



ICS User Representative Newsletter

16 September 2003

Number 11

In This Edition

This newsletter provides an update on the different components of the ICS with some exciting news on the Digital Certificate front.

My centrepiece this month is a timely update from those parties who will be provide a range of bureau services to the import/export community with the introduction of CMR.

Digital Certificate (PKI) Update

At last! Verisign has now opened its site to accept applications for digital certificates. Gregg Rowley, Managing Director, Verisign Australia yesterday advised:

"I am pleased to confirm that as of yesterday, 15 September 2003, you are now able to obtain a digital certificate for use with Customs from the VeriSign Australia website www.verisign.com.au/gatekeeper/customs/.

As you may recall, you will need a digital certificate if you want to communicate directly with Customs' new Integrated Cargo System (ICS).

We encourage you to visit the site to familiarise yourself with the certificate enrolment process www.verisign.com.au/gatekeeper/customs/.

You may also wish to download the step-by-step user guides commissioned by Customs that explain the digital certificate enrolment process at <http://www.verisign.com.au/support/gatekeeper/customs/>."

I will undertake the entire process myself and report on the experience in the next newsletter.

Release 2 (Exports)

Joint ACS/CBFCA Training for Exports has started!

Just a quick reminder that training in the use of the new export system has begun copy the link below, and paste in your browser to find out when the team will be in your region.

http://cbfca.com.au/cbfca_site/site/page.asp?flash=ok

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"Joint ACS/CBFCA Training for Exports has started!"

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CLARIFICATION

I have an errata last newsletter's piece on discussions with sea CTOs.

- 1) A 'valid' CAN means that the number passes the algorithm test for a CAN, and does not mean it has been 'cleared' by Customs
- 2) Sea CTOs will not be contacting relevant parties in the event of a consignment receiving a "DO NOT LOAD", Customs sends the carrier that message

Thanks to Mary-Jo from Patrick for the amendments.

RELEASE 2 TESTING

In response to continuing concerns regarding the number of incidents and general lack of stability of the Release 2 Testing environment, the acting Director ICS Transition and Testing has advised:

"Customs is aware of the current difficulties re testing and outstanding issues of Software Developers and we are working to provide detailed feedback to all concerned. We will be publishing a report of outstanding issues along with their current status and any workarounds if applicable starting from mid next week. Hopefully this will go some way towards addressing the current issues. We would encourage any feedback from interested parties on the content and format of this report"

Release 3a & 3b (Imports)

Imports - SOFTWARE DEVELOPERS WORKSHOP

Following on from the success of the recent Import Declarations workshop for software developers, Customs will be making amendments to the software developers' guide then hold a workshop on Import Cargo reporting in mid-late October. Venue and dates will be announced once finalised.

ATTENTION 77G DEPOTS AND CTOs!

Customs recently convened a meeting with a representative group of 77g Depots and CTOs in Sydney to discuss a change to the messages that will be used for depots and CTOs to outturn LCL/FAK and break-bulk cargo.

In essence, Customs want to use a 'Cargo Status Advice' (CSA) message instead of the proposed 'Cargo Extract'. There was general agreement that Customs could go ahead with the proposal on the proviso that the following changes are put in place:

1. Add "Goods Description" from the Cargo Report to the Cargo Status Advice Message if the Cargo Type is Bulk or Break Bulk. (Sea Only)
2. Add "Goods Description" from the Cargo Report to the Underbond Advice Message if the Cargo Type is Bulk or Break Bulk. (Sea Only)

**ATTENTION 77G
DEPOTS AND
CTOS!**

3. Modify existing Status Transmission timing as follows;
 - If the Cargo Type is Bulk or Break Bulk, transmit CSA to release point regardless of whether the Cargo "Clear" (Sea Only.)
 - If any cargo is reported after the Scheduled Arrival Date (On the IAR) and the vessel/aircraft has left its last overseas port of departure, transmit Status immediately. (Sea and Air) (i.e. do not wait for the screening period to expire).

Please contact me for further information on this issue, or for a full copy of the minutes.

Bureau Services

With the introduction of the ICS, industry will have a much wider choice in the way they deal with Customs for cargo import and export cargo reports and declarations. As well as the current EDI methods, industry will be able to provide information to Customs directly through the Customs Interactive facility.

However, yet another option exists that may be a viable alternative to either of the above options: using a Bureau service to either submit information on your behalf, or use their systems as a conduit to Customs.

I asked Customs and a number of organisations who have advised they will be providing bureau services to provide input for this newsletter. Here is what they have to say:

CUSTOMS

1. *Will bureaus be able to continue to provide a connection between customers and Customs?*

Yes. Bureaus can continue to provide a direct connection between its existing customers and Customs, however there will be some differences between the existing arrangements and those that will operate under the ICS.

2. *How will the PKI work for Bureaus when performing the PKI function for clients i.e. Owner/agent, etc?*

The Public Key Infrastructure applies to all parties directly communicating to Customs. The role of the Bureau under this arrangement needs to be clarified. If the Bureau is merely passing on already signed and encrypted information to Customs, then the Bureau itself does not require a Digital Signing Certificate.

However, if the Bureau is providing a signing and encryption service, the Bureau must have a digital certificate. In this case, the owner is merely the provider of the information and is not required to have a digital certificate. However, if the owner wishes to use the Customs Interactive facility they are directly communicating with the Integrated Cargo System, and accordingly they would require a Digital Certificate.

3. *Will Bureaus be required to register for ICS themselves?*

Yes. All parties who are directly communicating with Customs must be registered with the Integrated Cargo System (ICS).

4. Will Bureaus be allowed to register for ICS on behalf of Clients?

Yes, however this question must be answered in context and question 2 also refers. If the client is the owner of cargo and will appear on either an import or export declaration, then they must be registered within the ICS and bureaus will be able to provide this service. This would alleviate the need for the client to obtain a digital certificate, if they did not intend to avail themselves of the Customs Interactive facility at any stage.

Note that a digital certificate identifies the party communicating with Customs. A bureau therefore could not sign and encrypt messages as if they were another party.

5. Will there be any specification of Audit Trails that Bureaus will be required to keep?

Any party who communicates directly with Customs must keep records that verify the content of the communication for 12 months. Customs do not prescribe any particular format for the data, so long as it is readily accessible and in English.

6. What is the liability for communication to Customs by Bureaus?

Subject to the operation of the Infringement Notice Scheme Guidelines released by Customs CEO in 2002, if the Bureau signs a communication, it will be subject to the penalties related to the type of report being provided. Please note, however, that there are proposed amendments to the Customs Act currently before Parliament directly related to communication obligations and responsibilities. The amendments seek to provide the following: that a person commits an offence who makes, **or causes to be made**, a statement to Customs that is false or misleading (including a cargo report or outturn report). Provided a direct communicator has acted reasonably, within the scope of its authority, and can show an appropriate documentary/audit trail, the liability may move away from the reporter of the information to the person that caused the information to be supplied to Customs.

The essence of the situation is that any person who signs a communication to Customs on behalf of another will be regarded as responsible for the content of that message. If person A prepares a message but uses a transport medium provided by B to send it, Customs would expect A to sign. If the arrangement between A and B is that B signs, Customs starting point would be that B is responsible for the message and its content. If B is a bureau, then the bureau would be the focus of attention for liability.

If the person who signs is able to demonstrate that they reasonably relied on information from another as the basis for the communication, in other words that they did not affect the content of the message or only affected a part of it, it would be open to Customs to look to such other person as

*Exit 1 Bureau into
ExportNet into
CMR – business as
usual!*

being responsible for the actual content of the communication - that is to the person who 'caused' the statement to be made rather than the person who 'made' it. By reference to my example, even if B has signed, A could be liable for inaccurate information and potentially a penalty. In this instance it would be important for B to be able to demonstrate (i) a clear audit trail to show in what way they affected the content of the message, and/or (ii) a reasonable business process for giving assurance that information received from A was reliable.

TRADEGATE

'PKI-less' access to Customs

Exit 1 Bureau into ExportNet into CMR – business as usual!

The next phase of Customs Cargo Management Re-engineering (CMR) will replace EXIT with the new Integrated Cargo System (ICS) functionality to handle export cargo reporting and export declarations. Users will be able to use Electronic Data Interchange (EDI) messaging (e.g. from their own software), a bureau service (e.g. through TradeGate) or the Customs Interactive (Internet-based access to the ICS) to comply with the requirements of the Customs Act.

Users will require Public Key Infrastructure/Digital Certificates to communicate electronically with Customs to report export cargo and lodge export declarations. This is where the TradeGate comes in!

As readers will know Tradegate's Exit 1 bureau users are progressively being migrated to new technology within ExportNet. We are also working to make ExportNet CMR compliant, which means that users of ExportNet who wish to access the ICS for Export Declaration Numbers (EDNs) will NOT have to go through the PKI/digital certificate registration procedure with Customs and other parties.

There are a few technical and legal issues that need to be resolved, but the basic principal is sound and has been accepted by Customs. That means current and future users of ExportNet will make the transition through February and March 2004 from Export Clearance Numbers (ECNs) to Export Declaration Numbers (EDNs) without any hassles or major changes to the way they currently do this part of their business - business as usual!

Apart from not having to get company or individual Digital Certificates (DCs), Evidence of Identity (EOI) or anything else in the PKI process, the most exciting part is that ExportNet users will also be able to access a whole range of additional electronic export transport documents.

ExportNet allows users to send an electronic Export Receiving Advice (ERA) to any terminal and get electronic booking confirmations from their shipping line. ExportNet's ability to aggregate original information from different parties within the export transport chain allows inputs from different sources to combine with the information from the Export Declaration to form an:

- Export Receiving Advice (ERA)
- Forwarding instruction (FI)
- Draft bill of lading or waybill.

These additional features are included in the cost of an export declaration.

Manage the CMR changes with Connect - "Business as Usual"

A number of users have asked whether Tradegate will offer the same type of service for the Import phase of CMR in July(!?) 2004. At this stage, the full requirements of the import phase are not clear, but we have every intention of offering a similar service and will keep users up to date with developments in this area.

For more information, contact Tradegate ECA.

CONNECT.COM

Manage the CMR changes with Connect - "Business as Usual"

"The complexity of Cargo Management Reengineering (CMR) has created new requirements for compliance" says Neil Perry, General Manager eCommerce, Connect. "In consultation with industry, Connect has developed an approach to messaging and communications guided by the principal of "Business as Usual"."

"We have been connecting business directly with Customs for over 12 years so, we have the experience to make the transition to CMR simple. After discussing the coming changes with Customs, we incorporated the CMR requirements when we upgraded the Compile network to Tradeway." he continues.

"Tradeway runs at an extraordinary level of reliability – I think that most users barely realise it's there, simply because it never goes down. That sort of robust reliability is exactly what industry requires."

Tradeway Direct

Industry is already using the Tradeway network to access Compile and for EDI every day. Post CMR, as Tradeway Direct – it will provide a safe, robust connection directly into Customs without passing through the uncertainty of the public Internet.

Following CMR, there will be several options for communicating with Customs; pay for an expensive direct line into Customs, go through the public Internet via a regular ISP or stay on Tradeway Direct and use our super-speed connection directly into Customs.

"Tradeway Direct gives every member of the freight industry the same quality of connection that the big end of town has," says Mr Perry. "It has many other benefits as well, such as secure Internet access from behind our secure firewalls, the creation of Virtual Private Networks (VPNs) to link branch offices securely and emerging technology such as Voice over IP (VoIP) allowing you to use your Tradeway connection to cut long-distance telephone costs" he explains.

Tradeway Hosted

However, having a line directly into Customs is not the end of the process. The messages being sent and received still need to be handled in a secure way - and, with the advent of CMR, businesses will require Public Key Infrastructure (PKI) certification.

"The process of PKI certification and management is complicated, and needs processes to manage staff movements, equipment change and certificate renewal" says Mr Perry. "Connect has gained server level PKI certification and has also received confirmation from Customs that our certificate can be used by our customers to encrypt their messages."

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Tradeway Hosted is more than PKI – it is a complete message management service that offers "track and trace", message format translation and protocol conversion (from FTP to SMTP) and seamless integration into your existing software package.

Tradeway Hosted includes a specialist help desk for the message management process. Our help desk is the only practical way that problems will be able to be tracked and resolved by specialist engineering staff who are familiar with the industry" he explained

"Connect's Tradeway Direct and Tradeway Hosted offer business grade reliability and industrial strength support"

CUSTOMS and CARGO ADMINISTRATORS (CCA)

All you need to be CMR compliant is:



"CCA – WE WORK WITH YOU!"

CCA services include:

- SEAMLESS CMR COMPLIANCE
- ALL CUSTOMS REPORTING
- USE OUR PKI TO COMMUNICATE WITH CUSTOMS
- FULL-TIME OR CONTINGENCY SERVICES AVAILABLE
- TRANSLATION FROM INCUMBENT SYSTEMS HERE IN AUSTRALIA OR OVERSEAS FOR CUSTOMS REPORTING
- OVER 50 YEARS COMBINED INDUSTRY EXPERIENCE
- PRO ACTIVE ISSUE RESOLUTION
- STAFFED WITH EXPERIENCED INDUSTRY STAFF

NOT JUST A MESSAGE FACILITATOR

THE BUREAU WITH THE SMARTS!

Call CCA on 02 9667 1364

CCA – WE WORK WITH YOU!

1-STOP BUREAU SERVICE

1-Stop Connections is the messaging hub for P&O Ports and Patrick Stevedores and as such will provide all Export and Import messages

relating to Sea Container Terminal Operators and Depots for CMR. As the messaging hub, 1-Stop will provide all message translation, PKI Security and management of the business rules between ACS and the Terminals and Depots.

1-Stop will focus on the Sea Cargo operations of the Stevedores and Depots and is able to offer this service to all terminal or depot operators who are capable of sending and receiving electronic files. These services are based on the CMR EDI messages and 1-Stop can offer translation of most electronic files to the ACS EDIFACT standards.

For operators that do not have computerised terminals or are unable to send and receive electronic messages, 1-Stop has developed a web-based system for the lodgment of Customs messages. This system enables operators to lodge the messages with customs, receive notification of responses and view / print the receivals by vessel and voyage rather than by message.

1-Stop is currently investigating a number of potential applications such as the linking of Customs Export Declarations to the Export Pre-Advice to make the export process simpler and more efficient. We are also looking at creating the Main Manifest and Sub-Manifests for shipping lines to send to Customs. Currently 1-Stop users have access to Container Visibility applications, vessel schedules and Alerts.

1-STOP provides a simple but complete view of all vessels arriving and departing for all major Patrick and P&O facilities around Australia. You can also track the container that you are looking for using the container visibility section.

The 1-Stop Alerts and Notifications feature enables you to request notifications on any container, vessel or truck event including: - when the Vessel appears in the vessel schedule, when your cargo has arrived and its estimated availability date, when it is discharged or loaded and when free time at the wharf is about to expire and when a container arrives or leaves the terminal or depot. You can receive this notification via Email or SMS. The email notification can be mapped directly to your enterprise system automatically populating your database.

1-Stop also has its Export Pre-Receipt Advice (currently known as the Export Receipt Advice ERA) and creates separate messages linking directly to the stevedore and your shipping line or agent.

For further information, please contact 1-Stop via email at helpdesk@1-stop.biz or call 03-9322-3502.

Next Issue

From the next newsletter, I will devote a new section to issues that have been raised with Customs for action, answers or direction. This "issues log" will be an avenue through which industry can have an "on the record" account of matters that are awaiting Customs resolution. Let me know if you have any outstanding matters that need to be chased up.

In addition, I will provide a full rundown on my experience obtaining a digital certificate from VeriSign.

"I will provide a full rundown on my experience obtaining a digital certificate from VeriSign"

Special Announcement

I do not normally include announcements of a general nature, or paid advertisements, but I consider this an exceptional circumstance in the community interest.

Clare Freeman, well known in the import/export community is moving onto greener pastures within connect.com.

Connect is seeking a person who can measure up to high standards set down by Clare.



eCommerce Account Manager

Reporting to the Manager – Trade & Transport, the eCommerce Account Manager will be responsible for:

- Managing small to medium enterprise (SME) customers in the Trade & Transport sector; identifying and developing Executive relationships within these companies
- Managing the 'channel' environment of the department by dealing with software houses in that strata
- Manage accounts nationally and co-ordinate sales and marketing activities within assigned territory
- Negotiate clientele pricing within the Marketing/Sales policy
- Accurately forecast business opportunities
- Generate and close enhanced business opportunities
- Liaising with internal and external stakeholders.
- Maintaining a professional approach to tailoring clients needs
- Complete required documentation for implementation of solution
- Securing sales opportunities to exceed monthly sales targets

The successful candidate will have in depth experience and working knowledge of the trade sector and the Australian Customs CMR requirements. A proven success in a sales environment would be an advantage. Furthermore, the candidate will have the ability to understand the associated business requirements in relation to telecommunication services such as Tradeway, broadband and converged IP offerings.

It is also a necessity that the candidate has thorough attention to detail complimented by excellent communication, management, organisational and interpersonal skills. Presentation skills would be advantageous.

Applications close on Wednesday 24th September 2003.

Please register your interest to webmaster@connect.com.au

Further information can be had by calling Ron Aitken on (02) 9911-1521

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