CMR: Exports done, imports begun

Customs modernising of the movement of goods across Australia's borders through the implementation of its Cargo Management Re-engineering (CMR) project has moved on to the imports stage.

People in the export industry are now familiar with Customs new IT system, the Integrated Cargo System (ICS). They would also be aware of the changes to Customs legislation and business processes.

The implementation of CMR imports will follow a similar program to that of exports. This will include comprehensive industry and staff training, a broad range of information products and a longer transition period to facilitate compliance with Customs new requirements.

A preliminary round of imports industry training was held in late 2004. Almost 1000 business owners and managers learnt about new reports and reporting timeframes to be introduced with the import release of the ICS.

Further comprehensive training focussed on the import component of CMR have recently been held. There are four workshops available throughout Australia. These include:

- CMR imports - import declarations
- CMR imports - cargo reporting
- Preparing for CMR imports
- Import business changes for shipping companies.

For further information about these workshops or to book online for a free session, go to www.customs.gov.au (follow the links to Cargo Management Re-engineering).

The imports release, the final phase of the CMR project, will see ICS replace current electronic reporting systems Sea Cargo Automation (SCA), Air Cargo Automation (ACA) and COMPILE.

There will be changes to both the import declarations and cargo reporting requirements. These changes include:

IMPORT DECLARATIONS

- The introduction of new rules for declaring imports
- Australian Quarantine and Inspection Service reporting requirements will be integrated into the import declaration, removing the need for separate JEMS entries
- Multiple suppliers can be included on a single declaration for FCX shipments (sea cargo environment only)
- Multiple suppliers can be included on a declaration for cargo reported on a single master air waybill or on a single master/house air waybill combination (air cargo environment only)

- Dumping duty will be automatically calculated by the ICS
- Luxury car tax will automatically be calculated by the ICS
- Post-warrant amendments will be eliminated
- New structure for inputting concessional items and instruments will be available
- New structure for inputting valuation data.

AIR AND SEA CARGO REPORTING

- Mandatory electronic reporting, incorporating in-transit and transhipment cargo
- New reports in both the sea and air cargo reporting environments
- New reporting timeframes
- Abolition of transhipment entries
- An 'early report, early status' incentive
- Cascade reporting
- Sanctions in line with Customs Regulatory Philosophy.

Customs has endeavoured to improve the methods by which clients gain knowledge about the imports component of the CMR project. A new self-registration facility has been developed, in addition to an easier method of logging onto the ICS for Customs Interactive users.

Additionally, a range of imports-related information products has been developed and are available from the CMR website. A booklet titled *Preparing for CMR Imports* has also been developed, and will prove a valuable tool for those in the imports community.

The introduction of CMR will enhance many areas of the importing environment, the new requirements providing a more solid control over imports.

Customs staff are preparing for an extremely busy period in the lead up to the transition, but having successfully tackled the exports component, the import trading community can be secure in the knowledge that Customs staff will endeavour to make the imports transition as smooth as possible.

The exports component wrapped up in September 2004 with a busy, but successful, two-week transition period that saw the ICS and the old reporting system, EXIT, working simultaneously. Then, on 6 October 2004, the EXIT system was switched off, leaving the ICS as the sole method of electronically reporting the movement of export goods from Australia.

To prepare those involved in the export industry, a rolling program of comprehensive workshops were held throughout Australia. Complementing these workshops was an exports-focused advertising program, regular mail outs and daily amendments to the CMR website www.customs.gov.au (follow

the links to Cargo Management Re-engineering). These tools provided the export industry with timely information and proved to be valuable in the lead up to, and during, the transition period.

Supporting these information measures were CMR specialists who, in the month surrounding the transition period, provided assistance to more than 10 000 callers.

A comprehensive range of information products in the form of fact sheets, booklets, and CDs were provided to industry and staff to help educate them about the changes and new requirements.

Customs staff working on the various help desks were also kept busy. In the month surrounding the transition, more than 3000 phone calls were received at the CMR Level 1 Help Desk. And, between 17 September 2004 and 21 October 2004, more than 10 000 calls were received and actioned by Customs staff.

Some key benefits of the CMR project include:

- enhanced new security features for all electronic communication with Customs
- a greater freedom of choice in how businesses choose to do business with Customs
- streamlining of business processes
- providing a single window to government
- the introduction of sophisticated software that will assist in the assessment of cargo risk, including automated checking of, and direct linkage to related Customs Intelligence databases.