AUSTRALIAN CUSTOMS NOTICE NO. 2004/07

***Border Security Legislation Amendment Act 2002* – Reporting of cargo**

This ACN references ACN 2002/72 ‘Border Security Legislation Amendment Act 2002 – changes to sea cargo reporting’ and clarifies requirements for reporting mail and other goods as cargo.

Changes to air cargo reporting for these matters are contained in ACN 2002/69.

The terms ‘cargo’ and ‘mail’ are defined in section 63A of the Customs Act 1901 (the Act) as: Cargo, in relation to a ship or aircraft, includes any mail carried on the ship or aircraft.

Mail in relation to a ship or aircraft, means:

1. any goods consigned through the Post Office that are carried on the ship or aircraft; and
2. any other correspondence carried on the ship or aircraft that is not consigned as cargo and that is not accompanied personal or household effects of a passenger or member of the crew.

Note: Correspondence covered by paragraph (b) would include, for example, an airline's inter- office correspondence that is carried on one of the airline's aircraft and that is not consigned as cargo.

The note to section 63A of the Act is not exclusive, and for the purposes of cargo reporting covers ships and shipping lines.

# Reporting of all goods consigned as cargo

All cargo should be fully reported by means of Sea Cargo Automation (SCA), or where SCA is not currently used to report cargo, by means of the Ships Inwards Cargo Report (Form 1).

Goods with a value of less than $250 carried per favour of the Master or crew, not being the property of the shipping company, must be declared on the Form 5 Part 2 (Crew Effects Declaration) or on a parcel list attached to the Form 5 Part 2. Goods reported in this way will require prior permission from Customs and the Australian Quarantine and Inspection Service (AQIS) prior to landing. This is the existing requirement and the procedure is not intended to be changed.

However, goods carried ‘per favour’ that exceed the threshold for a Customs Entry (currently

$250), should not be included as favour parcels, but manifested as cargo and an Entry for Home Consumption (N10) completed and duty and GST paid as applicable.

All shipping company cargo previously carried ‘per favour’ is to be reported as cargo and manifested irrespective of the value of the goods. This includes, but is not restricted to, shipping company container seals, blank bills of lading, company stationery not being correspondence, and gifts.



# Reporting of mail consigned as cargo

Mail is defined as goods consigned through a post office that are carried on the ship, and must be reported as cargo. The legislation also requires inter-office company mail to be reported as cargo and to be fully manifested.

Correspondence created by any member of the crew, that is crew mail, is considered to be accompanied personal effects of the crew member, and is not required to be reported as cargo via SCA. However, in accordance with AQIS current “Quarantine Warning” on the removal of goods of quarantine interest from a ship, accompanied personal effects must not be landed without permission from either AQIS or Customs on AQIS behalf.

# Removal of ships Equipment

On occasions ships equipment not being cargo is required to be removed from a ship, for example, for repair or service. Before the removal of any ship’s equipment, details should be provided to both Customs and AQIS. A form titled ‘Request to Remove Goods from Ships’ will need to be completed and depending on the circumstances and reasons for equipment being removed Customs may require that the goods be entered, warehoused or transshipped.

Customs is able to provide information on requirements to you on request.

Irrespective of the requirement to report cargo formally, all goods, including crew mail and ship equipment, remain under the control of Customs and AQIS while in a Customs Place and are subject to risk assessment, and as necessary, inspection.

Inquiries concerning this notice may be directed to Manager Ships and Aircraft on telephone number (02) 6275 6504 or fax number (02) 6275 6601.

Philomena Carnell National Manager Cargo Branch CANBERRA ACT

1 November 2004