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# Australian Customs Notice No. 2021/38

# Gateway Clearance of Sea and Air Cargo

From 1 October 2021, the Australian Border Force (ABF) will facilitate the Gateway Clearance of sea cargo. Gateway Clearance is the release of goods into home consumption from the Port of Discharge, regardless of the final delivery destination. This process has been in place for many years for air cargo. The change aligns customs and biosecurity release requirements for sea cargo with those for air cargo.

Previously, the ABF required even cleared consignments that listed different locations for the Port of Discharge and Port of Destination (on the Sea Cargo Report) to move under customs control from the Port of Discharge to the Port of Destination prior to release into home consumption.

Gateway Clearance for sea cargo has been endorsed by the Comptroller-General of Customs and facilitated through amendments to existing <u>approved statements</u> (available from <u>abf.gov.au</u>) for cargo reporting and import-related declarations in the Integrated Cargo System (ICS) covering both air and sea freight.

From 1 October 2021 the information required in ICS for the Port Code Destination (or Destination Port Code) field is:

The UN/LOCODE for the place where the goods are requested to be, or were, released into home consumption or entered into a warehouse.

UN/LOCODE stands for "United Nations Code for Trade and Transport Locations".

The new definition applies to information provided in the ICS to meet the following legislative requirements of the *Customs Act 1901*:

| Customs Act 1901 reference                            |                            |          | ICS<br>reference | Approved Statement table item number |
|---|----------------------------|----------|------------------|--------------------------------------|
| 64AB Air Cargo Report & 71AA                          | AF Self-Assessed Clearance | e (Air)  | AIRCR            | 9 Port Code Destination              |
|   |                            |          | <b>AIRINT</b>    |                                      |
| 64AB Sea Cargo Report & 71A                           | AAF Self-Assessed Clearan  | ce (Sea) | SEACR            | 6 Port Code Destination              |
|   |                            |          | <u>SEAINT</u>    |                                      |
| 71L Import  | Declaration                | (N10)    | <u>IMD</u>       | 10 Port Code Destination             |
| 71AAAF Self-Assessed Clearai                          |                            |          |                  |                                      |
| 71AAAF Self-Assessed Clearance short-form declaration |                            |          | SAC              | 20 Destination Port Code             |
| 71L Warehouse Declaration (N20)                       |                            |          |                  | 11 Destination Port Code             |
| 71L Import Declaration (Wareh                         | oused Goods) (N30)         |          | <u>IMD</u>       | 10 Destination Port Code             |

#### Gateway Clearance for air cargo: No changes

While Gateway Clearance has been in place for air cargo for many years, the ABF has never formally acknowledged the practice. This ACN notifies the air freight industry that the definition of Port of Destination has been aligned on the Air Cargo Report to formally facilitate Gateway Clearance for air cargo. No changes to customs or biosecurity practice for air cargo arise from the implementation of Gateway Clearance for sea cargo.

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### Gateway Clearance for Sea Cargo: How to

Logistics providers and cargo reporters that wish to have consignments released from customs control from the Port of Discharge must identify the same Australian port as both the Port of Discharge and Port of Destination on the Sea Cargo Report. Once released, transport to the intended Delivery Address can be undertaken directly from the Port of Discharge using normal domestic freight services. This process applies regardless of container type (from bulk through to less-than-container-load consignments).

As the logistics provider instructs the shipping line on the Port of Discharge, customs brokers and importers should advise their logistics/transport provider to ensure that the Port of Destination is the same as the Port of Discharge on the Sea Cargo Report. Amendments made to the Port of Destination field on the import declaration (N10, N30 and including hard-copy forms) do not influence the port where the goods will be released from, or change ABF requirements to move goods under customs control to the Port of Destination identified on the Sea Cargo Report.

Where a cargo reporter reports different ports for Port of Discharge and Port of Destination on the Sea Cargo Report, the consignment will continue to be required to move under customs control (underbond movement) to either a licensed premise, or a s.15 port in the Port of Destination.

#### Warehouse entries (N20)

Regardless of the Port of Destination entered into the (air or sea) Cargo Report, goods that are entered on a warehouse declaration (N20 – Warehouse Declaration) will continue to require movement under customs control (underbond movement) from the Port of Discharge to the s.79 warehouse.

## ICS changes

The Integrated Cargo System (ICS) is the only official mechanism to submit cargo reports to the ABF¹. The ICS Software Developers Guide (SDG) User Data Dictionary (Integrated Cargo System (ICS) Software developers (abf.gov.au)) will be updated with the new information required for 'Port of Destination'.

Changes to ICS helptext will be made as a routine update, likely in late 2022. Until the ICS is updated to align with this ACN, current ICS helptext for the 'Port of Destination' or 'Destination Port' fields on the affected cargo reports, self-assessed clearance declarations and import declarations, should be ignored.

#### Mandatory reporting and screening timeframes for sea cargo

The ABF uses a variety of information sources including the Sea Cargo Report, the Full Import Declaration and arrival reports, to screen all incoming cargo and undertake risk assessments.

The Sea Cargo Report must be lodged at least **48 hours prior** to the first port of arrival in Australia. The 48 hour period is calculated to begin from the <u>later</u> of the following times reported by the shipping line:

- the original estimated date and time of arrival provided on the Impending Arrival Report; or
- the actual date and time of arrival provided on the Actual Arrival Report.

The ABF recommends that all remaining documentation, including import declarations, is provided at least **24 hours prior** to the arrival of the vessel at the Port of Discharge.

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<sup>&</sup>lt;sup>1</sup> The ABF recognises that third-party systems are often used by Industry to interface with the ICS, but does not endorse or support any particular alternative system. Third party software providers may use the Port Code Destination and Destination Port Code definition above to update their systems.

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Compliance with the above timeframes will enable the ABF to complete the border risk assessment process and ensure timely access to the goods. Failure to meet reporting requirements may result in the ABF undertaking compliance action.

For the smooth passage of sea cargo, cargo reporters are reminded to ensure that the Port of Discharge on the lowest level house bill matches the Port of Discharge provided by the shipping company or their agents on the Ocean Bill of Lading (OBL). Consignments selected for examination that have a different Port of Discharge on the lowest level house bill and OBL will face delays. Amendments to the Sea Cargo Report within 48 hours of the predicted time of arrival in the Impending Arrival Report, or after time of Actual Arrival, may result in delayed release from customs control. The ABF has limited responsibility for costs incurred due to late lodgement or amendments to documentation.

# Department of Agriculture, Water and the Environment (DAWE)

DAWE have advised that it will align its practices to facilitate Gateway Clearance as necessary, with the exception that specific biosecurity import conditions for goods as per <a href="BICON">BICON</a> will still apply, which may exclude utilising the Gateway Clearance option.

#### **Examples**

| Cargo is CLEAR upon arrival        | Port of Discharge <sup>2</sup> | Port of Destination <sup>3</sup> | Delivery Address               | Result  |
|------------------------------------|--------------------------------|----------------------------------|--------------------------------|---|
| Process until 30<br>September 2021 | AUSYD                          | AUADL                            | ADELAIDE                       | Underbond movement (DEL) required to licensed premises in AUADL. Release in Adelaide.   |
| Process from<br>1 October 2021     | AUSYD                          | AUADL                            | ADELAIDE                       | Underbond movement (DEL) required to licensed premises in AUADL. Release in Adelaide. To note: If cargo is selected for examination, cargo will be examined in Sydney.  |
| Gateway<br>Clearance<br>Effected   | AUSYD                          | AUSYD                            | ADELAIDE                       | As all port information aligns, Gateway Clearance effected. Released into home consumption in AUSYD. Domestic transport can be used to move cargo to AUADL if required. |
| No change                          | AUSYD                          | AUSYD<br>AUMEL                   | s.79 Warehouse in<br>MELBOURNE | Goods moved under customs control from AUSYD to Warehouse   |

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<sup>&</sup>lt;sup>2</sup> indicated on lowest level house bill and cargo report