



# **Export Control Changes**

## Australia's Defence Export Law Reforms

The Australian Government is taking decisive steps to reinforce our nation's defence capabilities and partnerships. The proposed *Defence Trade Controls Amendment Bill 2023*, informed by the 2023 Defence Strategic Review, is a testament to this commitment, signalling significant changes in Australia's defence export laws.

## Understanding the Defence Trade Controls Act 2012

At the core of this reform is the *Defence Trade Controls Act 2012*, which governs the management of military and dual-use goods and technologies. This Act plays a crucial role in preventing the transfer of sensitive materials to entities that could harm Australia's security, defence, or international relations.

## What Changes Are Coming?

The Bill proposes three new criminal offences to strengthen our defence export control framework:

- 1. Unauthorised supply of Defence and Strategic Goods List (DSGL) technology within Australia.
- 2. Supply of DSGL goods or technology from one foreign country to another, or within the same foreign country, previously exported from Australia.
- 3. Provision of DSGL services without proper authorisation.

These changes are a strategic shift towards creating a more integrated defence industry base with our key allies, the United Kingdom and the United States. This integration is crucial, especially as Australia navigates the most challenging strategic circumstances since World War II.

## AUKUS: A New Era of Defence Cooperation

The AUKUS partnership is at the forefront of these reforms. The objective is to establish an export licence-free environment, fostering innovation and cooperation in the defence sector across Australia, the UK, and the US. This environment is expected to revolutionise trade among AUKUS partners, reducing barriers to technology transfer and trade costs, thereby giving Australia and its allies a significant capability development edge.

## The Road Ahead

If passed, this Bill will not only align Australia with global defence export standards but also cement our position as a key player in the international defence landscape. It's a balancing act of enhancing defence trade while maintaining national security – a critical pivot in our journey towards a robust protective security environment.

## How we can help

Specialising in Corporate and Commercial Law, our legal team provides on-demand advice with a core focus on enabling solutions for our clients, and not simply advising on how a law is written. Our commercial acumen, together with our legal experience helps us to ensure our clients' goals are delivered within the relevant time and risk tolerances.

Author: Mr. Matthew Bautz, Director, 21 November 2023