

FIRST-TIME IMPORTERS GUIDE

Importing into Australia, made simple.

Everything you need to know before your first shipment lands: how to move your goods, which documents you need, how duty and GST are worked out, and which trade terms to agree with your supplier.

A\$1,000

Value above which a full import declaration is required

10%

GST on the value of taxable importation

11

Incoterms 2020 rules to choose from



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Six steps from supplier to your door

Most first imports follow the same path. Knowing it up front helps you avoid delays, storage charges and surprises at the border.

1

Get your business ready

Have an ABN and, if you will claim GST back, register for GST. Your broker will set you up as a client with the Australian Border Force.

2

Check your goods

Confirm the goods are not prohibited or restricted, check biosecurity conditions, and find the tariff classification and duty rate before you buy.

3

Agree terms with your supplier

Choose an Incoterms rule so everyone knows who pays for freight, insurance and clearance, and where risk passes to you.

4

Book the freight

Pick the shipping mode that suits your budget and timeline. Your forwarder books space and coordinates pickup with the supplier.

5

Customs and biosecurity clearance

Send your documents to your customs broker early. They lodge the import declaration and manage any biosecurity inspections.

6

Pay and take delivery

Pay duty, GST and charges so the goods are released, then they are delivered to your premises or collected.

Before you place your first order

- ✓ ABN in place and GST registration considered
- ✓ Tariff classification and duty rate confirmed
- ✓ Incoterms rule agreed in writing
- ✓ Import conditions checked in BICON
- ✓ Free trade agreement eligibility checked
- ✓ Packaging meets biosecurity standards

Forwarder or broker: who does what?

Two specialists bring your goods into Australia. One manages the physical journey; the other manages the legal entry of your goods into the country. Most first-time importers need both.



MOVES YOUR GOODS

Freight forwarder

Plans and manages the journey from your supplier's door to yours, choosing the best route, carrier and mode for your cargo.

- Compares and books space with shipping lines, airlines and transport companies
- Coordinates pickup from your supplier through overseas partner agents
- Consolidates smaller shipments into shared containers
- Prepares and checks transport documents, such as bills of lading and air waybills
- Arranges cargo insurance on request
- Tracks your shipment and keeps you updated
- Delivers to your premises once the goods are released



CLEARs YOUR GOODS

Customs broker

Licensed by the Australian Government to act for you with the Australian Border Force, making sure your goods are declared correctly and you pay the right amount.

- Classifies your goods in the Australian customs tariff to find the correct duty rate
- Works out the customs value and calculates duty and GST
- Claims free trade agreement concessions where your goods qualify
- Lodges your import declaration with the Australian Border Force
- Arranges biosecurity clearance and inspections with the Department of Agriculture
- Checks permits and restrictions before your goods arrive
- Advises on compliance and applies for refunds where duty was overpaid

HOW THEY WORK TOGETHER

FORWARDER Books freight and collects the goods	FORWARDER Shares arrival details and documents	CUSTOMS BROKER Lodges the declaration and clears the goods	FORWARDER Delivers to your door
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Why a licensed broker matters

Only the owner of the goods or a customs broker licensed by the Comptroller-General of Customs can lodge an import declaration. Brokers are licensed under the Customs Act 1901. An incorrect declaration can lead to penalties and delays, so most importers rely on a broker.

One team, both roles

Smith Channon is both an international freight forwarder and a licensed customs broker. You deal with one team from your supplier's door to yours, with no hand-over gaps between the people moving your goods and the people clearing them.

Choosing how your goods travel

The right mode is a balance of cost, speed and the size of your shipment. Transit times vary by origin and route, so ask us for a quote on your specific lane.



Sea freight: full container (FCL)

20ft or 40ft container used only for your goods

Best when you have enough cargo to fill most of a container. Usually the lowest cost per unit, and your goods stay sealed from origin to destination.

Lowest cost per unit

Slowest: weeks

Large volumes



Sea freight: shared container (LCL)

Your goods share a container with other shippers

Ideal for first imports and smaller shipments, often a few pallets. You pay for the space you use, charged by volume or weight. Allow extra time for packing and unpacking at depots.

Pay for space used

Weeks, plus depot time

Small to medium volumes



Air freight

Cargo flights and passenger aircraft holds

Suits urgent, high-value or time-sensitive goods. It costs more than sea, and charges are based on actual or volumetric weight, whichever is greater.

Fast: days

Higher cost

Urgent or high value



Courier and express

Door-to-door parcel networks

Convenient for samples and small parcels. Goods over A\$1,000 still need a full import declaration, and courier clearance fees can add up, so compare against air freight for larger consignments.

Door to door

Samples and parcels



Roll-on roll-off and breakbulk

Vehicles, machinery and oversized cargo

Roll-on roll-off (RoRo) vessels carry anything that can be driven or towed aboard. Breakbulk and flat rack options handle cargo too large for a standard container.

Vehicles and machinery

Out of gauge

Not sure which mode fits?

Tell us what you are buying, roughly how much, and when you need it. We will compare options and recommend the most cost-effective route.

The paperwork your broker needs

Missing or inaccurate documents are the most common cause of clearance delays. Ask your supplier for these before the goods ship, not after they arrive.

Document	What it shows	When needed
Commercial invoice	Seller and buyer, a clear description of each item, quantities, unit prices, currency and the agreed Incoterms rule. This is the basis for the customs value.	Always
Packing list	Number of packages, how goods are packed, weights and dimensions. Used to check the shipment and plan any inspection.	Always
Bill of lading or air waybill	The transport contract and receipt for the goods, issued by the shipping line, airline or forwarder.	Always
Packing declaration	The supplier's statement about packaging and dunnage (such as timber, straw or other plant material) and container cleanliness, for biosecurity.	Sea freight
Certificate of origin	Proves where goods were made so you can claim a lower or zero duty rate under a free trade agreement, such as with China, Japan, the UK or ASEAN countries.	To claim FTA rates
Import permit	Some goods need a permit before they arrive, for example certain foods, plant and animal products, chemicals and firearms.	Restricted goods
Treatment or test certificates	Evidence of fumigation or heat treatment, or test reports such as asbestos-free certification for higher-risk goods.	If required

Biosecurity

Australia has strict biosecurity rules. Import conditions for each type of goods are listed in the Department of Agriculture's BICON database. Untreated timber packaging must meet ISPM 15 standards.

Prohibited and restricted goods

Goods containing asbestos are prohibited. Others, such as weapons, some chemicals and therapeutic goods, need permission. Check before you place an order.

Accurate descriptions

Vague invoice wording like "parts" or "samples" causes queries. Ask your supplier to describe what each item is, what it is made of and what it is used for.

How duty and GST are calculated

For goods valued over A\$1,000, duty and GST are worked out in a set order (at A\$1,000 or less, they are generally not collected at the border, alcohol and tobacco excepted). Values in foreign currency are converted to Australian dollars using the official exchange rate on the date the goods were exported.

STEP 1

Customs value

Generally the price of the goods loaded on board at the overseas port (the FOB value), in Australian dollars.

STEP 2

Customs duty

Customs value multiplied by the duty rate for the goods' tariff classification. Many goods are 5% or free, and free trade agreements can often reduce it to zero.

STEP 3

Value of taxable importation

Customs value, plus duty, plus international transport and insurance to Australia (plus wine equalisation tax, where it applies).

STEP 4

GST at 10%

10% of the value of taxable importation. GST-registered businesses can generally claim this back as a credit on their activity statement.

Worked example

Sea freight shipment, goods worth A\$20,000 FOB, duty rate 5%, freight and insurance to Australia A\$2,000.

Customs value	A\$20,000.00
Customs duty at 5%	A\$1,000.00
Freight and insurance	A\$2,000.00
Value of taxable importation	A\$23,000.00
GST at 10%	A\$2,300.00
Import processing charge (electronic)	A\$152.00
Biosecurity charge (sea)	A\$71.00

Payable to government A\$3,523.00

Indicative only. Excludes freight, broker and port charges, and any excise, wine equalisation tax, anti-dumping duty or inspection costs.

Government charges on full import declarations

Processing, A\$1,000 to under A\$10,000	A\$50.00
Processing, A\$10,000 and over	A\$152.00
Biosecurity, sea	A\$71.00
Biosecurity, air	A\$48.00

Electronic lodgement rates as at October 2026.
Biosecurity charges apply from 1 July 2026.

Ease your cash flow

Eligible GST-registered businesses can apply to the ATO to defer GST on imports to their monthly activity statement, rather than paying it before the goods are released.

Who pays for what: Incoterms 2020

Incoterms are standard trade terms published by the International Chamber of Commerce. The three-letter code on your invoice decides who arranges and pays for each stage, and the point where risk of loss or damage passes from seller to buyer.

Rule	Export clearance	Main freight	Insurance	Import clearance, duty & GST	Delivery to your door
ANY MODE OF TRANSPORT					
EXW Ex Works	You	You	You	You	You
FCA Free Carrier	Seller	You	You	You	You
CPT Carriage Paid To	Seller	Seller	You	You	You
CIP Carriage & Insurance Paid	Seller	Seller	Seller	You	You
DAP Delivered at Place	Seller	Seller	Seller	You	Seller
DDP Delivered Duty Paid	Seller	Seller	Seller	Seller	Seller
SEA AND INLAND WATERWAY ONLY					
FAS Free Alongside Ship	Seller	You	You	You	You
FOB Free On Board	Seller	You	You	You	You
CFR Cost and Freight	Seller	Seller	You	You	You
CIF Cost, Insurance and Freight	Seller	Seller	Seller	You	You

■ You, the buyer, arrange and pay

■ The overseas seller arranges and pays

Our suggestion: buy FOB or FCA

Buying on FOB (sea) or FCA (any mode) terms lets you appoint your own forwarder. You get visibility of the real freight cost, control over the timing, and one local contact from your supplier's door to yours.

Watch out for "cheap" CFR, CIF and DDP quotes

When your supplier controls the freight, destination charges in Australia can be much higher than expected and are billed to you on arrival. Under DDP, an overseas seller is usually not set up to pay Australian GST and claim it back, which can cause problems at clearance.

Each rule in plain English

EXW

Ex Works

You arrange and pay for everything from the seller's premises, including loading and export clearance overseas. Rarely ideal for a first import; FCA is usually a better fit.

Risk passes: at the seller's premises.

FCA

Free Carrier

The seller clears the goods for export and hands them to your nominated carrier. A strong all-round choice, especially for air freight and LCL.

Risk passes: when handed to your carrier at the named place.

CPT

Carriage Paid To

The seller pays the main freight to a named place in Australia. Insure the goods yourself, as you carry the risk for the whole international journey.

Risk passes: at the first carrier in the seller's country.

CIP

Carriage and Insurance Paid To

As CPT, but the seller must also buy high-level cargo insurance (Institute Cargo Clauses A). Check you can claim in Australia.

Risk passes: at the first carrier in the seller's country.

DAP

Delivered at Place

The seller delivers to a named place in Australia, ready for unloading. You still need a customs broker and pay duty and GST.

Risk passes: at the named place, ready for unloading.

DPU

Delivered at Place Unloaded

The only rule where the seller also unloads at the named place. Make sure they can arrange unloading at your site.

Risk passes: at the named place, once unloaded.

DDP

Delivered Duty Paid

The seller takes on everything, including Australian duty and GST. Most overseas suppliers are not set up for this, so seek advice before agreeing.

Risk passes: at the named place, ready for unloading.

FAS

Free Alongside Ship

The seller clears the goods for export and places them alongside the vessel. Mostly used for bulk and breakbulk cargo.

Risk passes: alongside the ship at the port of loading.

FOB

Free On Board

The seller clears the goods and loads them on the vessel you booked. The most popular term for sea imports into Australia.

Risk passes: on board the ship at the port of loading.

CFR

Cost and Freight

The seller pays sea freight to Australia. Destination charges are billed to you and can be higher than expected. Arrange your own insurance.

Risk passes: on board the ship at the port of loading.

CIF

Cost, Insurance and Freight

As CFR, but the seller also buys minimum cargo insurance (Institute Cargo Clauses C). Minimum cover may not protect you fully, and destination charges are still yours, so consider topping up the insurance.

Risk passes: on board the ship at the port of loading.

Ready for your first import?

Our licensed customs brokers and freight team have been helping Australian businesses navigate the complexities of international freight since 1877. We'll guide you through every step, from quote to delivery.

CALL

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This guide is general information only, current as at October 2026, and is not legal or tax advice. Rates, charges and requirements change, so please confirm details for your specific goods with our team before you ship.

Sources: [Australian Border Force, import processing charges](#) · [ABF, value of taxable importation](#) · [Australian Taxation Office, GST and imported goods](#) · [Department of Agriculture, BICON](#) · [International Chamber of Commerce, Incoterms](#)