

customs - summary of outcomes – 10 march 2004

1. Chairman's introduction

Members were welcomed to the 43rd meeting of CNCC.

2. Minutes of CNCC 42

Prior to the meeting one amendment had been made to Item 5 of the Minutes by the International Air Couriers Association of Australia (IACAA) representative. Some members were not comfortable with the wording used in the amendment. There were no other objections to the minutes.

Action: IACAA representative to provide further advice on the issue at the next meeting.

3. Matters arising from the previous meeting

Express Air Cargo vs Postal Carriers

Updated version of Express Air Cargo vs Postal Carriers document was circulated to members on 1 March 2004. Members were asked what might be a suitable variation to the existing referenced document.

The Conference of Asia Pacific Express Couriers (CAPEC) representative stated threshold issues had not been resolved yet.

The Customs Brokers and Forwarders Council of Australia (CBFCA) representative expressed concerns surrounding authorities to be obtained for Customs clearance by Brokers. References were made to *s181, s187 and s189 Customs Act 1901*.

Action:

Members to provide suggestions on variation of the Express Air Cargo vs Postal document. Customs to update dot point E(iii) in relation to GST.

Threshold issues to be discussed at next meeting

CBFCA representative to provide letter outlining issues on authorities for obtaining Customs clearance.

International Issues (including WTO/WCO)

A brief was provided to members on the Unique Consignment Reference (UCR) Number. Members acknowledged it was a satisfactory information document and that awareness of UCR Numbers and their uses needs to be increased throughout industry.

The Chairman outlined the Australia-China agreement, which is a two-year study.

Action:

Customs to give industry periodic updates and make references to UCR Numbers publicly.

Customs to provide update on progress of the Australia-China agreement.

Legislation

National Director Cargo and Trade (ND C&T) will report to CNCC when the Customs Legislation Amendment (Valuation Provisions) Bill has been drafted.

National Director Border Compliance and Enforcement (ND BC&E) reported that the Infringement Notice Scheme and guidelines are currently under review.

Action: Customs to advise whether there will be a new ACN issued to update ACN 2003/57.

Cargo Management Re-engineering

A copy of ACN2003/76 *Exports cutover to be postponed - Cargo Management Re-engineering update*, was provided to Members.

Review of Cost Recovery Charges

A letter on this matter was provided to Customs by the IACAA representative dated the 27 February 2004.

4. Standing Reports

4a. International Issues (WTO/WCO)

International issues were detailed in the agenda paper provided.

The Australian Air Transport Association (AATA) representative raised the question of Australian Government attendance at an International Civil Aviation Organisation Facilitation Division (FAL/12) Meeting in Cairo from 22 March to 2 April. The Chairman undertook to look into the matter and respond to the AATA.

The 2004 APEC Business Forum will be held in Sydney on 15 April 2004. Australian Customs will forward the names of any interested Members to the Department of Foreign Affairs and Trade who are coordinating invitations to the Business Forum.

Action:

Interested Members to contact Secretariat by
COB 12 March 2004.

Customs to respond on attendance at the ICAO FAL meeting.

4b. Legislation

Legislative changes were detailed in the agenda paper provided.

The Chairman advised government agencies might face legislation pressures if an early election is held this year.

The Australian Law Council (ALC) representative asked about processes of the Australia-US Free Trade Agreement (FTA) in relation to Valuation and Tariff Advices. The Chairman advised that Customs was involved in FTA discussions and that the FTA will be cleared through the Joint Standing Committee on Treaties in Australia. There will be a lot of work involving tariff changes. The ALC representative advised the FTA provided for valuation and tariff advices to become reviewable instruments.

The CBFCA representative reported on ozone-depleting gas issues for imported equipment including reefer containers. The CBFCA representative stressed the practicalities of achieving outcomes between Customs and the Department of Environment and Heritage (DEH). Customs acknowledged this issue and confirmed discussions with DEH were already underway.

4c. Update on Customs/CSIRO Project

An update was provided in the agenda papers.

The Chairman gave an outline of the new technology and stated a trial of the equipment is expected to begin in December

2004/January 2005 in Brisbane. The AATA representative asked that Customs engage in consultation with industry in regards to logistics mapping of the airport environment.

ND BC&E advised that discussions had already commenced in Brisbane with the Airport Corporation, QANTAS, Patrick the Australian Stevedore and Australian Air Express.

4d. Cargo Management Re-engineering

A detailed progress report was provided in the agenda papers.

National Director Office Business Systems (ND OBS) reported on Exports industry testing including response times, the Exports cutover date and the expectation of a three-month rollout.

ND OBS stated there would be clear messages advising industry of dates.

The Australian Federation of International Forwarders (AFIF) enquired into the provision of Helpdesk Facilities. ND OBS advised increased Helpdesk resources are being planned for the first two months and support for industry in refresher training in the first 18 months. Customs will be providing refresher training for exporters in all capital cities and major regional centres free of charge. Manuals, Help User Guides and simulations will be provided on the CMR Website.

Industry representatives discussed systems contingencies, entry status, time restraints, peak processing times, and the provision of adequate software. The Chairman indicated he would be talking to representatives on industry expectations.

The Stevedoring Industry representative reported on the implementation of Exports receipt advices and pre-advices before sea containers arrive at the gate.

ND OBS reported on a Business Continuity Planning meeting held with CBFCA, CAPEC, AFIF and software developers held on 10 February 2004.

Action: CBFCA representative to provide Customs with examples of Helpdesk issues.

5. Ministerial Round Table

ND OBS reported on the Ministerial Round Table meeting held on 28 January. Minutes have been distributed and topics discussed included the Accredited Client Program, Cargo Reporting, congested ports, LCL cargo, PKI and Digital Certificates.

Action: Customs to include Digital Certificates information in Fact Sheets.

6. Container Examination Facility (CEF)

A detailed report was provided in the agenda papers. ND BC&E discussed and reported on funding, cost recovery arrangements, storage charges and booking slots.

Customs is conducting a Post Implementation Review of CEFs and has written to industry representatives seeking their comments.

Action: Customs to advise Members of the industry representatives contacted in relation to Post Implementation Review.

7. Shipping Lines Reporting the Ultimate Consignee

The Shipping Australia representative expressed his concern on Consignee details for manifest reporting. He stated it was still not clear as to what consignee details were required to be reported on manifests. He objected to the concept of being obliged to provide ultimate details from Brokers and entering the word "Unknown" would be just as much work. ND C&T stated consignee information is required for risk assessment and meetings were held with industry in February to better understand the issues. Research indicates compliance levels are high. Customs is in the process of working on a solution.

The Shipping Australia representative pointed out that a Fact sheet on the Customs Website was still incorrect, which was reported in the Minutes of meeting CNCC 42.

Action: Customs to amend Fact Sheet for Ultimate Consignees under CMR Imports

8. Import Entry Quality Results (IEQ)

ND BC&E reported on IEQ check results from 1 July 2003 to 31 January 2004. Results of IEQ checks are made available to the CBFCA. IEQ checks are to be discontinued and information will be gained via other avenues.

The CBFCA representative asked about improving the analysis and evaluation of the data collected and how to address compliance issues once identified.

Action: Customs to identify areas of improvement for the use of data.

9. Infringement Notice Scheme

ND BC&E reported twenty-six Infringement Notices have been issued and all notices issued have been paid. The scheme is currently available for six offences under *s33(2), s33(3), s33(6), s113, s243T and s243U Customs Act 1901*.

It was noted that Infringement Notices are only one element of the strategy to encourage compliance. Customs provides education and training, discusses non-compliance with companies and in some cases issues warning letters before issuing infringement notices.

10. Client Survey Feedback

ND C&T updated members on this topic.

The CBFCA representative advised they would like to be party to consultation concerning client survey results. Members were invited to become party to consultation.

Members agreed that consultation in regards to Client Survey Results should take place through a Round table of all Members who wished to participate.

Action: Customs will contact Members to set meeting dates and details.

11. Treatment of Minutes

The Chairman provided an overview of the current approach to the Treatment of Minutes. The ALC representative expressed his concern in allowing the amendment of Minutes before the next meeting. The Chairman referred to the Minutes of CNCC meetings 21 and 22 where members wanted the record of meetings cleared before publishing and that a Summary be drafted, sent to them for their approval within three working days after the meeting and be given ten working days to comment. After incorporating any changes, the Summary could be published on the Internet, with a caveat stating that the formal minutes still require approval by CNCC.

Action: Members agreed that there be no change in the current Treatment of Minutes - A Draft of minutes is sent to members for their approval within three working days after the meeting and Members are given ten working days to comment. After incorporating any changes the Draft Minutes are published on the Internet with a caveat stating that the formal minutes still require approval by CNCC.

12. Other Business

12a. Cargo Automation Development Funds (CADF)

The AFIF representative raised the CADF issue and whether it had been confirmed the funds would be used for purchase of Digital Certificates.

ND C&T presented a paper outlining background, eligibility and timing for disbursement of CADF funds.

12b. Post Implementation Review - Increased Quarantine Inspection (IQI)

Members discussed AQIS charges in relation to IQI.

The Chairman advised the government review on IQI is due 2004/05. Customs reviews user charging on a 6 monthly basis.

Action: Customs to report on Post Implementation Review.

12c. Dumping Administration Resources

The ALC representative raised the issue of adequacy of resources to deal with Dumping Administration.

Action: ALC to submit questions/issues in writing.

12d. Date of Next Meeting

The tentative date for the next meeting is Wednesday 16th June 2004.