



PKI - BUREAUS AND WHOLESALER/CO-LOAD ARRANGEMENTS

This fact sheet explains who is responsible for the content of communications that are made electronically to Customs using PKI technology when a bureau or wholesaler is involved in the communication.

Bureaus

A bureau is a business that is able to send electronic messages (primarily EDI) to Customs on behalf of another client. Bureaus can communicate with Customs, provided appropriate authority to act on behalf of that client has been given.

How can a bureau communicate electronically with Customs?

There are two different ways bureaus can send communications on behalf of their clients to the Integrated Cargo System (ICS). Bureaus can:

- 'sign' (using their own digital certificate) communications to Customs. The bureau's clients will provide the relevant information that is then formatted, digitally signed and transmitted to Customs. In this circumstance, the bureau is the communicator of the statement to Customs.
- 'pass' communications to Customs that have already been 'signed' by their client's digital certificate. In this circumstance it is the bureau's client that is the 'communicator' of the statement to Customs.

Bureaus can offer two different models for handling client signed transactions:

- Type 3 certificate - the client hosts their own private key and certificate on their own IT infrastructure. The client signs the transaction and sends it through the bureau's IT infrastructure; or
- Type 3 Host certificate - the client gives permission under special Gatekeeper arrangements for the bureau to host their private key and certificate and to apply it to the client's transactions.

Please note that a bureau can only apply a client's certificate if it is a Type 3 Host certificate.

Can bureaus send import declarations to Customs?

Import declarations can only be lodged with Customs by the owner of the goods or by their nominated licensed customs broker/brokerage. These parties can directly transmit their declarations to Customs or use the services of a bureau.

If they choose to use a bureau service, one of the following conditions must be met:

- when a bureau lodges (digitally signs and transmits) import declarations on behalf of importers or licensed Customs brokers, the bureau itself must be a licensed Customs brokerage under the *Customs Act 1901* (the Customs Act); or
- when a bureau sends an import declaration and the bureau is not a licensed Customs brokerage, the bureau must use a sole trader licensed Customs broker to electronically 'sign' it and then transmit it to Customs; or
- when a bureau sends an import declaration on behalf of a client and the bureau applies the client's digital certificate to the declaration and transmits this to Customs then the client must be the owner, a licensed Customs brokerage or a sole trader licensed broker (such a process would necessarily be subject to the client being able to comply with any contractual responsibilities it may have to its certificate issuing authority, and any associated security issues).

Wholesalers

Under the new cargo reporting arrangements of the ICS a wholesaler can lodge cargo reports on behalf of client freight forwarders. This arrangement is termed a wholesale/co-load arrangement.

In wholesale/co-load arrangements the role of the wholesaler is similar to that of a bureau. The client freight forwarder is required to authorise the wholesaler to act as their common law agent for the purpose of lodging cargo reports under the Customs Act. The cargo report is then signed with a digital certificate identifying the wholesaler as the communicator of the report.

Record Retention

The record retention obligations of communicators require them to keep records that verify the content of the communications for a period of 12 months. This enables Customs to trace information included in communications to its source.

However, the client that has provided information to a communicator must also keep for a period of 12 months records that:

- verify the information given to the bureau or wholesaler;
- verify the fact that the information was given to the bureau or wholesaler; and
- identify the bureau or wholesaler as the recipient of the information.

Who is responsible for the timely report of cargo?

A cargo reporter has the statutory obligation to lodge the cargo report under the Customs Act. A cargo reporter is defined as:

- the operator or charterer of the ship or aircraft; or
- a slot charterer in respect of the ship; or
- a freight forwarder in respect of the ship or aircraft.

This person may not necessarily be the person who has communicated the cargo report to Customs. Under the Integrated Cargo System (ICS) the cargo reporter is named the Responsible Party and the person who communicates the cargo report is named the Reporting Party. Bureaus and wholesalers/co-loaders should ensure that the correct ABN for the cargo reporter is identified as the "Responsible Party" in the cargo report.

Where a cargo reporter engages another person to act as their agent to communicate the report of cargo to Customs it is still the cargo reporter who has the statutory obligation to lodge the cargo report in accordance with section 64AB of the Customs Act. Therefore, the cargo reporter is the party responsible for any breach of the requirements of section 64AB, even if the delay in lodging the report is caused by the agent engaged to lodge the cargo report.

For more information

Further information about PKI and the use of digital certificates can be found in the following fact sheets:

- *PKI – Customs and PKI Technology; and*
- *PKI – False and Misleading Statements.*

Additionally, [Chief Executive Officer Determination Number 1 of 2006](#) details the information technology requirements for signing electronic communications to Customs.

Go to www.cargosupport.gov.au
Email cargosupport@customs.gov.au
Phone 1300 558 099