Australian Government
Australian Trade and Investment Commission

Code of Business Standards and Ethics for the Approved Destination Status (ADS) scheme

Exposure Draft

24 November 2026

OFFICIAL

Foreword

The Australian Government's Approved Destination Status (ADS) scheme is a bilateral tourism arrangement between the Australian and Chinese Governments which allows Chinese citizens to undertake leisure travel in organised groups to Australia.

This Code of Business Standards and Ethics is an integral component of the ADS scheme as it prescribes minimum standards for Australian entities which provide tourism-related services to Chinese tourists participating in ADS groups. Participants in the ADS scheme acknowledge the fundamental objective of the scheme is to provide quality tourism experiences to Chinese tourists. This includes ensuring the delivery of all components of an ADS tour as sold to the tourist in China.

This revised Code was drafted following consultation with stakeholders and takes into consideration the objectives of *the Memorandum of Understanding between Australia and China on Tourism Cooperation* (MoU), which was signed in 2025. The MoU commits to ongoing tourism cooperation, including through continuation of the ADS scheme. The MoU participants recognised the ADS scheme will continue to be of value to travellers and acknowledge the fundamental importance of building on this cooperation to provide a quality experience for travellers.

This version of the Code takes effect from [Date Month 202X]. It incorporates changes to ADS compliance requirements that were first introduced in 2025 through the *ADS Scheme Interim Compliance Requirements for the Transition Phase*.

Information on the Code is available at www.austrade.gov.au/ads or by contacting Austrade on 1800 048 155 or ads@austrade.gov.au

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Code Framework

This Code prescribes standards of conduct for entities which deliver tourism services to Chinese citizens travelling to Australia in organised tour groups under the Australia-China Approved Destination Status (ADS) scheme.

The Code applies to:

- approved ADS inbound tour operators (ADS ITOs), and associates of ADS ITOs, from XX Month 20XX.

Basic Rules of the Code

Rule 1 – ADS ITO

- ADS ITOs must conduct ADS Tour Services for ADS Tourists in accordance with the provisions of this Code and can only conduct ADS Tour Services for ADS Tourists that have been sold an ADS Tour Package by an ADS Outbound Tour Operator (ADS OTO).

Rule 2 – Approval of ADS ITOs

- ADS ITOs are approved by the ADS Executive Officer (ADSEO) in accordance with the requirements of this Code.

Rule 3 – Breaches and sanctions for non-compliance with the Code

- From the Effective Date of this Code, each ADS ITO is allocated 10 ADS Points. Section 4 of this Code outlines the breach and sanction determinations process. If it is determined that an ADS ITO has breached the Code, in certain instances a warning and education notice will be issued and in other instances a show cause letter will be issued, prior to subsequent deduction of ADS Points. The number of points which may be deducted for each breach is listed in Sections 3, 4 and 5. If an ADS ITO loses the full 10 ADS Points within a 12 month period, their ADS approval will be suspended as set out in Section 4.

Approved ADS Outbound Tour Operators – Interaction with the Migration Regulations 1994 (Cth)

Chinese citizens visiting Australia under the ADS scheme are granted a special visitor visa issued under the Australian Migration Regulations 1994 (Cth). One requirement for issuing of the visa is that the visitor must travel to Australia as a member of a tour organised by a Chinese travel agent

approved under the Migration Regulations 1994 (Cth). In this Code, such a travel agent is referred to as an ADS OTO.

ADS Tour Services – Interaction with the Tourism Law of the People's Republic of China

This Code intends to work in harmony with relevant provisions of the Tourism Law of the People's Republic of China and seeks to enhance the protections and transparency available to Chinese citizens who undertake leisure travel in organised ADS Tour Groups to Australia.

Government agencies operating within the framework of the Code

- Australian Trade and Investment Commission (Austrade) – the Australian Government agency primarily responsible for administering the ADS scheme.
- Department of Home Affairs (HA) – the Australian Government agency responsible for issuing ADS visas and for supporting Austrade in administering the immigration related aspects of the ADS scheme.
- Tourism Australia (TA) – the national tourism marketing agency responsible for promoting Australia as a travel destination to the Chinese market.

Section 1: Introduction

Purpose

1.1. The objective of the ADS scheme is to allow Chinese citizens who undertake leisure travel in organised groups in Australia to have a quality experience. This includes ensuring the delivery of all components of an ADS tour as sold to the tourist in China.

1.2. The purpose of this Code is to prescribe minimum standards for ADS ITOs that provide tourism-related services to Chinese tourists participating in ADS groups. The Code also outlines the sanction structure used to manage non-compliance with the Code.

How to interpret the Code

1.3. Where the intent or scope of the Code is in doubt, the Code must be interpreted in consideration of clause 1.1 and 1.2.

1.4. When reading the Code, the word "should" is used to indicate a recommended course of action, while "may" is used to indicate an optional course of action.

1.5. This Code also includes various references to compliance requirements. The words "must", "requires" or "mandatory" indicate that these requirements exist and must be complied with.

Application date

1.6. This Code is effective from XX Month 202X.

Section 2: Approved ADS ITOs

2.1. Only ITOs approved under this Code can conduct ADS Tour Services.

2.2. An entity that wishes to become an ADS ITO must submit an application form. To obtain an application form, the entity must contact Austrade at ads@austrade.gov.au

2.3. The ADSEO may approve an entity to be an ADS ITO if the entity has completed the application process and demonstrated to the ADSEO's satisfaction that it is a Fit and Proper Person.

2.4. In assessing whether an entity is a Fit and Proper Person, the ADSEO will have regard to the requirements and factors listed at Attachment A.

2.5. ADS ITOs must comply with all clauses in Section 3 of this Code to maintain their approval.

2.6. ADS ITOs will maintain their approval unless the approval is revoked or suspended in accordance with Section 4 of the Code.

2.7. If the approval is suspended or revoked in accordance with Section 4 of this Code, the ADS ITO must cease involvement in all aspects of the ADS scheme until the approval is reinstated.

Section 3: Obligations of ADS ITOs

Overview

3.1. ADS ITOs must comply with the obligations outlined in this Section 3 to ensure that ADS Tourists receive a quality tourism experience.

3.2. Where an ADS ITO is found to have not complied with its obligations under this Code, the sanction structure outlined in Section 4 will be applied to the ADS ITO.

General Obligations

3.3. Care and Treatment of ADS Tourists

ADS ITOs must provide ADS Tour Services in a manner that promotes a welcoming, respectful and positive experience for ADS Tourists. In particular ADS ITOs must:

a) treat ADS Tourists with courtesy, respect and consideration when providing ADS Tour Services;

b) provide ADS Tourists with clear and accurate information in response to reasonable questions about the ADS Tour Services being provided; and

c) take reasonable steps to ensure the safety and welfare of ADS Tourists while providing ADS Tour Services, including taking reasonable precautions to prevent reasonably foreseeable harm.

3.4. An ADS ITO must:

a) continue to meet the Fit and Proper Person requirements at Attachment A and report any matters that may affect its Fit and Proper Person status to Austrade;

Non-Compliance Penalty – refer to clause 4.13

b) continue to hold and maintain public liability and professional indemnity insurance;

Non-Compliance Penalty – refer to clause 4.13

c) comply with all relevant laws and regulations of Australian jurisdictions within which it operates;

Non-Compliance Penalty – refer to clause 4.13

d) remain active in the ADS scheme by conducting at least one ADS tour in every two consecutive calendar years;

Non-Compliance Penalty – refer to clause 4.13

e) continue to hold a financial membership with a national tourism Industry Association or State/Territory tourism industry council;

Non-Compliance Penalty – 5 ADS Points

f) attend a minimum of two industry events, workshops or familiarisations per calendar year;

Non-Compliance Penalty – 2 ADS Points

g) attend ADS ITO training and workshop hosted by Austrade as directed;

Non-Compliance Penalty – 2 ADS Points

h) not take any steps to prevent or discourage an ADS OTO from complying with the Tourism Law of the People's Republic of China nor be complicit or facilitate violations of the China Tourism Law; and

Non-Compliance Penalty – refer to clause 4.13

i) maintain full and accurate records for ADS Tour Services it provides, including but not limited to records of all Commissions and other benefits received in respect of ADS Tour Services.

Non-Compliance Penalty – 2 ADS Points

ADS Tour Services

3.5. An ADS ITO must:

a) at all times conduct and administer ADS Tour Services with reasonable skill, care and diligence, including by:

i) appropriately planning, coordinating and managing the ADS Tour Services;
ii) using personnel and service providers who are suitably qualified, licensed or authorised where required; and
iii) responding within a reasonable time to issues arising in the delivery of ADS Tour Services that materially affect ADS Tourists.

Non-Compliance Penalty – 3 ADS Points

b) conduct ADS Tour Services only in accordance with ADS Tour Packages sold by ADS OTOs to ADS Tourists.

Non-Compliance Penalty – 3 ADS Points

3.6. An ADS ITO must take reasonable steps to ensure that:

a) ADS Tourists are kept safe and secure while in Australia;

Non-Compliance Penalty – refer to clause 4.13

b) ADS Tourists are not subjected to any physical or psychological threats or abuse.

Non-Compliance Penalty – refer to clause 4.13

3.7. An ADS ITO may delegate parts of the ADS Tour Service to another ITO.

a) Where an ADS ITO delegates any ADS Tour Services to a Subcontractor, whether or not that Subcontractor is an ADS-approved ITO, the ADS ITO remains fully responsible for the delivery of those services, the welfare of ADS Tourists, and compliance with the Code in relation to the delegated services. A Subcontractor providing delegated services must comply with all applicable requirements of this Code relevant to those services.

b) The ADS ITO must take reasonable steps to ensure that any Subcontractor providing delegated services complies with all applicable requirements of this Code. The delegation of ADS Tour Services does not relieve the ADS ITO of any obligation under this Code.

c) The ADS ITO remains fully responsible for compliance with the Code. The engagement or employment of a Subcontractor that is a TG or DG in accordance with clauses 3.9 and 3.10 does not relieve the ADS ITO of any obligation under this Code.

Non-Compliance Penalty – 2 ADS Points

Tour Guides and Driver Guides

3.8. An ADS ITO must employ or contract a Tour Guide (TG) or Driver Guide (DG) to supervise an ADS Tour Group at all times while the group is in Australia.

Non-Compliance Penalty – 5 ADS Points

3.9. ADS ITOs must ensure TGs and DGs supervising ADS tours:

a) are of good standing as defined in Attachment A;

Non-Compliance Penalty – refer to clause 4.13

b) eligible to work in Australia;

Non-Compliance Penalty – refer to clause 4.13

c) do not have a criminal conviction recorded in Australia or elsewhere;

Non-Compliance Penalty – refer to clause 4.13

d) have not breached any immigration requirement in Australia or elsewhere or been involved in an immigration fraud;

Non-Compliance Penalty – refer to clause 4.13

e) have skills and experience to deliver quality, safe and positive experience for the visitors; and

Non-Compliance Penalty – 2 ADS Points

3.10. ADS ITOs must ensure TGs and DGs supervising ADS tours:

a) register and maintain up to date contact details with Austrade;

b) attend relevant ADS training as directed by Austrade; and

c) receive relevant ADS communications from Austrade.

d) have sufficient understanding of their role in meeting ITO's obligations under the Code.

Non-Compliance Penalty – 2 ADS Points

Note: As per definition of tour guide (TG) in Section 6, Code provisions related to TG also apply to driver guides (DG).

ADS Itineraries

3.11. An ADS ITO must:

a) provide ADS Tour Services to ADS Tourists in accordance with the relevant ADS Itinerary as submitted to Austrade;

Non-Compliance Penalty – 3 ADS Points

b) ensure the ADS Itinerary for each tour complies with the requirements outlined at Attachment B;

Non-Compliance Penalty – 3 ADS Points

c) take reasonable steps to ensure the ADS Itinerary and Quotation for an ADS Tour Group is finalised before ADS OTO submits ADS Visa application to HA;

Non-Compliance Penalty – 3 ADS Points

d) instruct the TG to deliver all products and services listed in ADS Itinerary;

Non-Compliance Penalty – 3 ADS Points

e) submit the ADS Itinerary to Austrade before the ADS Tour Group's arrival in Australia;

Non-Compliance Penalty – 2 ADS Points

f) upon request, submit to Austrade the name list and Quotation for the ADS Tour Group;

Non-Compliance Penalty – 2 ADS Points

g) upon request, submit to Austrade a copy of all contracts signed between the ADS OTO and the tourist, including the sale price in Renminbi in both English and Chinese;

Non-Compliance Penalty – 2 ADS Points

h) ensure the ADS Itinerary is provided to ADS Tourists before the tour commences;

Non-Compliance Penalty – 2 ADS Points

i) provide the ADS Itinerary to tour group members if the TG or Tour Leader reports that the ADS Tour Group members have not been provided with a copy of the ADS Itinerary.

Non-Compliance Penalty – 2 ADS Points

ADS Itinerary Changes and Amendments

3.12. An ADS ITO may only change or amend an ADS Itinerary if:

a) the change or amendment is required as a result of circumstances beyond the control of the ADS ITO; and

b) the change or amendment is fair and reasonable in the circumstances and provides at least comparable value for money for all ADS Tour Group members.

Non-Compliance Penalty – 3 ADS Points

3.13. If the change or amendment occurs before the tour commences the ADS ITO must advise the ADS OTO and provide a copy of the updated ADS Itinerary to the TG and ADS Tour Group members before the tour commences.

Non-Compliance Penalty – 2 ADS Points

3.14. If the change or amendment occurs while the tour is in progress, the ADS ITO must:

a) provide ADS Tour Services to ADS Tourists in accordance with the relevant ADS Itinerary as submitted to Austrade;

b) advise Austrade of the changes or amendments to the original itinerary by submitting a final itinerary to Austrade within 72 hours of the group's departure from Australia

Non-Compliance Penalty – 2 ADS Points

3.15. If the change or amendment occurs while the tour is in progress and results in a change or replacement of Attraction, Activity, Pre-paid Tour Inclusion or Commission Linked Shopping Outlet, the ADS ITO must instruct the TG to ask the ADS Tour Group members to provide written agreement consenting to the change.

Non-Compliance Penalty – 3 ADS Points

Pre-paid tour inclusions

3.16. An ADS ITO must ensure that, in accordance with an ADS Itinerary, the ADS Tour Group is taken to at least one Pre-paid Tour Inclusion for every two days of the itinerary in Australia.

For example, if the ADS Itinerary is for seven days, the ADS Tour Group must have at least three Pre-paid Tour Inclusions.

Non-Compliance Penalty – 3 ADS Points

3.17. The total retail value of the Pre-paid Tour Inclusions for every two days in Australia must be at least $70 AUD per ADS Tourist.

Non-Compliance Penalty – 3 ADS Points

3.18. An ADS ITO must not charge for services or entrance to venues which are free or which, if not free, have already been charged for within the all-inclusive package price of the ADS Tour Package.

Non-Compliance Penalty – refer to clause 4.13

Flexible tour arrangements

3.19. An ADS ITO may, in accordance with the ADS Itinerary, allow an ADS Tourist to access alternative tour inclusions (for example, dining at different restaurants, staying at different hotels or attending different Attractions, Activities or shopping venues). These arrangements must be conducted in accordance with the following requirements:

a) the options must be clearly outlined in the ADS Itinerary;

b) all members of the ADS Tour Group must be supervised by either the TG or Tour Leader;

c) members of the same ADS Tour Group must travel on the same domestic and international flights and any alternative accommodation must be in the same city; and

d) the ADS ITO must instruct the TG to provide the ADS Tourist with their mobile phone number and be available to contact during the flexible tour arrangements.

Non-Compliance Penalty – 2 ADS Points

Free time tour arrangements

3.20 An ADS ITO may, in accordance with the ADS Itinerary, allow an ADS Tourist to access free time during the tour. These arrangements must be conducted in accordance with the following requirements:

a) the free time must be clearly indicated in the ADS Itinerary;

b) the maximum free time in any ADS Itinerary is 24 hours, which may be used flexibly over the course of the tour;

c) the ADS ITO must instruct the TG to meet the ADS Tourists at the end of the free time period at the place identified in the ADS Itinerary, and to account for all ADS Tourists at the start and end of the day;

d) the ADS ITO must instruct the TG to provide the ADS Tourist with their mobile phone number and be contactable during the free time period; and

e) the ADS ITO must instruct the TG to inform it immediately if an ADS Tourist does not return at the end of the free time period.

Non-Compliance Penalty – 2 ADS Points

Mixed ADS tours

3.21 An ADS ITO may only arrange mixed ADS tours where:

a) all ADS and non-ADS group members are travelling under the same ADS Itinerary, being handled by the same ADS ITO and will not be undertaking business-related activities, work or study as part of the tour; and

b) all aspects of the tour are conducted in accordance with this Code.

Non-Compliance Penalty – 3 ADS Points

Shopping

3.22 An ADS ITO must comply with the following obligations in relation to all shopping activities:

a) an ADS ITO must not require ADS Tourists to shop in retail outlets against their wishes;

Non-Compliance Penalty – refer to clause 4.13

b) an ADS ITO must not take any steps which impede an ADS Tourist from shopping in their choice of shopping outlets;

Non-Compliance Penalty – refer to clause 4.13

c) an ADS ITO must not arrange or direct ADS Tourists to be taken to shopping outlets which primarily sell goods that are fake or described or labelled with an intent to deceive;

Non-Compliance Penalty – refer to clause 4.13

d) an ADS ITO must not make disparaging remarks about the quality or availability of a retailer's products or services.

Non-Compliance Penalty – 5 ADS Points

3.23 Where a visit to a Commission Linked Shopping Outlet is included in an itinerary, an ADS ITO must ensure the total amount of time spent at a Commission Linked Shopping Outlet is no more than 90 minutes per capital city visited. Only one Commission Linked Shopping Outlet can be visited per capital city. Commission-Linked Shopping must only occur in capital cities.

Non-Compliance Penalty – 5 ADS Points

Immigration compliance

3.24 An ADS ITO must take reasonable steps to ensure that an ADS Tourist does not become absent from the tour and is supervised to minimise opportunities visa non-compliance incidents to occur during the ADS Itinerary.

Non-Compliance Penalty – 3 ADS Points

3.25 An ADS ITO must take reasonable steps to ensure that an ADS Tourist complies with the conditions of their ADS Visa and follows the ADS Itinerary.

Non-Compliance Penalty – 3 ADS Points

3.26 An ADS ITO must not allow an ADS Tourist to work, study or conduct any business activities while in Australia.

Non-Compliance Penalty – refer to clause 4.13

3.27 An ADS ITO must not provide any deliberate assistance to an ADS Tourist to abscond from an ADS Tour Group.

Non-Compliance Penalty – refer to clause 4.13

3.28 An ADS ITO must ensure that it and its Associates are aware of immigration requirements in relation to ADS Visas.

Non-Compliance Penalty – 3 ADS Points

3.29 For all non-compliance incidents, an ADS ITO must, within 48 hours:

a) submit a fully completed Tourist Absence Report to Austrade; and

b) after providing the Tourist Absence Report, provide any additional information required by Austrade or HA.

Non-Compliance Penalty – 3 ADS Points

3.30 An ADS ITO must immediately notify Austrade if it becomes aware of an issue (before or after ADS Tour Group has arrived in Australia) which may affect the immigration management and monitoring of an ADS Tour Group or an ADS Tourist.

Non-Compliance Penalty – 3 ADS Points

3.31 If an ADS Tourist has been delayed in leaving Australia due to unforeseen circumstances, the responsible ADS ITO must contact Austrade as soon as possible to notify it of the delay in departure.

Non-Compliance Penalty – 3 ADS Points

Coach and bus transport

3.32 An ADS ITO must ensure that coaches, buses and other motor vehicles used for ADS Tour Groups are:

a) roadworthy, registered, insured and safe; and

Non-Compliance Penalty – refer to clause 4.13

b) well maintained, clean and tidy.

Non-Compliance Penalty – 1 ADS Points

3.33 An ADS ITO must ensure that:

a) drivers of coaches, buses and other motor vehicles used for ADS Tour Groups are licenced to operate the class of vehicle they are driving the ADS Tour Group in; and

Non-Compliance Penalty – refer to clause 4.13

b) a copy of the driver's licence to operate that class of vehicle is displayed within the vehicle so that it can be seen by passengers.

Non-Compliance Penalty – 1 ADS Point

3.34 An ADS ITO must ensure that a sign is displayed in a coach, bus or other motor vehicle that is used to transport an ADS Tour Group. The sign must include the following details:

a) the exact words "ADS Tour Group";

b) the name of the ADS ITO providing the ADS Tour Services; and

c) the Post Reference Number of the ADS Tour Group

Non-Compliance Penalty – 1 ADS Point

Change in company structure

3.35 An ADS ITO must notify Austrade in writing within five Business Days of any change in the ownership or effective control of its business or any aspect of its business relevant to the ADS scheme. A change in effective control may arise in a number of ways, including:

a) a change in shareholding;

b) the appointment of an administrator, receiver or liquidator; and

c) a change in the identity of any person in accordance with whose wishes the entity is accustomed to act.

Non-Compliance Penalty – 5 ADS Points

3.36 If there is a change in the ownership or effective control of an ADS ITO and the ADS ITO wishes to continue conducting ADS Tour Services, it must apply to the ADSEO as provided for in clause 2.2 within 30 Business Days.

Non-Compliance Penalty – 5 ADS Points

Complaints

3.37 An ADS ITO must use its best endeavours to address and resolve all reasonable customer complaints and queries about the ADS Tour Service within 10 Business Days.

Non-Compliance Penalty – 3 ADS Points

3.38 An ADS ITO must maintain complaints register that includes at least the following information:

a) name of complainant and the tour's Post Reference Number;

b) a description of the complaint;

c) the date of the complaint;

d) a description of the action taken by the ADS ITO to resolve the complaint; and

e) if applicable, the date the ADS OTO was notified of the complaint.

Non-compliance penalty – 2 ADS Points

3.39 If the matter is not resolved satisfactorily by the ADS ITO, an ADS Tourist can lodge any complaints or feedback about an ADS Tour Service, ADS ITO and/or TG/DG with Austrade. Any complaint that relates to a potential breach of the Code will be dealt with in accordance with the Code.

Section 4: Code monitoring and managing compliance

Monitoring

4.1 Compliance with the Code is monitored to ensure the integrity of the ADS scheme.

4.2 Compliance with the Code is managed by Austrade. Ongoing compliance with the Code is assessed by Austrade, and HA.

4.3 ADS ITOs will be monitored for ongoing compliance with the Code.

Examples of checks that may be conducted include, but are not limited to, routine itinerary checks, random field compliance checks and financial checks. Monitoring activities conducted by Austrade may or may not be pre-advised to ADS Entities.

4.4 ADS ITOs must cooperate fully with all compliance monitoring activities of Austrade.

Non-Compliance Penalty – 3 ADS Points

Breach and sanction determination process

4.5 An alleged breach of the Code will be dealt with according to the following process:

The table below sets out the ordinarily applicable compliance response. It does not prevent the ADSEO from taking a different compliance response where reasonably warranted by the seriousness, circumstances or consequences of the conduct.

Sections	1st occurrence/ Adverse information identified	2nd occurrence/ Adverse information identified	Serious or repeated breach*
Section 3 - Obligations of ADS ITOs: • ADS Tour Services (Clause 3.5-3.7) • Tour Guides and Driver Guides (Clause 3.8-3.10) • ADS Itineraries (Clause 3.11) • ADS Itinerary changes and amendments (Clause 3.12-3.15) • Pre-Paid Tour inclusions (Clause 3.16-3.18) • Flexible tour arrangements (Clause 3.19) • Free time tour arrangements (Clause 3.20) • Mixed ADS tours (Clause 3.21) • Coach and bus transport (Clause 3.32 (b), 3.33 (b) and 3.34)	Warning and Education Notice	Deduction of ADS Points	Suspension of Revocation
Section 3 - Obligations of ADS ITOs: • General obligations (Clause 3.3-3.4) • Shopping (Clause 3.22-3.23) • Immigration compliance (Clause 3.24-3.31) • Coach and bus transport (Clause 3.32(a) and 3.33(a)) • Change in company structure (Clause 3.35-3.36) • Complaints (Clause 3.37-3.39)	Deduction of ADS Points	Additional Deduction of ADS Points	Suspension or Revocation
Section 4 - Code monitoring and managing compliance: Monitoring (Clause 4.1-4.4)	Deduction of ADS Points	Additional Deduction of ADS Points	Suspension or Revocation
Attachment A - Fit and Proper Person Requirements	Reminder of obligation and 14 calendar days to rectify the non-compliance	Suspension	Revocation

a) When Austrade receives information indicating a possible breach of the Code, the ADSEO will assess the information and determine the appropriate compliance response, having regard to the nature, seriousness, circumstances and consequences of the alleged breach, the ADS ITO's compliance history, whether the conduct is isolated or repeated, and any actual or potential risk to ADS Tourists or the integrity of the ADS scheme.

   Where the ADSEO considers that the apparent non-compliance is minor or isolated and does not warrant formal compliance action, the ADSEO may issue a Warning and Education Notice identifying the relevant obligation and any remedial action the ADS ITO is expected to take.

   A Warning and Education Notice does not constitute a formal determination that the ADS ITO has breached the Code and does not result in the deduction of ADS Points. The notice may identify corrective or remedial action that the ADS ITO should take to avoid further compliance action.

b) if the ADSEO determines that the alleged breach will be investigated, the ADSEO will issue a letter to the relevant ADS ITO inviting it to respond in writing to the alleged breach, including any explanation that the alleged breach has not occurred ('the show cause letter');

c) the ADS ITO will be given 10 Business Days to respond in writing to the show cause letter. The ADS ITO's response to the ADSEO is referred to as the 'show cause response';

d) the ADSEO will consider the information concerning the alleged breach, the show cause response (if any) and any other relevant information before determining whether a breach of the Code has occurred;

e) if the ADSEO decides that a breach of the Code has not occurred, the ADSEO will notify the ADS ITO in writing of the decision and inform it that no further action will be taken;

f) if the ADSEO decides that a breach of the Code has occurred, the ADSEO will notify the ADS ITO in writing of the decision and the sanction to be imposed, and will record the breach on the ADS ITO's file

ADS Points system

4.6 All ADS ITOs will be allocated 10 ADS Points upon becoming approved to operate under the ADS scheme.

4.7 If a decision is taken under clause 4.5(a) to deduct ADS Points, the relevant number of ADS Points specified for the breach in the Code will be removed from the ADS ITO.

4.8 If an ADS ITO's ADS Points are being reduced to zero, the ADSEO may suspend the ADS ITO's approval for a period of up to six months, having regard to the nature, seriousness, number and circumstances of the breaches.

4.9 After the suspension period, the entity will be reinstated as an ADS ITO and will be permitted to recommence operating under the ADS scheme for a 12 month probationary period with five ADS Points.

4.10 If the ADS ITO commits further breaches of the Code that result in the ADS ITO's ADS Points being reduced to zero during the probationary period, the ADS ITO's approval to operate under the ADS scheme will be revoked.

4.11 An ADS ITO that has had its approval to operate under the ADS scheme revoked may re-apply to join the ADS scheme after the expiration of 12 months from the date its approval was revoked.

4.12 On 1 January every year ADS ITOs who are not operating under a 12 month probationary period will have their 10 ADS Points reinstated.

Sanctions for serious breaches of the Code

4.13 Sanctions for breaches of clauses 3.4(a), 3.4(b), 3.4(c), 3.4(d), 3.4(h), 3.6(a), 3.6(b), 3.9(a), 3.9(b), 3.9(c), 3.9(d), 3.18, 3.22(a), 3.22(b), 3.22(c), 3.26, 3.27, 3.32(a), and 3.33(a) of this Code will be determined on a case-by-case basis by the ADSEO.

In determining the appropriate sanction, the ADSEO will consider the nature and seriousness of the breach, the risk posed to ADS Tourists or the integrity of the ADS scheme, whether the breach is capable of rectification, any remedial action taken, the ADS ITO's compliance history, and any other relevant circumstances.

The sanctions which may be imposed include loss of ADS Points, suspension of approval to operate as an ADS ITO and revocation of approval to operate as an ADS ITO.

Implications of suspension or revocation of approval

4.14 If an ADS ITO has had its approval to operate under the ADS scheme suspended or revoked, the entity may:

a) complete any ADS tours that have already commenced in Australia which are under the management of that entity at the time of the decision to suspend or revoke the entity's approval; and

b) commence and conduct ADS tours through to finality where ADS Tour Groups have been granted visas by HA but have not yet arrived in Australia at the time of the decision to suspend or revoke the entity's approval.

4.15 If an ADS ITO has had its approval to operate under the ADS scheme suspended or revoked, the entity must continue to act in accordance with the Code until otherwise advised by ADSEO, but it may not:

a) subject to clause 4.16 and the terms of any suspension, conduct any ADS related activities;

b) represent itself as an ADS ITO; and

c) where visa applications for an ADS Tour Group have been lodged with, but not yet approved by HA, the entity must not make arrangements for the conduct of the tour unless the entity has first obtained the approval of Austrade.

Section 5: Administration

Amendments to the Code

5.1 The Code may be amended by Austrade at any time to ensure that the ADS scheme responds to changes in the operating environment and continues to deliver high quality tourism experiences for ADS Tourists. ADS ITOs regulated by the Code will be provided with a minimum of 28 days notice in writing prior to an amendment of the Code coming into effect. Austrade may also at any time revoke this Code.

Reviewable Decisions

5.2 The following decisions by the ADSEO are Reviewable Decisions:

a) decision to not approve an application to become an ADS ITO; and

b) a revocation of approval to operate as an ADS ITO imposed by the ADSEO under clause 4.11 of this Code.

5.3 An ADS ITO will have 10 Business Days from the receipt of advice in writing from the ADSEO of a Reviewable Decision to lodge an application for merits review of the decision with Austrade.

5.4 If an applicant requests a merits review of a decision by the ADSEO to not approve an application to become an ADS ITO, the applicant may provide reasons as to why the decision should be reviewed.

5.5 If an applicant requests a merits review of a decision by the ADSEO to revoke approval, the applicant may provide new information and documentation that was not originally supplied in the show cause response.

5.6 Austrade will arrange for a senior officer in Austrade (of at least equal rank to the ADSEO), who had no involvement in making the original decision, to conduct the merits review.

5.7 The reviewer will consider all relevant information regarding the decision, including the original information provided to the ADSEO, the ADSEO's reasons for making the decision, the ADS Entity's request for internal review and such other information as the person considers necessary.

5.8 Upon completion of the review, the reviewer will decide whether the original decision of the ADSEO should:

a) stand; or

b) be set aside and a new decision made.

5.9 The reviewer must advise the ADS ITO, in writing, of their decision as soon as practicable after the decision is made.

Register of approved ADS ITOs

5.10 Austrade will maintain a register of all approved ADS ITOs.

5.11 Austrade will publish the list of approved ADS ITOs on its website.

Jurisdiction

This Code is governed by the law of the Australian Capital Territory and the ADS ITOs irrevocably submit to the non-exclusive jurisdiction of the courts of the Australian Capital Territory.

Section 6: Definitions

The following definitions apply in this Code:

Tourist Absence Report means a report that must be completed by an ADS ITO to notify Austrade of any tourists who fails to follow the ADS Itinerary in contravention of their visa conditions.

Activity means a recreational or cultural activity.

ADS means Approved Destination Status.

ADSEO is the ADS Executive Officer appointed by Austrade to make decisions under this Code.

ADS Itinerary means a document prepared by the ADS ITO and ADS OTO with the requirements specified in Attachment D that lists the services of an ADS Tour Package. The ADS Itinerary must be lodged by the ADS OTO with HA for application for an ADS Visa for an ADS Tourist.

ADS ITO means an inbound tour operator approved by Austrade to provide ADS Tour Services.

ADS OTO means an outbound tour operator approved to sell ADS Tour Packages by the Commonwealth Department of Home Affairs.

ADS Points means the points allocated to each ADS ITO.

ADS Scheme means the Approved Destination Status scheme.

ADS Tour Group means a group of ADS Tourists who are the recipients of the same ADS Tour Services.

ADS Tour Package means a package of services for travel to and within Australia as listed in an ADS Itinerary sold by an ADS OTO to an ADS Tourist.

ADS Tour Services means services provided by an ADS ITO in Australia to deliver an ADS Tour Package.

ADS Tourist means a Chinese citizen admitted to Australia under an ADS Visa and who is sold an ADS Tour Package.

ADS Visa means a visa for entry to Australia approved by HA for an ADS Tourist visiting Australia under the ADS Scheme.

Associate means, in relation to an ITO:

(a) a principal, officer, employee, agent, or subcontractor of the ITO; or

(b) another person or entity who has entered into, or proposes to enter into, a commercial or other arrangement with the ITO under which a commission, fee or benefit is to be provided directly or indirectly to the other person by the first mentioned person; or

(c) if the ITO is a company, a shareholder of the company.

Attraction means a place of interest in Australia or its territorial waters that is visited by tourists.

Austrade means the Australian Trade and Investment Commission, or its successor, which is responsible for administering the ADS Scheme.

Australian Professional Tour Guiding Organisation means an Australian organisation or association that represents tour guides.

Business Day means a day that is not a Saturday, Sunday or public holiday in the Australian Capital Territory.

Code means this Code, the ADS Code of Business Standards and Ethics, including any attachments.

Commission Linked Shopping means a visit by an ADS Tour Group to a Commission Linked Shopping Outlet.

Commission Linked Shopping Outlet means a shopping outlet from which an ADS ITO or its Associates, TG or ADS OTO has received, or reasonably expects to receive, any Commission in connection with a visit by an ADS Tour Group.

Commission means any financial or other advantage or benefit received by an ADS ITO or its **Associates**, TG or ADS OTO that results from activities conducted by an ADS Tour Group member.

DG means a driver guide employed or contracted by an ADS ITO to supervise ADS Tour Groups in Australia in addition to driving a coach, bus or motor vehicle carrying the ADS Tour Group.

Effective Date means XX Month Year.

Fit and Proper Person means an entity and/or an Associate of the entity who is assessed as meeting the criteria outlined in Attachment A of this Code.

HA means the Department of Home Affairs.

Industry Association means a tourism specific trade and/or export association which operates in Australia.

Pre-paid Tour Inclusion in relation to ADS Tour Services means a visit to an Attraction or participation in an Activity which has a charge to visitors or participants that has been included in the cost of the ADS Tour Package.

Post Reference Number means the unique code given to each ADS Tour Group by HA.

Quotation means the price that a potential ADS Tour Group member will be charged for the ADS Tour Services provided by an ADS ITO.

Reviewable Decision means the decisions mentioned in clause 5.2 of this Code.

Subcontractor means anyone delegated by the ADS ITO to provide parts of the ADS Tour Service. This may include an ADS-approved ITO, another ITO or a TG/DG.

TA means Tourism Australia.

TG means a tour guide employed or contracted by an ADS ITO to supervise ADS Tour Groups in Australia. This also includes driver guides who provide tour guiding services, in addition to driving a coach, bus or motor vehicle carrying the ADS Tour Group.

Tour Leader means the person who is employed or contracted by the ADS OTO to accompany an ADS Tour Group from China to Australia and back.

Attachment A: Fit and proper person requirements

The ADSEO will refer to the following requirements and factors in determining if an entity is a Fit and Proper Person for the purposes of this Code.

General requirements

1.1 The entity must hold an Australian Business Number (ABN) granted under the A New Tax System (Australian Business Number) Act 1999 (Cth).

1.2 The ADSEO will consider any past history of the entity, or any Associate of the entity in participating in the ADS scheme, including any non-compliance with the Code.

Good standing requirements

1.3 The ADSEO will consider whether:

a) the ADS ITO, or any Associate of the ADS ITO, has had a criminal conviction recorded in Australia or elsewhere;

b) the ADS ITO, or any Associate of the ADS ITO, has had a breach of any immigration requirement in Australia or elsewhere or been involved in any immigration fraud;

c) the ADS ITO, or any Associate of the ADS ITO, has had any civil or administrative sanction against it in Australia or elsewhere;

d) the ADS ITO, or any Associate of the ADS ITO, has had any critical comment made against it by any court, tribunal or professional body; and

e) the ADS ITO, or any Associate of the ADS ITO, has been bankrupt or insolvent.

1.4 The ADSEO will consider any matter which they believes is relevant to the personal, commercial, financial or professional status or reputation of the ADS ITO or an Associate of the ADS ITO.

1.5 The ADSEO will consider any professional association the ADS ITO, or any Associate of the ADS ITO, has with persons identified by Home Affairs as persons of concern due to their immigration related activities.

Industry fitness requirements

1.6 The ADS ITO must be a financial member of a national tourism Industry Association or State/Territory tourism industry council.

1.7 The ADS ITO must demonstrate it is committed to servicing the China inbound tourism market through such things as:

a) having contacts with approved ADS OTOs, including whether they have conducted sales visits to those approved ADS OTOs;

b) understanding of the Chinese consumer including their expectations and habits regarding travel, shopping, sightseeing and dining; and

c) having a plan for conducting ADS tours within the next 12 months.

1.8 The ADS ITO must demonstrate it is committed to working in the Australian inbound tourism market through such things as:

a) attending workshops, familiarisation tours or seminars in the last 12 months;

b) having relationships with relevant suppliers (for example, accommodation, attractions, transport providers);

c) having relationships with reputable tour guides who can service ADS Tour Groups.

1.9 The ADS ITO must be committed to providing quality tourism products and services which could be evidenced through such things as industry awards, membership of a relevant quality accreditation scheme and customer reviews or feedback.

1.10 The ADS ITO must be committed to good business practices which could be evidenced through such things as:

a) adequate staffing and staff skill levels;

b) relationships with agents and Associates; and

c) having quality business systems such as procedure manuals and complaints handling procedures.

1.11 The ADS ITO must have at least one director and one operational staff member who has the English language capability to communicate effectively with Austrade and has passed, or is capable of passing, an English language test if directed by Austrade.

Financial viability and insurance requirements

1.12 The ADS ITO must demonstrate financial viability. Financial viability can be demonstrated through any of the following:

a) membership of an association or accreditation scheme that has as one of its requirements an annual certification of its member's financial viability and/or solvency;

b) provision of an independently prepared audited financial report for the last financial year prepared by either:

i) a registered company auditor under the *Corporations Act 2001* (Cth);

ii) a certified practising accountant;

iii) a member of the National Institute of Accountants; or

iv) a member of the Institute of Chartered Accountants in Australia;

and who is not a principal, member, shareholder, officer or employee of the entity or a related body corporate; or

c) a report from a financial examiner appointed by Austrade to investigate the financial viability of the entity (preparation of the report will be at the applicant's expense).

1.13 The ADS ITO must demonstrate it has an appropriate level of public liability and professional indemnity insurance and provide its current certificates of insurance to Austrade.

Attachment B: ADS itinerary requirements

Important:

- All items must be written concurrently in both English and Chinese.

The first page of the ADS Itinerary must contain:

- The following visa conditions disclaimer:

This itinerary relates to an ADS tour organised by an approved ADS Chinese agent (OTO) and an approved ADS Australian agent (ITO). As an ADS visa holder, this visa allows you to enter and remain in Australia while you are part of your tour group. There are number of conditions on your visa which you must abide by:

You must enter and depart Australia with your tour group;

You must not deviate or depart from the approved tour arrangements; You are not permitted to undertake any study or training;

You are not permitted to undertake work in Australia. This means you must not undertake paid or unpaid employment or any business activities; and

You are not permitted to apply for another visa while you are in Australia.

- The following statements:

  Information on consumer rights in Australia (www.accc.gov.au)

  Information on travelling in Australia (www.australia.cn)

  Information on travelling under the ADS Scheme

  In case of an emergency call 000

  Poisons information 13 11 26

  Interpreter service 13 14 50

- The Post Reference Number.
- The total number of tourists in the ADS Tour Group.
- The ADS ITO's details including: trading name, office address, office phone number, email and name and phone number of 24 hour contact person.
- The ADS OTO's details including: trading name, office address, office phone number, email and name and phone number of 24 hour contact person.

The itinerary must contain the following general information:

- In tour costs (for example accommodation upgrades, meal upgrades, optional activities);

- Start and finish of tour dates;
- Points and times of departure and arrival and flight numbers;
- The name and address of all accommodation; and
- The names and mobile phone numbers of all TGs contracted or employed for the tour.

Pre-paid Tour Inclusions:

- In accordance with clause 3.16 and 3.17 the itinerary must list at least one Pre-paid Tour Inclusion for every two days of the itinerary in Australia. The total retail value of the Pre-paid Tour Inclusion for every two days of the itinerary in Australia must be at least $70 AUD per ADS Tourist. (for example, if the ADS Tour Group spends seven days in total in Australia they must be taken to at least three Pre-paid Tour Inclusions with a total retail value of at least $210 AUD).

Where parts or all of the tour services have been delegated to another ITO:

- The parts of the tour service that have been delegated must be clearly indicated.
- The details of the ADS ITO handling the delegated tour services must be included.
- Non-compliance will result the loss of 2 ADS Points as outlined in clause 3.7.

Where a visit to a Commission Linked Shopping Outlet is included:

- The itinerary must state:

  Purchases made may result in a commission or other benefit being paid to or received by your ADS inbound tour operator, tour guide, tour leader or Chinese travel agent.
- In accordance with clause 3.23 where Commission Linked Shopping is to occur the ADS Tourists can only visit one Commission Linked Shopping Outlet in each capital city.
- In accordance with clause 3.23 the total amount of time spent at Commission Linked Shopping Outlets cannot be more than 90 minutes.

Where the ADS ITO has arranged for any flexible tour arrangements:

- In accordance with clause 3.19 any flexible tour arrangements must be clearly identified (for example, Group A: Visit Sydney Aquarium and Group B: Sydney Opera House tour).

Where the ADS ITO has arranged for any free time tour arrangements:

- In accordance with clause 3.20 any free time arrangements must be clearly identified including the amount of free time and the place where the tourists will meet the TG at the end of the free time period.

Attachment C: Non-compliance Penalty Summary Table

Each row summarises a non-compliance penalty stated in the document. Where a single penalty applies to several clauses or subclauses with the same theme, those clauses are grouped in one row.

Sanctions for breaches of clause 4.13 of this Code will be determined on a case-by-case basis by the ADSEO. The sanctions which may be imposed include loss of ADS Points, suspension of approval to operate as an ADS ITO and revocation of approval to operate as an ADS ITO.

Clause	Description of non-compliance	ADS points
3.4(a)-(d), 3.4(h)	Eligibility, legal and cross-jurisdictional tourism law compliance	Refer to clause 4.13
3.4(e)	Industry financial membership	5
3.4(f)-(g), 3.4(i)	Ongoing industry engagement and training requirements, administrative obligations	2
3.5(a)-(b)	Delivery of the ADS Tour Service	3
3.6(a)-(b)	Visitor safety and wellbeing compliance	Refer to clause 4.13
3.7(a)–(b)	Delegation of tour services	2
3.8	Tour Guide (TG) or Driver Guide (DG) responsibilities	5
3.9(a)-(d)	ITO responsibilities in relation to Tour Guide (TG) or Driver Guide (DG) legal standards and requirements	Refer to clause 4.13
3.9(e), 3.10(a)–(d)	ITO responsibilities in relation to Tour Guide (TG) or Driver Guide (DG) tour service delivery standards, requirements and engagement with Austrade	2
3.11(a)-(d)	Delivery of the tour services in accordance to the ADS itinerary	3
3.11(e)-(i)	Meeting administrative obligations in relation to the provision of the ADS itinerary	2
3.12(a)–(b)	Itinerary amendments for circumstances outside of the ITOs control	3

Clause	Description of non-compliance	ADS points
3.13, 3.14(a)–(b)	Obligations related to advising relevant parties in the event of itinerary amendments	2
3.15	Receiving consent for amendments to the ADS itinerary	3
3.16, 3.17	Pre-paid tour inclusions	3
3.18	Misleading conduct related to pre-paid activity pricing	Refer to clause 4.13
3.19(a)–(d)	Flexible tour requirements	2
3.20(a)–(e)	Free time requirements	2
3.21(a)–(b)	Mixed ADS tour requirements	3
3.22(a)-(c)	Coercive, manipulative activity related to commission-linked shopping	Refer to clause 4.13
3.22 (d), 3.23	Commission-linked shopping regulations	5
3.24, 3.25	ITO responsibilities to prevent visa non-compliance	3
3.26, 3.27	Intentionally facilitating visa non-compliance	Refer to clause 4.13
3.28, 3.29(a)–(b), 3.30, 3.31	Reporting obligations related to tourist absence or immigration management	3
3.32(a), 3.33(a)	ITO responsibilities related to legal operation of ADS tour buses	Refer to clause 4.13
3.32(b), 3.33(b), 3.34(a)–(c)	ADS tour bus maintenance and signage	1
3.35(a)–(c), 3.36	Requirements to notify Austrade in relation to business ownership	5
3.37	Customer complaint resolution	3
3.38(a)–(e)	Maintenance of the tourist complaints register	2
4.4	Cooperation with Austrade compliance monitoring activities	3