



LICENSING CUSTOMS BROKERS

WHAT IS A CUSTOMS BROKER?

A customs broker is a person who holds a broker's licence granted in accordance with Part XI of the *Customs Act 1901* (the Act). Under the Act an owner of goods may appoint an agent, either an employee of the owner or a customs broker, to act on his or her behalf. The authorisation must be in writing.

There are three categories of broker:

- 1. Corporate customs broker:**
A company or partnership;
- 2. Sole trader customs broker:**
An individual licensed as a broker in his or her own right;
- 3. Nominee customs broker:**
An individual licensed as a broker, but not in his or her own right. To act as a broker on behalf of an owner, a nominee must be employed by a corporate customs broker or a sole trader customs broker.

WHAT IS THE PROCESS TO GET A BROKER'S LICENCE?

The Act requires an application for a broker's licence be made in writing to the Chief Executive Officer (CEO) of Customs.

Requirements for an individual applicant (or sole trader):

- the person must be a 'person of integrity';
- the person must be qualified to be a customs broker; and
- all employees of a sole trader must also be 'persons of integrity'.

Requirements for a company/partnership:

- the directors/partners participating in the work of the company must be 'persons of integrity';
- employees participating in the work of the company/partnership must be 'persons of integrity'; and
- the company must be a fit and proper company.

The broker's licence application package is available by emailing Broker Licensing at brokers.licensing@customs.gov.au or phone 02 6275 5784.

WHAT IS A 'PERSON OF INTEGRITY'?

In determining if a person is a 'person of integrity', Customs has regard to:

- any conviction of an offence under the Act
- any conviction of an offence of any other Commonwealth, State or Territory law, punishable by imprisonment of one year or longer
- whether the person is an undischarged bankrupt
- any misleading statements made in the application by or about the person
- where the statement by the person was false, whether the person knew it to be false.

CAN A FAMILY TRUST BE LICENSED?

The Act only allows for the licensing of individuals, companies or partnerships. A trust is not one of these entities.

WHAT QUALIFICATIONS ARE REQUIRED?

A person is qualified to be a broker if they have completed an approved course of study and have gained the experience necessary to be a customs broker.

APPROVED COURSES

Educational institutions are moving from delivery of an old course to a new course. At present there are two Customs approved courses that cover the learning required for customs brokers, these are the:

1. specified units of a Certificate IV course entitled Australian and International Trade Facilitation, provided by Technical and Further Education (TAFE) institutions
2. eleven competencies which will be available as part of a Certificate IV course through TAFE or stand-alone competencies through training providers, the Customs Brokers and Forwarders Council of Australia Inc at www.cbfa.com.au or My Freight Career Pty Ltd at www.myfreightcareer.com.au

TAFE colleges are no longer offering enrolment in the 'old course' to new students and will cease to offer these units after Semester 2, 2007.

EXPERIENCE

The CEO of Customs is required to assess whether each individual applicant has acquired the experience necessary to become a customs broker. The Customs Brokers and Forwarders Council of Australia Inc (CBFCA) conducts national examinations twice a year and applicants who pass the examination are accepted as having acquired the necessary experience.

For more information on any Customs matter, contact the Customs Information and Support Centre on 1300 363 263 or email information@customs.gov.au or browse the website www.customs.gov.au

EXEMPTION FROM STUDY

It is possible to seek exemption from completing the approved course of study. Applicants seeking to do so should lodge an application for a licence together with evidence of the reasons for exemption from the approved course of study. Applicants seeking exemption must be able to demonstrate an extensive knowledge of all aspects of broker activity.

WHEN IS THE LICENCE GRANTED?

Documentary checks conducted by Customs include verification of information provided, gathering information for assessment of integrity, and allowing the public to make submissions in relation to an applicant. Once all documentary checks are completed on an application, it is referred to the National Customs Brokers Licensing Advisory Committee (the Committee) for consideration.

The Committee comprises a representative from Customs and from industry and is chaired by a former judicial officer. It makes recommendations to the Customs CEO on whether or not the licence should be granted. The Committee may need to talk to applicants about their application by holding an enquiry or hearing.

INTEGRATED CARGO SYSTEM

To communicate with Customs on behalf of their clients, brokers must be registered as a client in the Customs Integrated Cargo System (ICS) and obtain a digital certificate. To ensure that ICS recognises a broker, it is important that the client registration, the broker licence, and the digital certificate are all in the same name, using the same Australian Business Number. Nominee brokers do not need their own digital certificate but must be registered in the ICS.