms -

B301 and B1555. Individuals that participate in the operations of a Customs Licensed Depot or Warehouse are required to complete one of the two consent forms in accordance with the level of authorisation and access that applies to their position at the licensed place. Only one type of consent form can apply at any one time and must be updated should the level of authorisation and access relating to the individual's position change.

## Fit and Proper Person Assessment Consent Form - B301 - Management or Control Position

The Customs Act requires all persons in management or control of a Customs Licensed Depot or Warehouse to be fit and proper persons (refer to s77K for Depots and to s81 for Warehouses in the *Customs Act 1901*). Persons considered to be in Management or Control are required to complete a B301 consent form. Only in circumstances where staff participate in the operations of the licensed place, and do not maintain management or control as described to the right, must complete a B1555 form. If management or control authorisations/access cease to exist at any time, licence holders are obligated to review, and submit a new form; accordingly noting only one form can be maintained per applicant.

The ABF consider a person to be in a management or control position if they have authority to direct operations or activities at a Customs Licensed Depot or Warehouse; or are involved in, or have an influence over, the policies and procedures of the Depot or Warehouse; or direct the receipt or release of goods at a Depot or Warehouse. A person is considered to be in management or control irrespective of whether their role is active or passive and whether they are physically located at the Depot or Warehouse, or work remotely. This includes all directors and managers, and includes (but is not limited to) employees with:

- the authority to direct operations and/or release cargo
- access to the Integrated Cargo System (ICS)
- after-hours access (outside standard typical office hours); or
- keys to the deadhouse and or secure caged area within a licensed establishment.

A copy of the B301 consent form and supporting identity documents must be submitted to the ABF by the licence holder within 14 days of a person occupying a position of management or control, or if there is a change in circumstances relevant to matters covered in the form.

## Fit and Proper Person Assessment Consent Form B1555 – Participating in the Operations of the Licensed Place Position (Not Management or Control)

Australian Customs Notice 2022/46 introduced on 01 November 2022 an Additional Condition as per s77Q (Depot) and s82A (Warehouse) of the Act. Persons that participate in the operations of a Customs Licensed Depot or Warehouse in a non-management or control position must complete a B1555 consent form and must satisfy the Comptroller-General that they are a Fit and Proper person to participate in the operations of a Customs Licensed place. This includes anyone who participates in any of the operations of the licensed place, is not limited to persons physically present at the licensed place and includes any person who participates in the operations of the licensed place from a remote location.

A B1555 consent form must be completed within 7 days of a person commencing to participate in any of the operations of a licensed place. A copy of the B1555 form and supporting identification documents must be retained by the licence holder and must be provided to the ABF within 24 hours if directed by the ABF or if the licence holder becomes aware that a person who participates in any of the operations of the licensed place:

- has been convicted of an offence against a law of the Commonwealth, or of a State or Territory, or of any other country or part of a country;
- has been refused a transport security identification card (defined in section 4 of the Act), or had such a card suspended or cancelled;
- has breached any condition of their visa to reside in Australia, if the person is not an Australian citizen; or
- is an unlawful non-citizen.

If a staff member's level of authorisation/access changes to align with a Management or Control position at any point in time, a B301 consent form must be completed and submitted to the ABF within 14 days of the person occupying the position.

## Common issues relating to Fit and Proper Person Assessments

Completed consent forms (B301 and B1555) must be signed by the applicant and all the necessary identity documents must accompany the forms. If an applicant does not sign the applicable consent form and/or fails to provide the required supporting identity documents, they cannot participate in any of the operations of the licensed place.

Completion of a consent form (B301 or B1555) requires that all sections be completed honestly and accurately. All disclosable circumstances must be declared in full, without omission. Additional detail or documents must be attached to the form if there is insufficient space within the form.

Failure to declare all disclosable circumstances in full may be determined to be providing false or misleading information to the ABF and can adversely affect a person's Fit and Proper assessment, potentially resulting in their removal from employment at a licensed place.

If the Comptroller-General of Customs has concerns in relation to a person's Fit and Proper assessment, a Right of Reply letter will be sent to the applicant identifying the concerns.

The Right of Reply provides the applicant with an opportunity to address the Comptroller-General's concerns. It is important that the applicant provide all available relevant supporting information/documents/evidence to inform the Comptroller-General's assessment of their claims.

Inquiries can be sent to [b301@abf.gov.au](mailto:b301@abf.gov.au)





# National Supply Chain Update

## Australian Border Force Preventing ABN Fraud

### Features of Piggyback methodology

The ABF is observing a recent trend in attempted ABN Fraud, also referred to as piggybacking. A piggyback is an attempt to 'piggyback' on the existing import history and credentials of an existing business and importer. It is a form of fraud and has serious negative implications for the businesses that are the victim of the fraud.

A recent trend involves the practice of registering a domain name similar to that of the company nominated as the importing company.

Fictitious example: Flying Fish Fingers Pty Ltd is the nominated business and their regular domain name is [www.flyingfishfingers.com.au](http://www.flyingfishfingers.com.au). The fraudster registers [www.flyingfishfingers.com](http://www.flyingfishfingers.com) and uses a relay service to send an email that appears to come from [imports-au@flyingfishfingers.com](mailto:imports-au@flyingfishfingers.com). In most cases, they nominate to collect the cargo – a known red flag.

After checking that the domain name/email extension is not the same as the importing business, the two websites below should provide sufficient information to refuse the business.

1. [Free Whois Lookup - Whois IP Search & Whois Domain Lookup | Whois.com](#)  
Check when the domain name was registered, as often it will be in the last few months or there will be no website.
2. [Email Lookup: Check & Verify Email Address Free](#)  
Check if the email is relaying through a routing service. If it is, then this is suspicious.

It is vital that import declarations are not lodged when the details are strongly suspected or confirmed to be false. In the event that the piggyback is being used as a 'dry run', the ABF may have no grounds to hold the consignment and the goods will be released. The import history of the legitimate company and the fraudster will now be merged, increasing the risk that future illicit importations will be successful. If illicit goods are found, a seizure notice will be sent to the company that has their identity used. This adversely impacts their reputation and causes distress.

It is important that businesses try to undertake integrity checks as early in the client engagement process as possible. Arming sales teams - or those monitoring inward correspondence - with simple checks and reply scripts that will likely lead to a 'nil response' will reduce the likelihood of wasted effort.

The return script could be as simple as, *"I notice that your domain name is different from the Australian business importing the goods \_\_.com.au. Can you please send me an identity document and ask business \_\_ to send us an email - from their regular domain - authorising you to act on their behalf?"*

It is likely that the business will not hear from them again.

We really encourage Border Watch reporting – as this guarantees a timely response and the inbox is constantly monitored.

**Border Watch can be contacted at [Border Watch Online Report](#)**

# Australian Customs Notices

The following table contains the ACNs that have been issued since the last GCU. The full list and details can be found here: <https://www.abf.gov.au/help-and-support/notices/australian-customs-notices#>

Notice	Title	Year
2025-11	Proposed Customs (Information Technology Requirements) Amendment (API Project and Other Measures) Determination 2025	2025 ✓
2025-08	Tobacco Products Importation and Exportation – Christmas and Cocos (Keeling) Islands	2025 ✓
2025-07	Strengthening and Modernising the Customs Licensing Regime	2025 ✓
2025-06	Application for Customs Broker Licences	2025 ✓
2025-05	Customs duty rates for tobacco and tobacco products – March 2025	2025 ✓
2025-04	Drugs and Precursors Regulation Amendments	2025 ✓
2025-03	Application for Customs Broker Licences	2025 ✓
2025-02	Indexation of customs duty rates on excise-equivalent goods on 3 February 2025	2025 ✓
2025-01	Application for Customs Broker Licences	2025 ✓
2024-45	New Import Control on Engineered Stone	2024 ✓
2024-44	Suspension and reduction of preferential rates of customs duty	2024 ✓
2024-43	United Kingdom's Accession to the CPTPP Entry into Force 24 December 2024	2024 ✓



# Compliance program results

## FY2024/25 Quarter 3 (JAN-MAR)

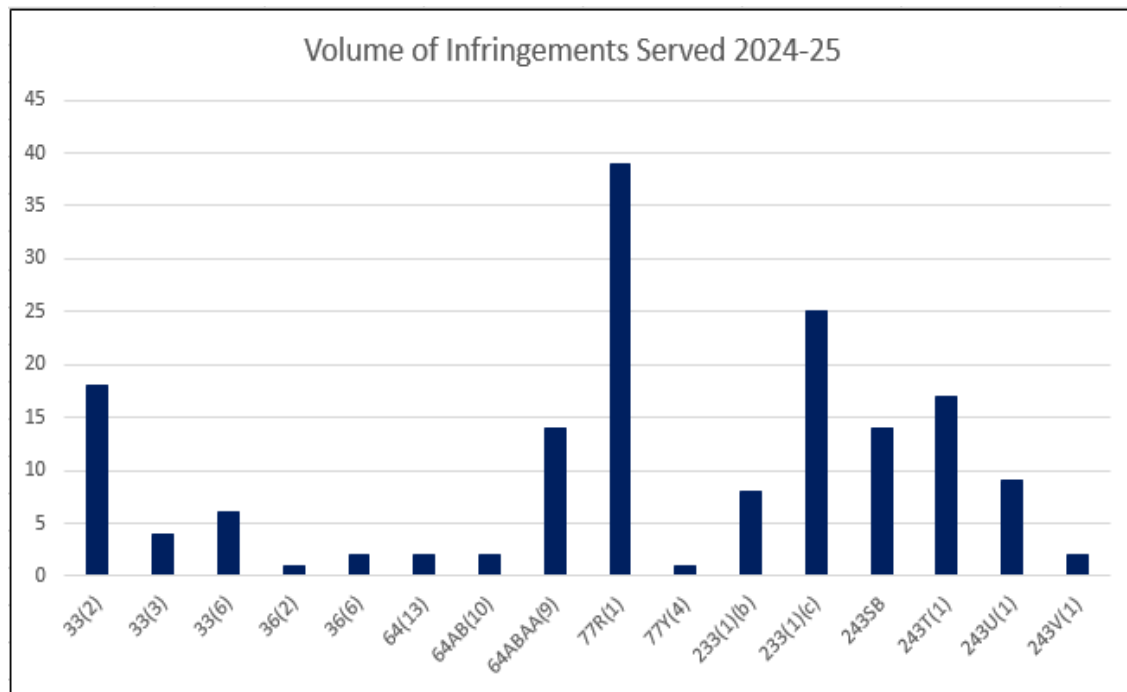


## Infringement Notice Scheme

Table 1 - Infringement Notice Scheme offences

Offence	Description
33(2)	Moving, altering or interfering with goods subject to Customs control without authority
33(3)	Moving, altering or interfering with goods subject to Customs control without authority (by an employee)
33(6)	Directs another person to move, alter or interfering with goods subject to Customs control without authority
36(2)	Failure to keep goods safely
36(6)	Failure to account for goods
36(7)	Failure to deliver goods in accordance with an Authority to Deal and cannot account for goods
64(13)	Failure to meet reporting requirements for the impending arrival of a ship or aircraft
64AB(10)	Failure to meet reporting requirements for the report of cargo
64ABAA(9)	Failure to meet reporting requirements for outturn reports
77R(1)	Breach of conditions of depot licence
82C(1)	Breach of conditions of a warehouse licence
102A(4)	Failure of a holder of a warehouse licence to notify Customs of release or return of prescribed goods for export
113(1)	Failure to enter goods for export and loading/exporting without authority to deal
114E(1)	Sending goods to a wharf or airport for export without proper authority or reporting actions
233(1)(b)	Prohibited imports
233(1)(c)	Prohibited exports
240(6B)	Failure to keep a document if required so by an authorised officer
243SB	Failure to produce documents or records
243T(1)	False or misleading statements resulting in a loss of duty
243U(1)	False or misleading statements not resulting in a loss of duty
23V(1)	False or misleading statements in cargo reports or outturn reports

**Figure 1 - Number of Infringement Notice Scheme offences 1 Jul 2024 – 31 Mar 2025**



**Figure 2 - Value of Infringement Notice Scheme offences 1 Jul 2024 – 31 Mar 2025**

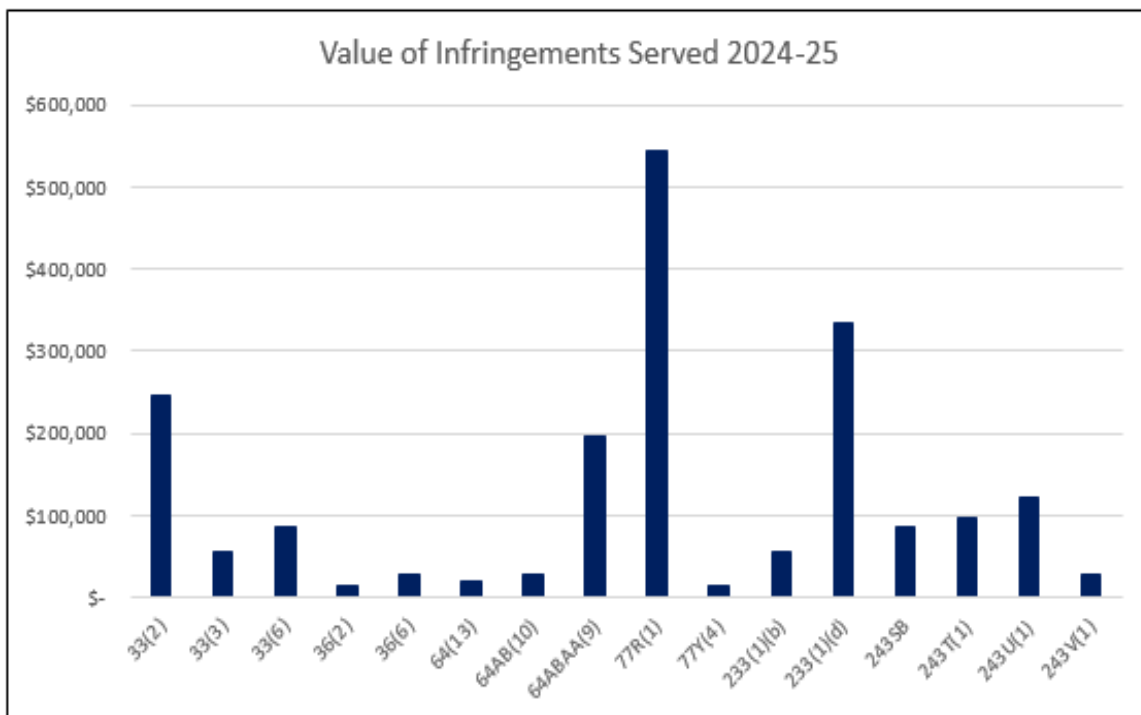


Figure 3 - Number of Infringement Notice Scheme offences FY2024/2025 Q3, 1 Jan 2025 – 31 Mar 2025

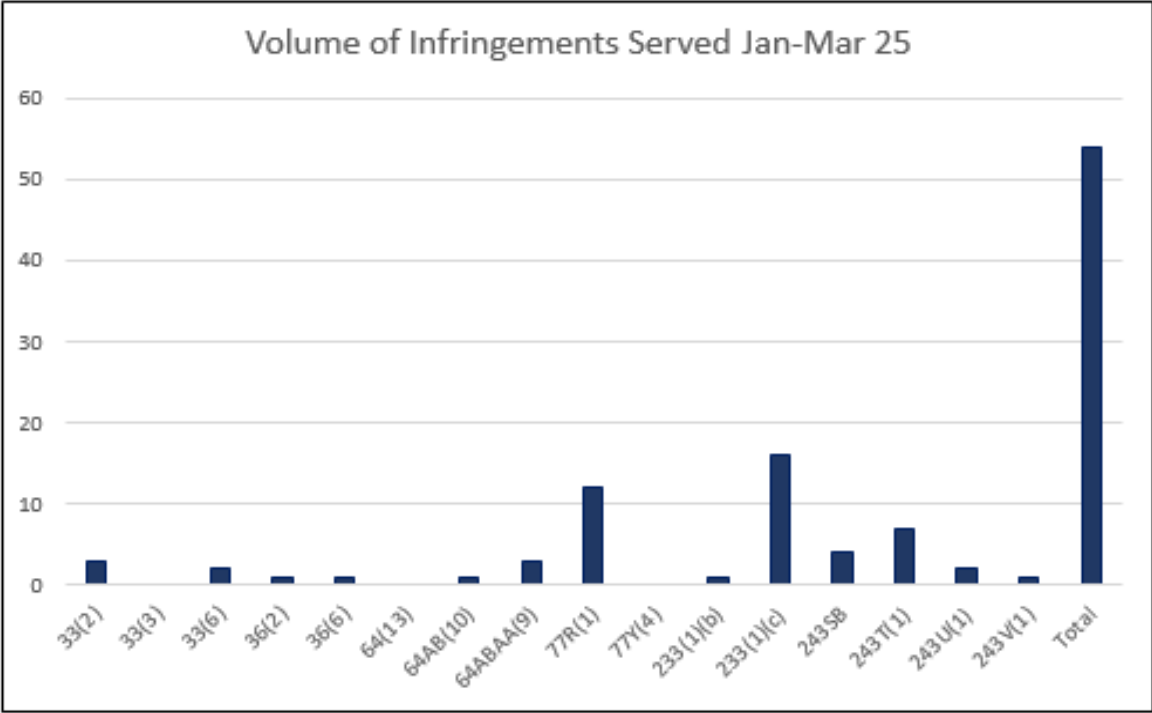
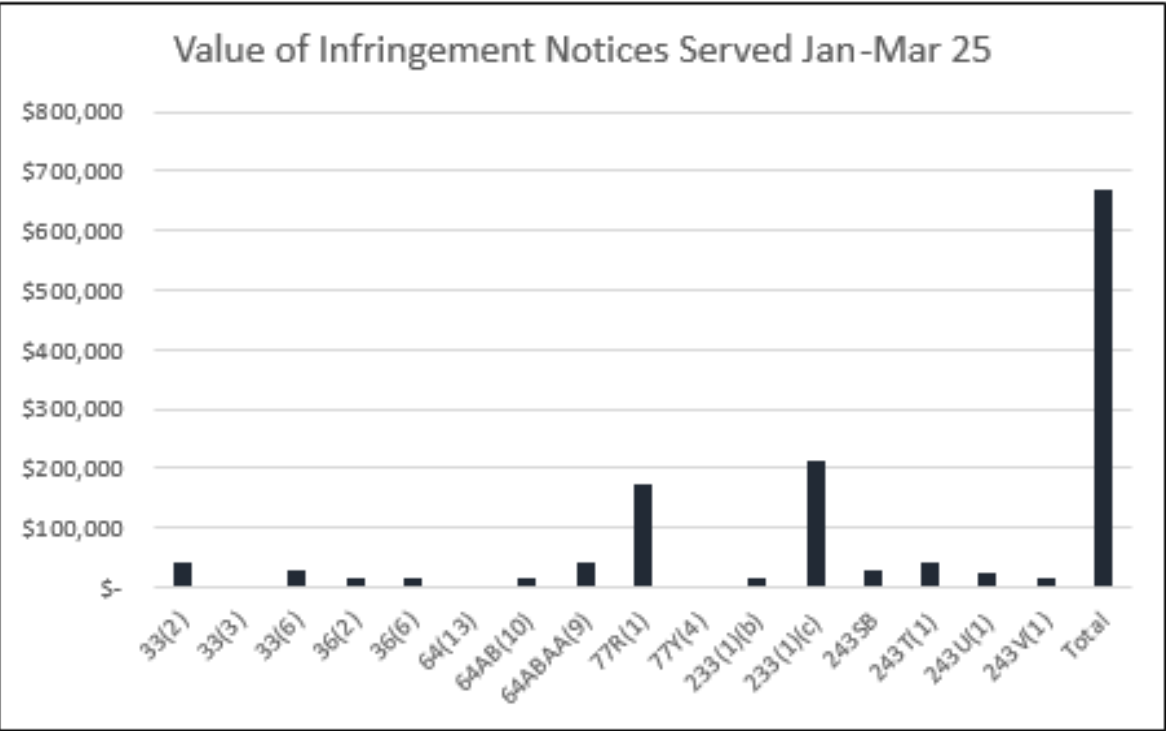


Figure 4 - Value of Infringement Notice Scheme offences FY2024/2025 Q2, 1 Jan 2025 – 31 Mar 2025



## Revenue understatements – General

**Table 2 - Value of revenue understatements identified from investigations and compliance activities, financial year 2025/24 to date and comparison to 2023/24**

Activity Type	Q3 JAN-MAR 2024/25	Q3 JAN-MAR 2023/24	FYTD 2024/25 (July to Mar)	FY 2023/24
Post Transaction Verification	\$5,779,080	\$9,073,983	\$13,861,680	\$17,343,600
Voluntary Disclosure	\$39,129,313	\$43,078,755	\$120,936,971	\$255,418,364
Pre Clearance Intervention	\$4,353,786	\$5,129,074	\$19,007,436	\$20,865,544
Compliance Monitoring Programme	\$89,295	\$90,755	\$627,051	\$363,059
National Refunds	\$2,864,726	\$3,160,426	\$4,951,774	\$15,895,131

## Duty Refunds

**Table 3 - Administration of Refunds financial year 2024/25 to date and comparison to 2023/24**

Description	Q3 JAN-MAR 2024/25	Q3 JAN-MAR 2023/24	FYTD 2024/25 (July to Mar)	FY 2023/24
Number of refunds Lodged	26,135	26,273	72,711	104,249
Value of refunds lodged	\$92,862,156	\$60,092,328	\$233,735,469	\$276,353,341
Number of approved refunds	26,738	26,675	71,906	102,852
Value of approved refunds	\$80,574,046	\$59,334,408	\$192,645,058	\$252,896,915
Number of refunds rejected (non-compliant)	209	127	533	590
Value of refunds rejected (non-compliant)	\$6,075,292	\$2,109,701	\$15,640,140	\$10,914,855

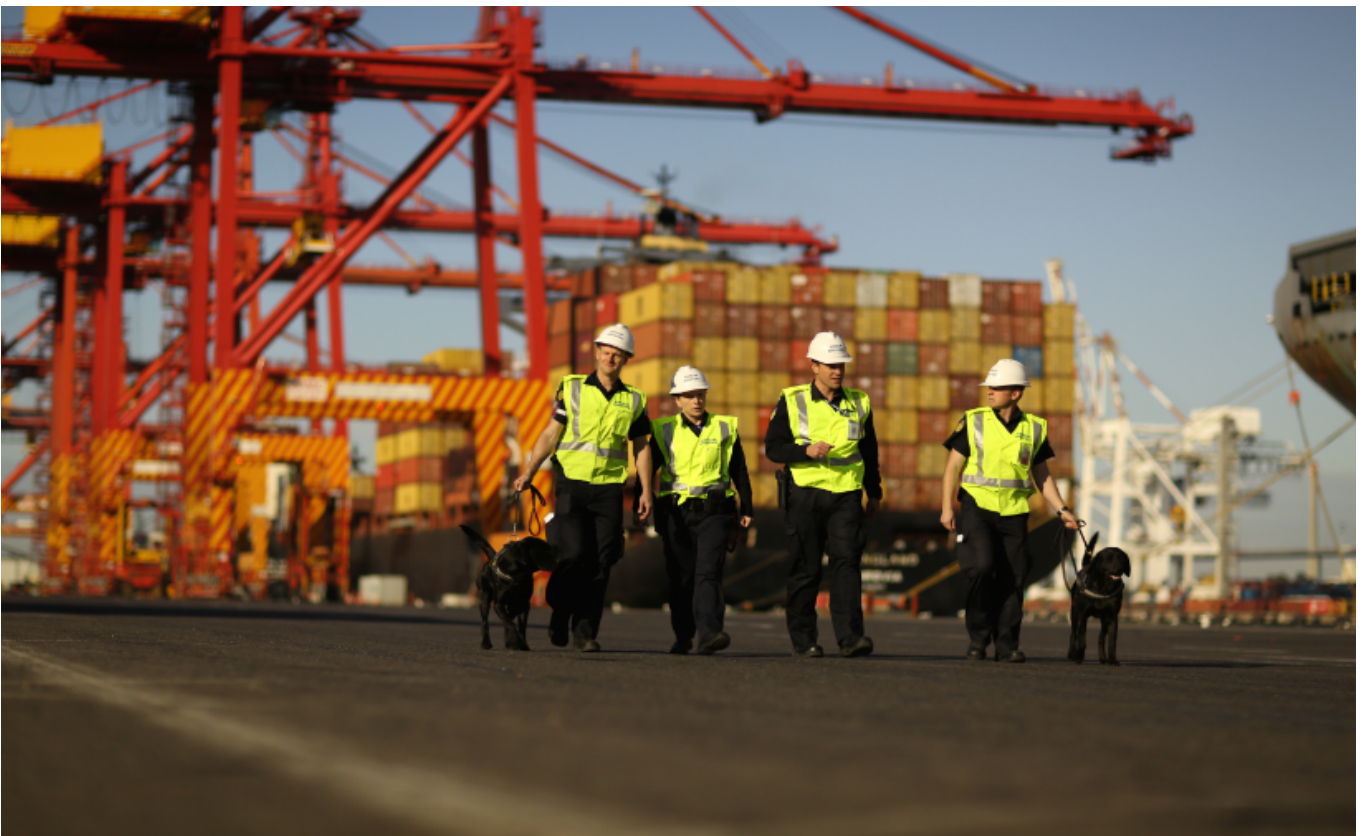
*Note: The approved refunds figures include claims lodged in past periods.*

## Duty Drawbacks

**Table 4 - Administration of Duty Drawbacks financial year 2024/25 to date and comparison to 2023/24**

Description	Q3 JAN-MAR 2024/25	Q3 JAN-MAR 2023/24	FYTD 2024/25 (July to Mar)	FY 2023/24
Drawbacks Lodged	408	442	1335	1927
Value of Drawbacks Lodged AUD	\$105,719,364	\$203,894,594	\$316,979,946	\$601,604,104
Total Drawbacks Paid	397	380	1295	1858
Total Drawbacks paid AUD	\$74,209,109	\$87,733,034	\$333,316,945	\$573,426,494
Drawbacks Rejected	5	7	12	33
Value of Drawbacks Rejected	\$362,187	\$111,082	\$582,461	\$660,123

*Note: The paid drawback figure includes claims lodged in past periods, explaining why the number of paid can be larger than the number lodged. Furthermore, the value paid are sometimes significantly different than that lodged for a period due to claims lodged towards the end of a period being processed in the next period.*



# Compliance Monitoring Program

The Compliance Monitoring Program (CMP) monitors the accuracy and quality of import and export declarations and cargo reports to assess overall levels of industry compliance.

## Import declarations

**Table 5 - CMP import declaration Quarter 3 (JAN - MAR 2025) and financial year 2024-25 with comparison to same period 2023-24 (AUD)**

Description	Q3 JAN-MAR 2024/25	Q3 JAN-MAR 2023/24	FYTD 2024/25	FYTD 2023/24
No. of lines checked	1752	1364	5226	4521
No. of lines detected to have errors	506	436	1579	1398
Error Rate	28.8%	31.4%	30.2%	30.6%
No. of Detections	743	430	2141	1386

**Table 6 - Most common errors on import declaration lines (CMP)**

Description	FYTD 2024/25	FYTD 2023/24
Val - Valuation Date	200	141
Val - Invoice Terms	235	197
Incorrect Delivery Address	231	196
Goods Description	80	88
Tariff Classification	351	135
Val - Price (Invoice Total)	132	99
Val - Related Transaction	111	61
Gross Weight	76	52
Loading Port	114	40
Origin	59	25
Tariff Concession or other concession	48	40

*Note: A number of valuation date errors are still being detected. Due to some identified industry system problems that skew the official figures they will not be published in the GCU until this issue is resolved.*



## Cargo reporting

**Table 7 – CMP Cargo report Quarter 3 (JAN - MAR 2025) and financial year 2024-25 with comparison same period 2023-24 (AUD)**

Description	Q3 JAN-MAR 2024/25	Q3 JAN-MAR 2023/24	FYTD 2024/25	FYTD 2023/24
No. of lines checked	1752	1364	5226	4521
No. of lines detected to have errors	148	92	470	523
Error Rate	8.46%	6.65%	9.95%	5.92%
No. of Detections	162	92	582	265

**Table 08 - Most common errors on cargo reports (CMP)**

Description	FYTD 2024/25	FYTD 2023/24
Consignee Incorrect	186	64
Consignor Incorrect	97	32
Port of Destination	33	24
Declared Value	20	8
Gross Weight	85	28
Goods Description	8	5
Origin Port of Loading	46	9
Bill Number	7	6
Container Number	4	3

## GCU Next Issue & Contact Information

### Web Links

Please note, as the GCU includes web links we encourage readers to download information as they desire, in anticipation that hyperlinks referenced in the newsletter may be subject to change.

### Contact Information

If you have any comments or queries on this issue or would like to see a particular topic covered in the next issue of Goods Compliance Update, please email: [gcu@abf.gov.au](mailto:gcu@abf.gov.au), attention GCU editor.

If you would like to contact ABF industry engagement in regards to an event or other engagement opportunity, they can be contacted at [industry.engagement@abf.gov.au](mailto:industry.engagement@abf.gov.au).

### Maintaining Communication with the ABF

The ABF communicates with our clients using a number of methods. To ensure that clients receive timely and accurate information regarding cargo-related business please update data in the ICS as matter of priority. Include current contact persons, role of employment, address, contact phone number and email address.

For further advice refer to Contact cargo systems support link [Contact cargo systems support \(abf.gov.au\)](https://abf.gov.au/contact-cargo-systems-support)

