



## **AUSTRALIAN CUSTOMS AND BORDER PROTECTION SERVICE PRACTICE STATEMENT**

**FILE No:** 2009/030304-01

<b>Practice Statement No:</b>	PS2009/22
<b>Published Date:</b>	<b>14 July 2009</b>
<b>Review Period:</b>	Biennially
<b>Availability:</b>	Internal and External

**SUBJECT:** Inspection and Examination of Sea Cargo

**PURPOSE:** To detail the process for the examination and inspection of imported and exported sea cargo at Container and Cargo Examination Facilities (CEF)

**OWNER:** National Director Cargo

**CATEGORY:** Operational Procedures

**CONTACT:** National CEF ISO Coordinator, Sea Cargo Improvement

### **SUMMARY OF MAIN POINTS**

Customs Practice Statements are endorsed Customs and Border Protection policy and must be followed by all Customs and Border Protection employees. This Practice Statement outlines Customs and Border Protection:

- high level policy and objectives for the inspection and examination of sea cargo
- application of examination standards and guidelines relevant to sea cargo
- application of technology and equipment in the examination of sea cargo
- interaction with industry and other Government agencies
- ISO 9001-2008 Quality Management System certification

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

## Introduction Statement

The purpose of this Practice Statement is to ensure parties involved in the import and export of sea cargo are aware of the purpose and operations of Customs and Border Protection Container and Cargo Examination Facilities. This Practice Statement provides policy guidance to Customs and Border Protection officers in the sea cargo environment, driving consistent processes and documentation for the inspection and examination of sea cargo coming into and leaving Australia.

## Scope

The Practice Statement covers the processes at Container and Cargo Examination Facilities (CEFs) from the time sea cargo enters the CEF to the time it exits the CEF.

This Practice Statement applies to staff and facilities in the following locations:

- Container Examination Facilities in Brisbane, Fremantle, Melbourne and Sydney
- Cargo Examination Facilities in Adelaide, Darwin, Launceston, Newcastle, and Townsville.

This Practice Statement includes information and policy about the following:

- the targeted examination of high risk sea cargo
- referrals to external agencies and internal Customs areas of matters for further action
- the use of electronic systems to record and capture information relating to CEF activities and performance
- facilitation and protection of legitimate trade
- management of service level agreements with service providers to facilitate the examination of sea cargo
- CEF Quality Management System.

This Practice Statement and related instructions and guidelines must be complied with by all Customs and Border Protection Officers undertaking sea cargo intervention activities at CEFs.

## Policy Statement

### Background

Customs and Border Protection is tasked to establish, operate and support Container Examination Facilities (CEFs) in Melbourne, Sydney, Brisbane and Fremantle and Cargo Examination Facilities (CEFs) in Adelaide, Darwin, Townsville, Launceston and Newcastle.

CEFs have been designed to address a full range of border risks, including counter terrorism and drugs. The primary function of CEFs relates to intervention at the border to prevent the import or export of narcotic, precursor chemicals, weapons, Intellectual Property Right (IPR) infringements and other prohibited goods, and to control the movement of restricted goods in accordance with Customs National policies, practices and objectives.

All of the CEFs operate on the basis that all sea cargo entering and leaving Australia is risk assessed and Customs and Border Protection intervenes to inspect high risk cargo.

CEFs key activities include:

- screening, x-ray and physical examination of cargo containers and other sea cargo
- provision of support to industry to ensure that legitimate cargo is facilitated across the Australian border including the timely clearance of sea cargo through the inspection/examination process
- detection and referrals to external agencies and internal Customs areas of matters for possible investigation/prosecution
- post detection activity in response to identified non-compliance

Customs and Border Protection examines many forms of sea freight, however the majority of cargo inspected and examined at CEFs is in the form of containerised cargo, measured in twenty foot equivalent units (TEU).

Government funding for CEF activities is linked to Portfolio Budget Statement (PBS) throughput targets that provide CEFs with the capacity to inspect all high risk cargo and a range of lower risk cargo, while facilitating the movement of legitimate trade.

The Portfolio Budget Statements (PBS) target for 2009-10 includes an overall annual national inspection target of 101,500 TEU, which includes 14,000 TEU in physical examinations.

All CEFs combine x-ray inspection with physical examination and a range of other technologies.

The targeted examination of high risk cargo is achieved by:

- adherence to Border Targeting priority guidelines
- adherence to Customs and Border Protection Client Service charter in relation to the timeliness of examination and release of cargo where no illicit or illegal activity is detected
- ensuring Sea Cargo operations staff possess the necessary skills and competencies to maintain operational effectiveness, including the application and use of available technology
- adherence to relevant Customs and Border Protection Instructions and Guidelines and relevant OH&S policies and guidelines.

Referrals to external agencies and internal Customs and Border Protection areas for further action are achieved by:

- application of the Investigations Referral guidelines and the Customs and Border Protection Service/AFP Memorandum of Understanding
- adherence to Instructions and Guidelines relating to post detection activities
- provision of statements and attendance at court when required.

The use of electronic systems to record and capture information relating to our activities and performance is achieved by:

- operational responsibility and requirement for recording and reporting sea cargo examination activities in EXAMS
- adherence to relevant Customs and Border Protection Instructions and Guidelines.

The facilitation and protection of legitimate trade is achieved by:

- the use of a risk based approach to targeting cargo
- completing the vast majority of risk assessments for cargo within 24 hours of all the required information being provided
- using flexible logistics arrangements with Stevedores and contracted service providers to minimise delays and additional costs to industry
- advising industry where there are significant delays in inspecting cargo at its CEFs of the delays through: an email advice; a notice to ICS users; a message on the ICS website; or advice to industry associations to let their respective members know.
- documented procedures for the operations of CEFs
- regular external and internal auditing program to test compliance with legislative requirements and procedures
- a complaints process that allows public access to stakeholders to seek redress for undue delays to cargo clearance
- Detention and seizure of goods from non-compliant importers and exporters.

Management of service level agreements with industry to facilitate the examination of sea cargo is achieved by:

- managing the prioritisation of containers targeted for inspection at the CEFs
- managing movement of containers and other types of cargo to and from the CEFs
- managing the provision of labour to assist with the physical examination of goods at the CEFs
- communication with industry stakeholders
- being responsive to changes in industry practice
- informing industry of proposed changes by Customs and Border Protection in relation to the sea cargo logistics environment
- responding to feedback from our stakeholders in a timely manner

To meet the stringent radiation safety standards imposed by the Australian Radiation Protection and Nuclear Safety Agency, and the World Health Organisation safety standards for the x-ray systems, the CEFs situated in Melbourne, Sydney, Brisbane, Fremantle and Adelaide are certified under the ISO 9001:2008 Quality Management System standard for quality management systems, Certificate Number QEC20436.

The ISO 9001-2008 Quality Management System certification is achieved by:

- a commitment to maintaining and continually improving the effectiveness of CEFs quality management systems in accordance with the requirements of this International Standard to recognise customer requirements, continually improve existing processes/services, identify deviances from accepted practice and implement strategies to produce high quality outcomes.

The Quality Management system is also applied in Cargo Examination facilities in Launceston, Newcastle, Townsville and Darwin although these sites are not required to be certified.

The CEF quality management system covers the processes and procedures for the inspection and examination of imported and exported sea cargo from the time sea cargo enters the CEF to the time it exits the CEF – “*gate in to gate out*” (see *Attachment A, B*).

The CEF Quality Objectives and Risk Assessments are stated in each CEF’s Team Plan (TPs). While each CEF is responsible for the day to day operations and services delivered, some processes such as Complaint Handling are managed by Central Office.

CEFs statements of a quality policy are listed in the Customs and Border Protection Annual Plan, Divisional Business Practice statements, Cargo Operations Branch Business Plan and in this Practice Statement.

## Related Instructions and Guidelines

Managing the Quality Management System  
Auditing and Monitoring  
Performance Measures and Clients  
Document Control and Record Management  
Control of Non-Conforming Product  
Purchasing and Supplier Evaluation  
Complaints Handling Procedures  
Guidelines and Instructions related to CEFs operations

## Related policies and references

This policy statement must be read in conjunction with any legislation, instructions or guidelines specific to the Customs work areas including the relevant occupational health and safety policies.

## Key roles and responsibilities

National ISO Coordinator, Sea Cargo Improvement, Canberra

## Consultation

### External Consultation

Not Required

### Internal Consultation

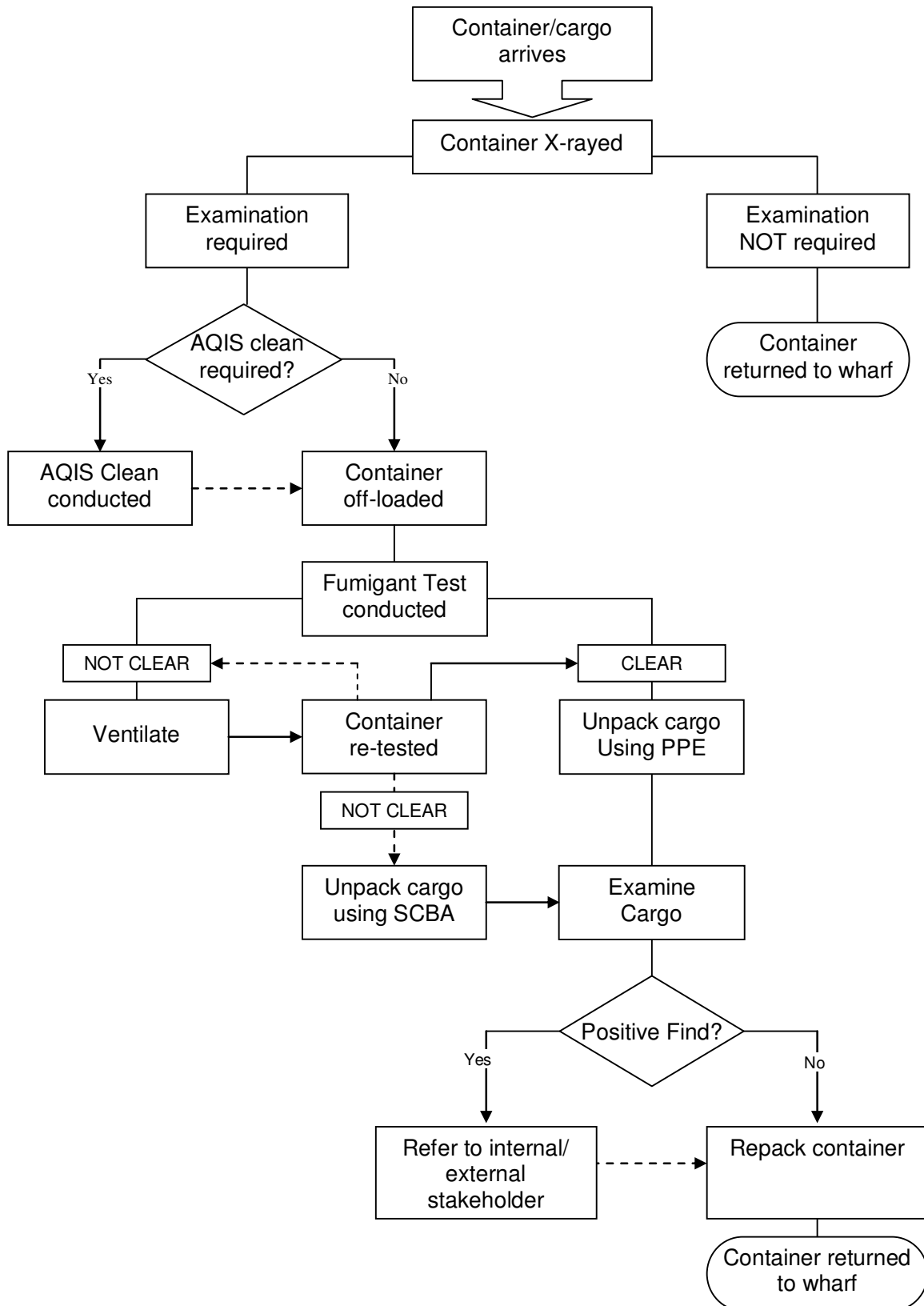
The following internal stakeholders have been consulted in the development of this Practice Statement:

- CEF Managers
- Sea Cargo Improvement
- Cargo Division Executive

### Approval

<b>Approved on</b>	9 July 2009	(signature)
<b>By</b>	Jaclyne Fisher National Director Cargo	
<b>Endorsed on</b>	10 July 2009	(signature)
<b>By</b>	Neil Mann DCEO P&TF	

**Attachment A CEF process flow at Brisbane, Fremantle, Melbourne and Sydney Container Examination Facilities**



**Attachment B CEF process flow at Adelaide, Darwin, Launceston, Newcastle, Townsville Cargo Examination Facilities**

