

3. ACCREDITED CLIENT PROGRAM

Included in this topic:

- [Key messages](#)
- [The legislation](#)
- [Benefits of the Accredited Client Program](#)
- [Legal framework](#)
- [Electronic reporting](#)
- [Joining the Accredited Client Program](#)
- [Importing as an accredited client](#)
- [Exporting as an accredited client](#)
- [Overview of the Accredited Client Program process](#)

Related topics:

Topic 4: Import Declarations and Duty Deferral

Topic 5: Import Cargo Reporting

Topic 6: Exports

Topic 7: Document and Record Retention

Topic 8: Cost Recovery and Depot Licensing Fees

Topic 9: Monitoring and Export Examination Powers

Topic 10: Penalty Administration

KEY MESSAGES

- 'One size doesn't fit all' – low-risk traders can streamline their reporting requirements by becoming accredited clients.
- To become an accredited client, traders need to comply with business rules, assure Customs of their ongoing compliance and negotiate individually tailored commercial contracts between themselves and the CEO of Customs.
- Client managers and contract managers deal with clients on a one-to-one basis through the Accredited Client Program.

THE LEGISLATION

The key new provisions of the Customs Act relating to accredited clients are listed below.

Imports:

- 68:** Entry of imported goods
- 68(3A):** How entry of goods is made
- 71DB:** Making a request for cargo release
- 71DC:** Liability for an RCR processing charge
- 71DD:** Making of import information contracts
- 71DE:** Authority to deal with goods in respect of which an RCR has been made
- 71DF:** Periodic declarations by persons who are parties to import information contracts
- 71DG:** Liability for periodic declaration processing charge

Exports:

- 113AA:** How an entry of goods for export is made
- 114BA:** Using ACEANs in respect of goods
- 114BB:** Making of export information contracts
- 114BC:** Declarations by persons who use ACEANs
- 114C:** Authority to deal with goods entered for export
- 116A:** What happens when goods entered for export by the use of an ACEAN are not exported within 30 days

INTRODUCTION

The Accredited Client Program is a new program for low-risk importers and exporters, designed to streamline their reporting requirements.

The Accredited Client Program is based on the philosophy that ‘one size doesn’t fit all’ – some traders import or export more regularly than others, some have better systems for providing information and making revenue payments, and others, because of the goods they deal in, pose a lesser risk to the Australian community. These traders may be able to join the Program if they comply with certain conditions and standards that will be set out in the business rules. The CEO of Customs then has the power to enter into individually tailored contracts with the trader that allows the trader to participate in the Program.

Benefits of the Accredited Client Program

Accredited clients:

- have access to individual case managers
- provide minimal information at the time of importing via a request for cargo release with other information provided in periodic declarations
- use an ACEAN to enter goods for export with other information provided in a declaration
- have goods cleared with minimal intervention
- benefit from an alternative cost recovery model, based on periodic declarations.

At the time of importing, accredited clients provide minimal information via a request for cargo release (RCR), with other data requirements provided at a later date in a periodic declaration. They do not need to provide an import declaration if an RCR is used to enter the goods (see [Topic 4: Import Declarations and Duty Deferral](#) for more information about import declarations).

Accredited clients who export receive an agreed number of accredited client export approval numbers (ACEANs), with data requirements provided in a monthly declaration. The ACEAN is the only thing quoted at the time of export. Accredited clients do not need to provide an export declaration if an ACEAN is used to enter the goods for export (see [Topic 6: Exports](#) for more information about export declarations).

Accredited clients and their service providers may use the program’s logo in accordance with certification trade mark rules that will be registered with IP Australia. The certification trade mark rules provide the conditions applicable to the use of the logo. For example, the certification trade mark rules will require a service provider using the logo to use the mark with a statement such as ‘Customs Broker, for an accredited client of the Australian Customs Service’.

Legal framework

The legal framework underpinning the Accredited Client Program includes:

- amendments to the Customs Act
- business rules
- a contract.

Amendments to the Customs Act

The legislative provisions underpinning the Accredited Client Program are contained in the Trade Modernisation Act, which amends the Customs Act to allow certain importers and exporters to provide minimal information when importing and only an ACEAN when exporting. See [‘Importing as an accredited client’](#) and [‘Exporting as an accredited client’](#) later in this topic for more information about the provisions.

Note: All provisions in the Trade Modernisation Act and the Customs Act relating to importing and exporting goods also apply to accredited clients. See [Topic 4: Import Declarations and Duty Deferral](#), [Topic 5: Import Cargo Reporting](#) and [Topic 6: Exports](#) for information about these provisions.

Business rules

The business rules, and any variation or revocation of them, are a disallowable instrument for the purposes of section 46A of the *Acts Interpretation Act 1901*. This means that the business rules, or any variation or revocation of them, must be gazetted and tabled in both Houses of Parliament. It also means that either House can disallow the business rules, or any variation or revocation of them.

Contracts

The Trade Modernisation Act allows the CEO of Customs to enter into import information contracts and export information contracts with traders. The information contract will spell out any details of the relationship between the parties and their rights and responsibilities. Although the contracts can be tailored to an individual parties’ requirements, the contracts cannot vary any legislative requirements.

The information contract will include provisions relating to:

- the goods covered by the contract
- mechanisms for reporting, monitoring and auditing a person’s compliance with agreed procedures and the business rules, and
- the powers of the CEO (71DD(4)(c)) and 114BB(4)(c)) to terminate the contract if the person fails to comply with any of the procedures or business rules.

The export information contracts will also contain the way ACEANs are allocated to a person.

See [‘Joining the Accredited Client Program’](#) following this section for more information about information contracts.

Electronic reporting

A basic requirement for joining the Accredited Client Program is the ability to communicate with Customs electronically. As all RCRs and periodic declarations and ACEANs and declarations must be communicated electronically, accredited clients will need appropriate equipment and software. See [Topic 2: E-commerce](#) for more information about the Integrated Cargo System and its requirements.

JOINING THE ACCREDITED CLIENT PROGRAM

Compliance with business rules and process for joining

To join the Accredited Clients Program, importers and exporters need to demonstrate compliance with business rules, including:

- the ability to communicate electronically with Customs
- a history of providing accurate and timely information (as required by 71DD(2) and 114BB(2))
- the ability to demonstrate they can continue to provide accurate and timely information
- an Australian Business Number (ABN)
- eligibility to defer goods and services tax (GST)
- a record of compliance with permit issuing agencies (PIAs)
- for importers, a compliance agreement with AQIS. (Alternatively, importers must ensure their broker has such an agreement.)

Audit report

Importers and exporters need to provide an audit report prepared by a qualified independent auditor chosen in accordance with the business rules.

The audit report should include:

- details of responsibilities and duties of key personnel of the client and their service providers
- an auditable record of imported and exported goods
- evidence of a 12-month history of compliance
- details of the system the client is using to identify the permit requirement of goods
- details of the system the client is using to identify and rectify errors when preparing information for Customs.

Audit guidelines

The audit guidelines, *Audit and Review Obligations*, are available at on the CMR web site at www.customs.gov.au/cm/cmr.htm.

Contracts

Import and export information contracts

The CEO of Customs may enter into an import information contract with an importer or exporter to enable that client to make RCRs (section 71DD of the Customs Act) and may enter into an export information contract with an accredited client to enable that client to use ACEANs (section 114BB).

To enter into a contract, the CEO must be satisfied, by means of an audit carried out by an auditor engaged by the client in accordance with the business rules, that the accredited client can provide Customs with accurate information.

Joining costs

There is no application fee but there are some costs associated with:

- obtaining an independent audit report
- changing or enhancing current computer systems to accommodate new procedures
- paying cost recovery charges for import processes.

Annual review

Accredited clients must provide an annual declaration assuring Customs of their ongoing compliance with the business rules.

The declaration should include:

- changes to reporting methods and key personnel
- evidence of ongoing eligibility to defer payments
- assurance of ongoing compliance.

IMPORTING AS AN ACCREDITED CLIENT

The importing process has been simplified for accredited clients. They may use a request for cargo release (RCR) to enter goods for home consumption, with other data requirements provided in a monthly declaration. The use of an RCR removes the need to supply a detailed import declaration.

Request for cargo release

Goods may be entered for home consumption using either an import declaration or an RCR (subsection 68(3A)).

Section 71DB sets out the requirements for making an RCR. An RCR must be:

- communicated electronically
- made by a person who has entered into an import information contract, or by a customs broker nominated in the contract to make communications to Customs on that person's behalf, and
- made only if the import information contract is in force at the time.

The RCR must include the information required by an approved statement. An approved statement is a statement approved by the CEO of Customs, which sets out the information required to be communicated electronically.

Goods that can be entered with an RCR

Accredited clients will not be able to use an RCR for all goods they import. Goods outside the terms of the information contract must be entered by using an import declaration or warehouse declaration, as the case requires. See [Topic 4: Import Declarations and Duty Deferral](#) for information about import declarations.

RCR processing charge

A processing charge applies for each RCR sent to Customs, payable when the periodic declaration relating to the goods is sent (see '[Periodic declarations](#)' later in this topic).

The RCR processing charge prescribed in the Import Processing Charges Act is currently \$9.40 per request (see [Topic 8: Cost Recovery and Depot Licensing Fees](#) for more information about the cost recovery system).

If an RCR is withdrawn (section 71F) before an authority to deal with the relevant goods has been issued, no processing charge is payable. Any amendment to an RCR, once it has been communicated to Customs and before the goods have been dealt with, is deemed to be a withdrawal of the RCR, and receipt of the amended RCR by Customs deemed to be a new RCR, requiring a processing charge to be paid (see section 71F).

Authority to deal with goods

Cargo release advice

Customs must supply a cargo release advice electronically when an RCR is sent (section 71DE). The cargo release advice must indicate either that the goods are cleared for home consumption, or that the goods must be held in their current location or they are directed for examination.

Authority to deal

After sending a cargo release advice, Customs must send electronically an authority to take the goods into home consumption – that is, an authority to deal. However, if the goods are to be held in their current location or for further examination, Customs does not send an authority to deal (subsection 71DE(4)).

Cancelling or suspending an authority to deal

A Customs officer may cancel an authority to deal at any time before the goods have been taken into home consumption. This cancellation must be sent electronically and the message must set out the reasons for the cancellation (subsection 71DE(8)).

An authority may be suspended before goods are taken into home consumption if a Customs officer suspects on reasonable grounds that the goods were imported into Australia in contravention of a Customs-related law. The notification of suspension must be sent electronically and must state why the authority has been suspended and for what period (subsection 71DE(9)).

If a Customs officer becomes satisfied, during a suspension of an authority, that there are no longer reasonable grounds for the suspension, the officer must send a notification electronically revoking the suspension (subsection 71DE(10)).

Periodic declarations

If a person makes one or more RCRs in a given month, the person must send periodic declarations electronically to Customs, providing information about the goods. These periodic declarations may be sent at any time during the month but at least one must be sent not later than the first day of the following month or such other day of that month as is prescribed (section 71DF).

A periodic declaration processing charge is payable when a periodic declaration is sent. The charge prescribed in the Import Processing Charges Act is currently \$1275 per declaration. See [Topic 8: Cost Recovery and Depot Licensing Fees](#) for more information about cost recovery.

EXPORTING AS AN ACCREDITED CLIENT

Exporters who become accredited clients also benefit from a simplified process. Exporters in the Accredited Client Program are issued accredited client export approval numbers (ACEANs). To enter goods for export accredited clients will quote an unused ACEAN that will constitute the authority to deal. All data requirements are provided in a monthly declaration. There is no need to complete an export declaration if an ACEAN is used to enter goods for export.

Accredited client export approval numbers (ACEANs)

Goods may be entered for export by using an export declaration or an ACEAN (section 113AA).

Section 114BA sets out the rules governing the use of ACEANs. An ACEAN must be:

- communicated electronically, and
- communicated only when the export information contract covering the goods is in force.

Goods that can be exported with an ACEAN

Accredited clients will not be able to use an ACEAN for all goods they export. Goods outside the terms of the information contract must be entered by using an export declaration. See [Topic 6: Exports](#) for more information about export declarations.

ACEAN for use on only one consignment

A communication made using an ACEAN must relate only to one consignment of goods. If a communication is used for more than one consignment, the use of the ACEAN is invalid and the goods will not be regarded as entered for export.

Declarations

If a person enters goods for export by using one or more ACEANs in a given month, the person must send declarations electronically to Customs, providing information about the goods. These declarations may be sent at any time during the month but at least one must be sent not later than the first day of the following month (section 114BC).

Authority to deal with goods entered for export

Section 114C deals extensively with the issuing of an authority to deal with goods entered for export. This is covered in detail in [Topic 6: Exports](#). Accredited clients should note that if goods are entered for export by the use of an ACEAN, the ACEAN constitutes an authority to deal.

Goods not exported within 30 days

If goods are entered for export by the use of an ACEAN and they have not been exported 30 days after the ACEAN was communicated to Customs, the entry is deemed to be withdrawn. The relevant ACEAN cannot be used to enter those or any other goods for export (section 116A).

OVERVIEW OF THE ACCREDITED CLIENT PROGRAM PROCESS

Importer

1. Satisfies criteria for joining Accredited Client Program
2. Negotiates import information contract
3. Accredited Client

Sends RCRs when importing

Makes periodic declarations

Pays RCR and periodic declaration processing charges

Pays duty

Provides annual review/declaration to Customs

Exporter

1. Satisfies criteria for joining Accredited Client Program
2. Negotiates export information contract
3. Accredited Client
4. Receives ACEANs

Sends ACEANs when exporting

Makes declarations

Provides annual review/declaration to Customs