



## 1. Meeting Agenda

**Meeting Number:** 03/06  
**Meeting Name:** Trade Facilitation Forum  
**Date:** Wednesday 30 August 2006  
**Time:** 11:00am  
**Location:** Customs House  
10 Cooks River Drive  
Sydney International Airport

## 2. Invitees/Attendees

Y-in attendance, A-apology

### **Customs**

Y Gail Batman (Regional Director)  
A Jane Bailey (Regional Manager Cargo Assurance & Trade)  
Y Graeme Charwood (Regional Manager Border Compliance & Enforcement)  
Y Jim Fleming (Director Compliance Assurance)  
Y Peter Stankiewicz (A.g. Director Cargo & Trade)  
Y Karen Williams (Director Cargo Assurance)  
Y Tracy Alston (Supervisor Compliance Assurance Team 5)

### **AFIF**

A Brian Lovell (CEO AFIF)  
A Paul Angel  
Y Stuart McFarlane

### **CBFCA**

A John Law (President CBFCA NSW Branch)  
Y Tony Fatouros  
Y Michael Hudson  
A Andrew Crawford  
Y Paul Zalai

### **CAPEC**

A Chris Charlton  
A Stephen Ly  
A Robert Battistel

### 3. Agenda

<b>Item No.</b>	<b>Subject</b>	<b>Presenter</b>
1.	Welcome and Apologies	
2.	Minutes from the previous meeting	
3.	Matters arising from the previous meeting	
4.	Regional ICS Issues	Customs
5.	Container Examination Facility update	Customs
6.	Operation of the Infringement Notice Scheme	Customs
7.	General Business	
8.	Next Meeting	

### 4. Minutes

Meeting commenced 11:10am

#### **ITEM 1 Welcome and apologies**

Gail Batman formally welcomed everyone to the meeting.

#### **ITEM 2 – Minutes from the previous meeting**

The Minutes from the previous meeting held on 28 June 2006, were accepted.

#### **ITEM 3 – Matters arising from the previous meeting**

##### Print Screen Releases

Customs has adopted a national strategy that should stop Depots reliance on the issue of print screen releases. The strategy involves Customs identifying companies that still rely on print screen releases and is offering them assistance to access electronic releases.

Part of the strategy is the rollout of a series of regional information sessions. These have already been conducted in Queensland and Victoria. New South Wales will be holding three information sessions on Tuesday, 5 September. Central Office is running the information sessions with assistance from Regional Compliance staff. Depots have been notified by mail that the sessions will be held at Customs House on 5 September and asked to register for any sessions of interest. A copy of the mail-out was handed to all forum members. A telephone survey on delivery points will also be conducted to identify problems.

Paul Zalai asked whether Customs had any indication on what the solution to this issue will be. He also asked whether it would be a minimal or major issue and would it be a slow or fast change to processes. Jim Fleming responded that Customs would first need to identify the delivery points still using screen prints and address each case-by-case to determine why the depot is still relying on the use of the print screen releases. Customs will be issuing a notice that these releases will no longer be accepted.

Industry wanted to know whether any changes will fix the EDI issues or will a temporary fix be put in place such as the use of the Customs Interactive. There are some ports that have set their whole operation around EDI and will not use Customs Interactive unless Customs mandate it as they rely on their in-house systems. They want to know if Customs will work with these companies. Customs advised that these issues would be addressed at the information sessions next week. Solutions will be discussed individually and software issues can only be addressed so far by Customs. Any problems that are identified as a Customs issue will have the appropriate solution applied.

The information sessions being held are designed for Customs to obtain feedback from the depots that will allow problems to be identified. There may be no definitive answers to some issues during the information sessions. It is important to remember that there will always be contingency arrangements in place to deal with instances when there is a Customs systems outage.

Industry indicated they would like this issue maintained on file for future compliance audits and agreed that both Customs and Industry would like all releases to be electronic.

This issue will be monitored through this forum and will be retained as an item on the Agenda where Customs will be allowed to report on outcomes of consultations.

#### **ITEM 4 – Regional ICS Issues**

##### **CI&SC**

Peter Stankiewicz circulated a sheet on CI&SC Contacts Data Systems Support. The figures outlined in the handout were the volumes measured out of each region with a breakdown of each region shown in the pie charts.

Benchmarks for the CI&SC have been decided and service levels have been set against those. It was found that 80% of calls received by the CI&SC were answered within five minutes and 80% of all calls queued were also answered within five minutes. These levels are expected to be improved and can be reviewed.

The average time spent answering calls regarding cargo systems was less than four minutes and less than three minutes for calls that were urgently queued. Figures showed that the number of abandoned calls for both cargo systems and urgent queues was less than 3%. It should be noted that if the caller hangs up within one minutes of the call that these times are not included in the count.

The level of query resolution was also examined and found 80% of system support calls were answered at the first level. These calls included issues relating to the delivery of cargo. Queries forwarded by email acknowledged the contact immediately and 80% of issues were resolved within three days.

Quality benchmarks will also be set to measure call quality. This will be done through call monitoring and will be measured based on the urgency of the call, content and correctness of answers supplied. It is expected the new telephonic

system will be in place by April and this will enable Customs to measure itself against other call centres.

Customs are currently at the tendering stage and when the new system is in place we will be able to measure ourselves more accurately. Measurement in future will include reasons for the phone call, ABN, client identification, software provider, location and identification of the root of the cause and who is responsible for the problem. Over time Customs will be able to report against any questions and identify hot spots that need addressing. Customs will be able to monitor incidents using this information. Paul Zalai suggested it may be a good idea if Customs considered placing issues on the website in conjunction with other Central Office work.

#### Ocean Bill of Lading (Phase 2)

Phase 2 of the Ocean Bill of Lading (OBOL) changes is due to be implemented on 13 September 2006. A copy of Australian Customs Cargo Advice number 06/19 was circulated. Freight forwarders should be aware of the implications.

An enhancement to the ICS is now in place for declarations for goods that have already been delivered that allows amendments to be made where the system no longer asks the AQIS questions. An Australian Customs Cargo Advice has been put out on this issue.

#### Alternative Release Procedures

A draft Cargo Advice was presented at the Industry Action Group (IAG) regarding Alternative Release Procedures (Aron). These are issued where the ICS should have given release to a delivery port and for unknown reasons the release has not been transmitted. The Aron will be issued after checks have been done that the declaration is finalised, a status has not been returned, diagnostics have been checked and that a release should have been issued.

There are concerns amongst Industry that the Cargo Advice may cause confusion about releases due to the wording of the document. At this stage Customs are working on the wording of this document and will present it at the information sessions held on 5 September to see if they are easily understood or require further work.

#### **ITEM 5 – Container Examination Facility update**

An Australian Customs Notice was issued addressing the new contract with stevedores for 24-hour free storage after containers, which have been to the CEF, are returned to the wharf. Any issues of non-compliance by stevedores should be reported to Customs and can be passed on for CO that manages the contracts, to deal with.

Paul Zalai indicated that P&O are still charging as they said the new arrangements do not apply on late arrival containers. He is waiting for follow-up and will report to Graeme Charlwood for feedback. He was unsure what P&O meant by 'late arrival'.

Customs advised that operations at the CEF have settled and are running smoothly from the time containers are picked up from the wharf to the time they are returned. There have been no delays in processing at the facility. There has been the occasional storage charge complaint and complaints as to why boxes are being selected.

Tony Fatouros mentioned a FCX being unpacked for LCL cargo that was identified for x-ray. He asked whether this occurs often. Graeme Charlwood advised that Customs can look at these types of containers through the x-ray to identify the cargo instead of opening them for an unpack.

Stuart McFarlane wanted to know if the stevedores had any involvement for late reported cargo and asked how much access stevedores have on containers. He expressed concerns about the 24-hour arrival period. Graeme Charlwood indicated that late arriving containers should not incur storage charges as they do not take up space, however he would follow-up this issue. The CTOs charges Customs to provide the 24 hour free storage space after containers are returned from the CEF.

Concerns were raised by Industry that they no longer have the diagnostics to see the events for shipments to report back to the importer to explain why there are delays with cargo. This is an issue that Industry will push.

Paul Zalai understood P&O had introduced a new vehicle booking system in Brisbane and brokers will need to book three days in advance for collection of containers. This system is currently being trailed in Brisbane and he feels it may progress to Sydney if successful. This system may impact on the container x-ray facility. Paul will be attending a Ports meeting later today to discuss this issue and the possibility of an exemption being applied to containers selected for x-ray. Industry doesn't have the predictability of release of containers in advance to arrange booking which may result in storage costs. Graeme Charlwood will follow-up this issue from a Customs perspective.

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#### **ITEM 6 – Operation of the Infringement Notice Scheme in NSW**

Seven Infringement Notices were issued during June. There have been 67 Infringement Notices issued this year. New South Wales has issued more Notices than any other region and the majority of these relate to delivery without authority for air cargo. There have also been a number of requests to have infringement Notices withdrawn that were successful. Discussion are currently being held with Central Office to revise the amount of information required to enable Customs to provide greater consideration for INS activity.

Currently Customs are focussing on infringement activity for late reporters. Customs has been working with Industry to improve compliance that has seen a 9% improvement in timely reporting. There are still some room for improvement within industry and Customs focus will be on those showing no effort to improve compliance. Customs are providing education to industry based on reporting figures and listening to feedback from Industry. Customs will work closely with Industry to encourage improvement and to ensure compliance improvement is maintained.

Over 90% of air cargo is reported on time, while sea is not so good with an average of 85% reported on time. For sea cargo, reporting at the ocean bill is timely for 95% of bills but house bill level is on time for less than 78% of bills.

CBFCA indicated they would be interested in the air cargo figures excluding the air couriers, as it would give a better picture across the air industry generally.

They also feel there are some external influences impacting on the reporting of cargo including relying on overseas agents to provide data or third party data. Problems are also being experienced where there is no flexibility within the system to amend sea freight cargo and the reports then need to be amended and re-reported. In some cases sea freight shipments the arrival date is not known and the arrival date supplied by the shipping company is the ETA at the anchor. These factors all impact on the cargo reporting.

Graeme Charlwood reminded Industry that Customs interrogates all of ICS prior to issuing an Infringement Notice and that it is the last report that Customs will take into account. Graeme advised that if any company thinks they have a delivery without approval that they should volunteer the information to Customs. Customs are aware of all the problems within ICS and these are taken into consideration when issuing INS action. Customs are aware that some companies continually have problems and Customs will continue to work with them.

Paul Zalai indicated that Industry would work with Customs into examining alternative cargo reporting such as that used by US Customs. Using this requires cargo to be reported 24 hours prior to loading and by providing this direct report to Customs should ensure all cargo is reported on time. With 24 hour loading, unreported cargo will not be loaded and thought this would be an option for Customs to consider.

Graeme Charlwood asked Industry representatives to advise their members that Customs would continue to take a fair and objective approach to Infringements.

### **ITEM 9 – General Business**

Karen Williams had an issue for discussion with CAPEC but will hold the information to be addressed at a later date.

There were no issue for general business.

### **ITEM 10 – Next Meeting**

The date of the next meeting is Wednesday 29 November 2006. It will be held at Customs House, 10 Cooks River Drive, Sydney International Airport.

Meeting concluded at 12:30pm