EXPLANATORY STATEMENT

Issued by Authority of the Minister for Agriculture, Fisheries and Forestry

Biosecurity Charges Imposition (Customs) Act 2015

Biosecurity Charges Imposition (Customs) Amendment (2025 Measures No. 1) Regulations 2025

Legislative Authority

The *Biosecurity Charges Imposition (Customs) Act 2015* (the Act) is an Act to impose, as taxes, charges in relation to matters connected with the administration of the *Biosecurity Act 2015* (the Biosecurity Act), so far as those charges are duties of customs, and for related purposes. The Biosecurity Act provides the regulatory framework for the management of diseases and pests that may cause harm to human, animal or plant health or the environment. The Act does not set the amounts of the charges and only authorises the imposition of charges prescribed in regulations.

Subsections 7(1) and 7(4) of the Act provide that the regulations may prescribe a charge in relation to a prescribed matter connected with the administration of the Biosecurity Act, but only so far as that charge is a duty of customs within the meaning of section 55 of the Constitution. Subsection 7(3) of the Act provides that multiple charges under subsection 7(1) may be prescribed in relation to the same matter, and a single charge under subsection 7(1) may be prescribed in relation to multiple matters.

Subsection 8(1) of the Act provides that the regulations may prescribe a charge under subsection 7(1) by specifying an amount as the charge or a method for calculating the amount of the charge. Subsection 8(2) provides that, before the Governor-General makes regulations under subsection 7(1), the Minister must be satisfied that the amount of the charge is set at a level that is designed to recover no more than the Commonwealth's likely costs in connection with the matter.

Section 10 of the Act provides that the regulations may provide for exemptions from a charge prescribed under subsection 7(1).

Section 12 of the Act provides that the Governor-General may make regulations prescribing matters required or permitted by the Act to be prescribed, or necessary or convenient to be prescribed for carrying out or giving effect to the Act.

Subsection 33(3) of the *Acts Interpretation Act 1901* provides that where an Act confers a power to make, grant or issue any instrument of a legislative or administrative character (including rules, regulations or by-laws) the power shall be construed as including a power exercisable in the like manner and subject to the like conditions (if any) to repeal, rescind, revoke, amend or vary any such instrument.

The financial modelling of the Department of Agriculture, Fisheries and Forestry (the department) has confirmed that the prices of the charges in the Amendment Regulations are designed to recover no more than the Commonwealth's likely costs in connection with the

matters to which the charges relate. For the purposes of subsection 8(2) of the Act, the Minister for Agriculture, Fisheries and Forestry has certified that she is satisfied that the amount of the charges in the *Biosecurity Charges Imposition (Customs) Amendment (2025 Measures No. 1) Regulations 2025* (the Amendment Regulations) are set at a level designed to recover no more than the Commonwealth's likely costs in connection with the prescribed matters to which they relate.

Purpose

The purpose of the Amendment Regulations is to ensure more effective cost recovery arrangements connected with the administration of the Biosecurity Act by introducing new "upgrade" charges to support the cost recovery of the administration and ongoing management of approved arrangements under the Biosecurity Act.

Approved arrangements allow operators to manage biosecurity risks and perform the documentary assessment of goods in accordance with departmental requirements, using their own premises, facilities, equipment and people. Similarly, compliance agreements under the *Imported Food Control Act 1992* allow food importers to manage the clearance of their own food imports if they have a documented food safety compliance system. It is possible for a person to hold both one or more approved arrangements and one or more compliance agreements.

The Amendment Regulations amend the *Biosecurity Charges Imposition (Customs) Regulation 2016* (the Principal Regulation) to introduce upgrade charges from 1 July 2025 that apply where a person transitions from holding a single approved arrangement or compliance agreement to one or more further approved arrangements or compliance agreements in the same financial year. Under the previous legislation, an upgrade charge could not be applied where a person was billed for and had paid the charge for a single approved arrangement in a financial year and then upgraded to multiple approved arrangements or compliance agreements in the same financial year. By introducing an upgrade charge to cover this scenario, the amendments in the Amendment Regulations will recover costs for the additional work required to administer and manage multiple approved arrangements and compliance agreements during a financial year and ensure equity in the application of charges to biosecurity industry participants.

Background

The department administers the Biosecurity Act to regulate and manage diseases and pests that may cause harm to human, animal or plant health or the environment. The department recovers the costs of undertaking these regulatory functions through fees and charges, imposed in accordance with the Australian Government Charging Framework. The Australian Government Charging Framework sets the rules and requirements on how a regulatory body determines costs and sets charges, and how it will charge for regulatory activities.

Charging is undertaken under the Biosecurity Act, the Act, the *Biosecurity Charges Imposition (Excise) Act 2015* and the *Biosecurity Charges Imposition (General) Act 2015*. These Acts provide the tax legislation framework necessary to support cost recovery charges. Specific charges and fees for biosecurity regulatory functions are prescribed in the Principal Regulation, the *Biosecurity Charges Imposition (General) Regulation 2016* (the General Regulation) and the *Biosecurity Regulation 2016* (the Biosecurity Regulation).

Under the biosecurity cost recovery framework, the General Regulation prescribes charges in relation to matters connected with the administration of the Act which are considered neither duties of customs nor duties of excise within the meaning of section 55 of the Constitution. The Principal Regulation prescribes charges in relation to matters connected with the administration of the Biosecurity Act which are considered duties of customs within the meaning of section 55 of the Constitution. Where a charge is prescribed under both the Principal Regulation and the General Regulation, only one charge will apply, and it will be under the regulation for which it is valid. The Biosecurity Regulation identifies who is liable to pay a cost recovery charge and when the liability to pay arises. No charges are prescribed under the *Biosecurity Charges Imposition (Excise) Act 2015*.

Impact and Effect

The Amendment Regulations provide for the new and updated charges to be implemented from 1 July 2025.

The new charge in the Amendment Regulations reflects the department's costs involved with administering and managing multiple approved arrangements or compliance agreements during a financial year. The charge is based on the modelling set out in the 2025-26 Biosecurity Cost Recovery Implementation Statement (CRIS) as required by the Australian Government Cost Recovery Policy overseeing charging of regulatory government activities and is no higher than the department's anticipated costs of delivering the biosecurity regulatory functions for approved arrangements and compliance agreements. The CRIS sets out the anticipated costs to be recovered in delivering regulatory activities, and the fees and charges to be applied to those activities.

The new charge applies to a person that holds a single approved arrangement or compliance agreement and is then approved for one or more additional approved arrangements or compliance agreements during a financial year. This charge is connected with the administration of the Biosecurity Act. The total amount payable by the person will be no more than the amount payable for single or multiple approved arrangements or compliance agreements, as indexed under existing section 9A of the Principal Regulation which provides for indexation on 1 July each year in accordance with the Consumer Price Index (CPI). Apart from the imposition of the upgrade charge, which ensures all multiple approved arrangement or compliance agreement holders are charged equitably, there is no increase to the total amount payable for single or multiple approved arrangements or compliance agreements. The dollar amounts specified in the Amendment Regulations reflect the replacement amounts that apply in relation to single and multiple approved arrangements in line with indexation that occurred on 1 July 2024 and would otherwise have occurred on 1 July 2025 under section 9A of the Principal Regulation.

Consultation

Targeted consultation with key industry stakeholders was conducted through the department's industry consultative committees, import industry advice notices, direct engagement with industry stakeholders and through updates to the department's website. The Department of Finance has been consulted on the changes.

Details/ Operation

The Amendment Regulations are a legislative instrument for the purposes of the *Legislation Act 2003*.

The Amendment Regulations commence on 1 July 2025.

Details of the Amendment Regulations are set out in Attachment A.

Other

The Amendment Regulations are compatible with the human rights and freedoms recognised or declared under section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*. A full Statement of Compatibility with Human Rights is set out in <u>Attachment B</u>.

ATTACHMENT A

Details of the *Biosecurity Charges Imposition (Customs) Amendment (2025 Measures* <u>No. 1) Regulations 2025</u>

Section 1 – Name

This section provides that the name of the instrument is the *Biosecurity Charges Imposition* (*Customs*) Amendment (2025 Measures No. 1) Regulations 2025 (the Amendment Regulations).

Section 2 - Commencement

Subsection 2(1) provides that the Amendment Regulations commence on 1 July 2025.

The note below the table provides that the table relates only to the provisions of the Amendment Regulations as originally made. The table will not be amended to deal with later amendments of the Amendment Regulations. The purpose of this note is to clarify that the commencement of any subsequent amendments will not be reflected in this table.

Subsection 2(2) provides that any information in column 3 of the table is not part of the instrument. Information may be inserted in that column, or information in it may be edited, in any published version of the instrument.

Section 3 – Authority

This section provides that the Amendment Regulations are made under the *Biosecurity* Charges Imposition (Customs) Act 2015 (the Act).

Section 4 – Schedules

This section provides for the amendment or repeal of instruments as set out in a Schedule to the Amendment Regulations. This enables the amendment of the *Biosecurity Charges Imposition (Customs) Regulation 2016* (the Principal Regulation).

<u>Schedule 1 – Amendments</u>

Biosecurity Charges Imposition (Customs) Regulation 2016

Item [1] – Section 6

Section 6 of the *Biosecurity Charges Imposition (Customs) Regulation 2016* (the Principal Regulation) provides for definitions of terms used throughout the Principal Regulation.

This item inserts a definition for the term "relevant arrangement or agreement".

Under the amendment to section 6 of the Principal Regulation, "relevant arrangement or agreement" is defined as an approved arrangement or a compliance agreement. The insertion of the definition of "relevant arrangement or agreement" is consequential to the amendment to items 13, 13AA and 13AB of the table in subsection 9(1) of the Principal Regulation, made by item 2 of this Schedule. Both "approved arrangement" and "compliance agreement" remain defined terms under the Principal Regulation.

"Approved arrangement" has the same meaning as in the *Biosecurity Act 2015* (the Biosecurity Act). Under section 10 of the Biosecurity Act, an approved arrangement is an arrangement for which an approval is in force under paragraph 406(1)(a) (including a varied arrangement for which an approval is in force under that paragraph as it applies because of subsection 412(3)).

"Compliance agreement" has the same meaning as in the *Imported Food Control Act 1992* (the Imported Food Control Act). Under section 35A of the Imported Food Control Act, the Secretary may, on behalf of the Commonwealth, enter into a compliance agreement with a person in connection with:

- the application of particular procedures in respect of food that may be imported into Australia in accordance with the agreement; and
- the keeping of records by the person in respect of the person's compliance with those procedures; and
- the supervision, monitoring and testing of the person's compliance with those procedures.

Item [2] – Subsection 9(1) (table item 13)

Section 9 of the Principal Regulation is made for the purposes of subsection 7(1) of the Act and provides for charges payable in relation to biosecurity matters. The charges are listed in the table in subsection 9(1), where column 1 of the table describes the biosecurity matter and column 2 describes the corresponding charges that apply for each matter.

This item repeals table item 13 in subsection 9(1) of the Principal Regulation and substitutes new table items 13, 13AA and 13AB in subsection 9(1) of the Principal Regulation.

New table item 13 provides charges for the administration and ongoing management of two or more relevant arrangements or agreements (that is, approved arrangements or compliance agreements) that cover a person at any time in a financial year, but only if:

(a) at least one of them is an approved arrangement; and

(b) at least two of those arrangements or agreements covered the person immediately before the start of the financial year.

Column 2 of new table item 13 prescribes the following charges for a financial year, or part of a financial year, in which the relevant arrangements or agreements are in force:

- paragraph (a) provides that if all of the relevant arrangements or agreements are Class 19 Arrangements the charge is \$571;
- paragraph (b) provides that if at least one of the relevant arrangements or agreements is not a Class 19 Arrangement the charge is \$3,316.

"Class 19 Arrangement" is defined in section 6 of the Principal Regulation to mean an approved arrangement that provides for the person covered by the arrangement to assess documents to manage biosecurity risks associated with containerised sea freight and does not require the person to carry out biosecurity activities at a particular place.

New table item 13 implements substantively the same charges as in previous table item 13 in relation to multiple approved arrangements, with the following amendments:

- the description of the biosecurity matter in column 1 has been clarified to refer to "administration and ongoing management" of two or more relevant arrangements or agreements rather than development of a proposed arrangement and administration of the approved arrangement this is because the costs are recovered for the ongoing management and administration of the relevant arrangements or agreements rather than their development, which is undertaken by the person who holds the approved arrangement or compliance agreement (the biosecurity industry participant) rather than the department;
- table item 13 only prescribes charges for multiple relevant arrangements or agreements that cover the person at any time in a financial year if at least two of them covered the person before the start of the financial year this is because new table items 13AA and 13AB deal with charges for single relevant arrangements or agreements, or where a person transitions to multiple relevant arrangements or agreements during the course of a financial year;
- the amounts prescribed in column 2 have been updated to reflect actual amounts payable in the 2025-26 financial year, as the dollar amounts currently set out in column 2 of table item 13 were replaced on 1 July 2024 and would otherwise have been replaced on 1 July 2025 due to the effect of section 9A of the Principal Regulation dealing with indexation of charges; and
- table item 13 includes an additional description in column 1 to clarify that the charge only applies where at least one of the relevant arrangements or agreements is an approved arrangement the corresponding charge involving compliance agreements only is provided for in a similar amendment to the *Imported Food Charges* (*Imposition—General*) Regulation 2015 and the *Imported Food Charges* (*Imposition—Customs*) Regulation 2015 (the imported food charging legislation).

New table item 13 applies in a situation where a biosecurity industry participant begins the financial year as a holder of multiple relevant arrangements or agreements. It is necessary to make this distinction as a consequence of the new upgrade charge which is introduced by new table item 13AB and applies where a biosecurity industry participant is covered by a single relevant arrangement or agreement and is subsequently approved for one or more further approved arrangements or compliance agreements.

A person only pays one charge in a situation where, at the start of the financial year, they are covered by one or more approved arrangements under the Biosecurity Act and one or more compliance agreements entered into under section 35A of the Imported Food Control Act. The effect of new subsection 10(7) inserted by item 7 of this Schedule is that a person is not liable to pay the charge under the Principal Regulation if the person has paid the equivalent charge under the imported food charging legislation in the same financial year.

Table item 13AA provides charges for the administration and ongoing management of an approved arrangement (other than an approved arrangement to which table item 13 above applies) where it is the first approved arrangement that covers a person in a financial year, but only if the person is not covered by a compliance agreement when the approved arrangement first covers the person. The charges apply for each financial year, or part of a financial year, during which the relevant approved arrangement is in force.

Column 2 of new table item 13AA prescribes the following charges for a single approved arrangement:

- paragraph (a) provides that if the approved arrangement is a Class 19 Arrangement that is in force before 1 January in the financial year the charge is \$571;
- paragraph (b) provides that if the approved arrangement is a Class 19 Arrangement and paragraph (a) does not apply (that is, the Class 19 Arrangement is not also in force before 1 January in the financial year) – the charge is 50% of the amount specified in paragraph (a) (currently \$285.50);
- paragraph (c) provides that if the approved arrangement is not a Class 19 Arrangement, and it is in force before 1 January in the financial year – the charge is \$2,857;
- paragraph (d) provides that if the approved arrangement is not a Class 19 Arrangement and paragraph (c) does not apply (that is, it is not also in force before 1 January in the financial year) – the charge is 50% of the amount specified in paragraph (c) (currently \$1,428.50).

Table item 13AA implements substantively the same charges as in previous table item 13 for single approved arrangements with the following amendments:

- the description of the biosecurity matter in column 1 has been clarified to refer to "administration and ongoing management" of an approved arrangement rather than development of a proposed arrangement and administration of the approved arrangement this is because the costs are recovered for the ongoing management and administration of the approved arrangement rather than the development of the arrangement, which is undertaken by the biosecurity industry participant rather than the department;
- it only prescribes charges for a single approved arrangement rather than both single and multiple approved arrangements as in current table item 13 this is because new table items 13 and 13AB deal with charges for multiple relevant arrangements or agreements;
- the amounts prescribed in column 2 have been updated to reflect actual amounts payable in the 2025-26 financial year for single approved arrangements, as the dollar amounts currently set out in column 2 of table item 13 were replaced on 1 July 2024 and would otherwise have been replaced on 1 July 2025 due to the effect of section 9A dealing with indexation of charges; and
- it includes an additional description in column 1 to clarify that the charge does not apply where the person is already covered by a compliance agreement when the

approved arrangement first covers the person – this ensures that where someone is covered by a compliance agreement and begins to be covered by an approved arrangement (the first approved arrangement), table item 13AA does not apply but the upgrade charge in new table item 13AB applies.

Table item 13AB prescribes charges for the administration and ongoing management of one or more relevant arrangements or agreements (other than a relevant arrangement or agreement to which item 13 or 13AA applies) that cover a person at any time in a financial year, but only if at least one of them is an approved arrangement. This table item applies the charges for each financial year, or part of a financial year, during which the further relevant arrangements or agreements or agreements are in force.

Table item 13AB prescribes the following charges to upgrade from a single relevant arrangement or agreement to multiple relevant arrangements or agreements during a financial year, which all apply in addition to the charge for a single approved arrangement prescribed in table item 13AA:

- paragraph (a) sets the prescribed charge at \$2,744 where the first relevant arrangement or agreement that covers the person in the financial year is a Class 19 Arrangement, and at least one further relevant arrangement or agreement (that is not a Class 19 Arrangement) is in force before 1 January in the financial year;
- paragraph (b) sets the prescribed charge at \$1,086 where the first relevant arrangement or agreement is a Class 19 Arrangement that is in force before 1 January in a financial year, at least one further relevant arrangement or agreement (other than a Class 19 Arrangement) is in force on or after 1 January in the financial year and paragraph (a) does not apply (that is, no relevant arrangements or agreements are in force before 1 January in the financial year);
- paragraph (c) sets the prescribed charge at \$1,372 where the first relevant arrangement or agreement is a Class 19 Arrangement that is in force on or after 1 January in the financial year, at least one further relevant arrangement or agreement (other than a Class 19 Arrangement) is in force on or after 1 January in the financial year and neither paragraph (a) or (b) apply (that is, no relevant arrangements or agreements are in force before 1 January in the financial year);
- paragraph (d) sets the prescribed charge at \$459, where the first arrangement or agreement is not a Class 19 Arrangement and at least one further arrangement or agreement is in force before 1 January in the financial year; and
- paragraph (e) sets the prescribed charge at \$229, where the first arrangement or agreement is not a Class 19 Arrangement, paragraph (d) above does not apply (that is, no relevant arrangements or agreements are in force before 1 January in the financial year) and at least one further arrangement or agreement comes into force on or after 1 January in the financial year.

Table item 13AB provides for charges that apply if a person transitions from a single relevant arrangement or agreement to multiple relevant arrangements or agreements during a financial year (an "upgrade charge"). The upgrade charge has been calculated to ensure that the total amount payable for the financial year is no more than the amount charged for multiple approved arrangements for a half year or full year (as relevant) under previous table item 13, as indexed on 1 July 2024 and as would have otherwise been indexed on 1 July 2025 under section 9A of the Principal Regulation. As such this retains the previous charges while providing the ability to charge the full amount where the upgrade to multiple relevant arrangements or agreements occurs during the financial year.

The upgrade charge is only payable once in the financial year which reflects current charging settings whereby the multiple approved arrangement charge covers any number of additional relevant arrangements or agreements.

In a situation where a person is covered by an approved arrangement under the Biosecurity Act and in the same financial year is subsequently also covered by a compliance agreement entered into under section 35A of the Imported Food Control Act, an upgrade charge applies under the imported food charging legislation. The effect of new subsection 10(7A) that is inserted by item 7 of this Schedule is that a person is not liable to pay the upgrade charge under the Principal Regulation if the person has paid the upgrade charge under the imported food charging legislation in the same financial year.

If a person only holds a single approved arrangement throughout a whole financial year there is no charge payable under new table item 13AB. Nor is there a charge payable under new table item 13AB where a person holds multiple Class 19 Arrangements but no other type of approved arrangement or compliance agreement.

If a person holds two relevant arrangements or agreements at the start of the financial year and one of those arrangements or agreements ceases to be in force, no charge is payable under table item 13AB by a person if they subsequently become the holder of a further approved arrangement during the same financial year. This is because table items 13 and 13AB apply a charge in relation to the administration and ongoing management of multiple relevant arrangements or agreements such that once a person has paid that charge, they do not need to pay it again in the same financial year.

If a person is not covered by any arrangements or agreements at the start of the financial year and begins to be covered by multiple arrangements or agreements for the first time at a point during the financial year (other than multiple Class 19 Arrangements), the person is charged for a single approved arrangement under table item 13AA as well as the upgrade charge under table item 13AB. This amount is no more than the amount charged for multiple approved arrangements for a half year or full year (as relevant) under current table item 13, as indexed on 1 July 2024 and as would otherwise have been indexed on 1 July 2025 under section 9A of the Principal Regulation.

The purpose of new table items 13, 13AA and 13AB is to preserve existing charges that apply for single or multiple approved arrangements, as indexed on 1 July 2024 and would otherwise have been indexed on 1 July 2025 under section 9A of the Principal Regulation, while allowing for the ability to charge an additional amount if a person transitions to multiple relevant arrangements or agreements part way through a financial year. The Principal Regulation previously did not allow an additional amount to be charged in a situation where a biosecurity industry participant had already paid an amount under table item 13. New table items 13, 13AA and 13AB overcome this problem by ensuring all holders of approved arrangements are charged equitably regardless of whether they start the financial year with multiple approved arrangements or compliance agreements, or become a holder of multiple approved arrangements or compliance agreements during the financial year.

The charges in this item are prescribed for the purposes of subsection 7(1) of the Act. In accordance with subsection 8(2) of the Act, the Minister for Agriculture, Fisheries and Forestry has certified that she is satisfied that the amount of the charges in the Amendment

Regulations are set at a level designed to recover no more than the Commonwealth's likely costs in relation to the relevant matters. The financial modelling of the department has confirmed that the amounts of the charges in this item are designed to recover no more than the Commonwealth's likely costs in connection with the matter to which the charges relate.

Item [3] – Subsection 9(1) (note)

This item omits the words "item 12 or 13" and substitutes the words "item 12, 13 or 13AB" in the note under the table in subsection 9(1) of the Principal Regulation.

This item has the effect of amending the note below the table in subsection 9(1) of the Principal Regulation so that it provides that a person may be exempt from liability to pay a charge prescribed by items 12, 13 or 13AB where section 10 of the Principal Regulation applies. Section 10 of the Principal Regulation is amended by item 7 of this Schedule.

This item is consequential to the insertion of new table items 13 and 13AB in subsection 9(1) of the Principal Regulation, as made by item 2 of this Schedule.

Item [4] – Subsection 9(2)

This item repeals existing subsection 9(2) of the Principal Regulation and substitutes it with a new subsection 9(2).

New subsection 9(2) applies where an amount of a charge specified in paragraph (a) or (c) of table item 13AA in subsection 9(1) of the Principal Regulation (as inserted by item 2 of this Schedule) is increased under section 9A which provides for annual indexation. In such circumstances, the increased charge is used for the purposes of working out the amount of the charge under paragraph (b) or (d) of table item 13AA in subsection 9(1) of the Principal Regulation (as inserted by item 2 of this Schedule).

This preserves the current effect of subsection 9(2), which clarifies that the indexation of charges under section 9A of the Principal Regulation also affects the calculation of the amount of those charges in table item 13AA in subsection 9(1) which are prescribed as a percentage of a dollar amount. The amendments are consequential to the amendments in item 2 of this Schedule and update the paragraph referencing to refer to those paragraphs that are prescribed as a percentage of a dollar amount, which are paragraphs (b) and (d) of column 2 of table item 13AA in subsection 9(1).

Item [5] – Subsection 9A(1)

Section 9A of the Principal Regulation provides for the indexation of charges.

Subsection 9A(1) applies where the indexation factor for an indexation day is greater than 1. Where this occurs, the dollar amounts mentioned in the table in subsection 9(1) of the Principal Regulation is replaced by the amount worked out using the formula in subsection 9A(1).

This item omits the words "are each" and substitutes the words "are, on that day, each" in subsection 9A(1) of the Principal Regulation. This item has the effect of clarifying the day on which indexation of the charges occurs by specifying that the dollar amounts in the table in

subsection 9(1) are, on the indexation day, each replaced by the amount worked out using the formula in subsection 9A(1). This is a technical amendment that does not change how indexation is calculated under section 9A of the Principal Regulation.

Item [6] – After subsection 9A(1)

This item inserts new subsection 9A(1A) after subsection 9A(1) of the Principal Regulation.

Section 9A of the Principal Regulation provides for the indexation of charges. Subsection 9A(1) applies where the indexation factor for an indexation day is greater than 1. Where this occurs, the dollar amounts mentioned in the table in subsection 9(1) of the Principal Regulation is replaced by the amount worked out using the formula in subsection 9A(1). The formula requires the dollar amount of a charge immediately before the indexation day to be multiplied by the indexation factor for the indexation day.

Under current subsection 9A(2), the amount worked out under subsection 9A(1) is rounded to:

- (a) if the amount is below 1 -the nearest cent (rounding 0.5 cents upwards); or
- (b) in any other case the nearest whole dollar (rounding 50 cents upwards).

"Indexation day" is defined in subsection 9A(9) of the Principal Regulation as 1 July 2024 and each later 1 July. "Indexation number" is defined in subsection 9A(9) of the Principal Regulation as, for a quarter, the All Groups Consumer Price Index number (being the weighted average of the 8 capital cities) published by the Australian Statistician for that quarter.

New subsection 9A(1A) specifies that subsection 9A(1) of the Principal Regulation does not apply to the dollar amounts mentioned in items 13, 13AA and 13AB of the table in subsection 9(1) on the indexation day occurring on 1 July 2025.

The value of the charges in new table items 13, 13AA and 13AB of the table in subsection 9(1), as inserted by item 2 of this Schedule, has been updated to apply indexation for both indexation days of 1 July 2024 and 1 July 2025 in line with section 9A of the Principal Regulation. This item has the effect of clarifying that indexation does not apply to new table items 13, 13AA and 13AB on 1 July 2025 as the dollar amounts in those table items have already incorporated indexation up to and including 1 July 2025.

Item [7] – Subsection 10(7)

Section 10 of the Principal Regulation is made for the purposes of section 10 of the Act and provides for exemptions from prescribed charges. Subsection 10(7) of the Principal Regulation provides for exemptions from prescribed charges that relate to the administration of an approved arrangement.

This item repeals existing subsection 10(7) (including the heading) of the Principal Regulation and replaces it with new subsections 10(7) and (7A).

New subsection 10(7) provides that a person is not liable to pay a charge prescribed by item 13 of the table in subsection 9(1), as inserted by item 2 of this Schedule, for a financial year, or a part of a financial year, if the person has paid the charge prescribed by:

- new item 2 of the table in subsection 6(1) of the *Imported Food Charges* (*Imposition—Customs*) Regulation 2015, as inserted by item 2 of Schedule 1 to the *Imported Food Charges (Imposition—Customs) Amendment (2025 Measures No. 1)* Regulations 2025; or
- new item 2 of the table in subsection 6(1) of the *Imported Food Charges* (*Imposition—General*) Regulation 2015, as inserted by item 2 of Schedule 1 to the *Imported Food Charges (Imposition—General) Amendment (2025 Measures No. 1)* Regulations 2025.

New subsection 10(7A) clarifies that a person is not liable to pay a charge prescribed by item 13AB in subsection 9(1), as inserted by item 2 of this Schedule, for a financial year, or a part of a financial year, if the person has paid the charge prescribed by:

- item 4 of the table in subsection 6(1) of the *Imported Food Charges (Imposition—Customs) Regulation 2015*, as inserted by item 2 of Schedule 1 to the *Imported Food Charges (Imposition—Customs) Amendment (2025 Measures No. 1) Regulations 2025*; or
- item 4 of the table in subsection 6(1) of the *Imported Food Charges (Imposition—General) Regulation 2015*, as inserted by item 2 of Schedule 1 to the *Imported Food Charges (Imposition—General) Amendment (2025 Measures No. 1) Regulations 2025*.

The amendments are consequential to the insertion of new table items 13 and 13AB in subsection 9(1) of the Principal Regulation, as made by item 2 of this Schedule. The amendments make clear that if a charge has already been paid for the financial year under the imported food charging legislation, another charge does not need to be paid under table items 13 or 13AB of subsection 9(1) of the Principal Regulation. Once a person has paid for multiple relevant arrangements or agreements in a financial year, they do not need to pay another charge in that financial year for the administration and ongoing management of relevant arrangements or agreements. This is the case even if they are subsequently approved for or enter into a further approved arrangement or compliance agreement in that financial year.

Item [8] – In the appropriate position in Part 3

Part 3 of the Principal Regulation provides for application, saving and transitional provisions.

This item inserts new section 14 into Part 3 of the Principal Regulation that deals with the application of the amendments made by items 2 to 7 of this Schedule. Section 14 specifies that the amendments to sections 9, 9A and 10 made by items 2 to 7 of this Schedule apply in relation to a financial year beginning on or after 1 July 2025.

The effect of the commencement provision and this item together is that the amendments made by items 2 to 7 of this Schedule commence on 1 July 2025 and apply to the financial year beginning on or after 1 July 2025.

ATTACHMENT B

Statement of Compatibility with Human Rights

Prepared in accordance with Part 3 of the Human Rights (Parliamentary Scrutiny) Act 2011

Biosecurity Charges Imposition (Customs) Amendment (2025 Measures No. 1) Regulations 2025

This Legislative Instrument is compatible with the human rights and freedoms recognised or declared in the international instruments listed in section 3 of the *Human Rights* (Parliamentary Scrutiny) Act 2011.

Overview of the Legislative Instrument

The Biosecurity Charges Imposition (Customs) Amendment (2025 Measures No. 1) Regulations 2025 (the Amendment Regulations) amend the Biosecurity Charges Imposition (Customs) Regulation 2016 (the Principal Regulation) to update charges to support the cost recovery of the administration and ongoing management of approved arrangements (together with compliance agreements) under the Biosecurity Act 2015.

The new charges apply where a person transitions from holding a single approved arrangement or compliance agreement to one or more further approved arrangements or compliance agreements in the same financial year. Under the previous legislation, an upgrade charge could not be applied where a person was billed for and had paid the charge for a single approved arrangement in a financial year and then upgraded to multiple approved arrangements or compliance agreements in the same financial year. By introducing an upgrade charge to cover this scenario, the amendments in the Amendment Regulations will recover costs for the additional work required to administer and manage multiple approved arrangements and compliance agreements during a financial year and ensure equity in the application of charges to biosecurity industry participants.

The Amendment Regulations are made under the *Biosecurity Charges Imposition (Customs) Act 2015* (the Act). The Act does not set the amounts of the charges and only authorises the imposition of charges prescribed in regulations.

Human rights implications

This Legislative Instrument does not engage any of the applicable rights or freedoms.

Conclusion

This Legislative Instrument is compatible with human rights as it does not raise any human rights issues.

The Hon. Julie Collins MP Minister for Agriculture, Fisheries and Forestry