

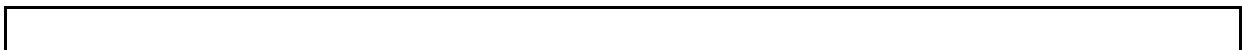


**Australian Government**  
**Australian Customs Service**

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**INSTRUCTIONS AND GUIDELINES**  
**FILE NO: 2008/004155-01**

*Programmed Cargo Examinations  
Conducting an Examination at Clients  
Request*



THIS INSTRUCTION AND GUIDELINE REFERS TO:

**PRACTICE STATEMENT NO: PS2008/28 Programmed Cargo Examinations (Imports)**

**PUBLISHED DATE:** 14 August 2008

**AVAILABILITY:** Internal and External

**SUBJECT:** Cargo Examinations Conducting an Examination at Clients Request

**PURPOSE:** To set out procedures for conducting an examination for lost, damaged and destroyed goods as well as a Visual Examination where the importer has insufficient information to properly complete a Customs' declaration.

**OWNER:** National Director Cargo Division

**CATEGORY:** Operational Procedure

**CONTACT:** Director Sea Cargo Operations (Vic)

*The electronic version published on the intranet is the current Practice Statement.*

#### SUMMARY OF MAIN POINTS

- An importer may request an examination of imported goods when they have insufficient information of a consignment at their disposal to properly declare the goods to Customs.
- An importer may also request an examination if goods on which duty has been paid, or is payable, have been damaged, lost, deteriorated or destroyed.
- On completion of examination, the Cargo Examination Report (form B764) is signed, dated and stamped by the Customs Officer before being signed off by the freight forwarder or their representative at the examination.
- Prompt recording of the examination into the EXAMS II database is essential.

#### INTRODUCTION

Clients may request their goods to be examined for a number of reasons, as follows:

##### 1. Visual examination

An examination of goods conducted at the request of an importer, in the presence of a Customs officer and when the goods are under Customs control, when insufficient information has been provided by the owner to correctly declare the goods to Customs.

##### 2. A pillage/survey examination

An examination of goods conducted at the request and expense of an importer, in the presence of a Customs Officer to determine whether

- a. The goods on which duty has been paid, or is payable have deteriorated or been damaged, lost or destroyed after being received at the place of export of the goods and before the goods become subject to the control of Customs;
- b. The goods on which duty has been paid or is payable have deteriorated or been damaged or destroyed while subject to the control of Customs; and
- c. The goods on which duty has been paid or is payable
  - Have been lost while under the control of Customs; or
  - Have been stolen after being received at the place of export of the goods and before the goods have left the control of Customs

#### INSTRUCTIONS AND GUIDELINES

##### Definitions:

Importer – For this instruction, importer refers to the importer, owner, broker, customs agent or any representative appointed by the importer.

Freight Forwarder – For this instruction, freight forwarder refers to any representative of any shipping company, airline or freight forwarder who requested the exam.

### **Prior to the examination**

- The Programmer receives the booking for the examination from the importer, allocates the job and attaches a job sheet to the paperwork.
- The Examining Officer collects the job sheet and accompanying paperwork prior to undertaking the examination so that any queries can be raised with the issuing officer or Programmer prior to leaving the office.
- Check if a pillage exam is appropriate by determining if the consignment to be examined meets the following requirements:
  - Goods are under Customs control (S30);
  - Goods are located at a Customs Prescribed Place such as a S15 wharf, S77G Depot or S79 Warehouse;
  - Goods are subject to S68;
  - The freight forwarder or owner has requested the examination to be conducted; and
  - The freight forwarder or owner has scheduled the examination with the Programmer.
- Consider OH&S issues
  - Personal Protective Clothing and Equipment (PPE);
  - Check documents to ensure container has been fumigated and approval has been given to unseal/unpack the container prior to inspection (to allow fumigants to dissipate);
  - Consider whether the goods themselves may be dangerous;
  - Take the tools to perform the task safely and effectively; and
  - Check that vehicle assigned to the job is suitable. That is, if travelling to a waterfront area the vehicle must be appropriately marked and fitted with safety lights.
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**Note: Officers are not to enter containers under any circumstances.**

### **Examination**

- On arrival, park in a safe area and if appropriate, switch on safety lights.
- Comply with all OH&S requirements at the premises.
- Ensure Customs' examination documents are kept secure and private. "Job Sheets" are protected documents and must be handled accordingly.
- Ensure the examination can be performed in a safe area. Consult the premises staff if you require more space to conduct the examination. It is a requirement of the premises operator to provide adequate floor space for an examination to be conducted safely.
- Check marks and numbers of the consignment against documentation to ensure the correct goods are being surveyed.
- Check exterior of packages for signs of damage. If any damage present photograph and make notes.
- Check goods against invoice, entry and packing lists and record details on a B764 form including:
  - Number of packages,
  - Nature and extent of damage or loss,

- If packing list is available, note what the packages were said to contain and what it was found to contain,
- If the packing list is not available, note the quantities contained in the packages being surveyed.
- Photographs should be taken of any items as evidence of damage.
- Maintain an overall Customs perspective. Keep an eye out for anything that may be suspicious or of interest to Customs.
- Complete a Cargo Examination Report (B764.)

**Note: The physical examination is to be performed by the freight forwarder/importer.**

#### **After the examination**

- On completion of examination, the Cargo Examination Report (B764) is signed, dated and stamped by the Customs Officer before being signed off by the freight forwarder or their representative at the examination.
- If the information indicates that the goods have been lost damaged or destroyed, endorse the B764 – Cargo examination report by writing “Possible pillage has occurred” and stamp accordingly.
- Distribute B764 as follows:
  - Original: give to the owner
  - 1st Copy: give to the freight forwarder
  - 2nd and 3<sup>rd</sup> Copies: retain for filing
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#### **RELATED POLICIES AND REFERENCES**

##### **PRACTICE STATEMENTS**

- Programmed Cargo Examinations (Imports)

##### **OTHER INSTRUCTIONS AND GUIDELINES**

- Conducting a general cargo examination.

## **KEY ROLES AND RESPONSIBILITIES**

### **Examination Officer (EO) – Is responsible for:**

- Completing the examination in accordance with the process steps;
- Reporting back to the Programmer with his/her findings; and
- Prompt recording of the examination into the Exams II database.

### **Programmer – Is responsible for:**

- Booking and scheduling examination jobs and
- Responding to queries from Examining Officers.

## **CONSULTATION**

### **INTERNAL**

The following internal stakeholders have been consulted in the development of these Instructions and Guidelines.

- Cargo Operations (South)
- Cargo Operations (North)

## **APPROVAL**

Approved on 11 August 2008 by:

ND Cargo