



Australian
BORDER FORCE

Goods Compliance Update

Autumn 2021

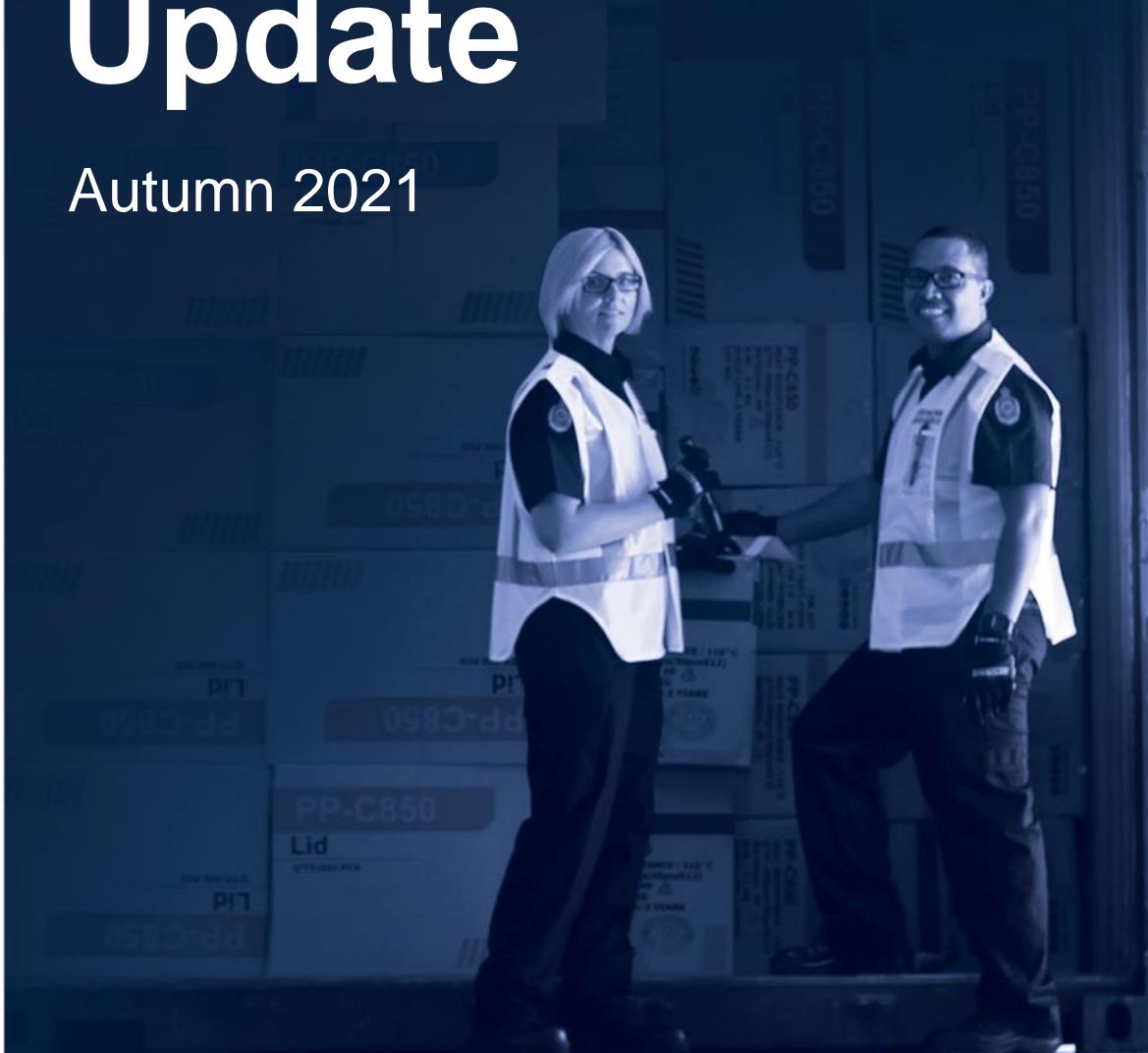


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Customs Group Update

A message from Vanessa Holben, Deputy Comptroller-General and Group Manager, Customs Group

Welcome to the autumn 2021 edition of the ABF Goods Compliance Update, my first as the new Deputy Comptroller-General and Group Manager Customs. We recently farewelled Dr Bradley Armstrong, who has taken on the important role of Australia's new Anti-Dumping Commissioner. I congratulate Dr Armstrong on this appointment and thank him for the contribution he made in enhancing industry engagement and planning for future border modernisation during his term as GM Customs. We look forward to continuing to work with Dr Armstrong and the Anti-Dumping Commission in enforcing Australia's anti-dumping regime to ensure a level playing field for Australian businesses.

I most recently led the National Coordination Mechanism within the Department of Home Affairs, which looked at national non-health measures in response to COVID-19, with significant engagement with Federal, State and Territory governments, industry and the private sector. I am excited to be joining such a dynamic, experienced, and varied team, comprising the full range of policy and front-line operational functions. I am committed to working closely with industry stakeholders to deliver outcomes that promote economic prosperity as well as ensuring community protection, and look forward to meeting many of you in the months ahead.

This quarter has seen various milestones achieved on our path to economic and social recovery from the burden of the COVID-19 pandemic. ABF officers were among the Australians to receive the COVID-19 vaccination on 21 February 2021 as part of the National immunisation plan. Since then, take up of the vaccine by eligible officers has been strong and we continue to work closely with industry to facilitate and protect the importation of the approved vaccines, which will help protect our community and industry partners.

As with the rapid and decisive actions taken in response to the COVID-19 pandemic threat, Australia works hard to take a best practice approach in efficiently facilitating international trade and travel while protecting communities and industries from harm. Australia also takes a leading role in protecting communities worldwide by controlling the movement of regulated goods covered by international non-proliferation



agreements. We also closely monitor our compliance with these obligations. More details on this can be found in this edition's feature article titled 'Counter Proliferation and Export Controls'.

This edition of the Goods Compliance Update includes details of two exciting new member benefits for Australian Trusted Traders - the expansion of duty deferral and the direct debit report benefit. The Trade Compliance Update also contains two positive news stories including innovative work on the facilitation of a space craft as well as information on enhanced efforts to combat the importation of harmful asbestos components in building materials.

There is also information on the amendments to the *Customs Tariff Act 1995* and changes affecting users of the Peru-Australia Free Trade Agreement (PAFTA) and the Comprehensive and Progressive Agreement on the Trans-Pacific Partnership (CPTPP); as well as important information on new obligations on customs broker licenses and on the renewal of customs depot and warehouse licences. Lastly, we present the results of the Trade Compliance Program, covering the period from 1 October to 31 December 2020.

Vanessa Holben
Deputy Comptroller-General
Group Manager Customs Group
Australian Border Force

Feature Article – Counter Proliferation and Export Controls



To enhance the security of the Australian border, the Australian Border Force (ABF) enforces a range of export controls as a response to the threat posed by the proliferation of weapons of mass destruction (WMD), their enabling technology, conventional military weapons and dual use items, as well as the investigation of potential breaches of UN and Australian Autonomous sanctions. The threat of proliferation is addressed by the ABF's Counter Proliferation (CP) capability.

In addition, the ABF CP team assist in enforcing compliance that is specific to international sanctions and other export control laws. The ABF is not a regulatory agency of export controls. It simply enforces the legislation at the border.

Permits and Export Control Assessments

Goods included on the [Defence and Strategic Goods List \(DSGL\)](#) are prohibited from export from Australia, unless permission has been granted by the Minister for Defence or an authorised person. The DSGL covers defence and related goods as well as dual use goods and technologies that have a valid commercial application, but may also be used in the development and deployment of military systems or weapons of mass destruction programs.

The Department of Defence administers export permits for goods listed on the DSGL. More information about exporting these goods can be found on the [Defence Export Controls](#) website under the Department of Defence. Goods that are subject to sanctions imposed by the United Nations Security Council (UNSC) or by Australian autonomous sanctions are prohibited from export and import.

Australia implements UNSC sanction regimes as a matter of international law. Australia also implements sanctions autonomously as a matter of Australian foreign policy. In some cases, autonomous sanctions may be used to supplement UNSC sanctions. Permission is required to import or export sanctioned goods between Australia and a sanctioned country or entity. These permits are administered by the Department of Foreign Affairs and Trade. More information on countries subject to sanctions, and how to obtain permission to import or export goods from or to sanctioned countries, can be found on the [Department of Foreign Affairs and Trade's](#) website.

The goods owner is the party responsible for the export. The permit must be issued to the owner of the goods. Goods owners must obtain authorisation from the appropriate permit issuing authority (DEC/DFAT) **prior** to lodging the goods for export.

If a permit is not required for the goods, DEC/DFAT will issue an Export Control Assessment notifying the Goods Owner the goods are not subject to permit requirements.

Freight forwarders are reminded to ensure that exports are lodged into ICS at the earliest possible time. Commercial documentation, including Export Control Assessments and permits must be provided to the ABF for goods subject to export controls at the time of lodgement. This ensures the correct information is provided to the ABF and assists in avoiding unnecessary delays with the export. The failure to lodge a required permit constitutes the committing of an offence against the *Customs Act 1901* (The Act).

Note: It is the goods owner's responsibility to ensure permits are obtained prior to export. This assists in streamlining the process end-to-end, reducing delays and any unwarranted border holds.

Defence Export Controls

DEC regulates the export and supply of military and dual-use goods and technologies. Regulation 13E of the *Customs (Prohibited Exports) Regulations 1958* states that "the export from Australia of any items contained within the [Defence and Strategic Goods List](#) is prohibited unless a valid permit has been granted and presented to the ABF prior to export".

The export of controlled goods (listed in the DSGL) from Australia without a valid permit from DEC at the time of an export is lodged in ICS, is a contravention of section 233BAB (6) of the Act which carries a maximum penalty of a fine not exceeding \$555,000 or imprisonment for 10 years, or both.

Goods owners are reminded to [seek advice from DEC](#) in the first instance to determine whether the export may require a permit.



Biological Warfare: The Geneva Protocol of 1925 Source: Tereshchenko Dmitry/Shutterstock

Department of Foreign Affairs and Trade (Australian Sanctions Office)

The Australian Sanctions Office (ASO) within DFAT works to ensure the efficient administration of Australian sanctions laws, consistent with Australia's international obligations and foreign policy objectives. A sanctions permit is the authorisation from the Minister for Foreign Affairs (or the Minister's delegate) to undertake an activity that would otherwise be prohibited by an Australian sanctions law. Australian sanction laws establish serious criminal offences for contravening a sanctions measure or a condition of a sanctions permit. Contraventions of sanctions measures are punishable for individuals by up to 10 years in prison, and/or a

fine not exceeding \$555,000. Goods owners are reminded to [seek advice from ASO](#) in the first instance to determine whether the export may require a permit, as well as to build their knowledge of countries, regimes and regions that may be subject to sanctions.

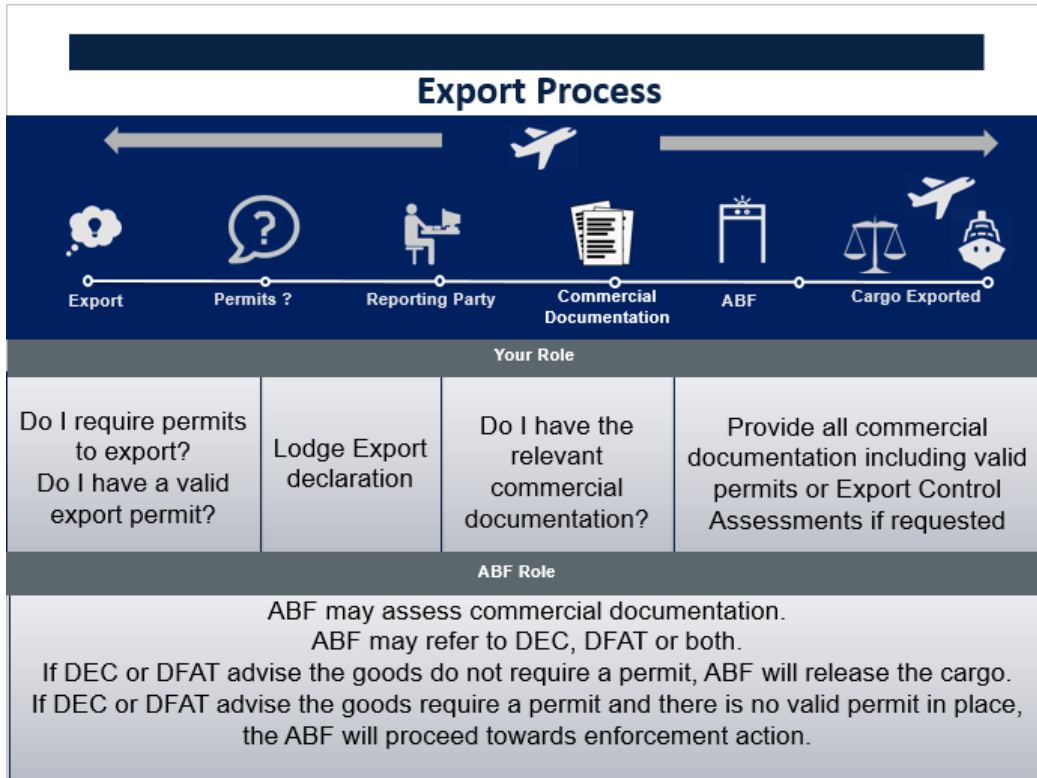
Export Obligations

All goods lodged for export from Australia must be reported to the ABF using an Export Declaration. There are two types of export declarations that can be lodged:

- An Export Declaration Number (EDN) must be lodged for all exports over \$2000.
- A Consolidated Reference Number (CRN) must be lodged for all exports of goods under \$2000.
- **All** goods subject to permit requirements must be lodged on an EDN regardless of the value

For the purpose of export declarations, the goods owner is defined as the exporter of the goods. The consignee is the ultimate recipient of the goods that have been exported from Australia, no matter if the entity has ordered or paid for the goods. This should be the principal entity, not a bank or freight forwarder.

To avoid delays, exporters should ensure they consult with DEC and/or DFAT to check if the goods require a permit prior to export. A valid permit number must be lodged in ICS for all consignments that require an export permit. It is the responsibility of the goods owners and their agents to ensure that information provided to ABF is complete and accurate (including in the correct fields) to minimise border processing times. Goods lodged for export without the relevant permit may be seized and the exporter could face penalties of up to AUD \$555,000 or 10 years imprisonment, or both.



Export process – defence and strategic goods and sanctioned countries. Source: ABF

Trade and Tariff Policy - Free Trade Agreements Update

Amendments to the Customs Tariff Act 1995

The *Customs Tariff Amendment (Incorporation of Proposals and Other Measures) Act 2021* (the Amendment Act) received the Royal Assent on 1 March 2021. This Act makes eight technical and non-technical amendments to the *Customs Tariff Act 1995* (Customs Tariff Act). These amendments commence either retroactively on 1 February 2020 or on 29 March 2021.

Measures that commenced on 1 February 2020

The Amendment Act incorporates Customs Tariff Proposal (No. 1) 2020 and Customs Tariff Proposal (No. 2) 2020, inserting Item 57 into Schedule 4 of the Customs Tariff Act. This measure commences retroactively on 1 February 2020, reflecting the commencement and extension of concessional treatment for prescribed medical and hygiene products under Items 57 and 57A to Schedule 4 of the Customs Tariff Act. This measure will not change the administrative requirements for claiming concessional treatment under these items. Please refer to ACN 2020/20, ACN 2020/30 and ACN 2020/53 for further [information](#).

Measures commenced on 29 March 2021

From 29 March 2021, the Amendment Act removed the \$12,000 special duty on used and second-hand motor vehicles that are imported under the Peru-Australia Free Trade Agreement (PAFTA) or the Comprehensive and Progressive Agreement on Trans-Pacific Partnership (CPTPP).

The Amendment Act also created new Additional Notes and tariff subheadings to Chapters 21 and 22 to Schedule 3 of the *Customs Tariff Act 1995* for formulated caffeinated beverages, formulated supplementary sports food and formulated supplementary food. These products are defined by the Australia New Zealand Food Standards Code. This amendment facilitates improved monitoring of these goods.

New Additional Notes have been added to Section IV and Chapters 30, 73, 76, 86 and 94 to Schedule 3 of the Customs Tariff to realign Australia's tariff classification practice with the international treatment of similar goods. These notes:

- Assist in identifying when vitamins and food supplements may be classified as medicaments of Headings 3003 and 3004 of Schedule 3 of the Customs Tariff Act.
- Exclude wheeled garbage bins from classification as non-propelled vehicles of Chapter 87 to Schedule 3 of the Customs Tariff Act.
- Exclude plates, rods, angles, shapes, sections, tubes, pipes and similar articles, requiring further modification, from classification as parts of goods.

Minor technical amendments to several Schedules of the Customs Tariff Act will remove items to the tables where the relevant rate of customs duty has been phased to 'Free'. These amendments will not alter the rate of duty applied under these schedules. An Australian Customs Notice providing further information on the measures implemented by this legislation will be published soon (<https://www.abf.gov.au/help-and-support/notices/australian-customs-notices>).

Trade Compliance News

ABF goes to infinity and beyond with space capsule

On Sunday 6 December 2020, the Japanese 'Hayabusa II' spacecraft completed its 5.3 billion kilometre journey to the Ryugu asteroid by successfully launching a capsule that landed back on Earth in the Woomera Prohibited Area in South Australia. The space craft has been in orbit for approximately 2000 days and travelled over 5,264,617,916 km. The capsule was carrying a sample of material collected from the surface of the asteroid, which will support scientific research into the formation and nature of the universe.

Throughout 2020, the Australian Border Force (ABF) worked closely with the Japanese Aerospace Exploration Agency (JAXA) and the Australian Space Agency (ASA) on customs formalities for the capsule and supporting technical equipment, and also clearance for JAXA staff and onsite support to clear the outbound charter flight. The mission highlights the diverse nature of activities ABF officers can be called upon to undertake, and in this case provides exciting opportunities to work with a broad range of international agencies involved in a new frontier of space exploration.

In addition to more traditional streams such as mail, sea and air cargo, the importation of the space capsule from the Ryugu asteroid marks the beginning of a new 'cosmic' clearance channel for the ABF. The unique circumstances of the capsule's arrival raised intriguing questions on its status under customs law, including whether it was a ship or aircraft, subject to duties and taxes or even considered an import at all. 'The mission demonstrates the flexible and innovative work of the ABF, and how an Act designed in 1901 can accommodate goods imported under highly unusual circumstances, from shipwrecks to spaceships and everything in between,' Assistant Secretary Customs and Trade Policy, Matthew Duckworth said.

Space continues to be a growing industry, and the ABF expects to facilitate further 'out of this world' imports in the years to come.



Ground crew and ABF overseeing the export clearance of the capsule (Source: Australian Space Agency)



JAXA team members retrieving capsule at Woomera (Source: JAXA Official Feed)

Masterpieces from the National Gallery, London

The National Gallery of Australia, Canberra (NGA) opened a new temporary exhibition in March named '*Botticelli to Van Gogh: Masterpieces from the National Gallery, London*'. The exhibition consists of 61 masterpiece paintings valued at more than one billion Australian dollars. As noted on the NGA website, this is the first time in its nearly 200-year history that the National Gallery, London has toured an exhibition of works internationally. The artworks span 450 years and provide an overview of seven defining periods of art history from Italian Renaissance painting to the rise of modern art in the 20th century.

Australia, as a signatory to the Convention of Temporary Importation, the Istanbul Convention, Annex B.1 allows for '*Goods For Display Or Use At Exhibitions, Fairs, Meetings Or Similar Events*' to enter Australia duty and GST free, under security. In support of this cultural exhibition the ABF accepted an undertaking from the NGA that the goods are for exhibition and will not be available for commercial sale. Following this undertaking, in order to facilitate the clearance of the artwork, a security under Section 162A of the Act was issued to Art Exhibitions Australia. The masterpieces will be on display at the NGA from 5 March until 14 June 2021, and are then scheduled for export in July 2021.

Spotlight on asbestos compliance

Further to the feature article in the last edition of the GCU, the ABF will continue to focus on asbestos compliance this year. Service providers and importers should take a precautionary approach when importing into Australia goods that present a high risk for containing asbestos.

While the ABF has fully applied Australia's asbestos border controls since the introduction of legislation listing asbestos as a prohibited import, we are now concentrating efforts to ensure that asbestos is not deliberately or inadvertently entering the Australian building market in materials used for residential and commercial developments. Building materials known to pose a risk include cut stone and manufactured stone, cement fibre products used in products such as internal tiles, floorboards, ceiling panels and wall boards, prefabricated kits (houses, trailers, and caravans) and modules for residential and commercial applications.

Importers of building material should:

- ensure that they have documentary evidence to demonstrate that the risk management of their supply chain effectively addresses asbestos. If the ABF is not assured, the importer will be directed under the Act to have the building materials sampled and tested for asbestos.
- ensure their risk management processes are up to date and take into consideration whether the country of manufacture allows any use of asbestos in the goods being imported. Contaminated raw materials and irregular third party suppliers can introduce asbestos into a supply chain. Importers should question if the manufacturer tests raw materials for asbestos and if the supplier takes measures to actively source asbestos-alternative ingredients.
- be mindful that there is a risk in sourcing materials from a supplier that cannot provide evidence of there being no asbestos in their supply chain. If a third-party or wholesale supplier does not have first-hand knowledge of the manufacturing processes, the effect of brand damage to the importer's commercial reputation is likely to be significant if asbestos is detected. Business decisions should not be influenced by cheaper prices from manufacturers that knowingly use asbestos but also guarantee risk-free production. These suppliers should be avoided altogether. The financial losses that are suffered when goods are seized and the potential fines incurred are likely to far outweigh any initial price benefit.
- understand that newly manufactured goods containing asbestos are not always of poor quality in appearance, and may be entirely functional for their intended purpose. If they contain asbestos, however, they are prohibited.

Extra caution should be applied when importing items originating from countries that have non-existent, less stringent or poor regulatory controls. In many countries, despite the known threat to human health, local standards allow asbestos in manufacturing. Goods manufactured outside Australia might be labelled 'asbestos free' or 'no-asbestos', but still contain low levels of asbestos. Accordingly, care should also be taken when interpreting any overseas asbestos certifications or assurances, as some countries lawfully allow trace levels of asbestos up to a certain threshold but Australian regulations do not allow for any trace amounts of asbestos.

For more information on asbestos and how to comply with Australian legal requirements please refer to the information on the ABF website here: <https://www.abf.gov.au/importing-exporting-and-manufacturing/prohibited-goods/categories/asbestos>.



Figure one shows chrysotile asbestos detected in cement fibre boards and two shows chrysotile asbestos detected in cement fibre boards, shipped as part of a prefabricated house kit (source: ABF, https://www.abf.gov.au/prohibited-goods-subsite/files/ABF_detections_of_asbestos.pdf)

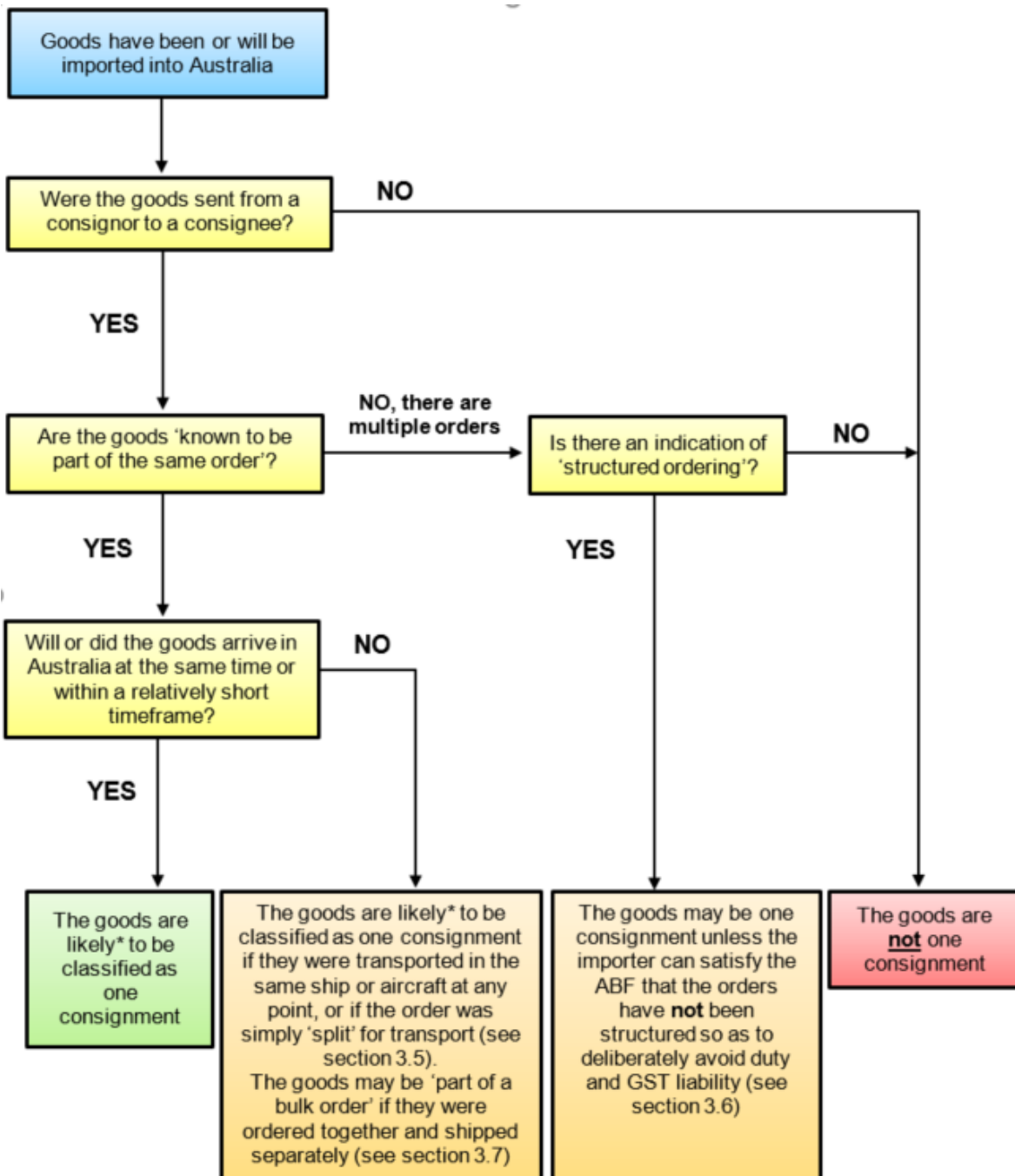
For general Customs Trade Compliance queries please contact goodscompliance@abf.gov.au.

Please note that the Goods Compliance mailbox is not for requests relating to the clearance of goods.

Clarification – split consignment advice provided in last edition

The summer 2021 edition of the GCU contained an article on page 17, titled 'ABF takes action on incorrect reporting of split consignments'. This article contained a flowchart on page 18 outlining the decision process for determining if goods are one consignment. That flow chart should now be replaced with the version below, which complements the new ACN, 2021/01 *Definition of 'consignment' for the purposes of section 68 of the Customs Act 1901*. This ACN replaces [ACN No. 2006/59](#) and the *Definition of Consignment Instruction and Guideline*. The flowchart is a guide only and **must** be read in conjunction with [ACN No. 2021/01](#).

Defining 'consignment' for the purposes of section 68 of the Customs Act 1901



*The use of the word 'likely' indicates that additional documents (e.g. order records, invoices, packing lists) may be required to make a decision.

Border Watch Reminder



BORDER WATCH

Help protect Australia's border

Case study: Delivery driver helps to disrupt plot to import molasses tobacco – highlighting that every person in the supply chain can help disrupt criminality

Border Watch and industry are working together to help protect Australia's border.

In September, a delivery driver working for an express freight company attempted to deliver two air cargo consignments to a residential address, but the occupant said the consignee did not live there. Soon afterwards, the consignee contacted the express freight company and gave authority to leave the consignment at a different address, in an attempt to circumvent border security measures. A manager at the freight company thought this behaviour was suspicious and reported it to Border Watch. The ABF examined both consignments and located a total of 33kg molasses tobacco from Indonesia. Officers seized the goods and issued a notice to the importer, effectively disrupting this attempt to exploit border controls.

Importing molasses tobacco for commercial or personal use, without obtaining a permit from the ABF and paying the relevant duty and GST is a criminal offence.



Example of a molasses tobacco detection. Image: ABF Media

How do I make a report?

If it doesn't seem right, report it to **Border Watch**. Visit abf.gov.au/borderwatch.

Help protect Australia's border

Border Watch is a Department of Home Affairs and ABF program that allows members of the community and industry to provide information about suspicious border related activities.

Become a Border Watch member

As industry members working as part of Australia's trading community, you and your staff know what looks and sounds unusual.

We encourage any company that operates in the international trade or transport sectors to join the Border Watch industry program. Border Watch is free to join.

As a member, you can:

- Receive a free presentation
- Receive free resources to help you identify suspicious activity.
- Access a dedicated 24/7 industry allegation hotline.

More info:

www.abf.gov.au/borderwatch

Australian Trusted Trader Update

Program update

By the start of March 2021, 790 Australian businesses had been accredited as trusted traders, with a further 22 offered accreditation, and 229 progressing towards accreditation. In total, 1130 businesses are actively engaged in the program. Trusted trader accreditation is open to Australian businesses that can demonstrate a secure international supply chain and sound trade compliance practices.

In the spotlight – Industry Advisory Group

The Australian Trusted Trader Industry Advisory Group (IAG) met via webinar on 26 March 2021. Brett Cox, Assistant Secretary Trusted Trader and Trade Compliance from Customs Group hosted the webinar.

Two new benefits were announced at the IAG - the expansion of duty deferral known the duty deferral plus benefit (previously referred to as the Periodic Payment benefit), and the direct debit report benefit.

Trusted traders were also asked for their feedback on the development of a new benefit linked to the Regional Comprehensive Economic Partnership (RCEP) that could be used by trusted trader exporters.

Both the duty deferral plus and direct debit reporting benefit were proposed by trusted traders at past IAG meetings. This demonstrates our commitment to partner and engage with industry on future policy direction, and to progress new trade facilitation benefits.

The counter proliferation team within ABF also provided a presentation on export controls. The presentation focused on what export controls mean for trusted traders and how to navigate some of the complex areas in exporting these kinds of goods. For example, obtaining permits and assessing the goods against Defence and ABF controls.

Introduction of new benefits for Trusted Traders

Duty Deferral Plus

This benefit reduces the regulatory burden for trusted traders by improving their ability to manage cash flow and supply chain risks by periodically paying import related taxes and charges collected by the ABF.


The benefit would allow eligible trusted trader importers who are registered for Goods and Services tax (GST) monthly deferral with the Australian Taxation Office (ATO) to defer all border fees and charges.

This means that trusted traders would pay the following customs duties (excluding duty of excise equivalent goods - EEGs) by the 21st day of the month following the month that the goods were imported: Import Processing Charge (IPC), Wine Equalization Tax (WET), Luxury Car Tax (LCT), GST (via the ATO), Agriculture Processing Charge (APC) and wood levies. The duty deferral benefit also extends to the deferral of dumping and countervailing duties for trusted traders that have opted into the duty deferral benefit.

Duty deferral plus does not include Department of Agriculture, Water and the Environment's specific fee-for-service charges or other charges imposed by agencies at different points in the trade approvals process, and duty on EEGs imported by trusted traders.

Direct Debit Report benefit

The direct debit report benefit was created in response to a request from customs brokers, who asked to have access to an automated process to extract their customer data from the Integrated Cargo System (ICS).



The current process, where customs brokers need to verify which of their customers have direct debit arrangements recorded in ICS, is manual and time intensive.

The direct debit report benefit allows customs brokers to determine when goods owners' direct debit arrangements are scheduled to end, ensuring that they can advise their clients to complete the required administrative forms and update the direct debit end date in ICS.

This benefit will streamline this process and reduce associated costs for customs brokers.

A reporting function in ICS has been developed that will allow ABF ATT account managers to run a report for individual customs brokers, providing a list of all ABF authorised clients (the clients do not need to be accredited trusted traders) for direct debit payments.

To access this benefit a customs broker should submit a request to their ATT account manager for a direct debit report to be sent to them.

Development of a new benefit for Trusted Traders

Regional Comprehensive Economic Partnership (RCEP) Declarations of Origin (DoO) benefit

The Regional Comprehensive Economic Partnership (RCEP) is a regional free trade agreement with 14 other Indo-Pacific countries that will complement and build upon Australia's existing free trade agreements. Signatories to RCEP are the Association of Southeast Asian Nations (ASEAN) which includes Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand, and Vietnam and ASEAN's free trade agreement partners Australia, China, India, Japan, New Zealand and Republic of Korea. Australia is working towards ratification of the RCEP Agreement in late 2021.

The ATT benefit that is being explored gives effect to article 21 of chapter three of the RCEP agreement. Through the agreement, 'RCEP Approved Exporters' will be able to sign their own RCEP Declarations of Origin (DoO) for exports to 13 of the other 14 RCEP parties, rather than be required to obtain Certificates of Origin issued by issuing authorities. The requirements outlined in the agreement to be an RCEP approved exporter are in line with the requirements to be an Australian Trusted Trader and we are seeking to align the two which would streamline the process for Australian exporters.

For ATT importers, the existing origin waiver benefit will be expanded to include RCEP upon entry into force of the agreement.

The Trusted Trader team can be contacted by email at: TrustedTrader@abf.gov.au or by calling 1300 319 024.

Customs Licensing Update

Customs Brokers

Renewal of customs broker licences

All customs broker licences (nominee, corporate and sole trader) will expire on 30 June 2021. Those customs brokers wanting to renew their licence for the next triennium (i.e. from 1 July 2021 to 30 June 2024) will need to apply for the renewal of their licences.

Renewal application

The ABF has sent an *'Application for renewal of customs broker licence'* pack to each customs broker. We recommend that you note the following:

- If a customs broker, wanting to renew their licence, has not received a renewal pack, it is the responsibility of the broker to advise the Comptroller General of Customs, via an email to brokers.licensing@abf.gov.au, they wish to renew their broker licence and facilitate the renewal process.
- Completed renewal applications must be received by the ABF no later than the close of business 29 June 2021. The preferred communication method to submit the renewal pack is to email the completed documents to brokers.licensing@abf.gov.au.
- Renewal applications received after this date will not be processed and the licence will expire on 30 June 2021.
- Options for the payment of the renewal fee will be listed in the renewal package. Any customs broker electing to pay their renewal fee by BPAY should take into account the delay in processing such payments and that such payments made towards the end of June 2021 may not be cleared by the due date. Where a payment is not cleared by the due date, the renewal application will be considered incomplete and will not be processed.

The ABF strongly encourages all customs broker licence holders, wishing to renew, to complete and email the renewal pack, and make payment as early as possible to avoid any unnecessary issues with the process.

Continuing Professional Development requirements

It is a licence condition for customs brokers to complete 30 points of Continuing Professional Development (CPD) activities per CPD year. Non-compliance is a breach of the Act and can result in disciplinary action.

As part of the renewal application, customs brokers are required to confirm that they have met their CPD requirements. The ABF may ask a customs broker to demonstrate their compliance and for this reason, receipts or other suitable documentation evidencing attendance at CPD activities must be retained.

Licence re-issue

The ABF will send out new customs broker licences in bulk once the renewal process has been completed. It is estimated that the new broker licences will not be sent out until late July due to the number of licence renewals being processed.

More information

Contact brokers.licensing@abf.gov.au for further information.

New obligations on customs broker licences

As advised in [ACN 2021/10](#), new additional licence conditions for customs brokers will come into effect on 1 July 2021. The additional licence conditions, listed below, will apply to all customs broker licences under section 183CG(6) of the Act.

Background

In 2016 the then Department of Immigration and Border Protection (DIBP) undertook a review of all licensing regimes under the Act. The review provided an opportunity for industry and Government to work together to deliver improvements in licensing regimes while ensuring the cost of maintaining the efficiency and integrity of our border is appropriately shared with those who use it.

After extensive consultation and engagement with stakeholders, the reviews findings were outlined in the final report, published in December 2017, which presented recommendations for the Comptroller-General of Customs to consider. Recommendation 14 stated that the DIBP should re-examine the additional conditions it includes on licences to ensure that they are sufficiently clear and provide guidance.

The ABF engaged with industry on customs broker additional licence conditions, receiving feedback from licensed brokers and peak industry bodies. This feedback was considered and guided the amendments and the supplementary conditions to be implemented.

Complying with notification requirements

Failure to meet any condition(s) of a customs broker licence constitutes a breach under section 183CGC of the Act. Breaching this section of the Act can result in an infringement notice being issued, further conditions being placed on the licence, suspension or cancellation of the licence or prosecution.

Additional Conditions

No.	Condition
1	The holder of a customs broker licence must, when requested by the Department of Home Affairs (the Department), complete and forward the required documentation to allow the Department to undertake a fit and proper person check on the licence holder.
2	In the case of a customs broker licence held by a company; if there is a change in the director, officer, shareholder or member of the company the holder of the licence must, within 30 days after the occurrence of the event, notify the Comptroller-General of Customs of that event.
3	A director, officer, shareholder or member of a licensed company must, when requested by the Department, complete and forward the required documentation to allow the Department to undertake a fit and proper person check on that person.
4	If a holder of a customs broker licence becomes aware that information that has been provided to the Department is false, misleading or incomplete, the customs broker must, as soon as practicable after becoming aware provide written particulars of the incident to the Comptroller-General of Customs.
5	The holder of a customs broker licence must not allow Departmental systems or information provided by the Department to be used for an unauthorised purpose or to assist, aid, facilitate or participate in any unlawful or illegal activity.

6	<p>A natural person who holds a customs broker licence must undertake accredited Continuing Professional Development (CPD) as per the following requirements:</p> <p>(a) for the purposes of this condition, accredited CPD activities are the activities accredited by the Comptroller-General of Customs or by a CPD provider that has been granted Accredited CPD Provider status by the Department. A customs broker must complete sufficient accredited CPD activities, as detailed on the Australian Border Force (ABF) website, to acquire the minimum number of points each CPD year, which commences on 1 April each year and ends 31 March the following year.</p> <p>(b) the holder of a customs broker licence must keep accurate, auditable, written records of completion of accredited CPD activities and provide them upon request to the Comptroller-General of Customs.</p> <p>(c) the holder of a customs broker licence must notify the Comptroller-General of Customs if the holder of the customs broker licence has failed to complete the required number of points and provide a written explanation of the circumstances surrounding the failure prior to the end of the CPD year.</p>
7	<p>The holder of a customs broker licence must not lodge import declarations from outside Australia.</p>
8	<p>The holder of a corporate customs broker licence must maintain suitable professional indemnity insurance for the protection of their clients and the Commonwealth. The licence holder must forward evidence of insurance to the Comptroller-General of Customs if requested.</p>

General Notes

- (1) The Department of Home Affairs contains the entirety of the Australian Border Force (ABF).
- (2) Pursuant to section 183B, a person “participates in the work of a customs broker” if
 - (a) he or she has authority as a nominee of, or as an agent, officer or employee of, the customs broker, to do any act or thing for the purposes of the Customs Acts on behalf of an owner of goods; or
 - (b) he or she has authority to direct a person who has authority referred to in paragraph in the exercise of that authority.
- (3) For the purpose of additional condition 1 and 3 the required documentation includes; providing proof of identity in accordance with the Departments proof of identity requirements and; completing a personal information form and a privacy notice and general consent form.
- (4) For the purpose of additional condition 6 a natural person is a nominee customs broker or a sole trader customs broker.
- (5) Where a licence condition states that information is to be provided to the Comptroller-General of Customs, the information is to be provided to the Broker Licensing team via email to brokers.licensing@abf.gov.au. If the information to be provided is in relation to additional licence condition 4 this will need to be provided to Border Watch as specified on the ABF website.

Customs Licensing – Depots & Warehouses

Renewal of customs depot and warehouse licences

All customs depot and warehouse licences are up for renewal at the end of the financial year.

Renewal Invoices

Licence holders will be provided renewal invoices by 15 June 2021. If licence holders do not receive a renewal invoice by this date they should notify Customs Licensing via an email to licensing@abf.gov.au. This will ensure the licence holder will have adequate time to pay their renewal invoice and avoid any disruptions to their operations.

Renewal Payment

All warehouse licence fees must be paid within twenty-eight days of the date on which they become payable. If payment has not been received by that time, the Comptroller-General of Customs may suspend and subsequently cancel the licence. All depot licence fees must be paid before 30 June 2021. If the licence fee has not been paid by this time a Collector may refuse to permit goods that are the subject to customs control to be received into the depot. If the holder fails to pay the charge by 30 September 2021, the licence expires.

Licence re-issue

The ABF will send out renewal certificates to licence holders once the renewal invoice has been paid. It is estimated that the new renewal certificates will not be sent out until late July due to the number of licences being processed.

More information

Contact licensing@abf.gov.au for further information.



Customs Compliance Reminders and Guidance

Reporting of reefer containers

The ABF has identified a significant number of examples of incorrect reporting in the “Container Type Code” field in ICS sea cargo reports, largely when refrigerated containers (reefers) are being reported as non-reefer container types.

The “Container Type Code” field is for the identification of the design of the container. Reefer containers should be reported with the code ‘REFR’ regardless of contents or activation status. Incorrect reporting of container types presents a problem at the Australian border for a number of reasons, including the ABF’s reduced ability to monitor volumes of certain types of containers. Failure to correctly report particulars within the ICS is an offence against subsection 243V (1) of the Act and can attract penalties of up to \$13,320 per offence (per container that is incorrectly reported).

An assessment was conducted of containers not reported as REFR in 2020 identifying approximately 16950 incorrectly reported reefers. This number represents that 7.44% of all reported reefers from 2020 were incorrectly reported. Analysis of all containers reported in January/February 2021 has identified approximately 1038 instances of incorrect reporting.

The ABF is requesting all stakeholders undertaking sea cargo reporting to review their reporting processes to ensure compliance with the Act. The ABF will be undertaking operational activity across the network to audit container reporting in the coming months and will consider issuing penalties to those who are found to be non-compliant.



Compliance program results 1 October - 31 December 2020



Note: Statistics were accurate at the time of extraction on 23 February 2021. As data has been drawn from a dynamic source, figures provided may differ slightly in previous or future reporting.

Infringement Notice Scheme

Table 1 - Infringement Notice Scheme offences

Offence	Description
33(1)	Moving, altering or interfering with goods subject to Customs control without authority (intentional)
33(2)	Moving, altering or interfering with goods subject to Customs control without authority
33(3)	Moving, altering or interfering with goods subject to Customs control without authority (by an employee)
33(6)	Directs another person to move, alter or interfering with goods subject to Customs control without authority
36(1-7)	Failure to keep goods safely or failure to account for goods
64(13)	Failure to meet reporting requirements for the impending arrival of a ship or aircraft
64AB(10)	Failure to meet reporting requirements for the report of cargo
64ABAA(9)	Failure to meet reporting requirements for outturn reports
64ACD(2)	Failure to report on passengers and crew
77R(1)	Breach of conditions of depot licence
112(2B)	Prohibited exports
113(1)	Failure to enter goods for export and loading/exporting without authority to deal
115(1)	Goods taken on board without authority to deal

Offence	Description
116(2)	Failure to withdraw or amend export declarations when necessary
233(1)(b)	Prohibited imports
233(1)(c)	Prohibited exports
233(1)(d)	Possession of prohibited imports or prohibited exports
240(1)	Failure to keep commercial documents
243SB	Failure to produce documents or records
243T(1)	False or misleading statements resulting in a loss of duty
243U(1)	False or misleading statements not resulting in a loss of duty
243V(1)	False or misleading statements in cargo reports or outturn reports

Figure 1 - Number of Infringement Notice Scheme offences 1 July - 31 December 2020

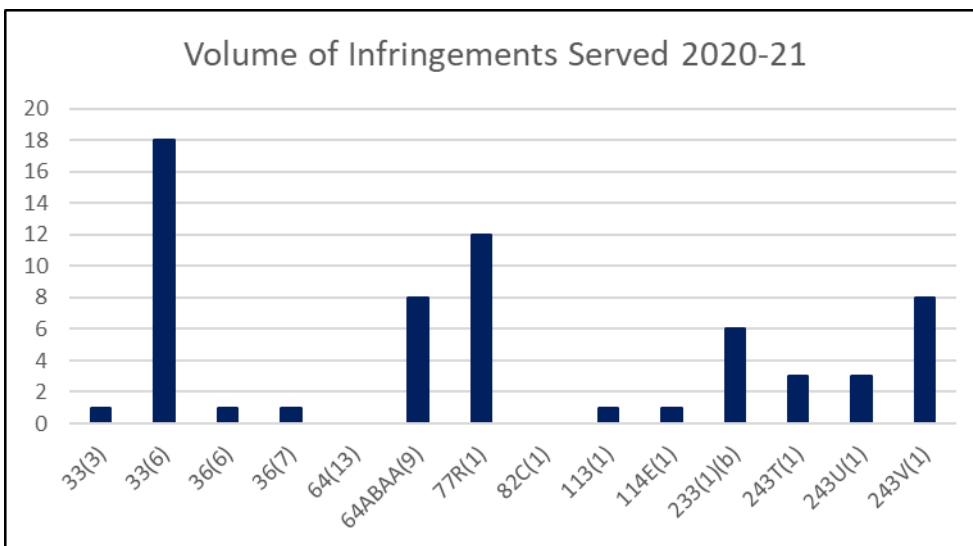
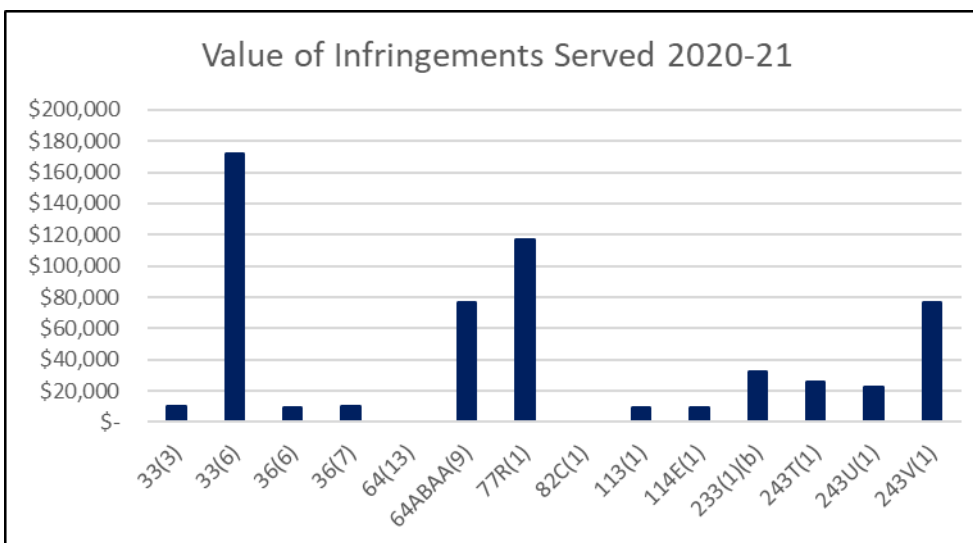


Figure 2 - Value of Infringement Notice Scheme offences 1 July – 31 December 2020



Revenue understatements – General

Table 2 - Value of revenue understatements identified from Investigations and Compliance activities (Australian Dollars)

Activity	Financial year 2019 – 2020	1 October – 31 December 2019	1 October – 31 December 2020	Financial year to date 2020 – 2021 (July to January)
Post Transaction Verification	\$40,614,771	\$6,030,328	\$17,195,039	\$59,688,309
Pre-Clearance Intervention	\$16,611,209	\$3,468,358	\$3,494,296	\$7,466,967
General Monitoring Program	\$1,469,180	\$137,349	\$125,058	\$171,027
Voluntary Disclosures	\$40,018,804	\$5,336,048	\$ 30,989,065	\$58,445,930
Refused Refunds	\$32,882,214	\$26,808,697	\$1,055,550	\$2,322,148

Revenue understatements – Trade remedies

During the period 1 October to 31 December 2020, Trade Compliance officers conducted 33 activities to ensure a level playing field in relation to the enforcement of trade remedy measures, primarily focusing on:

- Aluminium extrusions;
- Hollow Structural Sections (HSS); and
- Steel pallet racking

Table 3 - Value of revenue understatements identified from trade remedies investigations and compliance activities (Australian Dollars)

Trade remedies understatements identified	Financial year 2019 – 2020	1 July – 31 December 2020 (20-21 YTD)
Customs duty	\$347,317.72	\$33,441.19
Dumping duty	\$6,948,130.03	\$1,809,070.47
Countervailing duty	\$2,018,723.47	\$257,659.21
GST	\$1,077,336.56	\$389,300.48

Note: The apparent reduction in dumping and countervailing outcomes can be attributed to several factors but particularly to the success of ABF operations conducted in the previous financial years, which targeted deliberate evasion of dumping measures on aluminium extrusions. Many entities deliberately circumventing anti-dumping measures that were subjected to ABF compliance activity ultimately left the industry.

Duty Refunds

Table 5 - Administration of Refunds

Description	Financial year 2019 – 2020	1 October – 31 December 2019	1 October – 31 December 2020	Financial year to date 2020 – 2021 (July 2020 to January 2021)
Number of refunds lodged	120,077	30,997	24,152	58,456
Number of approved refunds	117,782	30,217	22,628	58,262
Value of approved refunds	\$260,945,917	\$87,335,426	\$54,045,868	\$144,794,530
Value of refunds claimed	\$323,729,248	\$129,090,873	\$56,600,316	\$150,222,499
Number of refunds rejected (non-compliant)	707	167	153	381
Value of refunds rejected (non-compliant)	\$32,882,214	\$26,808,697	\$1,055,550	\$2,322,148

Note: The approved refunds figures include claims lodged in past periods.

Duty Drawbacks

Table 6a - Administration of Duty Drawbacks (number)

Description	Financial year 2019 – 2020	1 October – 31 December 2019	1 October – 31 December 2020	Financial year to date 2020 – 2021 (July 20 to January 21)
Drawbacks Lodged	2,559	685	537	1,283
Total Drawbacks Paid	2,457	644	499	1,203
Drawbacks Rejected	72	14	3	18

Table 6b - Administration of Duty Drawbacks (value in Australian dollars)

Description	Financial year 2019 – 2020	1 October – 31 December 2019	1 October – 31 December 2020	Financial year to date 2020 – 2021 (July 2020 to January 2021)
Drawbacks Lodged	\$572,953,667	\$152,787,542	\$92,417,551	\$379,268,110
Total Drawbacks Paid	\$390,445,296	\$95,920,265	\$141,663,733	\$302,864,501
Drawbacks Rejected	\$42,252,252	\$151,038	\$148,178	\$29,556,066

Note: The drawbacks paid figure is sometimes significantly different than that lodged for a period due to claims lodged towards the end of a period being processed in the next period.

Compliance Monitoring Program

The Compliance Monitoring Program (CMP) monitors the accuracy and quality of import and export declarations and cargo reports to assess overall levels of industry compliance.

Import declarations

Table 7 - CMP import declaration results

Description	Financial year 2019 – 2020	1 October – 31 December 2019	1 October – 31 December 2020	Financial year to date 2020 – 2021 (July 2020 to December 2021)
No. of Lines Checked	6,175	1,310	1,166	2,972
No. of Lines Detected to Have Error/s	1,689	397	269	570
Error Rate	27%	30%	23%	19%
No. of Detections	2,453	671	337	709

Table 8 - Most common errors on import declaration lines (CMP)

Description	Financial year 2019 – 2020	Financial year 2020 – 2021 YTD
Incorrect Delivery Address	347	68
Tariff Classification	274	48
Val - Price (Invoice Total)	195	38
Val - Invoice Terms	177	101
Gross Weight	115	29
Origin	81	22
Val - Related Transaction	80	44

Export declarations

Table 9 - CMP export declaration results

Description	Financial year 2019 – 2020	1 October – 31 December 2019	1 October – 31 December 2020	Financial year to date 2020 – 2021 (July 2020 to December 2021)
No. of Lines Checked	481	9	102	439
No. of Lines Detected to Have Error/s	235	6	47	151
Error Rate	49%	67%	46%	34%
No. of Detections	467	9	77	242

Table 10 - Most common errors on export declarations (CMP)

Description	Financial year 2019 – 2020	Financial year 2020 – 21 YTD
FOB Value	136	76
Gross Weight	92	38
AHECC - Misclassification	48	23
Consignee City	24	5
Net Quantity	36	18
Origin	31	22
AHECC - Multi-Lines	24	10
Consignee Name	16	7
Other Export Data Inaccuracy	26	14

Cargo reporting

Table 11 - CMP cargo report results

Description	Financial year 2019 – 2020	1 October – 31 December 2019	1 October – 31 December 2020	Financial year to date 2020 – 2021 (July 2020 to December 2021)
No. of Lines Checked	6,175	1,310	1,166	2,972
No. of Lines Detected to Have Error/s	187	62	24	51
Error Rate	3.03%	4.73%	2.06%	1.72%
No. of Detections	215	72	25	53

Table 12 - Most common errors on cargo reports (CMP)

Description	Financial year 2019 – 2020	Financial year 2020 – 2021 YTD
Gross Weight	77	5
Consignee Incorrect	65	7
Consignor Incorrect	32	6
Goods Description	22	0
Declared Value	16	3
Origin Port of Loading	3	9
Cargo Report Data Inaccuracy (Other)	34	18

Australian Customs Notices and Industry Guidance

Australian Customs Notices

The following table contains the ACNs that have been issued since the last GCU. Any numbers missing from the table below (such as 2021-11) refer to customs broker license application notices. The full list and details can be found here: <https://www.abf.gov.au/help-and-support/notices/australian-customs-notices#>

Number	Title
2021-06	Indexation of customs duty rates on excise-equivalent goods on 1 February 2021
2021-07	Proposed Customs (Information Technology Requirements) Determination 2021
2021-08	Item 58 – Goods that are for use in the F-35 Joint Strike Fighter Program
2021-09	Customs duty rates for tobacco and tobacco products – March 2021
2021-10	New Obligations on Customs Broker Licences
2021-12	Amendments to the Customs Tariff Act 1995
2021-13	Cheese and Curd Quota Scheme – Allocations for 2021-22
2021-14	Concessional Item 39A – Motor vehicle testing equipment
2021-15	Customs duty rate changes for 1 April 2021: Japan-Australia Economic Partnership Agreement

Industry Guidance

ABF Website Updates

The following ABF websites have been updated, to ensure industry and traders have the latest information.

Importing a Motor Vehicle – This webpage has new information on vehicles imported by diplomats and vehicles shipped between Australia and its external territories and an outdated guideline, *Importing a Road Vehicle Instruction and Guideline*, was removed.

It should be noted that *The Road Vehicle Standards Act 2018* is replacing the *Motor Vehicle Standards Act 1989*. It will change the way vehicles that are imported and provided to the Australian market for the first time, are regulated. The new Road Vehicle Standards legislation will come into full effect from 1 July 2021. For more information, please visit the Department of Infrastructure, Transport, Regional Development and Communications' [Road Vehicle Standards \(RVS\) legislation implementation](#) webpage. Any changes to ABF processes for the importation of road vehicles resulting from the implementation of the RVS legislation will be published on the ABF website as they become known.

Transshipment – A new webpage provides information on the treatment and reporting requirements for transhipped goods under the Act.

Definition of consignment – As reported in *Goods Compliance Update – February 2021*, a new Australian Customs Notice (ACN) 2021/01 *Definition of 'consignment' for the purposes of section 68 of the Customs Act 1901* has been published. This ACN replaces [ACN No. 2006/59](#) and the *Definition of Consignment Instruction and Guideline*.

Retirement of Export Control Manual (Volume 12) – As advised in *Goods Compliance Update – October 2020*, we continue to publish relevant export content on to the [How to Export](#) pages of the ABF website. For general export questions, please continue to contact the ABF via the link page on our website: <https://www.abf.gov.au/help-and-support/contact-us>.

Dumping and Countervailing Duties – A new webpage provides information on dumping and/or countervailing duties applying to imported goods.

Cheese and Curd Quota Scheme – The *Cost of Importing Goods* webpage has been updated to include information about the Cheese and Curd Quota Scheme (following the removal of the *Cheese and Curd Quota Scheme Practice Statement*).

Duty Drawbacks – The content of this webpage was updated for improved usability.

Customs Duty Drawback – Tobacco and Tobacco Products – ACN 2020/44 provides up to date information on the requirements for duty drawback claims relating to tobacco and tobacco products and replaces [ACN 2012/60](#) and [ACN 2012/61](#).

Duty Drawback Scheme – Procedural Requirements for Method Calculations – ACN No. 2002/51 was replaced by [ACN 2019/41](#), which provides clarification on the evidentiary requirements for duty drawback claims.

Refund of Customs Duty – This content of this webpage was updated for better usability and moved for improved accessibility.

Asbestos – This webpage has been updated with additional detection images (this will be added to from time to time), further supply chain risk information for importers, information clarifying naturally occurring traces of asbestos, information about asbestos substitute materials, and, additional state/territory government website links.



Duties and other charges
Import processing charge
Dumping and countervailing duties

Dumping and countervailing duties

The Australian Government charges dumping and countervailing duties (additional duties for dumped or subsidised goods) for certain imported goods. These duties are in addition to customs duty and indirect taxes. In some cases duty payable may be more than the value of the goods.

Dumping and countervailing duties still apply to goods imported from countries with which Australia has free trade agreements.

Anti-dumping and countervailing measures are imposed where Australian manufacturers are being materially injured by dumped or subsidised imports.

Dumping is when goods exported to Australia are at a lower price than charged in the manufacturing country.

There is a new webpage providing information on dumping and/or countervailing duties applying to imported goods (source: [ABF Dumping and countervailing duties \(abf.gov.au\)](#))

Around the Regions

New South Wales – Working with industry to facilitate COVID-19 vaccine

The ABF has been working collaboratively across Government and with Industry since March 2020 to combat the diversion of essential items where the intent is for the items to be exported or in support of the Therapeutic Goods Administration (TGA) in upholding relevant safety standards of imported Personal Protective Equipment (PPE), medical devices and COVID-19 related medicines, such as vaccines.

Through an inclusive approach with Industry the ABF implemented measures to ensure that imports of critical goods for preventing the spread of COVID-19, including legitimate COVID-19 testing kits, legitimate PPE and vaccines can clear our borders quickly without compromise to existing border controls that protect the Australia community from counterfeit or illegitimate goods. Since March 2020 the ABF has examined over 28 million imported face masks and identified over 100,000 unapproved variations, 76,000 unapproved COVID test kits and removed significant quantities of illicit medicines from the supply chain.

In November 2020 the ABF commenced preparations for the arrival of COVID-19 vaccines. The supply chain and importation requirements of multiple variations of COVID-19 vaccines with differing storage and handling requirements has been a logistics challenge shared across industry and Government. Through collaboration with international partners and key industry stakeholders such as vaccine manufacturers and supply chain enablers, the ABF was able to implement a border clearance processes that enabled proactive pre-border identification and expedited clearance of legitimate vaccines while enhancing control measures to disrupt illegitimate COVID-19 vaccine imports. To-date most COVID-19 vaccines have arrived into Australia through Sydney International Airport. Nonetheless, the ABF has a robust operational plan in place to facilitate the importation of legitimate vaccines across the regions to accommodate industry requirements.



The first consignments of COVID-19 vaccines for use in Australia arrived at Sydney Airport in February 2021

The ABF in NSW has worked closely with the airlines, licensed Depots, Freight Forwarders and Customs Brokers on each consignment to ensure these critical medicines are border cleared and released into home consumption as soon as possible. This assistance in NSW has aided the domestic distribution of the COVID-19 vaccines across Australia and the roll out of the immunisation program.

The ABF continues to inform its approach through regular engagement with key industry bodies and international partners, contemporary intelligence, and experience of key stakeholders. There have been no border detections of illegitimate vaccines in Australia to date, and minimal detections worldwide in comparable economies. The ABF remains well prepared to identify and disrupt any criminal actor seeking to exploit vulnerabilities in the vaccine program through illegitimate importation.

A fundamental cornerstone to a seamless vaccine rollout and Australia's successful COVID-19 recovery is collaboration and coordination between Government agencies and key industry.

The ABF approach has been cross-cutting in nature, with ABF partnering on a variety of initiatives to expedite border clearances. Through experience the ABF continues to support the development of global standards through broad practical guidance for customs agencies around the globe, most notably with the World Customs Organisation (WCO) and Asia-Pacific Economic Cooperation (APEC).



An ABF officer inspects one of the first COVID-19 vaccine shipments on arrival at Sydney Airport

In the news

December 2020

Melbourne man serves jail time for three-tonne tobacco import

An Australian man has been sentenced to two years and six months imprisonment after attempting to import over three tonnes of loose leaf tobacco into Victoria.

The container was detected by ABF officers in August 2018 in a commercial shipping vessel, and was found to contain 136 packages of loose leaf tobacco totalling 3,285kg. ABF investigators executed search warrants the following month in Campbellfield, Victoria where the man admitted to organising the shipment of illicit tobacco. He pleaded guilty on 26 July 2019 to an offence under section 233BABAD(1) of the Act. The man was sentenced on Wednesday 16 December 2020, to imprisonment of 2 years and 6 months, with a minimum of 12 months. The full story can be found here: [Melbourne man serves jail time for three-tonne tobacco import - All News - Australian Border Force Newsroom \(abf.gov.au\)](https://www.abf.gov.au/newsroom/all-news/melbourne-man-serves-jail-time-for-three-tonne-tobacco-import)

January 2021

Man charged after \$675,000 worth of MDMA concealed in wine bottles seized

NSW Police have charged a man as part of ongoing investigations into the alleged importation of \$675,000 worth of liquid MDMA concealed in wine bottles. Acting on intelligence information, officers from the ABF examined a consignment which arrived in Sydney from the United Kingdom on Christmas Day (Friday 25 December 2020). The air cargo consignment – which was declared to contain wine bottles – was examined by ABF officers, who noted inconsistencies. During a subsequent deconstruction, the consignment was found to contain 4.5kg of clear liquid within the items. The liquid was tested and returned a presumptive positive result for MDMA, which has an estimated potential street value of \$675,000. Read the full story here: [Man charged after \\$675,000 worth of MDMA concealed in wine bottles seized - All News - Australian Border Force Newsroom \(abf.gov.au\)](https://www.abf.gov.au/newsroom/all-news/man-charged-after-675000-worth-of-mdma-concealed-in-wine-bottles-seized)



February 2021

Jail for sofa cigarette smuggler

A 55-year-old Perth man has been sentenced to eight months jail for smuggling almost 100,000 cigarettes into Fremantle concealed inside a shipment of sofas.

ABF officers intercepted the consignment in a shipping container that arrived from China on 3 January 2018. Inside were 149 cardboard boxes that contained modular sofas.

ABF officers identified that ten of the boxes at the rear of the container were marked slightly differently. There was also scented air fresheners located throughout the container. One of the ten boxes was unpacked revealing a sofa consisting of two cushions, an armrest and a base seat. An x-ray of the base seat revealed anomalies, and a subsequent examination showed it was concealing dozens of cartons of cigarettes. A total of 449 cigarette cartons, or 99,800 sticks, were seized. The duty and GST payable on that amount of cigarettes at the time was \$77,189.11. The full story can be found here: [Jail for sofa cigarette smuggler - All News - Australian Border Force Newsroom \(abf.gov.au\)](#).



Two charged, meth and \$147k in cash seized in Melbourne

Joint taskforce Icarus members have arrested and charged two more men in connection to the alleged import of almost eight kilograms of methamphetamine hidden inside a shipment of water filters sent to Melbourne last year. A 29-year-old man and a 26-year-old man, both Malaysian nationals, were arrested after detectives executed a series of search warrants at addresses in Docklands and the Melbourne CBD between 20 January and February 3, 2021. It will be alleged in court police located approximately \$147,000 in cash, 19 kilograms of 1, 4 Butanediol, 22 kilograms of methamphetamine, 20 kilograms of methyl alpha-phenylacetoacetate (a border controlled precursor to amphetamine and methamphetamine), seven mobile phones and a number of SIM cards.

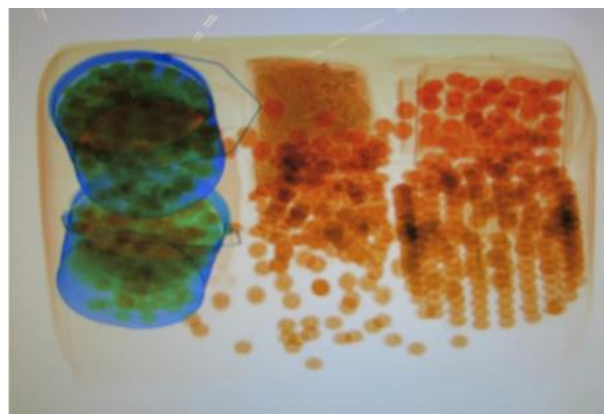
The charges follow the arrest of a 27-year-old Malaysian national in late October last year in connection to the same importation of illicit drugs. The man faced the Melbourne Magistrates' Court on October 26 2020 where bail was refused. He is set to reappear again on 22 March 2021. The Australian Federal Police (AFP), together with Victoria Police and Australian Border Force under joint agency Taskforce Icarus, commenced their investigations after ABF officers identified a suspicious consignment sent from Vancouver, Canada to Melbourne, Australia on 27 September 2020. The full story can be found here: [Two charged, meth and \\$147k in cash seized in Melbourne - All News - Australian Border Force Newsroom \(abf.gov.au\)](#)

March 2021

Three arrested after meth lollipops and cocaine lollies seized

Detectives have arrested three men over their alleged involvement in the importation of methylamphetamine and cocaine concealed in lollipops and lollies from the United States.

In early November 2020, ABF officers at the Sydney Gateway Facility mail centre intercepted three packages that arrived in Sydney from the United States containing methylamphetamine and cocaine. Officers from Northern Beaches Police Area Command were notified and established Strike Force Arced to investigate the importations, with assistance from The Department of Home Affairs and US Homeland Security. As part of inquiries, authorities seized 5.83 kilograms of methylamphetamine and 655 grams of cocaine, contained in 16 parcels bound for the Northern Beaches, Parramatta, Macquarie Park, Chatswood and Ryde, between November 2020 and March 2021. The seizures – which have an estimated potential street value of \$3.5 million – included methylamphetamine packaged as lollipops and cocaine pressed as lollies. Read the full story here: [Three arrested after meth lollipops and cocaine lollies seized - All News - Australian Border Force Newsroom \(abf.gov.au\)](#)





Next Issue and Contact

If you have any comments or queries on this issue or would like to see a particular topic covered in the next issue of Goods Compliance Update, please email goodscompliance@abf.gov.au, attention GCU editor.

If you would like to contact ABF industry engagement in regards to an event or other engagement opportunity they can be contacted at industry.engagement@abf.gov.au.

Glossary

ABF	Australian Border Force
ACM	Asbestos Containing Material
ACN	Australian Customs Notice
AFP	Australian Federal Police
AHKFTA	Australia-Hong Kong Free Trade Agreement
APL	Agriculture Processing Charge
APM	Australian Police Medal
APVMA	Australian Pesticides and Veterinary Medicines Authority
ASA	Australian Space Agency
ASEAN	Association of Southeast Asian Nations
ASO	Australian Sanctions Office
ATO	Australian Taxation Office
ATT	Australian Trusted Trader
ChAFTA	China Australia Free Trade Agreement
COAG	Council of Australian Governments
COO	Certificate of Origin
CMP	Compliance Monitoring Program
CP	Counter Proliferation
CPD	Continuing Professional Development
CPQ	Community Protection Questions
CPTPP	Comprehensive and Progressive Agreement for Trans-Pacific Partnership
CRN	Consolidation Reference Number
DEC	Defence Export Controls
DFAT	Department of Foreign Affairs and Trade

DIBP	Department of Immigration and Border Protection (2015-2017)
DOO	Declaration of Origin
DSGL	Defence and Strategic Goods List
EDN	Export Declaration Number
EEG	Excise Equivalent Goods
EFT	Electronic Funds Transfer
FID	Full Import Declaration
FTA	Free Trade Agreement
GST	Goods and Services Tax
IA-CEPA	Indonesia Australia Comprehensive Economic Partnership Agreement
IAG	Industry Advisory Group
ICS	Integrated Cargo System
IDM	Illustrative descriptive material
IFCBAA	International Forwarders and Customs Brokers Association of Australia
IPC	Import Processing Charge
ITTF	Illicit Tobacco Task Force
INS	Infringement Notice Scheme
JAXA	Japanese Aerospace Exploration Agency
LCL	Less than Container Load
LCT	Luxury Car Tax
MRA	Mutual Assistance Arrangement
NCBLAC	National Customs Brokers Licensing Advisory Committee
NGA	National Gallery of Australia
OCG	Organised Crime Group
PACER	Pacific Agreement on Closer Economic Relations
PAFTA	Peru-Australia Free Trade Agreement



PSM	Public Service Medal
RCEP	Regional Comprehensive Economic Partnership
SAC	Self-Assessed Clearance
TGA	Therapeutic Goods Administration
TLF	Tariff list file
UK	United Kingdom of Great Britain and Northern Ireland
UNSC	United Nations Security Council
WET	Wine Equalisation Tax
WCO	World Customs Organization
WMD	Weapons of Mass Destruction