

Conference of Asia Pacific Express Carriers Bilateral

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Communique CAPEC Meeting 19 February 2025

The CAPEC convened at Australian Border Force (ABF) Headquarters, with Co-Chairs Ms. Tharani Vithanage, First Assistant Secretary of the Strategy and Policy Division and Mr. Tony Smith, Assistant Commissioner Customs Compliance, Enforcement and Targeting, overseeing the commencement formalities and meeting administration. The minutes from the previous meeting held on 20 August 2024 were endorsed by all members.

The Australian Border Force (ABF) provided updates where members noted the passage of the *Customs Amendment Bills 2024*, which aim to modernise Australia's customs processes. These reforms are expected to save businesses time and money while reducing regulatory burdens. The changes include facilitating electronic service of notices, expediting disciplinary processes and aligning processes for depots and warehouses. Members acknowledged the importance of clear communication and engagement with industry to ensure a smooth transition.

Members were briefed on the expansion of the Fit and Proper Person requirement to include all participants in the operations of a licensed place. Discussions included data security of physical ID documents and the additional administrative burden on larger depots and warehouses. Members agreed to meet separately with ABF Customs Licensing to discuss individual issues and report common issues back to CAPEC.

Members discussed the necessity to modernise and digitise communications to improve efficiency and reduce reliance on paper-based processes. The ABF advised members that it is exploring digital ID solutions, including the use of MyID across its trade operating systems. Members agreed on a unified approach towards communication strategies with industry support.

Concerns were raised by members regarding the outdated list of exchange rates in the Integrated Cargo System (ICS), which affects reporting on goods in foreign currencies. The ABF agreed to investigate the feasibility of expanding the list of currencies, noting that CAPEC had already provided a list of currencies it reports on.

The introduction of the regulatory sandbox concept for testing and trialling changes to processes and policies was noted by members. Successful trials may lead to permanent legislative changes. The ABF flagged the legislative instrument and process required for sandbox trials. Members emphasised the need for collaboration and updating other CAPEC members on proposed trials.

Members noted the AGCNCO's investigation report and their patience throughout the process. Members expressed satisfaction with the outcome and highlighted several key issues they wanted to address, particularly the commercial rate of return and social obligations. Members emphasised the need for a public enquiry into the competitive advantage held by Australia Post due to its government ownership and regulatory framework. Members discussed a more equitable regulatory framework, suggesting that a

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public inquiry could help address any concerns and ensure a level playing field for all industry participants. Members expressed their willingness to collaborate with the ABF and other relevant stakeholders to address these issues and highlighted the importance of engaging with stakeholders and experts to ensure a comprehensive understanding of the regulatory landscape and its impact on industry.

Members noted inconsistencies in ABF processes regarding regional handling of abandoned goods, particularly concerning asbestos testing before destruction. The ABF discussed that in the absence of testing, goods may be treated as containing asbestos and destroyed by licensed asbestos handlers or a destruction company. ABF officers would not be present during the destruction process, to avoid risk of exposure. Following destruction, the ABF will be provided with a copy of the certified destruction. Should the ABF require examining the goods, asbestos testing will be organised prior to the examination. Members were advised that the ABF Supply Chain team is reviewing processes to address inconsistencies and establish best practices for handling abandoned and unentered goods.

The meeting concluded with a commitment to continue working on the discussed issues and to engage with relevant stakeholders to find solutions. Members raised concerns about the scheduling of upcoming meetings, specifically TFIWG, TTWG and CAG, highlighting alignment in particular challenges with attendance. A proposal was put forward to arrange these meetings within a two-day period for ease of participation. The ABF acknowledged the scheduling issue and all members agreed to maintain the current schedule to preserve momentum.

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