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INDUSTRY ACTION GROUP – 11th MEETING

CUSTOMS HOUSE SYDNEY – Thursday 24 August 2006 – 1000 TO 1230

Attendees

IAG Chair Sue Pitman (Customs)

<p><u>Customs</u> Marion Grant Craig Langford Nicole Cottrell Paris Lai Stephen Pearce Peter Stankiewicz David Leonard</p> <p><u>ICS User Representative</u> Paul Zalai</p> <p><u>Shipping Australia</u> Alan McDermid Philip Jackson-Cox</p> <p><u>AATA (Qantas)</u> Allan Johns</p>	<p><u>AFIF</u> Chris Jensen</p> <p><u>Stevedore</u> Mary-Jo Huin (Patrick) Patrick Chan (P&O Ports)</p> <p><u>Depot Operator</u> Lauri Watson (ANJ)</p> <p><u>Air CTOs</u> Alan Wilson (Patrick Air Services)</p> <p><u>NSW RTA</u> David Scott</p> <p><u>Gifts & Homeware</u> Mark Dowse</p> <p><u>AOIS</u> Lee Cale</p>
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OPENING COMMENTS

Sue Pitman opened and chaired the meeting.

AGENDA :

1. Acceptance of recorded meeting outcomes from IAG #10

The group accepted the recorded meeting outcomes from the last IAG meeting without change.

2. Apologies

Apologies were received from Hart Krtschil, Ruth Thompson, Michael Bouari, Robert Battistel, Brian Lovell, David Kattie, Daryl Sharp, Barney Cservak, Carly Phillips and Kalene Zakharoff.

3. Overview of the Industry Change Request Process

Customs provided a short briefing to IAG members on recently created Standard Operating Procedures (SOPs). The SOPs are to be utilised for ICS change requests instigated by either Customs or industry.

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A document template has been created that provides for the formal documentation of the information required to progress change requests. The template was created by Customs with input from the ICS User Representative.

The template will be distributed to IAG members for comment in the next fortnight.

Customs explained that all new requests for changes to the ICS must be formally documented using the new document template.

The aim of the document template is to improve the clarity and accountability for proposed changes to the ICS. The additional information required by the new document template will also assist in the determination of change request priorities.

Industry asked Customs to define what constitutes a 'change request'? Customs clarified that 'incidents' and 'defects' did not constitute a 'change request'. In general terms a change is a situation where the ICS is working as Customs intends it to work however its capability or suitability could be improved through the proposed alterations. ICS incidents will continue to be addressed outside of the change request process.

Industry asked how they would be kept informed of new change requests. Customs responded that all change requests would be incorporated into the Issues Registers very similar in form to the current IAG Register, and they will be distributed for each IAG meeting. The Issues Register information will also be made available on the Customs website.

4. Clarifying the position with regard to the use of the Freight Forward Indicator

Customs and industry discussed the use of the Freight Forward Indicator.

Customs informed that consideration had been given to this issue. However, during discussion it had become evident that incorrect use of the Freight Forward indicator can lead to additional 'Holds' on risk assessed cargo and early release of non-risk assessed cargo.

It was determined that further detailed consideration needed to be given to this subject. While this issue is being considered in the required detail, Customs – in consultation with industry – indicated that it would restate its current position regarding the use of the indicator. This will be done to ensure operational consistency on a national basis.

It was agreed that a meeting would be held with participation from both Customs and Industry to further consider this issue.

5. Customs approach to deficient consignee information

Customs explained that there were a number of avenues under investigation to improve the capability to facilitate clearance of cargo reporting involving deficient consignee information.

A part of the overall solution under consideration was to improve Customs ability to manage clearances in cases of deficient consignee cargo reporting when import declaration details are available to resolve the deficiency.

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Customs also indicated that there were potential changes to the import declaration data fields that could be made that would assist in this area. These changes would allow consignee details from the declaration to be used to remove 'Holds' on cargo reports for deficient consignee information in a greater proportion of cases. Additionally Customs indicated that early lodgement of declarations would further assist in resolving deficient consignee cases.

The ICS User Representative explained that it was not always possible for brokers to lodge early declarations. In some cases, the broker is dependent on the shipping line to provide details of mandatory declaration information requirements such as freight costs. These costs are, in some cases, not available until the vessel has arrived at the port.

Discussion on the possibility of submission of declaration 'header' information in an early timeframe continued. It was agreed that this might be achieved with enhancements to the ICS or through the use of 'pre-lodged' declaration information.

It was noted that further consideration of this issue was required. Customs agreed to conduct further investigation into possible changes to ICS to address this issue.

6. The amendment of unique identifiers on cargo reports and the overriding of screening periods

Customs noted that industry had communicated concerns regarding the design of cargo reports within the ICS. In particular, the ICS did not provide for amendments to cargo reports for certain information fields. This was having an impact on industry users particularly in the areas of late reporting and the clearance of cargo.

Customs accepted industry concerns and explained that changes to the ICS to enable amendments to be made to cargo reports for the information in question would be considered as a part of the ICS work program going forward. It was acknowledged that there were some issues that did need further consideration including processes around amendment of already 'held' cargo reports.

Customs acknowledged that 'late reporting' statistics would be impacted as a result of not being able to amend some of the information fields on cargo reports.

Customs noted that compliance activity on late reporting currently takes this issue into account.

Industry expressed concerns on the impact to their businesses of having to withdraw cargo reports rather than amend. Concerns included commencement of new screening period that resulted in a delay to the release of cargo and release of cargo that was assessed as 'clear' prior to withdrawal.

Industry noted that they were trying to assist Customs in the trial of the 'Neutron Scanner' in Brisbane. However, as the additional information required by Customs resulted in industry needing to withdraw the original cargo report, issues including the trigger of a new screening period and late reporting were of concern.

Customs agreed to further consider this issue and report findings at the next IAG.

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7. Progress Reports

- 7.1 Customs informed the meeting that a report on hard copy release/contingency printing would be distributed prior to the next IAG meeting.
- 7.2 Customs provided a brief synopsis of the recent help desk reference group meeting. This included the provision of current help desk statistics including the number of contacts to the help desk and the average time taken to answer and resolve calls. Customs also detailed a number of help desk service and quality benchmark measures that were agreed to at the reference group meeting.

Customs provided details on a newly developed database that will be used by help desk staff to record client and systems information relating to inquiries. This will include asking a number of questions of each client that rings the help desk, eg contact details and systems usage. The answers to those questions and details about the root cause of the issue that lead to the phone call will be recorded in the new database. It would not be necessary to repeat these details before subsequent calls.

The aim of this new procedure is to collect and analyse information on the caller including the type of business that was requesting assistance, the nature of the problem and the response required by Customs. This information would be used to assist Customs in the determination of client and Customs priorities including systems issues and training and educational activities.

- 7.3 Customs informed IAG members that a review of the Cargo Support Website was currently underway. Customs thanked industry for participating in the forums that had been held in Sydney, Melbourne and Brisbane that had the aim of identifying improvements to the structure and flow of the current website. Customs reported that feedback from industry had been extremely helpful and would result in a new look website that would be made available to industry in the near future.

8. Future of IAG forum

Sue Pitman noted that the Customs/Industry Executive Steering Committee had discussed the future of the IAG forum and agreement had been reached that it would continue. The Executive Steering Committee agreed that the IAG would carry on to ensure adequate focus was maintained on working level ICS issues.

9.1 Cargo Processing Executive Steering Committee

Customs provided a summary of the status of activities related to the recommendations of the Booz/Allen/Hamilton report. It was noted that the first meeting of the Customs/Industry Executive Steering Committee had occurred and had agreed terms of reference. Those terms of reference were available to industry through the Customs/Industry Executive Steering Committee report.

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12. Other Issues

1. Customs provided IAG participants with a copy of advice to be sent to industry on Alternative Release Advice Notice (ARAN) procedures. The procedures establish clearance procedures for cargo that may have a 'held' status in the ICS even though all ICS clearance processes have been completed successfully.

Industry suggested some amendments to the document, which were noted, and indicated support for the new procedures in particular, Industry recommended that the ARAN procedures should clearly indicate that they are not related to ICS contingency arrangements. This may assist in avoiding possible confusion. There was also discussion about the distribution of the final document and agreement that distribution should not be restricted to any particular industry sector.

2. Customs sought endorsement from IAG members to engage an external consultant to conduct an independent study on the future training needs of the Australian International Cargo industry.

This will include a survey to inform Customs about the demographics and training needs of the Australian International Cargo industry with the aim of providing the necessary data to assist Customs to develop a five-year training/educational strategy.

IAG members endorsed the proposal.

13. Next Meeting

It was agreed that the group would reconvene in Sydney on 23 November 2006.

Action Items

Action Item	Action Officer
Distribution of Standard Operating Procedures (SOPs) including change request form.	Craig Langford
Publication of Register containing the issues raised using the new ICS change request process on Customs Website	Craig Langford
Establishment of reference group to further consider use of FF indicator	Craig Langford
Establishment of reference group to further consider issues associated with deficient consignee information including early of lodgement of header declaration information	Craig Langford
Consideration of option to amend rather than withdraw cargo report	Craig Langford
Industry recommended that the ARAN procedures should clearly indicate that they are not related to ICS contingency arrangements.	Peter Stankiewicz