



**JOINT COMMITTEE OF PUBLIC ACCOUNTS AND AUDIT
REVIEW OF AUSTRALIA'S QUARANTINE FUNCTION:**

AUSTRALIAN CUSTOMS SERVICE SUBMISSION

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INTRODUCTION

The Australian Customs Service (Customs) is pleased to provide this submission to assist the Committee in conducting its review of the Quarantine Function.

This submission focuses on the relationship between Customs and the Australian Quarantine and Inspection Service (AQIS) in the delivery of quarantine measures at the Australian Border. The submission provides:

- An overview of the relationship between Customs and AQIS
- An outline of Customs processes at the border and how these contribute to the maintenance of quarantine border integrity;
- A report on progress with implementation of increased quarantine intervention initiatives announced by the Government in the May 2001 Budget.

Customs is available to provide any further information required by the Committee in the course of the review.

CO-ORDINATION WITH CUSTOMS

Customs has a longstanding and close working relationship with AQIS in the delivery of measures for achieving quarantine border integrity. While AQIS has primary responsibility for quarantine matters, close liaison is important to ensure seamless border processing and prevent duplication.

As the primary border agency, Customs is generally the first point of contact for goods and people moving across the border and normally undertakes initial border agency intervention. These initial interventions, in addition to recording movements and undertaking Customs compliance assessments, include checks against alert lists and profiles provided to Customs by a range of client agencies including AQIS. Where alerts or profiles are triggered, referrals are made to the relevant agency for further intervention as required. Customs electronic systems are used extensively by both Customs and AQIS for reporting, targeting and management of movements of quarantine interest.

Co-operative and integrated processes have been agreed between Customs and AQIS to ensure that areas of responsibility at the border for both agencies are addressed and that there is no duplication. There is close liaison in the development of examination strategies and both agencies maintain a watch for items of interest to the other and refer these where identified. Recent examples include joint staffing of x-ray equipment introduced as part of the Government's increased quarantine intervention initiatives, development of design standards and process flows for screening of international mail, the development of protocols for the management of passenger flow at airports and the implementation of examination strategies which will deliver 100% intervention in High Volume Low Value (HVLV) air cargo.

Customs performs prosecution activities on behalf of AQIS at airports, including the preparation of records of interview and briefs of evidence where AQIS determines that prosecution under the Quarantine Act is warranted. This arrangement is of benefit to both agencies in that it allows Customs officers at airports to build and maintain expertise through regular exposure to both Customs and quarantine prosecution issues and in turn provides a valuable service to AQIS.

Since the introduction of measures for increased quarantine intervention announced in the May 2001 budget, both agencies have put additional effort into ensuring joint tasking of officers from both agencies and the sharing of equipment and accommodation.

In many areas, joint and/or cross agency training is provided to improve consistency in application of joint processes and improve employee awareness of each agency's requirements.

Memorandums of understanding between the two agencies cover many of the arrangements outlined above.

Specific arrangements for the range of points of entry and modes of operation are detailed below.

Airports

At international airports, initial contact with disembarking passengers is made by Customs at the Primary Line. At this point passengers present a completed inwards passenger card (IPC) which includes questions relating to customs, immigration and quarantine clearance. Additional quarantine questions are also asked to establish whether or not a rural area in a high-risk country has been visited as part of their journey. Passengers declaring items of quarantine interest are identified for further examination by a marking made by the Customs Primary officer on the IPC. Passengers triggering customs, quarantine or other alerts are also identified at this time.

After collection of hold luggage, passengers present at the Customs green or red marshal point and may be directed to a Customs or Quarantine officer (based on the IPC marking) for further examination.

In the green channel, luggage belonging to passengers of no identified interest to either agency is screened through x-ray machines jointly staffed by Customs and AQIS employees. Customs' primary role at green channel x-ray machines is to identify and address issues of Customs concern while AQIS officers are responsible for identifying and responding to quarantine issues.

In the red channel, items of quarantine interest identified during a Customs examination are referred to AQIS for further quarantine action. Passengers declaring only quarantine goods are referred directly to AQIS by the Customs Marshal. Once a referral has been made, further Customs intervention only occurs where items of Customs interest are identified by AQIS.

Shopfronts at airports are jointly staffed to provide travellers with a one-stop source of information and Quarantine brochures are provided to outbound passengers by Customs at the outwards primary line.

Sea and Air Cargo

In the sea and air cargo environments, AQIS officers have access to the Customs Sea Cargo Automation (SCA) and Air Cargo Automation (ACA) systems, which are used to identify, target and process consignments that are a high quarantine risk. Customs efforts to improve cargo reporting and the data integrity contained in those reports directly assist AQIS to improve targeting and the timeliness of quarantine interventions. The use of the current Customs IT platform by AQIS facilitates a single window to industry in terms of coordinating the clearing of cargo after importation.

Customs officers using the SCA and ACA systems also identify and refer high-risk quarantine items to AQIS. This is further complemented by referrals of goods of quarantine interest when they are found as part of a Customs examination. This cooperation also works in reverse as AQIS officers often refer goods of Customs interest when they are found as part of an AQIS inspection.

In the early response stages to the European outbreak of Foot and Mouth Disease, Customs officers assisted AQIS by identifying containers requiring cleaning to remove soil and referring consignments that might be of interest to AQIS.

Commercial Profiling of Imports

Customs Commercial profiling mechanism within the COMPILE system used to manage import declarations is also used by AQIS and the Imported Foods Inspection Program (IFIP) to identify shipments of goods categorised against Tariff items of quarantine interest. AQIS and IFIP advise Customs of identified profiles and indicate whether they are high risk or potential risk. Customs entry line data is then assessed against these profiles using Customs electronic systems.

Where high-risk profiles are triggered, the Customs release of cargo is conditioned 'Subject to Quarantine' and/or 'Subject to IFIP'. Cargo marked for AQIS/IFIP conditioned release is then usually reported to AQIS/IFIP by Brokers, again utilising Customs electronic systems (JEMS, a component of COMPILE) and recorded by AQIS as an AQIS entry.

Potential risk profiles are either upgraded to high risk or downgraded depending on the answers given by brokers to relevant entry lodgement declarations.

Exports

AQIS is responsible for the issue of a variety of permits for goods exported from Australia. The principal purpose of this is to satisfy overseas (importing) country requirements for Australian Government certification of goods.

Customs sets permit flags against certain goods within the EXIT export system on behalf of AQIS. This ensures that the appropriate permit is quoted on the export documentation.

Unaccompanied Personal Effects

Customs and AQIS have worked jointly with industry to review the processing of unaccompanied personal effects to create a seamless process that eliminates duplication of effort by both agencies and streamlines the clearance of this category of goods. To date the outcomes have been to design, print and distribute a single joint agency form to process unaccompanied personal effects. The form is available in a number of languages, has been placed on both agencies websites and printed versions have been sent to all overseas Australian diplomatic posts. With implementation of Customs Cargo Management Reengineering (CMR) outcomes, lodgement of forms will be electronic via Customs integrated cargo systems.

Mail

Joint screening of international mail is also conducted under co-operative arrangements developed between Customs, AQIS and Australia Post. Tripartite work groups meet regularly to discuss topics of mutual interest and progress improvements in the postal environment. A Memorandum of Understanding between Customs and Australia Post has recently been expanded to include AQIS responsibilities and requirements.

On behalf of AQIS, Customs progressed through the World Customs Organisation the inclusion of quarantine statements in the revised Customs Declarations for postal articles. If adopted by the relevant Universal Postal Union committee the revised form will be used internationally.

Coastwatch and Marine

Through the Coastwatch and marine functions, Customs provides aerial and off-shore support to quarantine operations as part of Australia's civil maritime surveillance and response program. A combination of contracted aircraft, Australian Defence Force patrol boats and aircraft, and sea-going vessels of the Customs National Marine Unit gathers information on maritime incidents or incursions. This is passed back to relevant client agencies in order to allow those agencies to make informed decisions on whether further action is warranted and, if so, the nature and extent of that action. Where appropriate, Coastwatch and/or the Customs marine fleet manage and coordinate the response to an incident or incursion.

Information provided to AQIS concerns:

- yachts that are capable of making ocean passage sighted within 12nm of the mainland or offshore islands and associated activity, if any;
- other vessels apart from Australian fishing vessels, capable of making ocean passage that are sighted within 12nm of the mainland or offshore islands;
- in the Torres Strait area - all vessels, including Australian fishing vessels, and out-rigger canoes;
- signs of activity or occurrences in the littoral area of the mainland and offshore islands which indicate that an unauthorised landing may have taken place

- dumping of wastes at sea if, in the opinion of the aerial surveillance observers, such waste could drift to shore;
- unexpected sightings of light aircraft in remote areas and unexplained or suspected unauthorised activity at remote airstrips;
- noticeable change in feral animal populations or significant sightings of dead animals, including mass fatalities of fish;
- vessels discharging ballast water in sensitive areas such as Marine parks; and
- vessels discharging discoloured or dirty ballast water near the Australian coastline.

Coastwatch has a number of consultative forums that it uses to coordinate strategic and tactical operations with clients and external service providers. AQIS is a standing member of each of the following:

Operations and Program Advisory Committee (OPAC): a meeting of Coastwatch and its clients occurring every second month to develop and review the Australian civil surveillance program. OPAC also acts as a forum for all agencies to discuss surveillance issues with each other.

Regional Operations and Program Advisory Committee (ROPAC): monthly meetings of Coastwatch and its clients within each Coastwatch Region to discuss regional surveillance requirements. Results and determinations of ROPAC meetings are communicated to OPAC.

Program Advisory Sub-Committee (PASC): a monthly meeting of Coastwatch and its clients that determines the marine surface support requirements of client agencies.

Customs offices at Cairns and Thursday Island work particularly closely with AQIS to achieve the objectives of the Northern Australia Quarantine Strategy (NAQS) in the Torres Strait and Cape York area.

The activities undertaken in this Region range from targeted surveillance, that provides early warning to AQIS of potential quarantine threats, to transporting Quarantine officers throughout the region in support of their operational activities, such as monitoring for fruit fly and screw worm and conducting plant and animal surveys.

Customs officers at a number of small regional offices elsewhere in Australia also perform duties on behalf of AQIS ranging from gypsy moth monitoring to quarantine clearance of visiting yachts.

Implementation of Increased Quarantine Intervention (IQI)

In implementing IQI initiatives, Customs and AQIS have worked closely together to increase intervention levels in line with Government targets of at least 81% at airports and 100% at other border entry points.

Customs has recruited and trained most of the additional staff provided for in the Budget decision, however, some recruitment has been delayed pending completion of infrastructure works at some sites.

Intervention levels have increased significantly since the decision but further increases, particularly for airports, are dependant on completion of infrastructure works necessary to accommodate new x-ray equipment and changed screening processes. Although intervention levels at airports have reached 80%, this has not been without some difficulty at airports where infrastructure changes are yet to be completed.

Works are now completed in Sydney and Brisbane, and have or are soon to commence in Darwin, Perth and Cairns. Negotiations had stalled in Melbourne and Adelaide but have recommenced in recent weeks.

HVLV intervention rates meet the Government's target of 100% in all regions except NSW and Victoria where the target is expected to be achieved shortly.