Australian Customs Notice 2002 43

**Reporting requirements for exempt line cargo**

The introduction of new export entry thresholds on 1 July 2002 has highlighted some improper reporting practices for certain cargo exempt from entry requirements. This Notice outlines the correct reporting requirements for certain cargo that does not have to be entered (exempt line cargo).

# Background

With the introduction of the first phase of Cargo Management Re-engineering on 1 July 2002, Customs has aligned the export entry threshold to $2000 FOB per consignment. This will decrease the number of export entries required to be made and in turn increase the number of exempt lines to be reported in the outwards manifest and/or the submanifest.

There has been a practice in some industry sectors to report the agent as the shipper and receiver and the description of goods as 'consol' on export documentation for single line exempt consignments. While this practice suits certain commercial purposes, these are not the details required to be communicated to Customs in the outwards manifest and/or submanifest in respect of exempt line cargo.

# Reporting obligations

Customs requires the following information in relation to exempt line cargo: actual Australian exporter's name, country of destination and description of the goods. There are three options for reporting these details to Customs:

1. By including them on the outwards manifest (in order to achieve this the details must be included in the master air waybill);
2. By creating a sub manifest (CRN - Customs Reference Number) and reporting the CRN to the carrier;
3. By creating an export entry (ECN - Export Clearance Number), and reporting the ECN to the carrier. The carrier will then report the information to Customs on the outward manifest.

# Co-loading

Companies involved in co-loading must also provide the three data elements, which can be reported by the methods stated above.

If you have concerns about maintaining client confidentiality and you do not wish to disclose commercial information to your co-loaders, you may provide the reporting agent with a CRN.

# Interim arrangements

Key industry groups have been co-operating with Customs to achieve compliance in this area.

As a result of this consultation, Customs has agreed to allow a transitional period **until 1 September 2002**, for industry to adjust to Customs increased focus in this area.

Clients should promptly undertake action that will enable them to achieve accurate reporting prior to this date to ensure minimal impact on the future export of goods.

If you have any queries please contact Bryce Conolan, Manager, Export Policy on 02 6275 6578. Stephen Goggs

National Manager

Commercial Compliance 15 July 2002