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Australian Quarantine and Inspection Service



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✦ **Current issues concerning AQIS Cargo Management and the Cargo and Seaports Industries**

✦ **AQIS Announces End to Temporary Fee Reductions**

AQIS has announced that a range of temporarily reduced Import Clearance fees will return to their former levels as of 12 January 2005. These fee reductions had been introduced on 12 January 2004 in an effort to address over-recoveries made in payments for a number of AQIS Import Clearance services. The reversion to former fee levels is in line with statements originally made by AQIS in January 2004, when the fee reduction was announced ([Click here to view original advice - Notice to Industry 6/2003-04](#)).

In the longer-term, the Import Clearance Program, in close consultation with the AQIS/Industry Cargo Consultative Committee (AICCC), has engaged external expertise to assist in refining the cost-recovery model. Based on the predictions of this model, a revised fee package may be introduced in the latter half of the 2004-05 financial year. AQIS will keep industry informed of any further changes.

A summary of the fee changes is provided below. Further information on the return of these fees to previous levels is contained in [Notice to Industry 7/2004-05 \(click here\)](#).

AQIS Import Clearance fees affected by the temporary reduction

Service	Standard Fee effective 12 January 2005	Reduced Fee (effective 12 January 2004 to 11 January 2005 inclusive)
Compile HVLV fee	\$6.00	\$2.50
Customs COMPILE Entry	\$4.00	\$2.50
Container Fee (FCL)	\$15.00	\$9.50
Entry Processing Fee	\$35.50	\$14.00
Lodgment Fees	\$14.00 (Manual Entry)	\$7.00 (Manual)
	\$8.00 (Lodgment of electronic quarantine entry)	\$3.00 (Electronic)

✦ **Review of the November 2004 AICCC Meeting**

The AICCC held its 39th meeting in Sydney on 25 November 2004. Cargo Management Re-engineering (CMR) was the major discussion item, with members noting that considerable efforts and work had been done to ensure that AQIS was ready in all respects for its forthcoming implementation. For further information on CMR issues, please see the article below.

Other items of particular interest to industry were:

- **Value Efficiency project** - A progress report was tabled outlining developments and improvements of activities in the four major activity areas - Permit Issuing, Cargo Risk Management, Treatment / Inspections and Entry Management. Industry noted the progress made by this project and noted the challenges faced by AQIS on a number of fronts.
- **Timber Quarantine** - Issues covered included developments in ISPM 15 and forthcoming quarantine measures on green sawn timber imports. In the area of addressing "timber" quarantine risks some Major changes had also been made in the risk classification of panel products such as MDF, Masonite and Particleboard, following close co-operation between AQIS and Biosecurity Australia (BA). These changes, once finalised, will reclassify reconstituted wood as low risk and remove it from automatic referral. Industry expressed its appreciation of the results of the close co-operation between AQIS and BA.
- **Co-regulation** - The meeting received progress reports that indicated that major re-accreditation training for QAPs and Brokers would be delivered in the first quarter of 2005. The Seaports Program noted that a co-regulation trial involving vessels trading between Japan and Newcastle had been successfully completed and that an extension of "Alternative Service Delivery" options would be pursued in other ports.
- **Client Satisfaction Survey** - The meeting noted that all programs within AQIS Cargo Management showed improved satisfaction ratings. On average there was a 6.7% increase in client satisfaction levels in 2004, compared to the results of the 2003 survey.
- **Biosecurity issues** - BA gave a detailed report on some issues in connection with its current restructure, and on projects involving both AQIS and BA delivering positive outcomes for Industry by collaboratively reassessing quarantine risks associated with a range of commodities/goods.
- **Increased Quarantine Intervention (IQI)** - The meeting received detailed reports on IQI and noted considerable improvements and cost savings had been made regarding external container inspections in most regions. The national average of containers requiring treatment was now in the 1.5 to 1.7% range, but AQIS was continuing to address some regional differences in order to further improve consistency.
- **Other issues** - Other issues discussed included financial matters, IT developments and reports on special projects such a passenger clearance, improved vessel reporting, surveillance of ISPM 15-compliant packaging material and reports from the Quarantine and Exports Advisory Council and other consultative committees. The committee also discussed the composition of its membership to ensure that all relevant industries interests were adequately catered for.

✦ AQIS and CMR - an Update

As the import release draws closer for the new Australian Customs Service (Customs) Integrated Cargo System (ICS), AQIS is continuing its work to ensure the transition to new entry processing arrangements proceeds smoothly. Ensuring 'business continuity' for AQIS's service to Industry is a key priority, reflected in the AQIS CMR Project's ongoing consultative arrangements involving the Industry ICS representative and the AICCC Secretariat.

A major component of the work currently underway is testing of the interface between AQIS systems and the Customs ICS. To this end, AQIS testing of the interface is nearing completion. AQIS has also commenced its contingency planning to minimise disruption to Industry arising from any potential system problems with the AQIS Import Management System (AIMS) during the implementation phase.

Customs are supporting Industry test activities using a phased approach, commencing with Import Cargo Reporting functions in November 2004. Support for Import Declaration processing is scheduled to commence in early December 2004, with remaining functions expected to commence in January 2005. AQIS is providing resources to support any 'end-to-end' testing of the Customs/AQIS systems' functionality throughout the test period.

As there will be a number of differences in the way import declarations are reported to Customs under CMR, the need for adequate training for ICS users has been recognised by Customs and AQIS alike. AQIS staff are participating in Customs ICS information sessions

being held for Industry during November/December 2004. AQIS's level of participation in Customs training activities for Industry is expected to increase during the first quarter of 2005 as Customs commences more 'detailed' training sessions for different groups of ICS users. In addition, AQIS is developing training material for its own staff covering the updated AQIS entry management systems to ensure staff are prepared for when the Customs and AQIS systems "go live".

Potential impacts on businesses operating under a compliance agreement with AQIS

Under the ICS, the way that clients are identified will also change. Under the existing COMPILE system, users are restricted to a single COMPILE User Site ID for each office within a business reporting to Customs. In comparison, client identification functions within the ICS will enable the establishment of Branch Identifiers (Branch IDs) for import declaration reporters under CMR. This will permit registration of multiple Branch IDs for an individual company's reporting purposes, or the 'sharing' of a single Branch ID by multiple offices within a single business.

The introduction of Branch IDs also has the potential to impact on the businesses operating under a compliance agreement with AQIS. The types of compliance agreements schemes affected include the Containerised Cargo Clearance for FCL/FCX, the Automatic Entry Processing for FCL, and the LCL Packing Schemes.

To make sure that businesses are aware of these potential impacts, AQIS is preparing a notice, in consultation with the AICCC, for distribution to businesses operating under compliance agreements. This notice should be distributed by the end of December 2004 in preparation for Customs client registration activities for imports in early 2005. Further information regarding the matters above will be provided in Customs information sessions regarding the ICS throughout November and December 2004.

✦ Surveillance of Timber Components in Shipping Containers to Commence January 2005

AQIS, in conjunction with the CSIRO, will commence a new surveillance program in January 2005 to determine the presence and level of chemical preservatives in exposed timber components within shipping containers. The surveillance will be performed on a random basis and will involve both new and used containers. Importantly no additional costs or delays to container owners and Industry will result from this process.

Timber components of shipping containers can pose a quarantine risk to Australia because they may become infested with a range of insect pests. To address this risk, AQIS accepts a number of permanent preservative treatments that prevent pests from becoming established. Applying one of these permanent preservative treatments also benefits Industry, as these containers will not require inspection or treatment upon arrival to address risks associated with the container itself. The levels of permanent timber preservatives required by AQIS are specified in the publication **"Cargo Containers: Quarantine aspects and procedures"** ([click here to link to this document](#)).

AQIS has decided to undertake this surveillance to verify that the timber within these containers had been treated in accordance with quarantine requirements and the compliance plates on containers. Where exposed timber components are found, samples will be taken and analysed to determine compliance with AQIS requirements at the time the container was manufactured.

Based on the outcome of the survey, AQIS may target containers sourced from manufacturers with a demonstrated history of non-compliance. Further information on the survey is available in **Notice to Industry 6/2004-05** ([Click here](#)).

✦ Organisational changes to Department of Agriculture, Fisheries and Forestry

A number of major changes have recently taken place in the management and structure of AQIS's parent organisation - the Australian Government Department of Agriculture, Fisheries and Forestry (DAFF).

On 26 October 2004, Ms Joanna Hewitt was appointed as the new Secretary for DAFF, replacing Mr Mike Taylor who has served in the position since 2001. Mr Taylor has moved to fill the role of Secretary for the Department of Transport and Regional Services. Ms Hewitt joins DAFF from the Department of Foreign Affairs and Trade where she held the position of Deputy Secretary. In addition, Ms Hewitt brings a wealth of experience to the role, having previously worked in the Department of Primary Industries and Energy, one of DAFF's forerunners.

There have also been a number of changes to the operations of Biosecurity Australia (BA). On 15 July 2004, the Hon Warren Truss MP, Minister for Agriculture, Fisheries and Forestry, announced that BA would become a separate prescribed agency within DAFF. Previously, it formed part of the Market Access and Biosecurity group. The establishment of BA as a prescribed agency was formalised during the first week of December 2004. The Minister also announced that the interim Chief Executive Office of BA is Mr John Cahill, who will bring his many years of experience as a member of the AQIS executive to the role. Mr Cahill was formerly the Executive Manager, Quarantine for AQIS and had overall responsibility for all import-related activities. Minister Truss said the change addresses any perceptions that trade considerations were interfering with the science-based Import Risk Analysis (IRA) process. More importantly, the changes will not affect the close working relationship between AQIS and BA, or BA's continued provision of robust and scientifically-based advice on a wide range of quarantine issues.

✦ Summary of documents and alerts released by AQIS Cargo Management in November 2004

Reference Number	Document (Clicking on the links below will take you to the relevant page of the AQIS website)	Overview
1	Imported Food Notice (IFN) 55/04	Appointment of Microbiological Diagnostic Unit as an analyst under the <i>Imported Food Control Act 1992</i>
2	Public Quarantine Alert (PQA) 0380	Machinery inspections at metropolitan Quarantine Approved Premises (QAPs)
3	PQA 0297	Change to Import Conditions for Imported Used Rags
4	PQA 0382	Changes to import conditions for Seagrass articles
5	Containerised Cargo Clearance (CCC) manual amendment 11/11/04 - Chapter 1 Section A	Table of Amendments 2004, which lists the most recent amendments to the CCC Manual
6	CCC manual amendment 11/11/04 - Chapter 3 Section 15	Unacceptable Treatment Providers List
7	PQA 0381	Used tyres containing cracks
8	PQA 0180	Christmas cakes and puddings
9	PQA 0033	Harrod's Christmas hampers
10	PQA 0386	Seed Consignments Contaminated with Other Seeds

Reference Number	Document (Clicking on the links below will take you to the relevant page of the AQIS website)	Overview
11	Notice to Industry 5/2004-05	AQIS-Approved Methods for the Destruction of Quarantine Risk Material
12	CCC manual amendment 18/11/04 - Chapter 1 Section A	Table of Amendments 2004, which lists the most recent amendments to the CCC Manual
13	CCC manual amendment 18/11/04 - Chapter 3 Section 14	Acceptable Indonesian and Italian Treatment Providers List
14	CCC manual amendment 18/11/04 - Chapter 3 Section 15	Unacceptable Treatment Providers List
15	List of Quarantine Approved Premises (QAPs) for Automatic Entry Processing (AEP) 18 November 2004	Updated list of QAPs with AEP approval
16	Notice to Industry 6/2004-05	Random surveillance of exposed timber components in shipping containers
17	IFN 57/04	Requirements for New Zealand Bivalve Molluscs
18	Notice to Industry 7/2004-05	AQIS Import Clearance Fees - End of twelve month fee reduction - Effective from 12 January 2005

✦ Contact cargobulletin@aqis.gov.au if you have any queries, suggestions or requests for further information

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✦ DEPARTMENT OF AGRICULTURE, FISHERIES AND FORESTRY ✦