# Australian Government Department of Immigration and Border Protection logoDEPARTMENT OF IMMIGRATION AND BORDER PROTECTION NOTICE N0. 2017/14

**Important reminder about supply chain legislative requirements**

The Department of Immigration and Border Protection (the Department) and the Department’s operational arm, the Australian Border Force (ABF), have a mission to protect Australia’s border and manage the movement of people and goods across it.

This mission is underpinned by legislation, including the *Customs Act 1901* (the Act) and the Customs Regulation 2015 (the Regulation). Organisations involved in supply chain services must ensure that their activities are compliant with the provisions of these and other border related laws.

In accordance with section 30 of the Act, all goods shall be subject to customs control from the time of their importation until they are either delivered into home consumption in accordance with an authority to deal (ATD), or they are exported to a place outside Australia.

It is an offence under section 33 of the Act for a person to move, alter or interfere with goods subject to customs control without authorisation. The Department has developed a number of webpages to assist organisations in complying with reporting obligations as outlined in the Act*.*

## Depots

Depots are licensed to operate by the Department under section 77G of the Act (s77G depot) and undertake activities such as receiving, deconsolidating, packing, delivering and short term storing of import and export cargo. Their principal role is to report details of any cargo subject to customs control received into, unpacked at, and leaving their establishment. It is important that depot licence holders familiarise themselves with their obligations and the processes used to communicate with the Department and receive information about cargo subject to customs control.

## Outturn Reporting

Outturn reports are used to report to the Department any variations between the reported cargo and the cargo that was actually unloaded from the ship or aircraft, including surplus or shortlanded cargo.

For more information, please refer to the [Depot outturn reporting obligations](http://www.border.gov.au/Busi/Comp/Comp/trade-and-goods-compliance-2016) factsheet.

## Underbond Movements

An authorised underbond movement allows the movement of goods subject to customs control between licensed establishments (other than for warehousing).

For more information, please refer to the [Correct use of underbond movements](http://www.border.gov.au/Busi/Comp/Comp/trade-and-goods-compliance-2016) factsheet.

## Time up Goods

Cargo received at a s77G depot can only be stored in that depot until the end of the following month. After this time has lapsed, the cargo is referred to as ‘time up goods’.

For more information, please refer to the [Time up goods](http://www.border.gov.au/Busi/Comp/Comp/trade-and-goods-compliance-2016) factsheet.

## Record Keeping – Proof of Delivery

A principal role of depots is to report cargo movements subject to customs control for their establishment. Records must be maintained and provide a clear audit trail of all incoming and outgoing goods.

For more information, please refer to the [Record keeping – proof of delivery](http://www.border.gov.au/Busi/Comp/Comp/trade-and-goods-compliance-2016) factsheet.

## Warehouse Declarations (N20)

Goods that are being entered for warehousing must move via an approved warehouse declaration into a warehouse licensed under section 79 of the Act.

For more information, please refer to the [Correct use of warehouse declarations (N20)](http://www.border.gov.au/Busi/Comp/Comp/trade-and-goods-compliance-2016) factsheet.

## Understanding the Customs Act Infringement Notice Scheme

Where an alleged breach has occurred, the ABF will decide on the treatment to impose on an entity based on (among other things) the nature of the offence, the seriousness of the breach and the compliance history of the person or organisation.

For more information, please refer to the [Understanding](http://www.border.gov.au/Busi/Comp/Comp/trade-and-goods-compliance-2016) the Customs Act Infringement Notice Scheme factsheet.

## Understanding Offences in the Supply Chain

For general information regarding INS eligible offences in the supply chain, please refer to the INS [Of](http://www.border.gov.au/Busi/Comp/Comp/trade-and-goods-compliance-2016)fences in the Supply Chain factsheet. This webpage should be read in conjunction with the Understanding the Customs Act Infringement Notice Scheme webpage.

# Compliance Approach

The Department and the ABF are committed to working with industry to improve awareness of border related obligations and to increase voluntary compliance. The Department seeks to encourage higher levels of voluntary compliance by increasing understanding and awareness of the ability for industry to correct any errors, omissions or adjustments and be protected from liability for an offence.

The ABF will continue to undertake compliance activities to ensure that the information communicated in relation to cargo and its movements are correct and in line with the intent of this notice.

If errors or omissions are identified by the Department, or if anyone in the supply chain fails to adhere to their obligations, appropriate treatments will be considered. Treatments can range from education and awareness for those genuinely trying to comply, a demand for payment of outstanding duty and taxes, the issuing of infringement notices, an investigation for misconduct, suspension or revocation of a licence and prosecution for more serious and systemic breaches.

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