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## Communique

### CAPEC Meeting 22 February 2024

The ABF convened the first CAPEC meeting of the year at the ABF Headquarters in Canberra ACT, with the Chair Mr Malcolm Skene, First Assistant Secretary Industry and Border Systems Division, conducting opening formalities and meeting administration. The Chair noted the agenda was designed to facilitate further discussion regarding the Expansion of Approved Arrangement [EAA] (Class 14.3) pilot project conducted by UPS/CAPEC and the Department of Agriculture, Fisheries and Forestry (DAFF) in 2023. The pilot assessed industry capability to perform an initial inspection and verification of routine air cargo consignments, and the efficiencies identified, including reducing delays in the release of routine goods (enabling the release of goods outside of normal DAFF working hours and reduce staff overtime costs) aligns with the ABF's STS Regulatory Sandbox. A proof of concept process is expected to commence in July 2024, and will initially examine generic, non-risk items in a digitally enabled trial.

Members discussed business continuity processes relating to the Integrated Cargo System (ICS) and interoperability of industry house (third party) software, with concerns raised regarding processes to be implemented in the event of house software failing to interface with ICS. The significance of the issue was acknowledged with the ABF to investigate further, while recommending that members ensure corporate business continuity plans are maintained.

A briefing was provided regarding service standards for the Cargo System Support National Call Centre and the high volume of requests for cargo status updates, with agreement obtained from members to wait for 48hrs prior to seeking updates. Members discussed the challenges faced when seeking after-hours assistance for holds placed at the Master Air Way Bill (MAWB) level, with advice provided that urgent section 70 clearances are managed centrally 24 hours a day. Delays in ABF issuing industry with approvals for destruction of un-entered and abandoned goods was discussed, with members seeking clarification on how to proceed. Unless goods are deemed to be abandoned, consignments deemed for disposal are not required to be disposed of within 28 days; [Australian Customs Notice 2022-29](#) provides more information.

Acknowledging the importance of supply chain integrity, discussion then turned to Operation Jardena data requests, with the ABF acknowledging the significant impost on industry's ability to comply in a timely manner. This was followed with feedback from members regarding the challenges relating to due diligence requirements per the review of the Customs Licence Conditions; notably, the importer 100 point ID check; B1555 and B301 requirements; and fit and proper persons. The meeting concluded with discussion regarding the costs to business incurred for abandoned goods that may contain asbestos and CAPEC requested for the reinstatement of receipt of annual data on the total percentage of Self Assessed Clearances and Full Import Declarations lodged in ICS by DHL, FedEx and UPS.

The next CAPEC meeting will be held on 20 August 2024.

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