



Australian **BORDER FORCE**

Customs Licensing

Section 77G Depot Forum

01 May 2024



Contents

- Licensing Overview
- Legal Framework
- Licence Types
- Licensing Procedures
- Licence Conditions
- Fit and Proper
- Reform – Upcoming Changes



Australian
BORDER FORCE

OFFICIAL

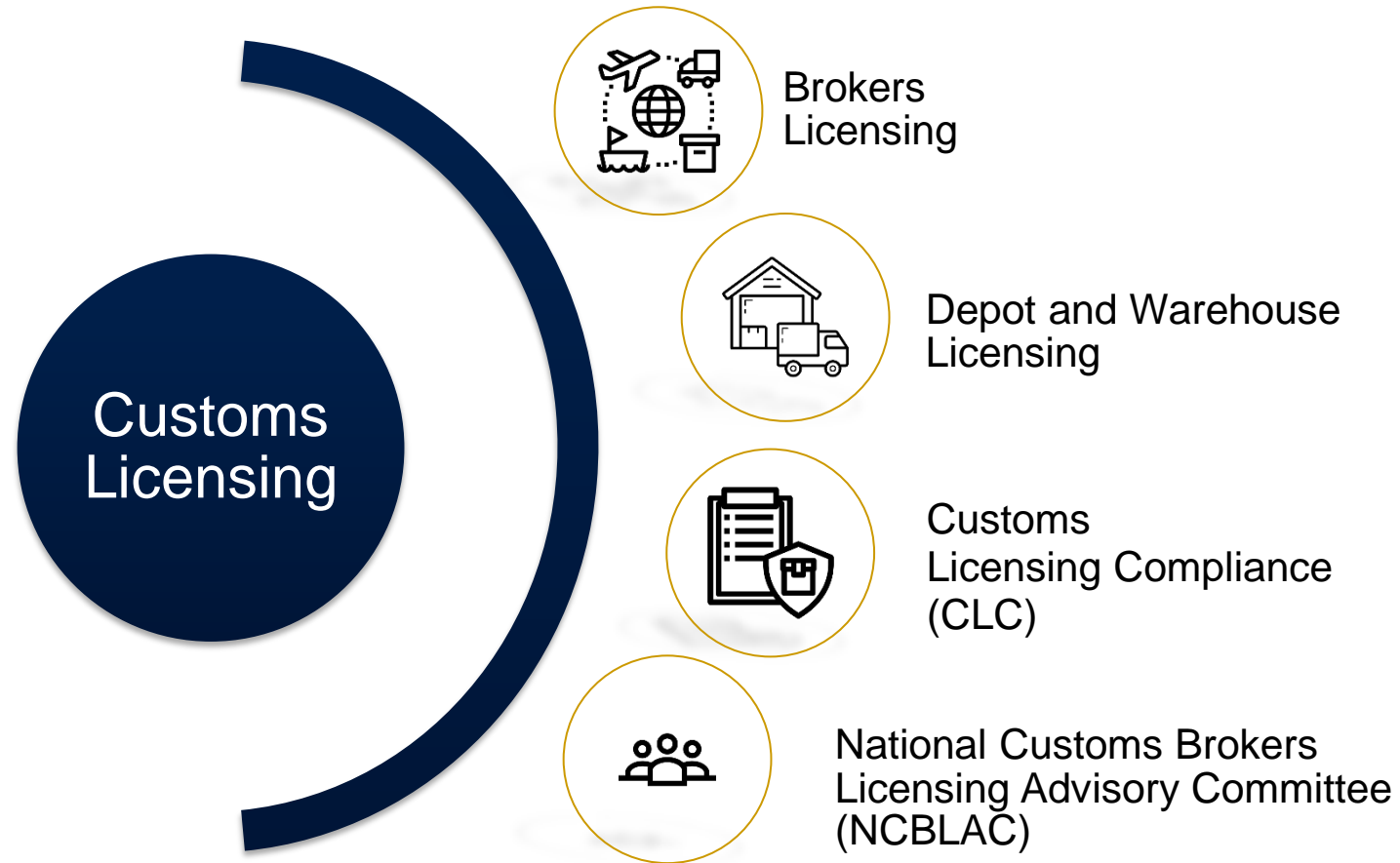
Licensing Overview

OFFICIAL



Australian
BORDER FORCE

Section Teams



What do we do?

- The Customs Licensing Section is responsible for the licensing of key service providers; depot and warehouse operators (including duty free operators) and customs brokers.
- These service providers are licensed to enable the appropriate risk assessment and compliance monitoring as they hold a privileged role of trust and play a significant role in the protection of Australia's borders and economy.
- Our role includes monitoring licensed entities to ensure they are meeting their mandatory obligations as prescribed in the Customs Act 1901 (Act), and acting on any breaches identified.
- Customs Licensing also administers/enforces the Fit and Proper Regime for licence holders and the National Customs Broker Licensing Advisory Committee.

Why do we do it?

- The role of the Australian Border Force is to provide effective border and revenue protection for the Australian Government and community, while facilitating legitimate trade and travel.
- The Licensing framework regulates entities to undertake the storage, reporting and movement of imported and exported goods.
- This enables goods that are subject to 'customs control' to be examined by ABF officers and tracked until they are entered into 'home consumption' or exported from Australia.

Who do we work with?



AUSTRALIAN
CRIMINAL
INTELLIGENCE
COMMISSION



Legal Framework

OFFICIAL



Australian
BORDER FORCE

Legislative Framework

- Customs Act 1901
- PART IVA—DEPOTS
- PART V--WAREHOUSES
- PART VAAA--CARGO TERMINALS
- PART XI--AGENTS AND CUSTOMS BROKERS
- Customs Regulations 2015
- Customs Licensing Charges Act 1997
- Delegations

Licence Types



Australian
BORDER FORCE

OFFICIAL

Depots – *Section 77G of the Customs Act 1901*

- Depots are used for the **short-term** storage, unpacking and deconsolidation
- Depots are also used for the consolidation or short-term storage of goods for export.
- Goods can also be released into home consumption once all legislative reporting requirements are met.



Warehouses – *Section 79 of the Customs Act 1901*

- Licensed Warehouses allow **long-term** storage of goods that are subject to customs control and subsequently, deferral of any payable duties and taxes.
- Goods held in a warehouse might be held indefinitely without payment of any duties and taxes, which are not payable until the goods are entered for home consumption, or until they are exported.
- Since July 2019, Tobacco may no longer be stored in a general or private warehouse.



Licensing Procedures

Application Basics

- All applications are assessed against the criteria laid out in customs legislation and associated policies. The applicant and all persons in positions of 'management or control' are required to be 'fit and proper'.
- The application process can take up to 60 days from the date that **all** information and documentation required to complete the application assessment has been received.
- The following fees apply:
 - New Depot Application: \$3,000.
 - New Warehouse Application: \$3,000 plus security (bank guarantee) of \$20,000.
 - Depot and warehouse variation fee: \$300.
 - Annual Renewal Fee for Depots: \$4,000 or \$1,500 depending on cargo line counts.
 - Annual Renewal Fee for Warehouses: \$4,000 or \$1,000 payable quarterly.
- Fees are set out in the Customs Licensing Charges Act 1997.

Application Basics

INSPECT	ASSESS	ASSESS	ASSESS	PROVIDE
Physical site	suitability of the proposed premises and operations	suitability of the recording and reporting system	Standard Operating Procedures	Advice to applicant

Application Basics



Licensing Conditions



Australian
BORDER FORCE

OFFICIAL

ACN No. 2022/46

- [CLICK HERE](#) FOR FULL ACN



Australian Customs Notice No. 2022/46

New Obligations on Customs Depot and Warehouse Licences

The purpose of this Notice is to inform existing customs depot and warehouse licence holders that additional conditions will come into effect on 01 November 2022. The additional conditions do not apply to Australian Taxation Office-administered warehouses.

New Obligations

- Strengthen existing controls within the supply chain
 - New timeframes for notifying the ABF
- Alignment with other key pieces of legislation
 - Aviation Transport Security Act
 - Biosecurity Act
 - Excise Act
- Enhanced CCTV Requirements
- Compliance with Integrated Cargo System 'Terms and Conditions'
- Expanded Fit and Proper Regime

Licence Conditions

No Transfer of the
licence unless prescribed

Occupy and Control of
the Place

Fit and Proper

Staff List

Visitor Log

Notifiable Instances

Signage

CCTV

Alarm Systems / Security

Deadhouse

Disposal of Goods

Movement and Storage
of Goods

Cargo Accounting
System

Cargo Reporting

Training / Assurances

Compliance with ICS,
other relevant Acts



Australian
BORDER FORCE

Notifiable Instances

24 Hours	7 Days	14 Days	30 Days
Substantial changes to security	Variation	Stolen/damaged ABF signage	Surrender
Change to fit & proper persons' circumstance (criminal convictions, ASIC/MSIC refusal, visa breach & unlawful non-citizen).		Change in circumstances that impact the conditions of the Continuing Permission (for warehouses only)	
Theft, loss, breakage, damage, pillage of goods, break-ins, attempted break-ins, fires & accidental destruction		Submit new staff B301s	
Staff's B1555 contain criminal convictions, ASIC/MSIC refusal, visa breach or unlawful non-citizen			



Australian
BORDER FORCE

VISITOR LOG

S.77G CUSTOMS DEPOT LICENSED AREA

A condition imposed under Section 77Q of the *Customs Act 1901*: 4) A licensee must not allow any person to enter the licensed place as a visitor without making a record of their entry and exit in the Visitor log. The Visitor Log must include the visitor's full name, date of birth, full residential address, current photo identification (sighted by the licensee or authorised employee) and the details recorded (such as current number of a State or Territory driver's licence, proof of age card or passport), the reason the visitor is visiting the licensed place and the name of the person being visited. Without limiting the category of visitors required to record their entry and exit in the Visitor Log, this includes, and is not limited to truck and delivery drivers, contractors and maintenance crew not employed by the licensee. **This requirement does not apply to Commonwealth, State or Territory officials.**

At all times, your personal information will be collected, used, stored and disclosed by the ABF in accordance with the Australian Privacy Principles (APPs) in Schedule 1 of the *Privacy Act 1988*. Further information regarding how the ABF handles personal information can be found in the Department of Home Affairs' (Department) privacy policy on the Department's website at www.homeaffairs.gov.au/access-and-accountability/four-commitments/privacy.

Date	Full Name	Full Residential Address	Valid Photo ID Type	ID Number	Date of Birth	ID Sighted by	Reason for Visit	Person being visited	Escorting Employee	Entry Time	Exit Time
01/01/2023 (example only)	Full name of visitor	Visitors full residential address	Visitors State or Territory driver's licence, proof of age card or passport	ID number details	Visitors full date of birth	Name of person sighting visitors ID	Electrical Repairs (example only)	Name of person being visited	Name of escorting employee	08:00am (example only)	09:00am (example only)

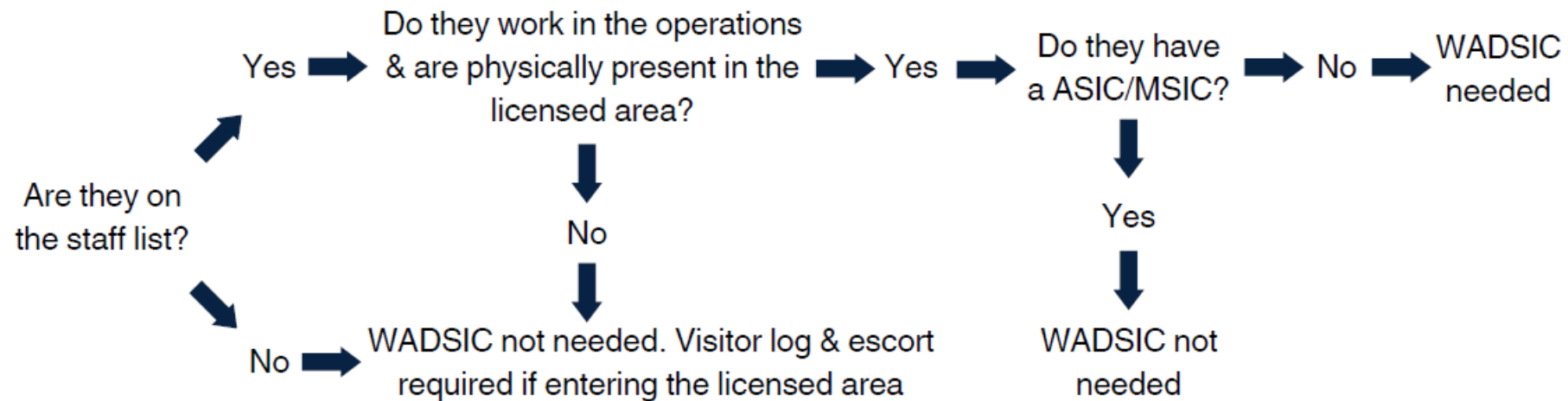
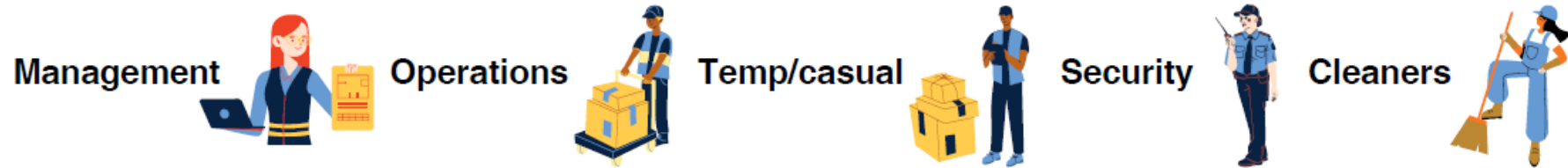
The holder of the licence must ensure that the person whose personal information is being collected has provided written consent to allow the release of the information to the Australian Border Force.




Australian
BORDER FORCE

WADSIC - Warehouse & Depot Security Identification Card

Who needs one?



WADSIC Template

Company Name / Logo	← Clearly identifies the Company Name or Logo
	← Size of photo should allow the clear identification of the Individual. Coloured Photo with same requirements as a Passport Photo. https://www.passports.gov.au/getting-passport-how-it-works/photo-requirements
Full Name	← Name should NOT contain abbreviations, nicknames or etc.
Date of Expiry OR Issue	← Expiry Date is preferred. Format: DD / MM / YYYY
Unique Number	← Not mandatory but recommended.

Fit and Proper



Australian
BORDER FORCE

OFFICIAL

Expanded Fit and Proper Regime

- Requirement to respond to the growing threat of the Trusted Insider (TI)
- Australian Federal Police (AFP) Special Operation IRONSIDE's (Operation Ironside) identified individuals, criminal networks, methodologies and vulnerabilities within the supply chain
- The TI threat has moved the risk to the whole environment
- Controls need to be reviewed and enhanced on a regular basis

Fit and Proper Regime

- Previous regime was confined to those in “management or control”

(3) For the purposes of this Part, a [person](#) shall be taken to participate in the management or control of a [warehouse](#) if:


(a) he or she has authority to direct the operations of the [warehouse](#) or to direct activities in the [warehouse](#), the removal of goods from the [warehouse](#), or another important part of the operations of the [warehouse](#); or

(b) he or she has authority to direct a [person](#) who has authority referred to in [paragraph](#) (a) in the exercise of that authority.

- Limited to those in key positions such as;
 - Directors
 - Shareholders
 - Managers/Team Leaders
- **Legislative obligation on the ABF to only run for those that meet the definition**
- Not aligned with the TI threat

Fit and Proper Regime

- Previous process required the licence holder and those in a position of 'management or control' to complete a B301 – Consent to Personal Information Form.



**Australian
BORDER FORCE**

**Consent to obtain
personal information**

Please open this form using Adobe Acrobat Reader. Either type in the fields provided or print this form and complete it using a pen and BLOCK LETTERS.
Tick where applicable ☒

Privacy Notice

The Australian Border Force (ABF) is collecting your personal information and the personal information of your associates for the purposes of assessing and determining whether you are and your ongoing eligibility to be assessed as a fit and proper person as required for a licence application or registration.

Failure to provide your personal information or the information requested about third parties associated with you will result in the ABF not being able to make a determination as to your entitlement to hold, or maintain, a fit and proper status as required by a licence application or registration and



New Depot License Conditions (Fit Proper Person checks)

- Expanded Fit and Proper Regime – B1555 Forms
- Intent:
 - Expansion to all persons operating in a customs depot or warehouse
 - Ability to conduct fit and proper assessments
 - National Police Checks / Right to Work Checks
 - Deterrent for those that have undisclosed convictions
- Requirement:
 - Persons to complete B1555 Forms
 - Retain 100 points identity documents
 - Conduct checks if directed / requested
 - Provide to ABF for assessment



Fit and Proper - New

- New Regime now expands the scope to capture all persons
- New Consent Form – B1555 Fit and Proper

Fit and Proper Persons

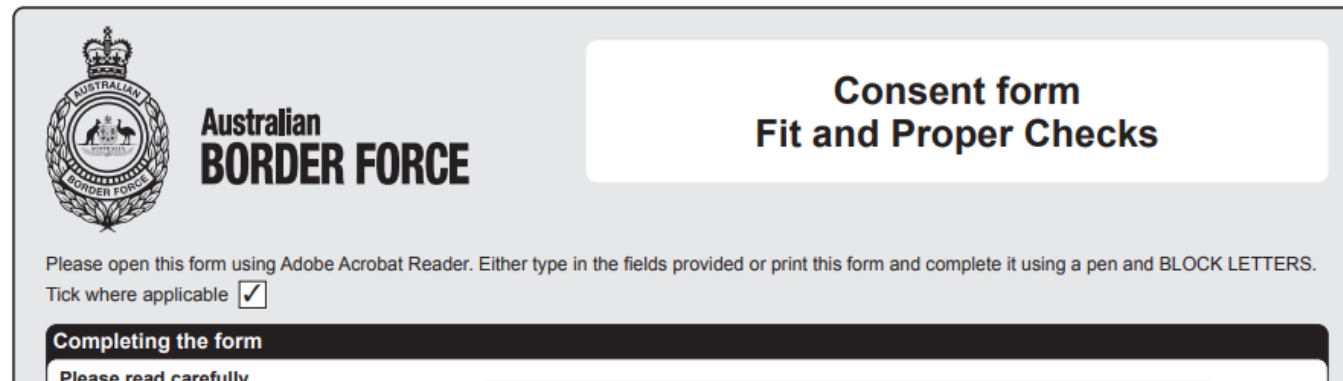
34) The licence holder shall ensure that a person who the Comptroller-General of Customs (Comptroller-General) is satisfied is not a fit and proper person does not participate in any of the operations of the licensed place.

For the avoidance of doubt, participation by a person 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 and without limiting the foregoing includes any person who:

- a. has the power to direct (directly or indirectly), whether the power is exercised or not, any other person in any of the operations of the licensed place;
- b. issues instructions or expresses wishes (whether based on a legal right or otherwise) that others are accustomed to following, or compelled to follow, in relation to any of the operations of the licensed place;
- c. the Comptroller-General is satisfied participates in any of the operations of the licensed place in any manner whatsoever and whether in the day to day operations of the licensed place or intermittently or otherwise.

Fit and Proper - New

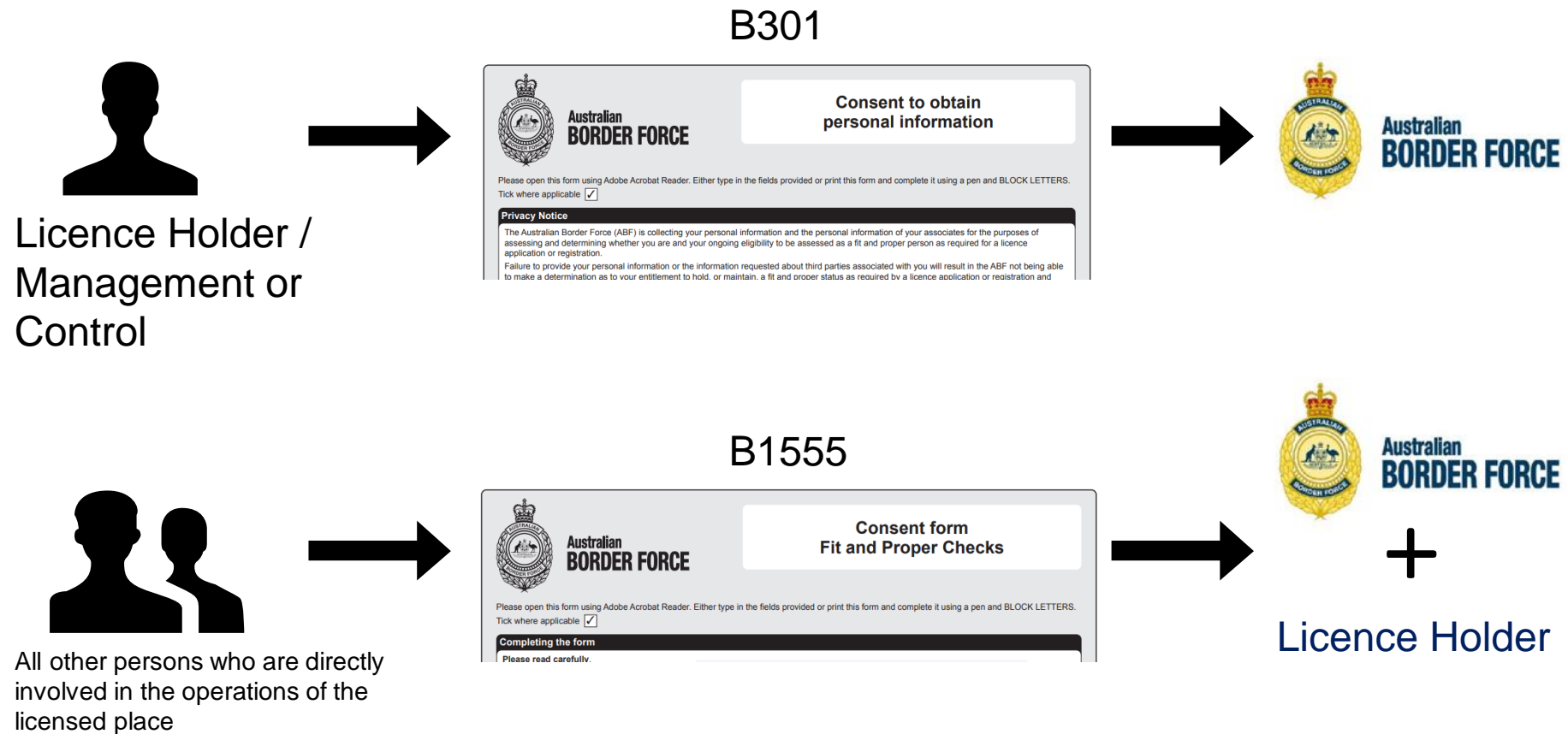
- Requirement for the Licence Holder to;
 - All persons to complete the form
 - Obtain required identity documents
 - Run a National Police Check / Right to Work Check if directed
 - If not Fit and Proper or cannot be assessed as such, that person cannot participate in the operations of the licensed place



The image shows a screenshot of an official form from the Australian Border Force. At the top left is the Australian Border Force crest and logo. To the right of the logo, the text "Australian BORDER FORCE" is displayed. In the top right corner, a white box contains the title "Consent form Fit and Proper Checks". Below the logo, there is a line of text: "Please open this form using Adobe Acrobat Reader. Either type in the fields provided or print this form and complete it using a pen and BLOCK LETTERS." Below this, it says "Tick where applicable" followed by a small square box with a checkmark inside. At the bottom, there is a dark grey bar with the text "Completing the form" and "Please read carefully."

Fit and Proper - New

- Two Process now in place





Australian BORDER FORCE B301 - Consent to obtain personal information form

Directors/Management or Control

After hours access



Access to
Deadhouse keys



Access to ICS



Cargo control /
direct operations



Directs policies &
procedures



Do you have
any of these?

New staff

Existing staff

Previous form
older than 5 years

Submit

Good to go if you
don't hear from us! ✓

Where do I
send it?

Email: b301forms@abf.gov.au

or
Post: Australian Border Force
Customs Licensing
GPO Box 9984
SYDNEY NSW 2001





Australian
BORDER FORCE

B301 Case Studies



Dave submits his B301 & has a clear record so he is good to go. ✓



Stacey's B301 shows she committed minor criminal offences 9 years ago. The ABF has assessed her application & decides she is fit & proper. ✓



Tim's B301 shows significant criminal offences so the ABF decide he's not fit & proper & is directed by the ABF to be removed. ✗



Australian
BORDER FORCE

B1555 - Consent form fit & proper checks

If you've completed the B301 you're not required to complete a B1555

Operations



Temp/casual



Security



Cleaners



New/existing
staff

Complete B1555

Licensee holds onto
electronic or physical
record for **5 years**

B1555 valid for 5 years

If:

Criminal convictions
ASIC/MSIC refusal
Visa breach
Unlawful non-citizen

Submit to ABF
within 24 hours

Send here if
anything
changes

Email: b301forms@abf.gov.au
or Australian Border Force
Customs Licensing
Post: GPO Box 9984
SYDNEY NSW 2001

If anything
changes/these
things happen



Australian
BORDER FORCE

B1555 Case Studies



Jessica completes the form & the licensee retains it - it will be submitted to the ABF when requested. ✓



Dale declares minor convictions. The licensee notifies the ABF & the ABF directs the licensee to run a police check & provide results to the ABF to determine his fit & proper status. ✓



Mandy refuses to complete the form & can no longer participate in the operations of the depot. ✗

Licensing Reform



OFFICIAL



Australian
BORDER FORCE

Background

Review of Customs Licensing

2016 Review of the Customs Licensing Regime.

15 Recommendations.

Short term changes made.

Long term, complex, regulatory and legislative changes remain.

STS Taskforce

Interdepartmental alignment of requirements and processes.

Modernisation and digitalisation of processes.

Enhanced accessibility and useability of government systems for industry.

Enhanced flexibility and fit for purpose regulatory control for agencies.

Customs Licensing

Detailed reform of the Customs Licensing Regime.

Aims of Reforms to Licensing Regime

- ❑ Reduce unnecessary burdens on industry.
- ❑ Streamline processes to:
 - Make regulations easy to understand and transparent;
 - Increase the agency's ability to respond flexibly to changing scenarios.
- ❑ Close gaps in controls including to:
 - combat criminality such as phoenixing; and
 - so that industry is held accountable for their non-compliance.
- ❑ Streamline revenue collection so that:
 - traders have upfront knowledge about costs; and
 - that the agency's revenue model is simple, streamlined and adaptable.

Proposed Reforms to Licensing Regime

Modernising the paper based licence regime

Facilitating the electronic service of notices

Modernising the requirements for public notices of licence cancellations

Expediting the disciplinary process for certain breaches by customs brokers

Complying with licence conditions

Expanding who can be a nominee of a customs broker

Facilitating information disclosure for fit and proper checks

Enhancing the eligibility requirements for holding a customs depot or warehouse licence

Alignment and expansion of Powers to give directions and maintain the integrity of the supply chain

Streamlining expiry and suspension timeframes

Return of licences

Management and control guidance

Licence cancellation upon request eligibility

Refund of licence charges

Streamlining Depot licence renewal charges

Amend section 205B of the Customs Act to allow for digital claims for return of seized goods

Proposed Reforms to Licensing Regime

Modernising the paper based licence regime

Facilitating the electronic service of notices

Modernising the requirements for public notices of licence cancellations

Expediting the disciplinary process for certain breaches by customs brokers

Complying with licence conditions

Expanding who can be a nominee of a customs broker

Facilitating information disclosure for fit and proper checks

Enhancing the eligibility requirements for holding a customs depot or warehouse licence

Alignment and expansion of Powers to give directions and maintain the integrity of the supply chain

Streamlining expiry and suspension timeframes

Return of licences

Management and control guidance

Licence cancellation upon request eligibility

Refund of licence charges

Streamlining Depot licence renewal charges

Amend section 205B of the Customs Act to allow for digital claims for return of seized goods

Proposed Reforms to Licensing Regime

Modernising the paper based licence regime

Facilitating the electronic service of notices

Modernising the requirements for public notices of licence cancellations

Expediting the disciplinary process for certain breaches by customs brokers

Complying with licence conditions

Expanding who can be a nominee of a customs broker

Facilitating information disclosure for fit and proper checks

Enhancing the eligibility requirements for holding a customs depot or warehouse licence

Alignment and expansion of Powers to give directions and maintain the integrity of the supply chain

Streamlining expiry and suspension timeframes

Return of licences

Management and control guidance

Licence cancellation upon request eligibility

Refund of licence charges

Streamlining Depot licence renewal charges

Amend section 205B of the Customs Act to allow for digital claims for return of seized goods

Proposed Reforms to Licensing Regime

Modernising the paper based licence regime

Facilitating the electronic service of notices

Modernising the requirements for public notices of licence cancellations

Expediting the disciplinary process for certain breaches by customs brokers

Complying with licence conditions

Expanding who can be a nominee of a customs broker

Facilitating information disclosure for fit and proper checks

Enhancing the eligibility requirements for holding a customs depot or warehouse licence

Alignment and expansion of Powers to give directions and maintain the integrity of the supply chain

Streamlining expiry and suspension timeframes

Return of licences

Management and control guidance

Licence cancellation upon request eligibility

Refund of licence charges

Streamlining Depot licence renewal charges

Amend section 205B of the Customs Act to allow for digital claims for return of seized goods

Proposed Reforms to Licensing Regime

Modernising the paper based licence regime

Facilitating the electronic service of notices

Modernising the requirements for public notices of licence cancellations

Expediting the disciplinary process for certain breaches by customs brokers

Complying with licence conditions

Expanding who can be a nominee of a customs broker

Facilitating information disclosure for fit and proper checks

Enhancing the eligibility requirements for holding a customs depot or warehouse licence

Alignment and expansion of Powers to give directions and maintain the integrity of the supply chain

Streamlining expiry and suspension timeframes

Return of licences

Management and control guidance

Licence cancellation upon request eligibility

Refund of licence charges

Streamlining Depot licence renewal charges

Amend section 205B of the Customs Act to allow for digital claims for return of seized goods



Australian
BORDER FORCE

Questions

