

## 6. EXPORTS

### Included in this topic:

- [Key messages](#)
- [The legislation](#)
- [Accredited Client Program](#)
- [Examining goods for export](#)
- [Goods subject to Customs control](#)
- [Electronic reporting](#)
- [Export declarations](#)
- [Export cargo reporting](#)

### Related topics:

Topic 2: E-commerce

Topic 3: Accredited Clients

Topic 5: Import Cargo Reporting

Topic 7: Document Retention

Topic 9: Powers of Officers and Monitoring Powers

Topic 10: Penalty Administration

## **KEY MESSAGES**

- All goods requiring an export entry must have an authority to deal before being delivered to a place for export, unless there is an agreement for the cargo terminal operator to enter the goods on behalf of the owner.
- No entry is required for consignments below \$2000 – this brings the requirements for entering goods transported via sea or air into line with goods exported through the post. However, all goods requiring a permit must be entered, regardless of value, unless excluded by regulation.
- All goods for export must be reported on arrival at a wharf or airport except those that are exempt by regulation allowing time for Customs to examine goods if required.
- New controls and reporting obligations will apply to prescribed underbond goods to reduce the risk of diversion of such goods to the domestic market.
- An outward manifest may now be submitted up to three days after departure, allowing shipping companies and airlines adequate time to prepare an accurate manifest.
- All export cargo reporting, other than manual export declarations, must be made electronically.

## THE LEGISLATION

The key new provisions of the Customs Act relating to exporting cargo are listed below.

- 30:** Paragraph 30(1)(d): Goods subject to Customs control
- 99:** Subsections 99(2) and (3): Entry of warehoused goods
- 102A:** Notices to Customs by holder of warehouse licence
- 113:** Subsection 113(1): Entry of goods for export  
Subsection 113(2A): All permissible goods require an entry  
Paragraphs 113(2)(b) and (c)
- 113AA:** How an entry of goods for export is made
- 114:** Making an export declaration
- 114A:** An officer may seek additional information
- 114C:** Authority to deal with goods entered for export
- 114D:** Goods to be dealt with in accordance with export entry
- 114E:** Sending goods to a wharf or airport for export
- 114F:** Notices to Customs by person who receives goods at a wharf or airport for export
- 115:** Goods not to be taken on board without authority to deal
- 117AA:** Consolidation of certain goods for export can only occur at a prescribed place
- 117A:** Submanifests to be communicated to Customs
- 118:** Certificate of Clearance
- 119:** Communication of outward manifest to Customs
- 122:** Examination of goods for export

## **INTRODUCTION**

The trade modernisation legislation introduces a number of changes to the way export cargo is lodged, reported and cleared. The changes provide greater flexibility in lodging goods and embrace technological advances, enabling quicker interaction with Customs. Customs will have stronger controls to prevent the export of prohibited goods and the diversion of underbond goods into the domestic market. It will also be better able to monitor compliance with GST law.

There are several key areas of reform for exports:

- the introduction of the Accredited Client Program
- major changes to export declaration procedures
- major changes to export cargo reporting procedures
- capacity for Customs officers to examine goods intended for export, with consent, before they come under Customs control
- an amendment to render all goods subject to Customs control when delivered to a prescribed place for export
- electronic reporting
- penalties for late, inaccurate reporting or failure to report.

### **Accredited Client Program**

The Accredited Client Program introduces simplified export declaration arrangements for exporters who become accredited clients. The reporting requirements for accredited clients and the procedures for becoming an accredited client are covered in Topic 3: Accredited Client Program.

### **Examining goods for export**

A new provision which will allow authorised Customs officers to enter premises and examine goods that are reasonably believed to be intended for export, with the occupier's consent (section 122). These monitoring powers are discussed in Topic 9: Monitoring and Export Examination Powers.

### **Goods subject to Customs control**

Recent concerns about Customs control of goods delivered to a prescribed place of export has led to the clarification of paragraph 30(1)(d) of the Customs Act. The section has been amended to render all goods subject to Customs control when delivered to a prescribed place for export, whether they are protected goods or not, and whether they are subject to compliance with any condition or restriction under any Act or regulation or not.

## Electronic reporting

Apart from the continuation of a government service providing manual export entries to 'one-off exporters', most reporting is to be carried out electronically. Exporters, warehouse operators and consolidators of prescribed warehoused goods will need suitable computer technology to do this and can choose the system that best suits their needs. For more information about the requirements for electronic communication with Customs, see [Topic 2: E-commerce](#).

## EXPORT DECLARATIONS

The main changes to export entries are as follows.

- An entry of goods for export will be made by either making an export declaration or by quoting an accredited client export approval number (ACEAN).
- Export entry thresholds will be aligned.
- All goods requiring a permit will be reported on an export declaration unless excluded by regulation.
- Only declarations that do not contain errors will be given an export declaration number (EDN) and an authority to deal.
- Customs will be able to suspend authorities to deal.

### Making an export declaration

An entry of goods for export will be made by making an export declaration or by lodging an ACEAN.

**An export declaration may be made by document or electronically.**

When an export declaration has been communicated and acknowledged, the goods will be taken to have been entered for export.

Customs may refuse to accept or deal with an export declaration in circumstances prescribed by the regulations but must inform the person who made the declaration, by document or electronically, of the refusal.

### Entry threshold values

The amendments to the Customs Act will raise the minimum value of goods required to be entered for export in an air or sea entry from \$500 per line to \$2000 per consignment. This brings air and sea entries into line with the threshold values for a postal entry.

Exceptions to this rule are:

- shipments of underbond goods other than those sold to relevant travellers, and
- goods identified as requiring a permit before export.

See section 113(2) of the Customs Act.

## **Reporting of goods requiring a permit**

There will be a new obligation on owners of permissible goods for export. To effectively control the movement of certain goods, changes to legislation will require that all permissible goods, regardless of value, must be reported on an export declaration unless excluded by regulation (section 113(2A)).

## **Authority to deal**

When an export declaration is made, Customs will provide an export entry advice which grants an authority to deal or provides a refusal for such an authority. The export entry advice will be in the form of an export declaration number or EDN.

Customs will only issue an EDN if all the information provided in the export declaration is valid.

## **Ensuring there is an authority to deal**

Subsection 113(1) of the Customs Act will be repealed and replaced.

The new subsection 113(1) states that an exporter must not allow goods other than goods excluded by regulation to be loaded on a ship or aircraft unless there is an authority to deal with them. Vessels or aircraft departing under their own power must also have an authority to deal before departure.

Exporters of certain prescribed goods such as live animals will not be able to strictly meet these requirements. To assist these exporters, conditional entries will be issued.

## **Requirement for additional information**

Section 114A allows Customs to refuse an authority to deal and to seek further information about export goods.

Customs may, on reasonable grounds, require the owner of the goods, to produce commercial documentation to verify the information provided in an export declaration. Customs may also ask any questions or request further documentary evidence to verify the information provided.

Customs must refuse an authority to deal until any documents or information it has requested have been supplied, any questions it has asked have been answered or any verification supplied.

Customs must return any commercial documents once it has dealt with them, unless the documents have been impounded (section 215).

## **Suspension of authority to deal**

A Customs officer may suspend an authority to deal if the officer has reasonable grounds to suspect the goods have been dealt with in contravention of a Customs-related law.

An authority to deal can be made subject to conditions that:

- a permission to deal with the goods be obtained under another Commonwealth law, or
- any security required under section 16 of the *Excise Act 1901* be given.

The authority to deal will be taken not be given until permission has been obtained.

Customs may suspend an authority to deal by serving a notice setting out the reasons for the suspension or by sending an electronic message, if the authority was given via an ACEAN (section 114C).

## **EXPORT CARGO REPORTING**

The key changes to export cargo reporting are:

- requirement for authority to deal before delivery to a prescribed place of export
- reporting of goods on arrival at a wharf or airport
- tighter Customs control over customizable, excisable goods for export
- mandatory electronic reporting of manifests
- changes to the procedures for a Certificate of Clearance
- extension of outward manifest reporting period.

### **Goods at a wharf or airport**

A new system of reporting goods on arrival at a wharf or airport will notify Customs where goods are before departure and will give Customs an opportunity, where appropriate, to examine the goods for compliance.

### **Authority to deal prior to delivery at wharf or airport**

There will be a new requirement that the owner of the goods ensures that all goods being delivered to a wharf or airport must have an authority to deal, unless:

- there is an agreement for the cargo terminal operator to enter the goods on behalf of the owner, or
- those goods are excluded by regulation, or
- they are exempt from export entry requirements.

Part of these requirements will be that consolidators must report submanifest numbers on delivery to the wharf or airport.

## **Reporting goods on arrival at a wharf or airport**

There will be a new obligation on those that receive cargo for export. All goods for export, other than some prescribed goods, will be reported on arrival at a wharf or airport. It will be the responsibility of the receiving party to report the arrival of those goods to Customs. A receiving party must notify Customs **electronically** of the delivery within a period prescribed by the regulations.

Exporters, shipping companies and airlines must understand their new obligations for goods delivered to a place for export. It will not be the responsibility of the receiving party at a wharf or airport to ensure that the goods have an authority to deal. The liability for ensuring that goods have the appropriate documentation rests with the deliverer. However, the Act will allow for situations in which the deliverer (such as an airline) may act as an agent on behalf of the exporter and create an entry on the owner's behalf. There will also be an obligation for airlines, shipping companies and the owner not to allow goods to be loaded without an authority to deal (see subsections 113, 114E, 114F and 115).

### ***Removal of goods at a wharf or airport***

There will be a new obligation on the owner of goods if they are to be removed from the wharf or airport for any reason other than to be loaded onto a ship or aircraft for export. When the goods are to be removed the owner must withdraw the export declaration.

In addition, the wharf or airport operator will have to notify Customs **electronically** of the removal of the goods (see section 114F).

## **Controls for customable, excisable goods**

### **Warehoused goods**

New obligations will specify that a warehouse operator, including duty free stores making commercial export sales, must not allow goods to be taken from a warehouse for export unless they have been entered for export and an authority to deal with them is in force. In addition, the warehouse operator must **electronically** communicate with Customs to ensure that these details are valid.

### ***Release of warehoused goods***

If goods are released from a warehouse for export, the warehouse operator will be obliged to notify Customs **electronically** of the release of the goods and the intended destination.

### ***Return of warehoused goods***

If goods have previously been released from a warehouse for export and are returned to the warehouse, the warehouse operator must notify Customs **electronically** that the goods have been returned (sections 99 and 102).

### **Consolidation of warehoused goods**

Warehoused goods prescribed by regulation will only be able to be handled by certain restricted premises before export. These premises will also be prescribed by regulation, and will generally be premises licensed as a depot under section 77G of the Customs Act.

An electronic reporting system will track the movement and location of these goods until exportation. There will be new obligations for the consolidators handling the goods to notify Customs **electronically** when such goods are received and when they are released. Consolidators must not permit prescribed goods to be released unless they have made sure that they have been entered for export and there is an authority to deal (section 117AA).

### **Mandatory electronic reporting of manifests**

There are new obligations that will require all consolidators to send submanifests **electronically** to Customs. Customs will acknowledge its receipt and provide a submanifest number. The use of feeder manifests will be discontinued.

Creators of outwards manifests will also be required to communicate **electronically** to Customs and must specify all goods (other than prescribed goods) loaded at the port or airport. If no goods are loaded, the outward manifest must make a statement to that effect (see sections 117A and S119).

### **Certificate of Clearance**

The master of a ship or pilot of an aircraft must not depart with the ship or aircraft until they have received a Certificate of Clearance, which they can obtain by applying to the Collector. Under the new obligations, the Certificate of Clearance will be granted once Customs has received notification of the time of departure and has satisfied all other Customs requirements as specified by the regulations. The time of departure will set the required timeframe for the reporting of the outward manifest (see section 118).

### **Outward manifest reporting**

Although all export goods must be reported at the time of arrival at a wharf or airport, shipping companies and airlines no longer need to submit an outward manifest to receive a Certificate of Clearance before departure. There will be an obligation to **electronically** report outward manifests to Customs within three days of the departure of the ship or aircraft (see section 119).