



Border Permits Review - Terms of Reference

March 2019

Context

The Department of Home Affairs (Home Affairs) is leading an agenda to **modernise international trade flows (e.g. imported and exported goods through air cargo, sea cargo and international mail) that cross Australia's border**. This agenda aims to create a future international trade system for Australia that is seamless, digital, automated and user-friendly. This will ensure the international competitiveness of Australian businesses and strengthen our border integrity.

Australia's international trade regulatory environment is complex and involves significant numbers of permit issuing authorities and government agencies. Since 2016, Home Affairs in consultation with other government agencies and industry has undertaken discovery activities to support the development of an enhanced single window for international trade (single window). Several independent reviews of Australia's international system and options for a single window have also been completed. These activities and reports identified that border permits and associated licences are a significant pain point for industry. This is due to the complexity of regulation, duplicative and manual processes and limited interoperability between government systems and industry. These outdated regulatory and legislative frameworks, systems and processes are failing to keep pace with international developments and emerging technology.

Before an enhanced single window can be developed, enabling legislation, regulations and business processes must be reviewed. As a result, Home Affairs is leading a whole-of-government review of border permits and associated licences (the Border Permits Review), as a critical step in the trade modernisation agenda.

Terms of Reference

In scope

The Border Permits Review **will examine**:

1. legislative frameworks related to the application for, and administration of, permissions related to prohibited goods, which include goods imported/exported under the *Customs (Prohibited Imports) Regulations 1956* and the *Customs (Prohibited Exports) Regulations 1958* and associated legislation;
2. processes related to the application for, and administration of, permits related to prohibited goods – including information required when applying for permits and processes for collecting fees and charges;
3. processes for related to the application for, and administration of, associated licences related to certain imported and exported goods;
4. frameworks for introducing, updating or amending import and export prohibitions; and
5. frameworks for evaluating existing import or export prohibitions.

Attachment A provides an example of goods and border controls covered by the Border Permits Review.

Out of scope

The Border Permits Review **will not examine**:

- whether existing permits related to prohibited goods should exist;
- policy decisions about whether certain goods should require a border permit or an associated licence;
- preconditions for a permit or a licence;
- powers related to seizure or detention of goods including the storage, transport, treatment and disposal of goods. This includes customs and biosecurity powers to seize, treat and destroy prohibited goods;
- fees and charges applicable to permits or associated licences, and other border charges and
- licensing of Customs brokers, depots and warehouses.

Report

A Border Permits Review report will be provided to Government in **late 2019**.

This report will recommend **opportunities** for:

- removing barriers for international trade and better enabling an enhanced single window;
- effective regulatory models that would simplify, reduce government intervention, and reduce regulatory burden associated with permits for prohibited goods;
- simplifying and streamlining processes related to prohibited and licenced goods;
- effective regulatory frameworks for introducing, updating or amending import and export prohibitions; and
- effective outcome-based approaches to improve the process for evaluating import or export prohibitions.

Recommendations will take into account international obligations, and other government reviews and reforms for import and exports controls (e.g. Review of Defence Export controls).

Consultation

The Border Permits Review will be subject to a stakeholder consultation process. Stakeholders are invited to make submissions to this review through an online form available on the Home Affairs website. The deadline for submissions is **30 April 2019**.

List of goods and controls covered by the Border Permits Review

The Border Permits Review includes goods imported and exported under the *Customs (Prohibited Imports) Regulations 1956* and the *Customs (Prohibited Exports) Regulations 1958* and associated legislation. The list below is an example of these goods, however it is not exhaustive.

1. ANZAC goods
2. Asbestos
3. Australian native animals and plant species
4. Cat and dog fur products
5. Certain chemical compounds
6. Counterfeit credit cards
7. Cultural heritage goods
8. Defence and Strategic Goods
9. Dog collars with protrusions
10. Drugs, medicines and therapeutic substances
11. Endangered animal and plant species
12. Firearms and firearms parts, accessories and ammunition
13. Fish and toothfish
14. Glazed ceramic ware
15. Goods bearing an image of the Australian Arms, Flag or Seal of the Commonwealth or an Australian state or territory flag, coat of arms or seal
16. Goods made of toxic materials
17. Hazardous waste
18. Human body fluids, organs and other tissue
19. Incandescent lamps
20. Lighters
21. Nuclear Material
22. Objectionable material
23. Ozone depleting substances/synthetic greenhouse gases
24. Pesticides and other hazardous chemicals
25. Plastic explosives
26. Polychlorinated Biphenyls, Terphenyls and Polyphenyls
27. Radioactive substances
28. Rough diamonds
29. Security Sensitive Ammonium Nitrate
30. Suicide devices
31. Tablet Presses
32. Tobacco
33. Viable material derived from human embryo clones
34. Weapons and warfare goods
35. Wine and brandy
36. Woolpacks

The Border Permits Review also includes other goods that require permissions or approvals to be imported or exported. For example, pharmaceuticals.