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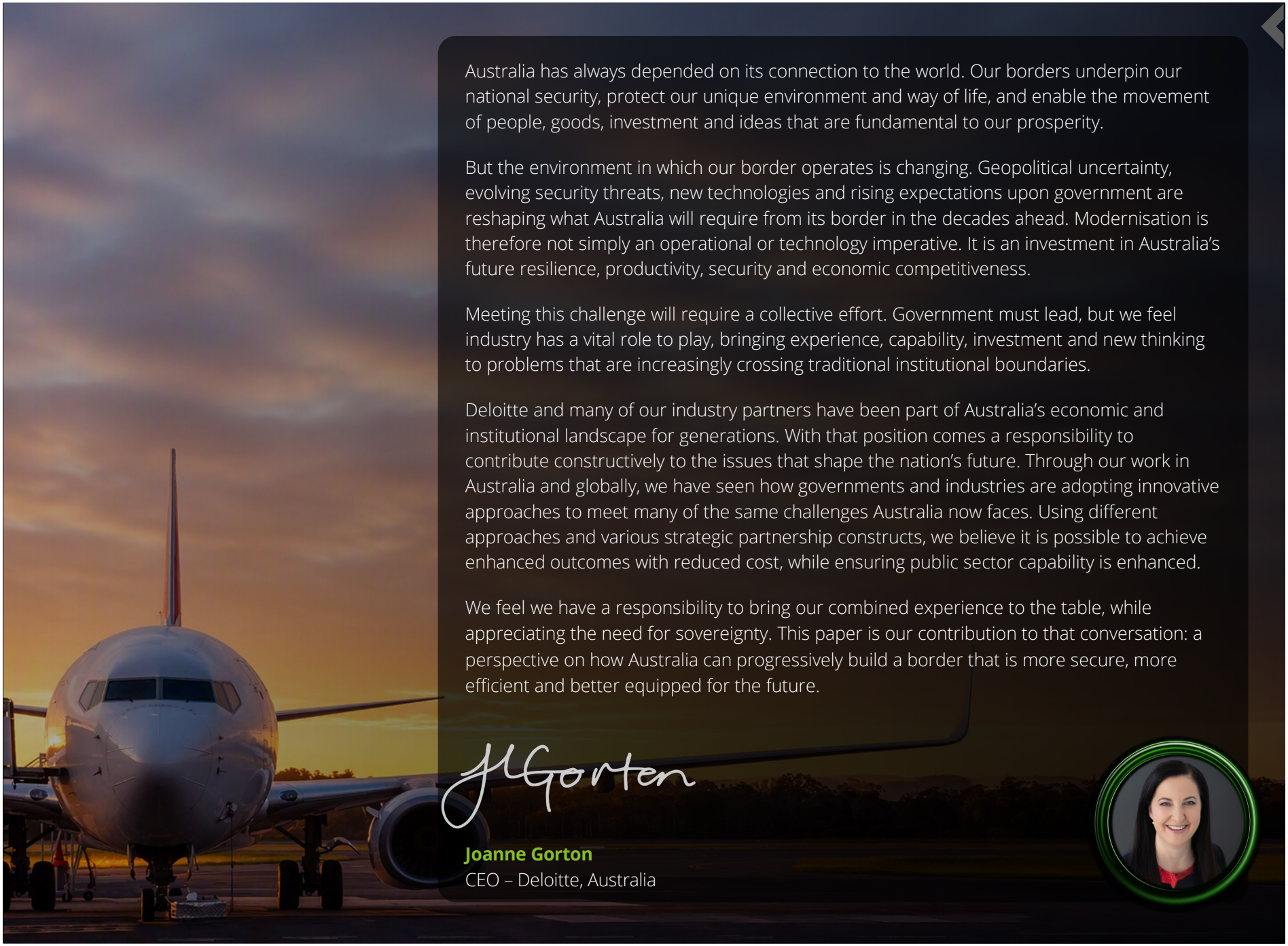
Together makes progress



Future of Borders

START >

October 2026



Australia has always depended on its connection to the world. Our borders underpin our national security, protect our unique environment and way of life, and enable the movement of people, goods, investment and ideas that are fundamental to our prosperity.

But the environment in which our border operates is changing. Geopolitical uncertainty, evolving security threats, new technologies and rising expectations upon government are reshaping what Australia will require from its border in the decades ahead. Modernisation is therefore not simply an operational or technology imperative. It is an investment in Australia's future resilience, productivity, security and economic competitiveness.

Meeting this challenge will require a collective effort. Government must lead, but we feel industry has a vital role to play, bringing experience, capability, investment and new thinking to problems that are increasingly crossing traditional institutional boundaries.

Deloitte and many of our industry partners have been part of Australia's economic and institutional landscape for generations. With that position comes a responsibility to contribute constructively to the issues that shape the nation's future. Through our work in Australia and globally, we have seen how governments and industries are adopting innovative approaches to meet many of the same challenges Australia now faces. Using different approaches and various strategic partnership constructs, we believe it is possible to achieve enhanced outcomes with reduced cost, while ensuring public sector capability is enhanced.

We feel we have a responsibility to bring our combined experience to the table, while appreciating the need for sovereignty. This paper is our contribution to that conversation: a perspective on how Australia can progressively build a border that is more secure, more efficient and better equipped for the future.

Joanne Gorton
CEO – Deloitte, Australia

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EXECUTIVE SUMMARY

An international sporting event hosted in Australia in 2032 will drive an increase in tourism, trade, investment and the movement of people, presenting Australia with a major economic and reputational opportunity.

International passenger numbers are forecast to exceed 60 million by 2035,[2] however ageing technology, fragmented processes, workforce constraints and increasingly sophisticated security, cyber and biosecurity threats limit the system's ability to scale.

This event anchors Australia's border modernisation effort, setting a fixed date where the borders must scale processing capability to meet increased demand. It presents an economic and reputational opportunity for Australia, where success on the world stage could bring increased tourism, trade, capital, skills and movement of people.

Without coordinated action, there is a risk of border congestion, higher operating costs, continued technology debt[1] and reputational damage as global attention will focus on our ability to move people and goods securely and seamlessly.

International passenger numbers are forecast to reach around 60 million by 2035,[2] however ageing technology, fragmented processes, workforce constraints and increasingly sophisticated security, cyber and biosecurity threats limit the system's ability to scale.

There is a clear imperative for the Australian Government to undertake border modernisation with the objective of strengthening national security and resilience while enabling legitimate travellers and trade to move confidently and easily.

Past transformation programs have shown that agency-by-agency investment, bespoke platforms and reliance on a single prime contractor increase cost and delivery risk.

We propose a transformation approach that draws on our global border modernisation experience, reimagining our borders through a system of connected reforms that are framed by three key enablers, to ensure a secure, scalable and seamless future border:

WHOLE-OF-SYSTEM

Whole-of-system thinking realised through a Border Transformation Office (BTO).

STRATEGIC PARTNERSHIP

Strategic partnership between government and industry.

CO-INVESTMENT

Co-investment models that share delivery cost and risk.

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KEY ENABLERS TO OUR TRANSFORMATION APPROACH



Underpinning this approach is the premise that technology should follow a defined digital future operating model, supported by whole-of-system governance, modular architecture, shared standards and enduring government–industry collaboration. While critical systems are maintained, rapid prototyping and targeted cost-out models[3] can be implemented to progressively retire ageing legacy systems in parallel.

As a thought experiment, Deloitte Access Economics (DAE) estimated that over the next decade up to $4.3 billion in economic value could be unlocked through whole-of-system border reform.[4 5] Reusable digital foundations would create broader value across government, facilitating an interconnected experience. Once established, elements of this capability can be expanded beyond our geographic borders to support deeper security cooperation with Pacific partners.

Delivering successful and sustainable border modernisation requires an ecosystem of industry partners that bring together proven global transformation outcomes from the United Kingdom, United States, Canada and Europe to Australia. It entails an integrated journey where border agencies, airports, airlines and the supporting systems and technology all contribute to a coordinated experience.

From our experience, we know that a reimagined border can strengthen national security, accelerate passenger and cargo processing, improve workforce productivity and lower long-term cost to serve.

Together, we can build a border that reflects Australia at its best: **secure**, **scalable**, **seamless** and ready for the future.

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*A different approach for a **secure**, **scalable** and **seamless** future border*

Indicates images are AI generated imaginative future state graphics

Figures quoted are accurate at date of publish 1 October 2026

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INTRODUCTION

An international sporting event hosted here in 2032 presents a major economic and reputational opportunity for Australia, with expected increases in the volume of people, trade and capital across our borders.



Logically, the degree to which Australia can capture the benefits of this opportunity is partly commensurate with the efficiency and security of its borders.

It is widely accepted that current pressures such as technology debt, constrained workforce capacity and an increasingly sophisticated threat environment hamper Australia's ability to keep pace with growing passenger and cargo flows. In parallel, strategic competition intensifies across the Indo-Pacific, while global conflict and instability affect supply chains, migration and economic confidence. Australia's borders must be able to scale to meet future forecasted growth while simultaneously responding to increasingly complex operational, security, and economic demands over the medium to long term.

As a near-term forcing point, the upcoming international sporting events in Brisbane gives the opportunity to reimagine Australia's borders, to ensure they are secure, scalable and seamless under the increased pressure and demand.

In addition to maintaining security and increasing operational efficiency, the modernisation of our borders can contribute to strengthened national resilience, economic growth and prosperity.

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As government considers its border modernisation approach, it is important to acknowledge that transformation of this scale should not delivered by government acting alone.

To successfully enable an essential transformation such as this, we propose a different approach to border modernisation, one characterised by a unifying vision and underpinned by a well-defined and mature strategic partnership between government and industry. Our perspective, informed by our work globally on immigration and border systems in the US, UK, Canada and the EU, is that border modernisation should be viewed as a nation-building initiative rather than simply an information technology program uplift.

This paper puts forwards a holistic approach for achieving effective border modernisation based upon our global lessons learned, and from our experience the key steps necessary for effective optimisation and benefits realisation during systemic transformation. We present an overview of the current state, set out to define a vision for the future border ecosystem and how government can progress towards achieving this vision.

We also present an implementation approach capturing a different path to modernisation, one centred around bringing together global industry capability for faster build, lower risk and more cost-effective uplift of Australia's borders.

Prior to committing to any of the major investment required, we recommend establishment of a national Border Transformation Office (BTO) as the first critical step. The BTO would act as a central facilitator to coordinate whole-of-system thinking across multiple agencies and stakeholders, to facilitate delivery of intended benefits ahead of events in 2032, while maintaining appropriate government oversight and sovereign control.

To overcome existing budgetary constraints, government should consider concurrent engagement with industry via a strategic partnership model, to coordinate a phased delivery approach for delivery and exploration of co-investment frameworks that could reduce both the cost and delivery risk. In the longer term, Australia could extend its border modernisation initiative regionally, working together with Pacific partner countries to strengthen security beyond our borders.

...we propose a different approach to border modernisation, one characterised by a unifying vision and underpinned by a well-defined and mature strategic partnership between government and industry.

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CASE FOR CHANGE

For much of Australia's history, as with other nations, the primary purpose of our border has been to regulate lawful movement of people and goods while protecting the nation from external threats.



While these responsibilities are still fundamental, the role of the border has expanded significantly, with its core function now sitting at the intersection of national security, economic growth, international trade, tourism, public health, biosecurity, intelligence and digital government.

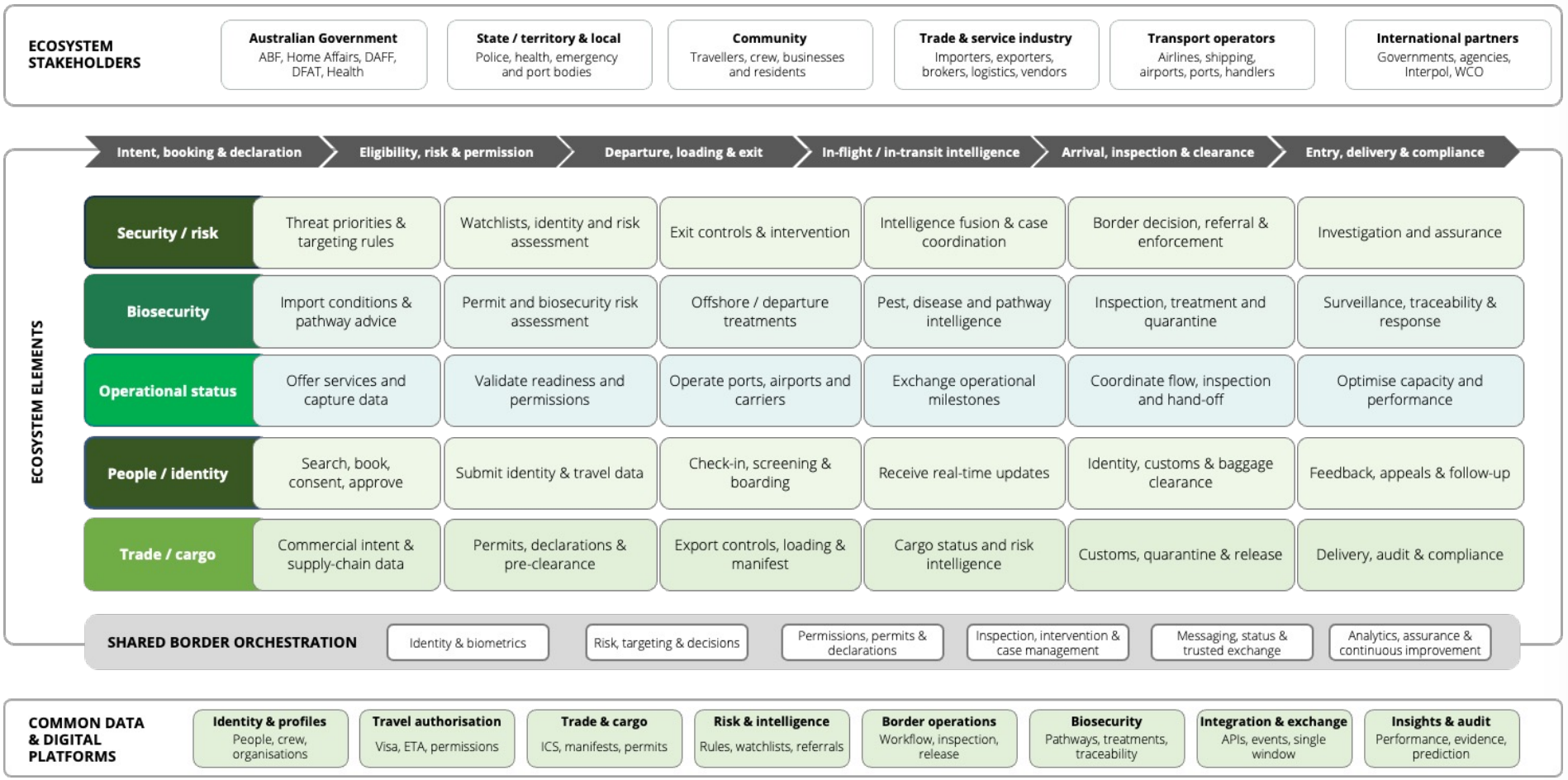
As the expectations of the border have expanded, so have the mandates of the agencies responsible for keeping it secure. However, since the early 2000s the environment in which this ecosystem operates has changed significantly faster than the systems underpinning it.

Core elements of Australia's border systems are approaching end-of-life and are further constrained by siloed, disconnected systems, as well as limited workforce capacity. These isolated systems, combined with fragmented processes, are increasingly unable to scale and flex to process future demand in an acceptable time, while additionally limiting the ability to effectively detect, assess and respond to emerging threats through intelligence-led approaches.

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Our border plays a critical role not only in protecting Australia and strengthening national resilience, but also enabling economic growth, productivity and prosperity through the efficient movement of increasing volumes of people, goods and services across our borders. An interconnected border ecosystem comprising a range of government and industry stakeholders and technology platforms is responsible for deciding who and what moves across our borders.

REPRESENTATION OF AN INTERCONNECTED BORDER ECOSYSTEM



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Australia's border is approaching an inflection point

The pressure to modernise will intensify as passenger and trade volumes grow, with a defining moment for Brisbane acting as the inflection point. The capacity of Australia's border must be uplifted to meet demand forecast by 2032.

Australia's international passenger volumes are on track to more than double, with over 60 million international passengers transiting Australian airports by 2035, which logically brings added technological and structural pressure. Without the same deliberate, systemic reform previously undertaken by leading countries such as the US, UK and Canada, the current relationship between demand and capacity will likely lead to increasing systemic tension that ultimately becomes unsustainable.

Currently, Home Affairs alone spends approximately $530 million on border management, $85 million on border revenue and $1.6 billion on border enforcement.[6]

These figures only present part of the total annual investment for our borders, as the broader border ecosystem spans across multiple agencies. Based on both low and high impact reform scenarios, reduced friction in the order of 3% could bring an annual GDP uplift of between $2.26 billion, with a high-impact estimate of 10% reduced friction potentially resulting in an estimated uplift of $7.85 billion. These figures are driven by increased International Visitor Spend (IVS) and its GDP multiplier effect across the wider economy.[7]

Whole-of-system modernisation could involve biometrics, automation and integrated processing, with the potential to reduce passenger journey times at the most critical airport bottlenecks. DAE estimated that as of today there is an opportunity cost of these legacy systems resulting in inefficiencies across passenger journey. In 2026, it has been estimated that the gap between Australian airport performance and global best practice could be up to $540 million for the year, with whole-of-system reform over the decade unlocking up to $4.3 billion in economic value (in present value terms).[8]

PRESSURE POINTS TO THE BORDER SYSTEM



Sustained **growth in international passenger and cargo volumes**, with international throughput at Brisbane, Cairns and Gold Coast expected to reach up to 10.7 million passengers by 2032, increases demand on borders, straining infrastructure and processing capacity.



Ageing technology systems with cyber security vulnerabilities and limited ability to scale to meet demand, driving service delivery issues and rising public, political, and industry dissatisfaction.



Rising traveller and industry **expectations for faster, more digital, and more predictable** border experiences.



A **more complex security environment**, encompassing organised crime, cyber threats, geopolitical instability, biosecurity risks and emerging AI-based risks including synthetic digital identities and deepfake enabled fraud.



Fiscal constraints that discourage increased spending and instead demand productivity gains.



Workforce shortages and capability constraints divert skilled personnel away from higher-value enforcement and operational activities.



Ageing technology, mounting **technology debt** and cyber risk which are increasingly costly to maintain and hard to adapt.

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Government is aligned on the imperative to modernise

Government has already qualified the need to improve border security, evidenced through reviews such as the Department of Home Affairs' 2024 Capability Review, the Nixon Review, and in Senate Estimates. In the 2024 Capability Review, the Australian Public Service Commission (APSC) found that over 40% of the 480 distinct business systems had already reached end of life.[9]

In Senate Estimates (February 2025), enhancing biometric verification systems for entry and exit, introducing AI-driven compliance monitoring for visa holders and modernising processing systems to address visa delays were cited as priorities. These priorities must be addressed while carefully balancing cost-efficiency and future-proofing technology investments.

Past learnings must shape the way forward

As commonly known, previous technology transformation efforts across government have achieved mixed results. The Australian National Audit Office (ANAO) audits present an overarching set of causes that span across Home Affairs, DFAT, DAFF and other agencies, including unclear technology end-states, limited visibility of system performance and delivery risks, and weak procurement discipline.[10] In some cases, contract variations expanded scope without clear and direct alignment to original intent, avoiding the discipline of proper competition and ethical procurement.[11] Agencies also underestimated the operational weight of legacy platforms, making transformation harder, slower, riskier, and vastly more expensive.

Historically, government transformation programs have relied on bespoke technology platforms with linear scaling delivery models designed around individual agency requirements from the ground up. This 'first time, every time' approach increases stand up effort, delivery complexity and uncertainty, with significantly higher cost and risk.

In environments, where technology and risk settings evolve rapidly, reform cannot simply replicate existing processes on newer technology platforms. Often, such an approach leaves government dependent on a single prime contractor delivering a monolithic replacement initiative, limiting itself to the best of industry capability.

The reasons to modernise are clear. The upcoming international event in 2032 sets a fixed date that modernisation can be planned against, and the government has already used it as the justification for border investment. We believe there is a different pathway to achieving not just a modernisation of the border but a reimagining, with the investment resulting in ongoing benefits for the APS.

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THE FUTURE BORDER

Border modernisation presents an opportunity for government to reimagine how Australia's border operates holistically and how transformation programs can be structured, delivered and funded to decrease cost and delivery risk while driving innovation.

Our vision is a world-leading border ecosystem that is secure, scalable and seamless, strengthening national security while enabling legitimate trade and travel to move with greater confidence and ease.

SECURE

A secure border balances two pressures that are often treated as competing objectives - reducing friction and transaction costs for legitimate movement, while maintaining and strengthening Australia's security posture.

SCALABLE

A scalable border system is forward-looking, designed to handle major surges in traveller and trade volumes as well as adapt to new technologies, major global events and legislative policies across the broader system. This includes the adoption of innovative technologies that increase efficiency and productivity, especially for airports that need to accommodate growing demand but are unable to expand their physical footprint.

SEAMLESS

A seamless border considers the end-to-end digital ecosystem, beginning well before departure and continuing beyond arrival. It entails an integrated journey where border agencies, airports, airlines and the supporting systems and technology all contribute to a coordinated experience.



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A secure, scalable and seamless border delivers a range of benefits across the end-to-end border ecosystem.

REIMAGINING OUR BORDERS: characteristics of a future border.

- Greater national security resilience against an increasingly dynamic environment of geopolitical instability, organised crime, biosecurity and cyber threats.
- Contribution to national economic growth through increased visitor demand and improved trade competitiveness over time, and greater productivity of the border ecosystem.



ECOSYSTEM RESILIENCE

- Proven capability to deliver significant international events at scale, including those on the horizon for Brisbane, enhancing Australia's global profile and reputation.
- Better coordination between government agencies public and private sector through shared platforms and integrated delivery.



ORGANISATIONAL CAPABILITY

- Greater productivity and sovereign capability through modern and connected technology, and digitised operating systems.
- Capability transfer and embedment through stronger connectivity across agencies, public and private partners.



WORKFORCE PRODUCTIVITY

- Increased capability freed up by the automation of repetitive and lower value work through intelligence-led interventions
- Workforce redirected to higher value enforcement and operational work, rather than manual processing.
- Stronger sovereign capability within APS workforce through structured co-design and knowledge transfer from industry partners.



PERSONAL RESILIENCE

- Greater freedom of movement for legitimate travellers through reduced border friction, including through earlier screening and digital identity.
- Increased confidence in national security and biosecurity protection.



ECONOMIC BENEFIT

- Benefit of the tourism dollar to Australia's economy.
- Stronger economic competitiveness and government efficiency uplift through faster passenger processing and reduced airline and airport friction.
- A more productive border ecosystem that lowers cost-to-serve, reduces the cost of business in trade, and attracts visitors and investment.
- Increased social benefit not only for the international passenger, but also the broader ecosystem and the Australian public.

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Global border reform experience can serve as a model for Australia

While Australia's geographic isolation and reliance on global trade and travel amplifies the importance of modernisation, such pressures are not restricted to Australia. Leading border management systems worldwide are converging on a common set of build capabilities across passenger and trade domains, creating an opportunity for reuse of successful modernisation principles and the innovative technologies that support them.

Governments are combining technology uplift centred around reuse with broader workforce, operating model, and organisational reform as a way to build foundational capability, treating the border ecosystem as an integrated national capability rather than a collection of standalone systems.

Global transformations are driving a transition from borders largely defined by physical infrastructure and manual intervention to digitally enabled ecosystems. For Australia, border security increasingly extends beyond physical frontiers into the digital domain, where cyber threats, online criminal networks and foreign interference can undermine national security and resilience. As these risks become more interconnected, resilient digital border capabilities, supported by robust cyber security, intelligence-sharing and continuous system modernisation, will become increasingly important components of the national security architecture. Supported by AI, automation and enhanced data-sharing, these systems can protect against threat actors and are capable of absorbing future volume and complexity growth without equivalent cost increases.

Modernised Canadian CARM platform

For example, Canada's CBSA Assessment and Revenue Management (CARM) platform, modernised to streamline the collection of duties and taxes for commercial imports, is an example of reuse, where the existing Accounts Receivable Ledger (ARL) was re-platformed into a cloud hosting environment. Deloitte, as the primary delivery partner engaged to design, build and maintain the CARM system, employed an iterative modernisation approach to incrementally deliver benefits over multiple releases to minimise operational risk.



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Technology investment that enables workforce uplift allows identity, risk assessment and operational decisions to occur faster and continuously throughout the traveller journey. Border modernisation in Singapore, Amsterdam and Dubai demonstrate the efficiencies to be gained through investment in innovative technological capabilities.

Global examples of small changes for efficiency gains[12]



↓ 60%

Singapore Changi Airport fully rolled out passport-free biometric immigration clearance across all terminals in September 2024, using facial and iris recognition technology. The initiative reduced average immigration clearance times from 25 seconds to 10 seconds per passenger - a 60% reduction in processing time.



↓ 65sec

Amsterdam Schiphol Airport has scaled self-service bag-drop technology across multiple terminals and airlines. Early deployment data showed average bag-drop transaction times reduced from more than 100 seconds to below 65 seconds per passenger - approximately a 35–40% reduction in processing time.



x 10

Dubai International Airport introduced its Smart Tunnel biometric immigration system, allowing passengers to complete immigration clearance while walking through a contactless biometric corridor without presenting passports. The system can process up to ten passengers simultaneously, with most clearing immigration in 3.4 – 4 seconds and none taking longer than 14 seconds, significantly reducing border-processing times and passenger friction.

Impact of efficiency gains



~$850m
present value of benefits

Under a scenario where we only upgrade the 'Olympic Gateways' (i.e. Brisbane, Gold Coast and Cairns[13]) experiences whole-of-system reforms the benefits are still substantial estimated at ~$850 million between 2030 and 2040.[14]

Modernisation benefits

↓ ~$34m



An uplift across all areas could result in small changes across the passenger journey that collectively make an impact. For example, modern baggage tracking and reconciliation technologies could reduce baggage tracing, storage and recovery costs by order of an estimated $34 million annually across Australian airports.[15]

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Taking a longer-term view, government has a number of ways to fund border modernisation

Modernise incrementally to create a self-funding pathway

We suggest government consider a deliberate, incremental approach to border modernisation. Leveraging an agile investment approach and focusing on legacy technology cost out can create a self-funding pathway for broader transformation.

Rather than beginning with a large-scale replacement program requiring significant upfront investment, government can target areas of the existing technology estate that generate the greatest cost, complexity and operational burden. Reusable digital foundations can be incorporated into the transformation architecture, accelerating innovation and scaling capability more efficiently across multiple operational domains.

These reusable foundations can later support other government transformation initiatives, functioning as long-term economic infrastructure across federal, state and local agencies rather than simply an operational expense.

Partner with industry to unlock alternative investment models

Drawing on an agile approach, partnering with industry through co-investment models offers an alternative pathway to jointly deliver evolving capability rather than static technology systems, while working within government's budgetary constraints.

Recent long-term concessions for state government assets have shown that equity can effectively deliver desired government outcomes with appropriate risk sharing, governance and outcomes alignment. Through these concessions, state governments have benefitted from significant upfront payments, with large investors able to deploy the required capital and benefit from revenue exposure linked to demographically-based volumes.

Their ability to assume higher levels of risk than government, coupled with low cost of capital, has resulted in strong value-for-money outcomes for states and high levels of risk transfer with contractually defined outcomes.

Investment in our borders will build the foundation for a federated Pacific border capability

Australia's border modernisation agenda should extend beyond its geographic border. There is a significant opportunity to extend elements of the capability, technology and operating models developed in Australia to Pacific regional partners, supporting regional security and capability uplift.

A future regional border modernisation model centred on information sharing could establish interoperable digital identity, visa, travel-authorisation and passenger-processing capabilities across participating Pacific states.

Rather than each Pacific country independently developing sophisticated data, analytics and risk platforms, Australia could work with Pacific partners to establish a federated border data capability where participating countries retain their information while securely exchanging agreed data, alerts and risk indicators. This partnership could establish common standards and data interchanges, enabling national systems at different levels of maturity to participate without requiring identical technology.

This could improve services for Pacific citizens, make legitimate movement between Australia and the Pacific easier, strengthen regional security and give participating countries access to capabilities otherwise expensive to develop independently. It also directly supports Australia's national approach to transnational, serious and organised crime (TSOC), functioning as a strategic regional investment that extends Australia's security perimeter while strengthening the sovereign border capabilities of Pacific partners.

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REALISING THE VISION

At present, Australia does not have a systemic multi-layer end state defined for its border ecosystem, which limits the ability to make holistic investment, operational, and policy decisions.

Australia already has the hard parts of a digital border: a universal visa requirement since 1994,[16] no visa labels,[17] Advance Passenger Processing (APP) for targeting security concerns and streamlining border clearance,[18] and biometric SmartGates at major international airports.

The planned rollout of digital passenger cards is an important and positive step towards an enhanced digital border, demonstrating government's path towards a more seamless, data-enabled border process.

Dually, Home Affairs' recent request for industry feedback to inform Cargo Reporting System Transformation (CRST) opportunities indicates its intent to not only modernise the Integrated Cargo System (ICS), but also to understand what market capabilities and technologies can support Australia's trade ecosystem longer-term.[19]

Drawing upon Deloitte's global experience in border modernisation, aviation and trade, we believe a transformation-led approach anchored in a clear strategic vision, and enabled through enduring partnerships between government and industry, will bring a step-change in capability uplift.

Our approach is underpinned by three key enablers that will contribute to a successful border transformation.

WHOLE-OF-SYSTEM

Whole-of-system thinking realised through a Border Transformation Office (BTO).

STRATEGIC PARTNERSHIP

Strategic partnership between government and industry.

CO-INVESTMENT

Co-investment models that share delivery cost and risk.

These three enablers are essential to the success of a border modernisation program. Establishing a BTO enables government to build the foundation for defining its desired end state and operating model for the border ecosystem. Strategic partnership should occur concurrently to establish how industry can support, not only the co-design of this operating model, but also its implementation. Throughout the process, funding mechanisms that can share delivery cost and risk should be incorporated into these models, ensuring appropriate government oversight and sovereign control is maintained.

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KEY ENABLERS TO OUR TRANSFORMATION APPROACH



Whole-of-system thinking realised through a BTO

Many successful national transformation programs have established dedicated offices responsible for co-ordinating policy and investment across multiple agencies. The Digital Transformation Agency (DTA) is a prime example of how the government successfully applies systemic thinking to manage Australia's digital and ICT investments. By analysing interdependencies between departments, the DTA works to coordinate technology, data and policy to reduce duplicate efforts and isolated operations to improve service delivery. Australia's border would benefit from a similar approach.

A BTO would work across multiple agencies and with industry stakeholders to provide the strategic coordination necessary to deliver whole-of-government transformation, while allowing operational agencies to retain responsibility for day-to-day border operations.

This office would be responsible for aligning priorities to outcomes, focused on specifics such as design architecture or delivery and build financing and logistics. Established with a direct mandate from government, this office can coordinate decisions across agencies and drive their implementation, including how modernisation initiatives are sequenced over time.

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Building on the National Passenger Facilitation Committee (NPFC)

Existing consultation mechanisms such as the NPFC provide an important foundation for establishing a partnership between government and industry. However, future border reform will require industry participation across the design, integration, delivery, operational and sustainment layers of transformation. Expanding upon the NPFC can lead to stronger engagement with airlines, logistics providers, customs brokers and technology partners and can also help align operational processes and reduce friction across the border ecosystem.

Historically, weak knowledge transfer processes, characteristic of previous transformation programs, have left capability with suppliers rather than building it within government. When a contract ended, so did the expertise, and agencies were left dependent on external support for systems they nominally owned. The BTO, acting as a central orchestrator, would minimise this by facilitating capability transfer between the APS and the strategic partners it coordinates.

The early role of the BTO would be to set the program up correctly, defining long-term direction, agreeing on target architecture and beginning first-stage investment with clear scope and measurable outcomes. Mirroring elements of the DTA, the BTO should also have an investment oversight function to provide early visibility of investment and advice to government on major digital proposal prioritisation. Incorporating this function could give government an integrated, forward-looking view to ensure current proposals are weighed against future pressures.

In practice, the orchestration role would include:

- Engaging specialist partners for capability such as digital identity, biometrics, data platforms and AI, rather than expecting one supplier to cover them all.
- Bringing airlines, logistics providers, customs brokers and technology companies in as active participants in system design and improvement, not just policy discussion.
- Creating shared platforms that multiple partners can contribute to and multiple agencies can use, reducing duplication and avoiding the creation of new silos.
- Building in regular review points, so that the mix of partners and the structure of engagement can adapt as the program progresses.
- Workforce planning for the new environment, including ways to uplift skill.
- Continually monitoring and managing uplift of APS staff capacity throughout the transformation.

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Global example: the UK Border Delivery Group

In 2017, following the Brexit Referendum, the UK Cabinet Office stood up the Border Delivery Group (BDG), a cross-departmental unit that functioned as the orchestrator for the UK Border Force, convening the different government departments and third parties on operational planning related to the border during the Brexit transition. The BDG was also responsible for designing the future border, which included the transformation initiatives required across government to achieve it. Deloitte UK worked with the BDG to support both these streams.



To drive successful modernisation the BTO would need to be persistent over the long-term, responsible for continued national coordination between federal agencies, as well as state and local agencies. To avoid system fragmentation and funding discrepancies that are common in large modernisation initiatives, the BTO's continued presence as a centralised office would bring together stakeholders to establish clear roles and responsibilities as well as set common standards, coordinate delivery costs and cost-recovery revenues and continue to foster innovation while preserving clear public accountability. A BTO that is present longer-term can also facilitate future modernisation initiatives for trade and cargo, incorporating lessons learned following the border modernisation program.

Strategic partnership between government and industry

The scale, complexity and pace for border modernisation in this era means that no single organisation, whether government or industry, possesses all the capabilities required for delivery. Modernisation presents not only a significant opportunity for economic growth, but also an opportunity for government to rethink how transformation programs are structured, delivered, and funded.

Modern border capability is continuously evolving. Artificial Intelligence, digital identity, biometrics, cyber security, cloud computing and advanced analytics are advancing faster than traditional procurement and delivery cycles can accommodate.

The challenge is not only selecting the right technology, but also creating an ecosystem that continuously brings together government policy, operational expertise and industry innovation to solve complex national problems. It is therefore, fitting for the relationship between government and industry to also evolve from transactional procurement toward strategic collaboration.

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Partnership in practice

eu-LISA, the European Union Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security, and Justice, relies heavily on private-sector procurement, industry roundtables, and cooperative frameworks to develop and manage critical EU security databases and develop AI for those systems.[20] While maintaining strict sovereign ownership and regulatory control over databases, eu-LISA coordinates with external industry partners that interface with its digital systems, in addition to engaging in consultations with industry and experts through regular roundtables.

Deloitte was one of the partners active in defining the strategy and policy implications and in developing the first Digital Visa prototype for eu-LISA.

Rapid prototyping and innovation unlocked

Working with industry can strengthen risk management through rapid prototyping of concepts, processes and commercial technology. Rather than committing large investments to specified programs before operational validation, a prototype approach enables innovation, where future-state capabilities are trialled in real-world conditions without replacing entire legacy environments.

Such a model enables the government to build, test, prove and scale innovative concepts rather than commit to the design upfront, in turn reducing delivery and investment risk, building confidence in decisions before investment and generating tangible evidence to aid ministerial and stakeholder buy-in.

Access to best of global capability

With industry partnership comes access to the best of its innovation and expertise. Sectors such as aviation, logistics, financial services and retail have solved similar problems facing the border at scale. These sectors have developed delivery approaches and reusable technology that can be modified to fit government's need.

Governments globally have recognised the value add of partnering with industry. The UK's 2025 Border Strategy lists working in partnership with industry to enable border innovation as one of its key transformation initiatives, citing that such partnerships give the government "the ability to make long-term investment decisions and innovate around the border."[21]

Partnerships allow industry to assume greater risk, helping government manage cost and risk through burden sharing, and in some cases transferring it to industry partners. It also allows government to become the integrator of outcomes rather than relying upon a single organisation to integrate every technology component. Industry can contribute throughout every stage of transformation, not simply during implementation.

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Industry participation and alternative financing offer distinct pathways to share delivery cost, risk and value

Border modernisation can draw on industry in two distinct but complementary ways. Industry co-investment involves government and delivery partners jointly contributing capability, expertise and resources to design, prototype and progressively scale new border services.

Industry partners generally support this through in-kind contributions via their respective balance sheets. This can reduce both delivery risk and initial capital costs while accelerating access to specialist capability. The result is shared accountability for outcomes, without necessarily involving discreet private capital equity/debt or transferring asset ownership.

Alternative financing and equity partnerships are different. Under these arrangements, private investors fund some or all of the upfront investment in defined facilitation assets or services and recover that investment over time through government payments, passenger-linked revenues or another agreed commercial mechanism. The $7.9 billion investment in the VicRoads Joint Venture by Macquarie Asset Management, Aware Super and Australian Retirement Trust is a recent successful example of this model.

For government, the appropriate model will depend on the capability delivered, its commercial characteristics and the extent to which delivery, lifecycle, demand and financing risks can be efficiently allocated. Potential structures range from managed service arrangements through to hybrid public-private partnerships to long-term concessions.



In all cases, government would retain responsibility for sovereign border functions, policy settings, security requirements and regulatory oversight. Private participation should be limited to a clearly defined facilitation layer where service outcomes can be measured, responsibilities allocated and value for money demonstrated.

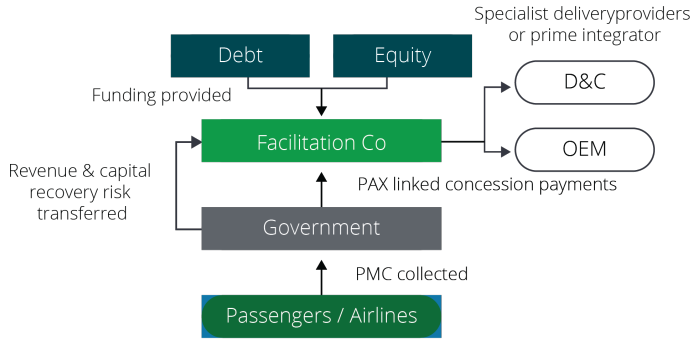
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Industry co-investment models offer a compelling and flexible alternative to traditional capital investment mechanisms. Adopting one or a combination of the following options would allow government to shift from funding one-off technology purchases to sustaining continuous capability uplift – spreading cost, sharing risk, and embedding the flexibility to adapt as border demands and technologies evolve.

OPTION A

Long-Term Concession

A dedicated Facilitation Co receives a long-term right to fund, operate, maintain and modernise the border facilitation layer under Government-defined performance, security and governance requirements.



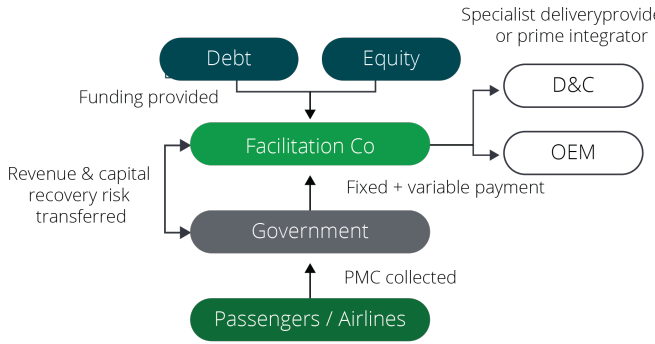
BENEFITS

- Mobilises substantial private capital without requiring significant upfront public funding.
- Transfers delivery, operational, revenue and lifecycle risks to a dedicated infrastructure operator.
- Creates enduring incentives for innovation and continuous modernisation.

OPTION B

Hybrid Public Private Partnership (PPP)

Government retains ownership of core strategic assets under a shared risk model, where private partners fund and operate defined facilitation capabilities, in exchange for a combination of fixed availability payments and variable revenues linked to performance and passenger growth.



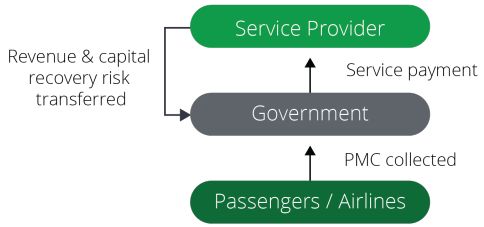
BENEFITS

- Reduces upfront government funding requirements through private sector financing.
- Retains greater control over strategic assets and policy settings than a concession model.
- Aligns private sector incentives with service quality, operational outcomes and user growth.

OPTION C

Managed Service Contract

Government retains ownership and control of assets while the private sector funds, delivers and operates the modernised border technology environment under a long-term service arrangement.



BENEFITS

- Maintains a high degree of control over assets and strategic decisions.
- Easier and faster to procure using established government contracting approaches.
- Lower political, governance and implementation complexity.

D&C - Design & Construct *OEM - Original Equipment Manufacturer* *PAX - passenger volume numbers* *PMC - passenger movement charge*

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TURNING AMBITION INTO ACTION

By 2032, Australia could operate a world-leading border ecosystem where trusted identity, timely data-sharing, biometrics, automation and intelligence-led decisions enable legitimate movement with less friction while focusing intervention where risk is greatest.



Australia's border modernisation program requires careful planning, sequencing and execution to reduce delivery risk while accelerating the realisation of operational and economic benefits.

The BTO can drive early alignment on the whole-of-border operating model

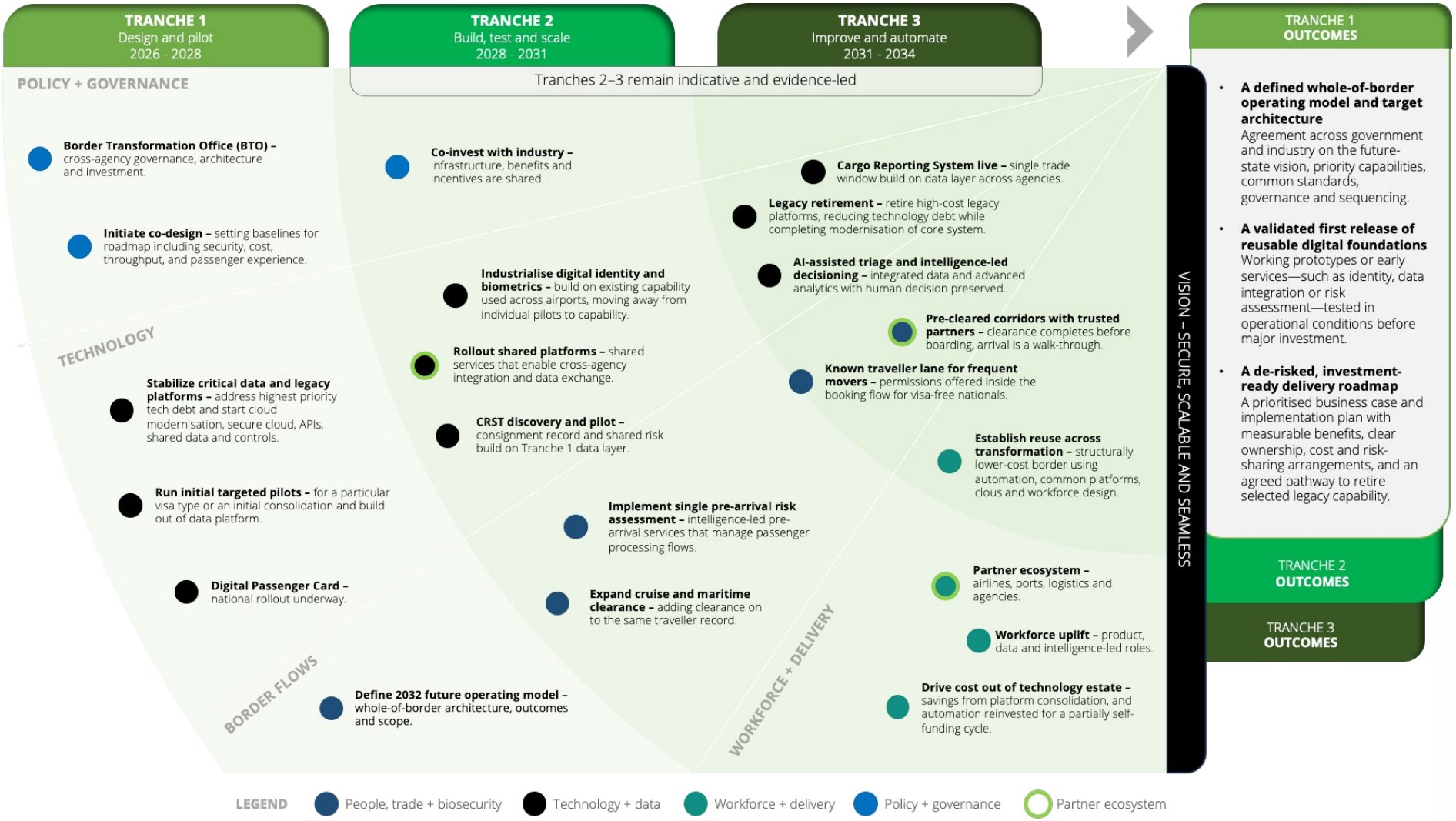
Overseas transformation programs have shown us that technology should follow business design, not lead it. To create a multiplier effect on investment, stand-alone initiatives should be considered within a broader end-to-end transformation vision to realise their full potential. Undertaking a comprehensive and deep systemic operating model review before finalising the technology architecture is an important step to define the outcomes it seeks to achieve over the next decade.

A modular technology architecture, where each tranche delivers benefits and reduces risk

The transformation vision should be complemented by an implementation roadmap depicting how capability will be delivered in tranches to achieve the desired transformation outcomes.

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The indicative border transformation roadmap below comprises three self-contained delivery tranches that incrementally build capability and deliver outcomes and measurable benefits, such as transparent return on investment, that contribute to the future state vision. This is not a prescribed solution, but rather provides a foundation for government and industry to come together, test assumptions and co-design the transformation journey.



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Through modular implementation, each tranche would replace and retire legacy components while maintaining critical systems, keeping the legacy systems active in parallel until the value of improved capabilities have been demonstrated in the final tranche. The idea is to build small permanent capability that retires elements of the legacy system every year.

Prioritising investments according to their ability to take cost out of the technology baseline, such as moving appropriate workloads from legacy infrastructure or replacing point-to-point interfaces with reusable integration services, can progressively reduce sustainment expenditure. Modern engineering approaches can further accelerate this process by simplifying legacy analysis, migration, testing and remediation. Importantly, each investment should have an explicit fiscal benefit: reduce infrastructure cost, remove a legacy platform, eliminate duplicated capability, lower support effort or avoid a future capital requirement.

Future border capability should also be designed to adapt to new technologies and legislative policies. This requires modular technology architecture, agile delivery methods, continuous improvement and governance models capable of supporting ongoing innovation rather than periodic replacement.
Agentic engineering also makes a modular border architecture considerably more achievable. Capabilities such as digital declarations, identity verification, biometric services, risk assessment, pre-arrival decisioning, case management, traveller communications and inspection workflows can increasingly be developed as discrete but interoperable services.

We have seen the impact of this capability directly through our work digitising the UK's immigration and visa system. Using modern build technologies, we built a new cloud-hosted visa platform able to scale to accommodate future immigration rules and legislation, digitising paper-based journeys in a compressed timeframe. The platform supports over 100 visa routes using a mature delivery pipeline enabling rapid deployment of new services. In 2020, the platform Deloitte built was re-scaled in under four weeks to support 150 million form submissions per year, 100x the initial capacity of the existing platform.

Our work with the UK Home Office also entailed technical and continuous improvement workflow that upgraded the immigration platform to the latest technology to reduce build times by 45% and reduced total infrastructure costs by 42% while supporting four times the number of users.

APS workforce uplift and partnerships are essential

For maximum long-term benefit, transformation should also be streamlined to focus on APS workforce capability uplift, productivity improvement, procurement modernisation and strong data integration and cross-agency coordination. Modern build platforms can similarly change how government works with industry. Rather than procuring a provider to spend several years designing and constructing a predetermined system, government can establish a persistent border engineering capability comprising APS personnel, technology partners, specialist SMEs and product teams working on a common engineering platform.

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THE PATH FORWARD

Australia stands at an important junction in the evolution of its border system.

Together, government and industry could test the future-border vision, align on the priority outcomes and explore the practical next steps.

A path walked together

Luckily, the path to border reform does not have to be delivered by government acting alone. Rather than do everything for the first-time, every-time, government has an opportunity to partner with industry to co-design what the path forward would look like, and leverage lessons learned from border modernisation efforts globally.

During our 10+ years working with the UK Home Office we scaled capability quickly and safely supporting immigration services, equipping their visa platform to respond to urgent global events such as COVID-19 or the Russia-Ukraine war.

We have dealt with large volumes of data, evidenced through our work with the US's CBP, where we enhanced the process for enrolment, arrival and performance metrics tracking for its trusted traveller program, which includes Global Entry, NEXUS, SENTRI and FAST. Our experience with these and other border modernisation programs can inform Australia's transformation journey.

Taking the first step

We would welcome the opportunity to continue the dialogue through focused co-design sessions. Together, government and industry could test the future-border vision, align on the priority outcomes and explore the practical next steps.

This would provide a disciplined pathway from shared ambition to coordinated action - building the governance structures, partnerships and momentum required to deliver a **secure, scalable** and **seamless** border for Australia.

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