

The Integrated Cargo System on trial

By Louise Patroni

Business preparation for the new reporting system

Before a business can use the ICS, it must:

- obtain at least one digital signing certificate from a registration authority that meets Customs requirements and is accredited by the government gatekeeper process
- enter registration details with Customs using an interactive process
- ensure internal IT systems are compatible
- introduce business practices that comply with the new legislative requirements
- ensure staff understand the changes and where necessary provide training.

The DHL courier company will be the first commercial user of the Customs Integrated Cargo System (ICS) and Customs Connect Facility (CCF) in March. This trial is the first application of technology that has been six years in the planning.

The ICS is a new computer-based reporting system that will process all information provided by industry to Customs. The CCF is the gateway through which all communications between industry and Customs will flow. Both are part of the Customs Cargo Management Re-engineering (CMR) project. Both will improve risk management at the border.

The trial will see DHL reporting details of individual document consignments to Customs rather than retaining that information in its own dedicated system before forwarding

consolidated air cargo reports. Immediate reporting will enable Customs to more effectively undertake its border-protection responsibilities while allowing for the speedier processing of low risk goods.

DHL will continue to use the existing Air Cargo Automation system in order to comply with the Customs Act's current requirements. This dual reporting will cease when the new system becomes fully operational in early 2004.

The new technology will be rolled out to the other air cargo company special reporters once the DHL trial is evaluated.

Customs new information technology platform will provide benefits for both industry and government.

The new systems will improve risk-management techniques, further developing the sophisticated profiling tools that Customs uses to identify high-risk shipments at our border, significantly reducing impediments on the movement of legitimate cargo.

Customs CEO Lionel Woodward said: "Customs has increased its focus on counter terrorism and intensified border scrutiny in response to counter-terrorism measures.

"These measures are a priority for government and therefore a priority for Customs.

"The sophisticated analytical tools embedded in the Integrated Cargo System will better equip Customs to deal with the emerging information requirements of the United States and other countries, and assist Australian intelligence agencies and the Australian Federal Police.

"The system will also assist Customs to comply with its statutory responsibilities: assisting industry to



DHL aircraft awaiting their next delivery mission.

move legitimate goods in and out of the country and improving targeting of goods that are of interest to Customs and other agencies. This includes drugs and firearms as well as any goods that might carry plant or animal disease."

The ICS will benefit business with the availability of multiple reporting options. High-volume businesses will be able to report cargo movements through direct connections with Customs gateway or email transmissions over the Internet. Alternatively, they may choose to use value-added networks such as Tradegate. It will also be possible for low-volume businesses, or one-off importers, to use "Customs interactive". This service will be available via the Customs website.

The re-engineering of Customs cargo-management systems was first broached in late 1995. Significant change had occurred since the Customs Act was written in 1900 and Customs CEO Lionel Woodward saw a need for Customs management and practices to reflect these changes.

It has resulted in the largest change in Customs legislation in almost 100 years and a reworking of Customs operations.

The ICS is replacing systems that were increasingly difficult to maintain because of complications inherent in three decades of legislative and operational change. The new system will further improve Customs ability to fulfil its statutory responsibility to protect Australia's borders and improve the service offered to industry in streamlining the movement of legitimate goods.

Customs organisations from around the world are watching the development of the ICS keenly. The DHL trial will be a momentous development in the process.

Further information regarding these changes is available at www.customs.gov.au



The view from inside a DHL aircraft during the unloading of a 'can' or container laden with air cargo. The delivery is lowered by mobile scissor lift onto a trolley that is then tugged to the DHL gateway to await next mode of transport.

Improved user security

One of the main features of the Integrated Cargo System (ICS) and Customs Connect Facility (CCF) is the unprecedented improvement in user security.

In the old system, Customs identifies users through passwords, personal identification numbers or network mailbox number. These will be replaced by electronic signature technology, or public key infrastructure (PKI).

Customs PKI will comply with the Government's gatekeeper policy requirements, which requires that communications to and from government agencies using PKI technology be encrypted using digital signing certificate technology.

Each certificate has a pair of cryptographic and signing keys, both public keys and private keys. Customs clients will encrypt their messages to Customs using Customs public key. Customs will then decode the message using its confidential private key. Clients will sign their messages using their confidential private key, which Customs will verify by using the sender's public key. These measures provide assurance that the information has not been tampered with in transmission and that it was actually transmitted by the sender.

Customs will use two types of digital signing certificates for messaging. Type2 certificates will be used by companies and refer to their Australian Business Number (ABN). Type1 certificates will be issued to individuals. Both certificates require prospective users to provide a 100-point evidence of identity check to obtain their digital signing certificate.