## Australian Government

Austr alia n Customs and Border Protection Service

**AUSTRALIAN CUSTOMS AND BORDER PROTECTION NOTICE 2012/29**

**Customs Broker Licence Conditions and Continuing Professional Development for Licensed Customs Brokers**

The purpose of this notice is to advise licensed customs brokers of changes to customs broker licence conditions that will apply from 1 July 2012 and to seek comments on the Agency's plan to introduce mandatory Continuing Professional Development(CPD) for licensed customs brokers.

**Customs Broker Licence Conditions**

As delegate of the Chief Executive Officer of Customs, I am imposing a number of new conditions on all customs broker licences. This includes all existing licences renewed with effect from 1 July 2012 and all new licences issued on or after 1 July 2012.

I am imposing these conditions, as I am satisfied tha t they are necessary and desirable for the protection of the revenue or ensuring compliance with the Customs Acts. The new conditions are at Attachment **A.**

The licence condition regarding CPD is subject to consultation and may change.

**Continuing Professional Development**

Following consultation with industry members of the Customs and Border Protection National Consultative Committee, Customs and Border Protection plans to introduce a mandatory CPD scheme for licensed customs brokers from 1 July 2012.

The aim of the scheme is to:

o reinfo rce the concept of a licensed customs broker as a practitioner in a distinct and valuable profession

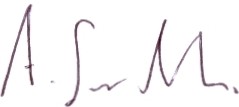
c provide opportunity and motivation for all licensed customs brokers to maintain and update their professional knowledge and skills

*o* afford greater protection for the Commonwealth and the Australian public that licensed

customs brokers will be better able to provide their services with propriety, skill and expertise, and

o complement and support other Customs and Border Protection initiatives designed to increase and enhance compliance with the laws relating to goods under Customs control.

The proposed CPD scheme and the details for providing feedback on it are at Attachment B.

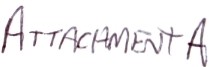


Anthony Seebach National Manager Compliance Assurance 7 June 2012

..,\_,.. =



**Australian Government**

**Austra lian Customsand Border Protection Service**

**CUSTOMS BROKER LICENCE**

# LICENCE No: <LICENCE NUMBER>

Pursuant to Part XI of the *Customs Act 1901* (the Act) and subject to the Act and the regulations being in force under the Act and to the attached conditions, I hereby licence:

<ABN/CCID>

<NAME>

The licence shall commence on

The licence shall expire on

<START DATE>

<FINISH DATE>

The licence shall expire on the above date unless renewed in accordance with section 183CJ of the *Customs Act 1901.*

The licence is valid for all places in the Commonwealth.

Delegate of the Chief Executive Officer Dated <PRINT DATE>

CUSTOMS BROKER LICENCE - LICENCE NUMBER: <LICENCE NUMBER>

# Statutory Conditions

This licence is subject to the statutory conditions set out in Division 3 of Part XI of the Act as amended from time to time. The statutory conditions as at the date of issue/renewal of this licence are:

1. A broker's licence is subject to the condition that if:
   1. the holder of the broker's licence is convicted of a prescribed offence;
   2. in the case of a licence held by a natural person-the holder of the broker's licence becomes bankrupt; or
   3. in the case of a licence held by a company:
      1. a receiverof the property, or part of the property, of the company is appointed; or
      2. an administrator of the company is appointed under section 436A, 4368 or 436C of the *Corporations Act 2001;* or
      3. the company executes a deed of company arrangement under Part 5.3A of that Act; or
      4. the company begins to be wound up;

the holder of the broker's licence shall, within 30 days after the occurrence of the conviction, bankruptcy or event referred to in paragraph (c), as the case requires, give the CEO particulars in writing of the conviction, bankruptcy or event referred to in paragraph (c), as the case requires.

1. A broker's licence held by a natural person is subject to the condition that the holder of the broker's licence shall not act as a customs broker in his or her own right at any time at which he or she is a nominee of a customs broker.
2. A broker's licence held by a customs broker is subject to the condition that if:
   1. a person not described in the application for the licence as participating in the work of the customs broker commences so to participate;
   2. a nominee of the customs broker dies or ceases to act as nominee of the customs broker;
   3. a person who participates in the work of the customs broker is convicted of a prescribed offence or becomes bankrupt; or
   4. in the case of a licence held by a partnership:
      1. a member of the partnership is convicted of a prescribed offence or becomes bankrupt; or
      2. there is a change in the membership of the partnership;

CUSTOMS BROKER LICENCE - LICENCE NUMBER: <LICENCE NUMBER>

the holder of the broker's licence shall, within 30 days after the occurrence of the event, change, conviction or bankruptcy, as the case requires, give the CEO particulars in writing of that event, change, conviction or bankruptcy, as the case requires.

1. A broker's licence held by a customs broker is subject to the condition that the broker shall do all things necessary to ensure that:
   1. all persons who participate in the work of the customs broker are persons of integrity; and
   2. in the case of a licence held by a partnershi all membres ofthe partnership are persons of integrity.
2. A broker's licence is subject to such other conditions (if any) as are prescribed.
3. A broker's licence is subject to such other conditions (if any) as are specified in the licence, being conditions considered by the CEO to be necessary or desirable for the protection of the revenue or for the purpose of ensuring compliance with the Customs Acts.
4. The CEO may, upon application in writing by a customs broker and the production of the licence held by the customs broker, vary the conditions specified in the licence by making an alteration to, or an endorsement on, the licence.
5. Where a customs broker fails to comply with a condition of his or her licence the CEO may, by notice in writing served on the customs broker, require the customs broker to comply with that condition within the time specified in the notice.

CUSTOMS BROKER LICENCE - LICENCE NUMBER: <LICENCE NUMBER>

# Additional Conditions

This licence is also subject to the following additional conditions pursuant to subsection 183CG(6):

1. The holder of the broker's licence must, when requested by Customs and Border Protection, ensure that the licence holder and any person who participates in the work of the customs broker completes a Customs and Border Protection *Consent to Obtain Personal Information* form to allow Customs and Border Protection to undertake an integrity check for each relevant person. The holder of the broker's licence must forward the form to the CEO if requested.
2. If a holder of the broker's licence becomes aware that information that has been provided to Customs and Border Protection by or on behalf of a client of the broker is false, misleading or incomplete, the broker must, as soon as practicable after becoming aware of the error or omission provide written particulars of the incident to the CEO.
3. The holder of the broker's licence must not allow Customs and Border Protection systems or information provided by Customs and Border Protection to be used for an unauthorised purpose or to assist, aid, facilitate or participate in any unlawful or illegal activity.

Note: Examples of unauthorised activities will be published and placed on the Customs and Border Protection website.

1. A natural person who holds a broker's licence must undertake accredited Continuing Professional Development (CPD) as per the following requirements:
   1. for the purposes of this condition, accredited CPD courses are the courses accredited from time to time by the CEO. A broker must attend a sufficient number of accredited CPD courses to acquire the following minimum number of points:
      1. for the period 1 July 2012 to 31 March 2013 - O p o int s;
      2. ) fo r th e period 1 April 2013 to 31 March 2014- 5 points in each mandatory stream (Broker Obligations, Risks and Ethics and Professional Brokerage Skills) and 5 points from any stream (Broker Obligations, Risks and Ethics, Professional Brokerage Skills or Brokerage Management); and
      3. for the period 1 April 2014 to 31 March 2015 - 10 points in each mandatory stream (Broker Obligations, Risks and Ethics and Professional Brokerage Skills) and 10 points from any stream (Broker Obligations, Risks and Ethics, Professional Brokerage Skills or Brokerage Management).

CUSTOMS BROKER LICENCE - LICENCE NUMBER: <LICENCE NUMBER>

* 1. the holder of the broker's licence must keep accurate, auditable written records of attendance at accredited Continuing Professional Development courses and provide them upon request to the CEO.
  2. the holder of the broker's licence must notify the CEO by 14 April 2015 if the holder of the broker's licence has failed to complete the minimum number of points by 31 March 2015 and provide a written explanation of the circumstances surrounding the failure.

# Other Conditions

Nil

General Notes:

1. Pursuant to section 1838 , a person "participatesin the work of a customs broker" if
   1. he or she has authority as a nominee of, or as an agent, officer or employee of, the customs broker, to do any act or thing for the purposes of the Customs Acts on behalf of an owner of goods; or
   2. he or she has authority to direct a person who has authority referred to in paragraph (a) in the exercise of that authority.
2. Where a licence condition states that information (including particulars or a form) is to be provided to the CEO, the information is to be sent by email to [comp1iance1@customs.gov.au](mailto:comp1iance1@customs.gov.au) or as notified on the Customs and Border Protection website.



**AUSTRALIAN CUSTOMS AND BORDER PROTECTION SERVICE**

### CONTINUING PROFESSIONAL DEVELOPMEN T FOR

**AUSTRALIA'S CUSTOMS BROKERS**

### Introduction

The purpose of this paper is to detail, and to seek comments from interested parties on, its proposal to introduce a scheme of Continuing Professional Development (CPD) for Australia's licensed customs brokers.

You can provide comments on this paper in writing to the following address: Broker Licensing Section

Customs and Border Protection Service

5 Constitution Ave

Canberra ACT 2601

Or via email to [brokers.licensing@customs.gov.au](mailto:brokers.licensing@customs.gov.au)

Please provide written comments no later than 22 June 2012.

Customs and Border Protection proposes to introduce the scheme outlined in this paper, or a variant of it, from 1 July 2012. There would be a transition period, which the paper discusses in further detail below.

### Background

The *Customs Act 1901* provides that only the owner of goods or a customs broker licensed by the Chief Executive Officer (CEO) of Customs can submit an import declaration to enter goods for home consumption in connection with the importation of those goods.

Because of the complexity of the laws governing the importation of goods into Australia (similarly to those of most other countries) and the potential financial and other implications of lodging an incorrect entry, most importers of goods choose to engage a customs broker to act on their behalf.

Most customs brokers also offer a wider range of services than those that only a licensed customs broker can perform. For example, in addition to preparing and lodging entries for home consumption, customs brokers frequently offer other services that may include:

* lodging applications for Tariff Concession Orders
* lodging Tariff and Valuation Advice requests
* arranging permissions, licences or other approvals without which the importation of particular types of goods would be prohibited
* lodging customs duty drawback applications and refunds
* establishing Tradex arrangements
* organising compliance with biosecurity arrangements
* liaising with international and national transport providers to ensure delivery of goods, and
* providing or arranging under-bond storage of goods pending customs clearance.

To become a licensed customs broker, an individual applicant must satisfy the CEO that they meet three essential criteria:

* they must be a person of integrity
* they must have completed, or been exempted from completing, an approved course of study, and
* they must have the acquired experience that fits them to be a customs broker.1

Before it can be licensed as a customs broker, a company must satisfy the CEO that it meets the following criteria:

* each director and officer who would participate in the work of the company as a customs broker must be a person of integrity, and
* the company itself must be a fit and proper company to hold a broker's licence.2

And, before a partnership can be licensed, it must satisfy the CEO that each partner and employee who would participate in the work of the partnership as a customs broker is a person of integrity.3

Customs and Border Protection issues licences subject to a number of mandatory conditions specified in the Act, and the CEO or his delegate may impose other conditions.4

We issue licences for a period of (up to) three years, which we can also renew on payment of a prescribed fee.5

The statutory provisions for the licensing of customs brokers have two distinct but complementary purposes:

* protection of the Commonwealth Revenue - because it is simply impossible for Customs and Border Protection to conduct a 100% check of every entry, it is essential that Customs and Border Protection has a high degree of confidence that customs brokers will exercise their function in a professional, correct and ethical manner in order to ensure that the duty properly payable on goods is in fact paid - no more, but no less - and that import and export data is entered accurately for statistical purposes
* protection of the community - over and above the public interest in the correct revenue being collected on any importation of goods, the public has other significant interests in the performance of licensed customs brokers, such as

a government agencies should be able to establish the true identity of parties undertaking international trade in goods and in a self-assessment context customs brokers should take responsible steps to establish the identity of their clients for the purpose of the Customs Act

* + clients who engage customs brokers should be able to rely upon their expertise to provide the services they offer in a professional and ethical manner
  + owners and employees of Australian businesses that the Government intends to protect by Australia's import duty arrangements should be able to rely on the integrity and expertise of customs brokers to ensure that imported goods attract the correct duty and tax, and

1 Section 183CC (1)(a) of the Customs Act. 2 Section 183CC (1)(b) of the Customs Act. 3 Section 183CC (1)(c) of the Customs Act. 4 Section 183CG of the Customs Act.

5 Section 183CH of the Customs Act.

* + consumers of imported goods and others affected by their use should be able to rely on customs brokers to ensure, for example, that potentially dangerous goods are not imported if prohibited or are properly identified and labelled if allowed to be imported.

The approved course of study that we require applicants to undertake in order to gain the first issue of their licence has traditionally recognised, and continues to recognise, that licensed customs brokers offer a far wider range of services than those that only a licensed customs broker can offer. The course of study includes a range of subjects designed to impart knowledge across the breadth of law and practice applying to the movement of goods to and from Australia.

Similarly, the requirement that a licence applicant demonstrate that they have the acquired experience that fits them to be a customs broker has traditionally been, and continues to be, tested by reference to the applicant's experience in utilising their academic knowledge across the multiple facets of law and practice applying to the movement of goods to and from Australia.

At the same time, under present arrangements, a licensed customs broker can continually renew their licence without having to demonstrate that they are in fact practising as a licensed customs broker and that they are gaining ongoing experience by lodging entries in accordance with the prevailing law and practice, or that they have contemporaneous knowledge of changes to such law and practice as they occur.

There is little doubt that very many licensed customs brokers make a considerable effort to ensure that they have the up-to-date knowledge and that they gain the contemporaneous experience necessary to allow them to efficiently perform the full range of services that they offer to their clients. Nevertheless, nothing *requires* this to occur. Because the Commonwealth issues the licences that allow licensed customs brokers to hold themselves out as having expertise in these fields, and the CEO has the responsibility for oversight of the conduct of licensees, it is appropriate that the Commonwealth should take steps to ensure that all licensed customs brokers maintain the currency of their knowledge.

It is against this background that we have developed the scheme of Continuing Professional Development for Australia's licensed customs brokers outlined below. The aims of the scheme would be to:

* afford greater protection for the Commonwealth and the Australian public that licensed customs brokers will be better able to provide their services with propriety, skill and expertise
* complement and support other Customs and Border Protection initiatives designed to increase and enhance compliance with the laws relating to goods under Customs control
* reinforce the concept of a licensed customs broker as a practitioner in a distinct and valuable profession, and
* provide opportunity and motivation for all licensedcustoms brokers to maintain and update their professional knowledge and skills.

### What would the CPD scheme require customs brokers to do?

Under the proposed scheme, every individual licensed customs broker would be required to undertake sufficient accredited CPO activity to accrue a specified number of CPO points each year.

### What is meant by "CPD activity"?

CPD activity would comprise attendance at, or participation in, courses, seminars or other educational activities.

Each activity would fall into one of the following three "streams".

* Customs broker obligations. risks and ethics. Activities in this stream would ensure that licensed customs brokers had a heightened capacity to understand the obligations, to which they are subject as a customs broker, the risks they run if they fail to honour those obligations, and the ethical principles that should guide them in the conduct of their activities as a customs broker. The National Customs Brokers Licensing Advisory Committee (NCBLAC) advises that, in its view, very few licence applicants (whether previously unlicensed or licensed) have a clear understanding of these issues.
* Professional brokerage skills. Activities in this stream would update licensed customs brokers in areas of professional development/practice where there have been recent changes in law or practice (e.g. INCO terms, free trade agreements) or emerging precedents or guidance (e.g. ACCC guidelines on cosmetic labelling), or where complex law and practice can impact a customs broker's clients with little warning (e.g. dumping and countervaliing measures).
* Customs brokerage management. Activities in this stream would expose current and prospective managers of customs brokerage staff and business activities to best practice management concepts and tools that allow the pursuit of economic efficiency in a manner consistent with the legal and ethical obligations of licensed customs brokers.

### How would CPD activities become "accredited"?

An activity proponent would gain accreditation of any activity by submitting details of the proposed activity to NCBLAC. Ideally , these details would include:

* activity content, in script or slide form
* any pre-reading or hand-out material
* any arrangement for interactive participation by or assessment of attendees
* method/format of presentation, and
* qualifications of presenters.

After reviewing these materials and undertaking any necessary follow-up with the activity proponent, NCBLAC would recommend to the CEO whether to give the activity accreditation and, if so, what point value to assign to the activity.

The CEO (or his delegate) would then take a decision on accreditation, which Customs and Border Protection would convey to the proponent.

Through this accreditation process. neither NCBLAC nor the CEO would be certifying that the content of the activity necessarily provided a correct or complete exposition of the relevant law. This would remain the responsibility of the activity proponent and presenter. Instead, the purpose of the acc redit a tio n process would be to gain satisfaction that the subject matter of the proposed activity was relevant and material to the duties of licensed brokers, that the subject matter was likely to be given substantive and practical treatment in the activity, and that presenters had qualifications and experience that should enable them to deliver a meaningful learning opportunity.

### What format would activitie s have to take?

There would be no fixed format. The presentation of an activity could occur on a face-to-face basis, by video-conferencing, by viewing of DVDs, through online activities such as "webinars", or in other ways. The focus will be on substance rather than form - that is, on ensuring that the activity provides a professional quality treatment of the subject in question.

### How many points would an activity be worth?

The CEO (or his delegate) would determine the point value on any particular activity on a case-by-case basis. However, our expectation is that we would determine points at the rate of 3 points for each presentation-time hour of professional quality activity. Activities of lesser quality and/or duration would, if accredited, receive a lower point value.

### How many points would a customs broker have to achieve?

Once fully operational, the scheme would require each licensed customs broker to have undertaken sufficient CPD activity to qualify for a total of 30 points per year. We propose that licensed customs brokers would gain these points by participating in activities across a number of separate "streams". At least 10 points would be required from each of the Broker obligations, risks and ethics and Professional brokerage skills streams, which would be mandatory streams for all customs brokers. Customs brokers could meet the balance from those streams or alternatively from activities in the Brokerage management stream, which would be optional rather than mandatory. That is, by attending professional quality accredited activities in at least the two mandatory streams, a customs broker could meet their CPD obligations in 10 hours each year.

Licensed customs brokers would also be able to meet their CPD obligations by preparing and presenting accredited CPD activities for attendance by other licensed customs brokers. In recognition of the effort required in such preparation and presentation, points would accrue at double the normal rate. That is, a licensed customs broker could meet their CPD obligations by preparing and presenting 5 hours' of professional quality accredited activities in at least the two mandatory streams each year. Points could also accrue by a mix of preparation/presentation and attendance at activities presented by others.

### Who would organise and present CPD activities?

We do not propose to place any limitations on the persons or organisations that might organise CPD activities. Rather, the focus would be on the quality of the information and learning outcomes of the particular activity. Having said that, we would expect that the following organisations might have an interest in developing (individually or with others) CPD activities for licensed customs brokers:

* industry associations, seeking to provide value-added services to their members
* registered training organisations, seeking to complement, leverage or increase the range of courses they already offer
* employers of licensed customs brokers, seeking to enhance the skills of their employees
* consultants to licensed corporate customs brokerages, such as tariff and dumping consultants and legal firms, seeking to increase market awareness of their services
* suppliers of practice management software, seeking to increase sales of their products, and
* trade regulators, seeking to promote a better understanding of the regulatory regimes they administer.

Similarly, we do not propose to place any limitation on the persons that could present CPD activities. Again, the focus would be on the quality of the information and learning outcomes of the particular activity, and therefore on the experience and qualifications of the presenter. Having said that, we would expect that the following persons might have an interest in presenting CPD activities for licensed customs brokers:

* experienced licensed customs brokers
* qualified educators from registered training organisations
* experienced consultants and professional service providers to customs brokers
* experts in practice management tools, methods and software, and
* relevant officials of trade regulators.

**Could attendance at units of the approved course of study be used to meet CPD obiigations?**

**A** licensed customs broker who had completed their approved course of study some time ago might want to attend one or more units of the currently approved course of study in order to refresh or update their knowledge in particular areas of expertise. We do not see any reason why we would not accredit such units for CPD purposes, within the relevant stream. However, notwithstanding the time spent attending such a unit might exceed that required to accrue the requisite number of points through other CPD activities, points gained through such unit attendance would only be valid for the year of attendance and could not be "banked" for future years. In addition, we would still require customs brokers to accrue points in each other relevant stream.

**When would the CPD obligation commence?**

We will issue the next triennial licences with effect from 1 July 2012, which will cover the period to 30 June 2015. In recognition of the need to allow time for organisations and presenters to prepare activity proposals, to have them accredited, and to market and present them, we propose that:

* there would be no mandatory CPD requirements for 2012-2013
* CPD obligations in 2013-14 would be at 50% of the ongoing rate - that is 5 points in each mandatory stream and 5 points from any stream), and
* CPD obligations would only apply at the full annual rate of a minimum of 10 points in each mandatory stream and 10 points from any stream from 1 July 2014.

**How much CPD will I have to do in my first year if I am a newly licensed customs broker?**

From 1 July 2014, we will require a newly licensed customs broker to undertake 5 points for every two months remaining in the financial year in which they received their licence. We will then require the customs broker to undertake the standard CPD for other financial years in the licence period.

**How much would it cost to meet the CPD obligation?**

We will not impose any minimum or maximum amount that CPD activity organisers might charge for attendance at or participation in CPD activities. We expect competition amongst providers should keep any charges to a reasonable level, reflective of the costs incurred and, as applicable, normal commercial expectations. While parties should take their own advice in this regard, we would expect the costs of meeting CPD obligations to be tax deductible .

**Will the customs broker's employer be liable to meet the cost of CPD activities?**

Whether the individual licensed customs broker or their employer should meet any cost incurred in a licensed customs broker's attendance at CPD activities would be entirely a matter between employer and employee. Some employers may choose to cover these costs; others may not.

**How would a licensed customs broker demonstrate that they have met their CPD obligation?**

To facilitate timely issuance of licences by 1 July 2015 for the 2015-2018 triennium, a licensed customs broker would be required to report on non-compliance with their CPD obligations by 14 April 2015. We might also ask a licensed customs broker to demonstrate ongoing compliance within a licence triennium. In a non-renewal year, a failure to comply could lead to suspension or cancellation of the licence. In a renewal year, it could lead to non-renewal of the licence. For this reason, it would be prudent for brokers to obtain and retain receipts or other suitable documentation evidencing their attendance at or participation in CPD activities.

**Should licence applicants or unlicensed customs brokerage employees attend CPD activities?**

Customs and Border Protection has no authority to impose CPD obligations on persons other than licence holders. At the same time, however, Customs and Border Protection seeks to promote increased awareness and skills development amongst all who work in the customs brokerage profession. Accordingly, we would be happy to encourage attendance at CPD activities by those intending to apply for a licence in the future and other brokerage employees such as compiler/classifiers.

**Should all licensed customs brokers attend CPD activities?**

All licensed customs brokers must comply with CPD obligations regardless of whether the customs broker is an active customs broker or not. This includes customs brokers that are only involved in brokerage management.

**How would the CPD obligation be imposed as a matter of law?**

The Customs Act not only imposes a number of standard licence conditions on a customs broker licence, but it also allows the CEO of Customs to impose additional conditions that he considers necessary or desirable for thep rote ction of the revenue or for the purpose of ensuring compliance with Customs Acts.

We propose to add the following licence condition in all individual customs broker licences:

*A natural person who holds a broker's licence must undertake accredited Continuing Professional Development (CPD) as per the following requirements:*

1. *for the purposes of this condition. accredited CPD courses are the courses accredited from time to time by the CEO. A broker must attend a sufficient number of accredited CPD courses to acquire the following minimum number of points:*
   1. *for the period 1 July 2012 to 31 March 2013* - *0 points;*

6 Section 183CG of the Customs Act

1. *for the period 1 April 2013 to 31 March 2014* - 5 *points in each mandatory stream (Broker Obligations, Risks and Ethics and Professional Brokerage Skills) and* 5 *points from any stream (Broker Obligations, Risks and Ethics, Professional Brokerage Skills or Brokerage Management); and*
2. *for the period 1 April 2014 to 31 March 2015* - *10 points in each mandatory stream (Broker Obligations, Risks and Ethics and Professional Brokerage Skills) and 10 points from any stream (Broker Obligations, Risks and Ethics, Professional Brokerage Skills or Brokerage Management).*
3. *the holder of the broker's licence must keep accurate, auditable written records of attendance at accredited Continuing Professional Development courses and provide them upon request to Customs and Border Protection.*
4. *the holder of the broker's licence must notify* Customs *and Border Protection by 14 April 2015 if the holder of the broker's licence has failed to complete the minimum number of points by 31 March 2015 and provide a written explanation of the circumstances surrounding the failure.*

**What would happen if a licensed customs broker did not meet their CPD obligation?**

Under the Customs Act, where a license holder breaches a condition of the licence, the CEO or his delegate may suspend or revoke the licence, or they may refuse the renewal of a licence.7 The CEO or his delegate may also issue directions to comply with a licence condition.

The action that the CEO or his delegate might take where a customs broker had failed to comply with a condition requiring participation in CPD activity would very much depend on the circumstances of the individual case. Special or exceptional circumstances may justify taking no action. In other circumstances, a simple direction to comply by undertaking "make­ up" activity within a specified period may be appropriate. In more severe cases, the CEO or his delegate may suspend, revoke or not renew licences.

However, given we propose to set the CPD obligation at a level that could be met in only 10 hours per year, it would be hoped that cases of non-compliance with that obligation would be exceptionally rare.

**Will the CPD scheme outlined above apply permanently?**

We expect that all future customs broker licences will include a CPD obligation. However, the detail of that obligation may change over time. We will review the scheme before the end of the 2012-2015 triennium, including in consultation with NCBLAC and representatives of licensed customs brokers, to see whether the scheme can be refined and improved in both the manner of its administration and the quality of the learning opportunities it provides.

7 Sections 183CS and 183CJ of the Customs Act.