



# Defence Trade Controls Amendment Act 2024 and Defence Trade Legislation Amendment Regulations 2024

## Strengthening Australia's Defence Export Control Framework.

The 2023 Defence Strategic Review made clear that Australia's strategic environment has radically deteriorated. We now face an Indo-Pacific defined by major power competition of unrivalled intensity and the rapid militarisation of emerging and disruptive technologies. To keep pace with these challenges, it is critical that Australia has a robust export control regime.

On 27 March 2024, the Parliament passed the *Defence Trade Controls Amendment Act 2024* (the Act) in response to these changes in Australia's strategic environment. This legislation will ensure the protection and safeguarding of Australian technology and information, as well as that of key partners.

The Act amends Australia's defence export control framework by:

creating 3 new criminal offences in the *Defence Trade Controls Act 2012* for the:

- supply of Defence and Strategic Goods List (DSGL) technology to a non-exempt foreign person within Australia (section 10A)
- supply of goods and technology on Part 1 (Munitions) and Part 2 (Dual Use) 'Sensitive' and 'Very Sensitive' Lists of the DSGL, that was previously exported or supplied from Australia (section 10B)
- provision of DSGL services related to Part 1 of the DSGL to foreign nationals outside of Australia (section 10C).

providing a national exemption to the United Kingdom and the United States from Australia's export control permit requirements under the *Defence Trade Controls Act 2012*.

Australia's export control framework is a permissive system designed to permit the responsible transfer of controlled goods and technology – these reforms do not change this underlying principle.

The Act strikes a balance between protecting Australia's national security and supporting economic prosperity and research collaboration. This will be achieved by narrowing the scope of the Act to those items and activities that could prejudice Australia's security, defence or international relations.

## AUKUS licence-free environment

Australia, the United Kingdom (UK) and the United States (US) are streamlining the flow of defence trade between AUKUS partners to pursue greater advanced scientific, technological and industrial cooperation. This includes the creation of an export licence-free environment, which removes barriers to defence trade, collaboration, co-development, research and innovation between the AUKUS partners.

The licence-free environment is being operationalised by the 3 AUKUS nations providing national exemptions for each other from their export control licencing requirements. These exemptions will remove the licencing requirements for most military goods and technology items exported, re-exported or transferred (in-country) to or within the 3 AUKUS partners.

On 1 May 2024, the AUKUS partners each released the mechanisms for the national exemption in each nation.



The AUKUS partners are undertaking trilateral consultation across Australia, the UK and the US with those who will use and benefit from these exemptions. This consultation will seek to ensure the exemptions, taken together, support the goals of all 3 governments and the collective interests.

Australia, the UK and the US welcome feedback from stakeholders across the 3 nations on the national exemptions. Please follow the links and contact the relevant government to provide feedback.

## The AUKUS partners' national exemptions

[Australia's national exemption under \*the Defence Trade Controls Amendment Act 2024\*](#)

[The US Department of State's draft national exemption for military goods and technology under the International Traffic in Arms Regulations \(ITAR\)](#)

[The US Department of Commerce's interim final rule \(in effect\) national exemption for dual-use goods and technology under the Export Administration Regulations \(EAR\)](#)

[The UK's draft national exemption for military and dual-use goods and technology under an AUKUS-specific Open General Export Licence \(OGEL\).](#)

## Consultation

On 1 May 2024, Australia released an Exposure Draft of the Defence Trade Legislation Amendment Regulations (the Regulations) for public consultation. The Regulations propose amendments to the *Defence Trade Controls Regulation 2013* and the *Customs (Prohibited Exports) Regulations 1958*. The proposed amendments in the Regulations will give effect to specific elements of the Act.

Feedback on the Defence Trade Legislation Amendment Regulations 2024 can be submitted to [exportcontrol.reform@defence.gov.au](mailto:exportcontrol.reform@defence.gov.au).

The public consultation period is open from 1 May 2024 to 31 May 2024.

 [Defence Trade Legislation Amendment Regulations Exposure Draft \(PDF, 285.7 KB\)](#)

## Implementation

The Act commences within 6 months of receiving Royal Assent. The offences will come into effect a further 6 months after commencement of the Act.

Defence has established 2 working groups to provide advice to Defence in relation to the Act and its implementation:

the Industry and Investment Working Group

the Higher Education and Research Sector Working Group.

The working groups are made up of representatives from the peak bodies in each sector and individuals and organisations who have engaged with Defence during the development of the legislation.

Education and guidance materials to support stakeholders to understand and interpret the offences and exceptions are being co-designed and developed with the Industry and Investment Working Group and Higher Education and Research Sector Working Group.

To ensure implementation is effective, Defence is:



developing a suite of education and guidance materials for the Defence Export Controls website to support stakeholder decision-making on permit requirements

co-designing online learning modules for the Defence Export Controls website with the working groups

upgrading the ICT case management system to ensure it is user-friendly

recruiting additional staff to process permit applications.

## Contacts

For further information on the Act or implementation of the legislative changes, email:

[exportcontrol.reform@defence.gov.au](mailto:exportcontrol.reform@defence.gov.au)

## Related links

[Media release: AUKUS countries export licence-free environment takes flight - 1 May 2024](#)



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