Australian Government
Australian Customs and Border Protection Service

AUSTRALIAN CUSTOMS AND BORDER PROTECTION NOTICE NO. 2014/61

International Ships Undertaking Maintenance and Repair – Interim Process

The Australian Customs and Border Protection Service (ACBPS) has been working to clarify the requirements in relation to an international ship entering dry dock to undertake scheduled maintenance and repair. As part of the broader government policy position to reduce regulatory burden on business, the ACBPS is investigating options to relieve the issues associated with dry dock.

In considering the broader maritime environment and how best to manage the dry dock arrangements, the ACBPS is also examining its requirements in light of the review of coastal shipping, currently being undertaken by the Department of Infrastructure and Regional Development. Pending any decisions or outcomes from this review, the ACBPS considers it would be appropriate to maintain an interim process to avoid regulatory conflict with any potential outcomes from the coastal shipping review.

In the interim the ACBPS proposes to manage international ships undertaking scheduled maintenance and repair by not requiring an import entry (entry for home consumption). All relevant circumstances, including consideration of a reasonable amount of time in dry dock to undertake repairs of the kind the ship is undergoing as well as whether there is any change in circumstances, such as ownership of the ship, will be used to determine whether entry is actually appropriate in the situation.

In order to achieve this outcome masters and operators of international ships undertaking dry dock activities are asked to assist by facilitating the following:

1. Vessel processing on arrival including crew changes, securing of prohibited and dutiable goods on board.
2. Liaison with the vessel about requirements regarding goods, crew and visitor movements including:
   - provision of a full inventory of all goods and equipment to be taken on board or removed from the ship, prior to commencement of the dry-docking; and
   - reporting any adjustment or additions to that inventory during and at the end of the dry-docking;
3. No consumption of 'ships stores' (other than food) is permitted during the dry docking. Specifically, alcohol or tobacco products should be secured and sealed at the commencement of the dry-dock and any new stores taken on board must be dealt with in accordance with normal requirements for visiting vessels.
4. Monitor visitor movements by requiring written notification of proposed visitors at least 24 hours before planned visit, with approval/refusal returned in writing on the same business day.
5. Reconciliation of crew before departure.
6. Checks of records of goods moved on and off vessel against the inventory provided under item 2.

Although the ACBPS will not be enforcing the requirement to lodge an import declaration, the status of the ship, remains unchanged. It is imported. It has broken its international voyage and engaged in the domestic economy. Given this, the goods being brought in for the dry dock will require an entry. They are imported and as such will require an entry for home consumption.

The application of Section 49A is a provision that allows for the ACBPS to 'deem' ships to be imported and is only appropriate when there is doubt. The purpose of a section 49A notice is to give the owner of the ship time to comply with importation entry requirements or to make preparations to depart from Australia. Once the section 49A notice is served, if the ship has not departed Australia or it has not been entered for home consumption within 30 days, it will be deemed to have been imported, and the ACBPS can seize the ship.

Regarding visa arrangements, the Department of Immigration and Border Protection advises that crew on board ships entering dry dock will not be required to apply for a Temporary Work (Short Stay Activity) visa (subclass 400), provided the ship is not subject to an import entry. They may remain on their Maritime Crew visa (subclass 988). Specialist contractors who travel to Australia to work on the ship in dry dock refits, however, will be required to hold subclass 400 visas.

Inquiries concerning this notice may be directed to Manager Border Control and Clearance Framework on (02) 6275 6564 or importexportpolicy@customs.gov.au

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CANBERRA ACT

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