



AUSTRALIAN FEDERATION OF INTERNATIONAL FORWARDERS

A.B.N 43 008 576 681

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USA Bound Aircargo 100% Piece-Level Screening & Known Consignor Update - AFIF Meets with Office of Transport Security in Canberra

AFIF met with Office of Transport Security (OTS) in Canberra last week, to discuss progress of the USA Bound Aircargo 100% Piece-Level Screening & Known Consignor program.

OTS has developed the Draft Regulations for Known Consignor and 100% Piece Level screening.

The release of the Draft Regulations has been delayed due to the Caretaker Provisions of the Election. Now the government has been decided and Ministers have been sworn in, OTS is expediting sign-off by the Minister Darren Chester.

- Timeline
 - Sign off by Minister in the next week or so.
 - Then distribute to Industry for Comment.
 - Then submit final version of Draft Regulations to the Executive Council 20 days prior to Executive Council Meeting in mid-October.
 - Governor-General signs into law.
 - Commencement 1 November 16.
 - Full operation of 100% piece-level screening and Known Consignor program 1 July 2017.

- Draft Regulations contain –
 - RACA TSP program replacement by Model Program – it's a more generic program based on ICAO 6 pillars. (Facility Security; Personal Security; Training; Screening or Examination; Chain of Custody – maintaining integrity of cleared cargo; Accreditation, Oversight and Compliance). The Model Program will look like your current TSP, minus 'Annex A', plus Regular Customer Requirements.
 - After 1 November: in excess of 700 current 'RACA's' will transition to the Model Program progressively as their TSP expires - so the 2 programs will operate concurrently for a period in transition, so it should be manageable;
 - New Model Program will streamline the linking of the security clearance and declaration of Known Consignors and reduce the multiple forms used at present;
 - USA piece level screening and Known Consignor provisions (Category 1). The rest of the world (Category 2). This means that the Regulations can be simply adjusted to include other countries (in Category 2) if necessary in due course, without requiring further Parliamentary approval each and every time;

- OTS will convene a meeting of the Cargo Working Group (including AFIF) likely in the week of 8 August to provide an update on the Draft Regulations for AFIF and other industry stakeholders to inform their members.

- Known Consignor Trial – Early Learnings
 - Application Form needed tweaking on validation and guidance;
 - Applicants after 1 November, when the new regulations come into force, will be prioritised according to their level of USA exports;
 - The trial has been progressing well, with about 20% of air exports to USA covered. Meat, Fish, Pharmaceuticals exporters, express cargo and freight forwarders, etc.

- Screening shipments
 - Known Consignor (KC) provides a Security Declaration (SD) for acceptance by CTO, or to the freight forwarder, if via freight forwarder, and will replace the current SD + ChoCs.
 - If a freight forwarder (FF) who doesn't have X-Ray facilities is packing a consolidation of a mix of KC & non-KC shippers:
 1. FF receives a SD from the KC shipper for their shipment;
 2. FF takes the non-KC shipment/s to an approved X-Ray facility. After it is screened it is 'security cleared' and the X-Ray facility operator issues a SD for the transit of the freight from the X-Ray Facility back to the forwarders' premises.
 - The forwarder prepares the consolidation documents and uses the CSD or 'e-CSD Comments field' to confirm the 'security cleared' status of the consolidation, for the transfer to the CTO. OTS confirmed that e-CSD meets OTS requirements.

- Other Business
 - Airside Access tightening – OTS is still working on these initiatives, including boosting the ASIC card checks which OTS does not control. ICAO are auditing Brisbane Airport in October, so OTS will use the learnings from that audit;
 - OTS is considering introducing a 'ASIC White Card' (non-airside access), covering Model Program participants, RACA's in transition and Known Consignors, who have been background checked and are 'Approved Persons';
 - Cathay are intending for all US-bound shipments ex Australia transiting in HKG, to be 100% piece-level screened here so they transfer to US flight unhindered;
 - Bangladesh imports – revised screening procedures at the nominated overseas ports before transport to Australia is working fine, no changes planned.

AFIF will keep members informed of progress.

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