



Australian Government
Defence



DEFENCE EXPORT CONTROLS

Compliance Monitoring Program

Romina Rocha

Director, Regulatory Compliance

Andrew Sheargold

Assistant Director, Regulatory Compliance

We are Defence Export Controls

Defence Export Controls (DEC) is the **Australian Government regulator** for the export or supply of defence-related technology, goods and services. We:

- assess applications for defence-related permits
- provide guidance and education
- undertake compliance activities
- work in partnership with industry and higher education and research sector in managing sensitive defence technology.



Why Compliance matters

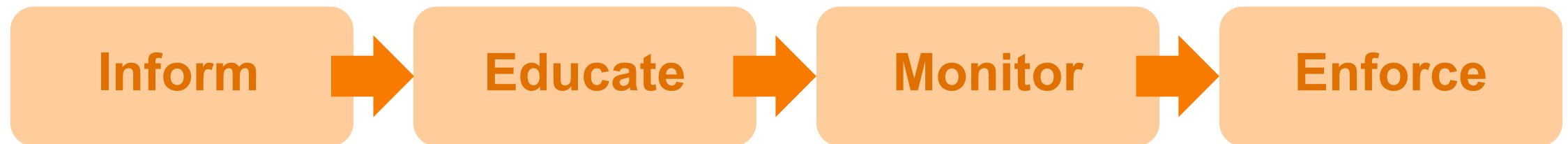


Having a strong export control compliance:

- Builds trust
- Protects reputation
- Reduces risk
- Enables access to domestic and international opportunities

DEC Compliance posture and proportionate response

- Building trust through compliance
- Prevention before enforcement
- Risk-based and proportionate regulation
- Working with partners



Increasing level of risk and regulatory response

Compliance Monitoring Program

- **Self Assessment**
 - Entities can undertake the self assessment in their own time
 - It will assist you to identify gaps in internal compliance
 - Provide improvements to your internal processes
 - DEC *may* request entities to undertake a Self Assessment
- **Remote detailed assessment**
 - The desktop approach provides an increased understanding of your compliance
 - DEC *may* request entities to undertake a desktop compliance monitoring activity
- **On site visit**
 - Deep dives on site inspection (in person audit)
 - A targeted approach by DEC
 - DEC *may* involve entities that export high risk goods/tech or have a particular permit types



Year 1 Compliance Monitoring Program:

Key Observations

- **Compliance maturity is shaped more by leadership, capability and governance than organisation size**
 - Compliance maturity varies significantly
 - Leadership commitment matters
 - Internal champions are critical
 - Rapid growth creates compliance challenges
 - Common process weaknesses



Most common risk observed:
Single point of failure
in compliance knowledge



Current trends and patterns in non-compliance

- **Most compliance risks stems from gaps in governance, awareness and regulatory understanding**
- **Exporters must adapt their compliance processes and system activities to evolving regulations**
 - Understand the legislation and classifications
 - Deemed exports and intangible transfers
 - End-user screening and due diligence
 - Record keeping and evidence of compliance



Building an effective Compliance Program

Effective compliance is driven by governance, leadership commitment, staff awareness and continuous improvement

Governance

- Clear accountabilities
- Leadership commitment
- Policies and procedures

Capability

- Staff training and awareness
- Defined compliance responsibilities
- Practical guidance

Risk Management

- Classification and screening controls
- Permit management
- Due diligence and risk assessment

Assurance & Improvement

- Monitoring and review
- Record keeping
- Corrective actions and lessons learned



Where to get help and assistance

Website: www.defence.gov.au/business-industry/exporting

MADE AI: an AI Knowledge Assistant self help tool available 24 hours a day

Webinars: monthly educational webinars

DEC Bulletin: receive our monthly newsletter to stay informed and up-to-date

eLearning: e-learning package about Defence export controls

Helpdesk: Call 1800 333 362 (1800 DEFENCE) between 8.30-16.30 AEST



Thank you

