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CUSTOMS • FREIGHT • TRANSPORT

Bare Facts

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Matt's top tip



Firstly, I would like to wish everyone a happy and prosperous 2014.

I'll start with some brief notes on upcoming changes and some recent fact sheets issued by ACBPS, the Anti-Dumping Commission and the Department of Agriculture.

1. Increase in Customs Entry Fees

As of 1 January 2014, ACBPS has increased the fees it charges to process Import Declarations which have a Customs value of over \$10,000.

Fees for Self-Assessed Clearance Declarations (SACs) and Import Declarations lodged electronically which have a Customs Value of \$10,000 or less have not changed – NIL for SACs and Import Declarations \$50.00(sea) and \$40.20(air and post).

For Import Declarations which have a Customs Value exceeding \$10,000, the fees have increased to \$152.60 per sea freight Import Declaration and \$122.10 for Import Declaration for air freight or postal goods.

2. Cargo Destined for Australia

ACBPS has released a fact sheet entitled 'Cargo Destined for Australia – Providing the Right Information'.

This fact sheet aims to inform importers and the importing community in general about the need to supply the correct information for Cargo Reporting- such as the names and addresses of consignees and consignors, accurate weight of goods, correct values, correct descriptions and contact details.

Then, under the heading 'Ensuring Compliance Ahead of the Australian Border', the fact sheet states:

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*Wishing everyone
a Happy New
Year!*



Customs Watch

Customs Watch is Australian Customs and Border Protection Service's (ACBPS) national information collection program that draws on the knowledge of industry and the community to protect Australia's borders by reporting suspicious border activities.

Customs Watch members know their local environments. Members range from multi-national corporations to individuals, are based in capital cities, regional centres and remote areas, and operate in environments as different as cargo logistics and caravan parks. By reporting suspicious activities, Customs Watch members actively help ACBPS protect Australia's border.

ACBPS encourages you to report suspicious behaviour to Customs Watch toll-free on 1800 06 1800, or by using the online form.

hat t e r t

Customs and Border Protection is interested in information about:

- Importation of illicit drugs and precursor chemicals
- People smuggling
- Terrorism
- Illegal and dangerous weapons
- Performance and image enhancing drugs (steroids)
- Illegal importation or exportation of currency
- Illegal importation and exportation of fauna
- Illegal pornography and child abuse images, and
- Counterfeit goods.

Just a small piece of information could lead to a big seizure. Visit www.customs.gov.au for more information.

Import Processing Charges

and other interesting bear bits!





Matt's top tip

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"To protect Australia, ACBPS is asking that Australian importers, freight carriers, freight forwarders and agents work with suppliers ahead of the border by:

- preventing sales of prohibited or restricted goods intended for importation into Australia, wherever possible, and*
- providing advice to potential suppliers and importers about import controls prior to sale of the goods.*

In the online environment, this may be achieved by preventing potential customers with Australian delivery addresses from being able to automatically select products that are restricted or prohibited in Australia.

By doing this, suppliers will not have dissatisfied customers who may have their imported product seized or cargo delayed through the need to address revenue or other regulatory obligations."

From an importer's point of view, this appears to be asking no more than you are normally required to do - to not import prohibited imports. In the online environment, I feel that it may well be a lot more difficult to comply with their request.

If you have any doubts about whether a product you are considering importing is a prohibited import, the Customs web page at www.customs.gov.au has an entire section dedicated to prohibited goods or you can call us on 02 9669 3011 for advice.

3. Commercial Documents

ACBPS recently published a fact sheet - 'Verification of Import Transaction Using Commercial Documents'. This should be read with AC&BPS Notice 2013/46. These documents are all available on the Customs website.

Import Invoices are used as the principal document for determining the Customs Value (and, as a result, the GST Value) of imported goods.

This fact sheet advises against using proforma invoices as the ACBPS has found them to be highly inaccurate as they are not issued for the commercial transaction per se but are merely a preliminary document.

ACBPS advises that, where they request documentation to be presented to establish the value of imported goods, they may not accept proforma invoices as sufficient evidence of the value of the goods.

ACBPS warns against the use of electronic invoices as it is their experience they may not reflect important details of the import transaction. Also be aware that the use of proforma invoices or electronic invoices may result in the importer being subject to increased intervention by ACBPS.

The list of the commercial documents ACBPS may require for audit purposes can be found listed in ACBPS Notice 2013/46 on the Customs website. (see Attachment A)

4. 1 January 2014 Tariff Changes

There were no major duty increases or reductions due on 1 January 2014. There are some small changes due in regard to phasing duty rates for some goods such as footwear under the AUSFTA, grapes under the Chile-Aust FTA and some motor vehicles under the AANZFTA.

5. Dumping

As of 18 September 2013, the Anti-Dumping Commission has been transferred from the ACBPS to the new Department of Industry. This will remove one of the issues with the previous Anti-Dumping System under which the AC&BPS was responsible for helping complainants in making complaints, adjudicating on those complaints and then collecting the dumping duties it had itself imposed.

Although, the Anti-Dumping Commission has recently published the following statement on its website:

"Australian manufacturers and producers intending to lodge an application for anti-dumping or countervailing measures, or an application for an anti-circumvention inquiry, are able to apply to the Anti-Dumping Commission to obtain relevant import data from the Australian Bureau of Statistics (ABS) free of charge. If approved, the Anti-Dumping Commission will fund the ABS to provide data to an approved applicant, at no cost to the approved applicant. More information is available at: Import Data Financial Assistance Program"

So maybe not that much has changed. Time will tell.

6. Quarantine

Quarantine has under gone another name change. It was Australian Quarantine Inspection Service (AQIS), then became Department of Agriculture Forestry and Fisheries (DAFF) and is now known as Department of Agriculture . The aqis.gov.au email address was only updated to daff.gov.au on 27th November 2013. No announcement has been made of any further changes to email addresses and the website remains at www.daff.gov.au.

As of 1st February 2014, assessment fees for imported food shipments must be paid in advance. If such payments are not made in advance, DAFF will issue an Administrative Hold on the shipment and will not process the shipment until this payment has been made. This will require all documents to be re-lodged and may delay clearances.

It was planned that as 1st February 2014, it would be mandatory for most imported food shipments to have the details of the producer/manufacturer included at the time we submit your Import Declaration. This has been postponed until a future date yet to be announced.

7. Free Trade Agreements

On 5 December 2013, the Australian Government announced that it had finalised the Korea-Australia Free Trade Agreement. At this time few details are available and no timetable for its implementation has been announced.

Also in early December, members of the Trans Pacific Partnership - Australia, Brunei Darussalam, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, the United States, and Vietnam - met with a view to try and finalise this Free Trade Agreement with a tentative start date of 1 January 2014. This meeting was not able to finalise the TPP and scheduled another set of meetings for January 2014. However, the finish line for this FTA does not seem that far away now.

Until next time...
Matt McAuliffe

BEAR BITS



In news just in from National Geographic, a British scientist has linked supposed hair samples from the legendary Yeti, or 'Abominable Snowman' to a breed of ancient Arctic bears that he says could have survived to the modern day.

The geneticist at Oxford University put out an international request for hair and tissue samples from Yeti, Bigfoot or Sasquatch in 2012 and was sent samples from around the world.

The most remarkable samples came from a mummified Yeti in the northern Indian region of Ladakh and from another single 'Yeti-hair' found 800 miles away in Bhutan. Both of these samples matched the genetic signature of a bear jawbone found in the Norwegian Arctic in 2004, thought to be 120,000 old.

Ongoing research is trying to establish whether the two samples came from an unknown species of bear/yeti that has managed to survive the last 120,000 years in secret or whether it is a hybrid of polar bears and brown bears.

In the meantime, please be alert when in snowy places. We will keep you posted.

Attachment A

LIST OF COMMERCIAL DOCUMENTS AND EVIDENCE OF MONIES PRICE PAID

The following documentation should be available for presentation to ACBPS when requested:

Personal Importations/Exportations

Transport Details:	HAWB/OBOL/Consignment Note
Order Details/Records:	Order confirmation (including online/Purchase order/arrangement emails Full invoice
Evidence of Payment:	Receipt/Bank transfers/PayPal/EFT/Credit card or bank account statements/EBay transaction number
Permissions:	Import/Export permits/details

Commercial Importations/Exportations

Transport Details:	MAWB/HAWB/OBOL/Consignment Note Packing List
Order Details/Records:	Purchase order/ Contract of sale Order confirmation/arrangement emails or online order confirmation Commercial invoice
Evidence of Payment:	Letter of credit/bank transfers/receipt/PayPal/EFT/credit card or bank account statements If ongoing trading payment terms are in place, documents detailing those arrangements. Copies of past payments for like goods or evidence of value such as online sale web pages, supplier's published pricelists or catalogues may provide supporting evidence. If goods are free of charge, refer to http://www.customs.gov.au/webdata/resources/files/ValuationofFree-of-chargeGoodsApril2011.pdf Evidence should be provided of what method of valuation was used and supporting documentation or information that was consulted.
Permissions:	Import/Export permits/details
Concessional Treatment:	Evidence to support eligibility. For example proof of (Where claimed) export when claiming 'Returned Australian Goods' concession.



IMPORTANT NOTICE

Sydney Ports Corporation Maritime Security Identification Card (MSIC) Service Centre ceased to be an authorised MSIC issuing body as of 29 November 2013.

Sydney Ports Corporation has thanked all of its customers for their loyalty and support since the opening of the MSIC Service Centre in 2006.

An agreement is now in place with Veritas Engineering Pty Ltd to support all existing Sydney Ports Corporation issued MSIC card holders and applicants.

Any individual requiring a new card, seeking to renew a card, updating contact details or reporting a maritime security relevant offence should contact Veritas Engineering Pty Ltd to begin their application at www.msic.net.au

Import Processing Charges

The Government has announced a restructure to the import processing charge (IPC) to recover the cost of all import related cargo and trade functions undertaken by the Australian Customs and Border Protection Service.

The increases were as follows.

- For consignments valued over \$10,000, the IPC for electronic sea import declarations will be increased by \$102.60 to \$152.60 per consignment.
- The IPC for electronic air import declarations will be increased by \$81.90 to \$122.10 per consignment.
- For consignments valued over \$1,000 and up to \$10,000, the IPC will remain at current levels, being \$50 for electronic sea import declarations and \$40.20 for electronic air import declarations.
- The IPC will continue not to be applied to consignments valued at \$1,000 or less.

According to information from AC&BPS, the increase to the IPC will result in additional revenue of \$674.3 million over 4 years and will be implemented in accordance with cost recovery policy adopted by the Australian government.

It would appear that Government may be asserting that all its costs have not previously been recovered from importers and that new charges are necessary to recover all services provided. Alternatively, the increases would suggest that the recent reform to anti-dumping regulation and the new measures against crime in the supply chain are the cause of this significant increase in costs for all parties involved in import.

Not only will this be a significant additional impost for importers, it will also be a significant additional impost for exporters who import many of their inputs to manufacture. While there is never a good time to impose additional processing charges, given the state of the economy, these additional costs will make life very difficult for importers, exporters and their service providers who will need to pass on these charges.

The retention of the IPC at current levels for consignments between \$1,000 and \$10,000 and the failure to impose IPC on consignments below \$1,000 may also lead to additional pressure on importers and service providers in determining the value of consignments and the associated IPC.

The next question is how the increases have been calculated and whether increased charges mean improvements to services.



Meet the Bears!



Dannielle Platten - Transport Planner AKA - Danni

Has been at JJL since...

I worked at Customs from Sep 2005 until Feb 2012 and have been at Transport since July 2012

The best thing about my job is...

the daily challenges we are given and that no two days are the same. It keeps things interesting

My biggest work achievement to date is...

it's hard to pinpoint one achievement but we've managed to get through some tough Fridays and the sense of accomplishment when it all

pulls together is great. And that I worked a whole year without taking a single sick day!

My ideal weekend would be...

a mixture of family, friends & cider

The most amazing thing I ever saw...

watching the birth of my nephew, amazing doesn't come close to describing it

To me, sport is all about...

having fun, good sportsmanship and winning!

I really admire...

people that strive to better themselves and work hard for what they have

When I'm driving around, I'm listening to...

Nova FM

Don't talk to me about...

politics or religion

In ten years time...

no doubt I'll still be here trying to teach Rob how to make a decent morning coffee!

All I want for Christmas is...

quality time spent with my family, and lots of delicious food.

What I like most about working for JJL...

definitely the people I work with and being a part of the JJL family.



On the Net

This and previous Bare Facts Issues are also available for download from www.jjlawson.com.au



www.jjlawson.com.au



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