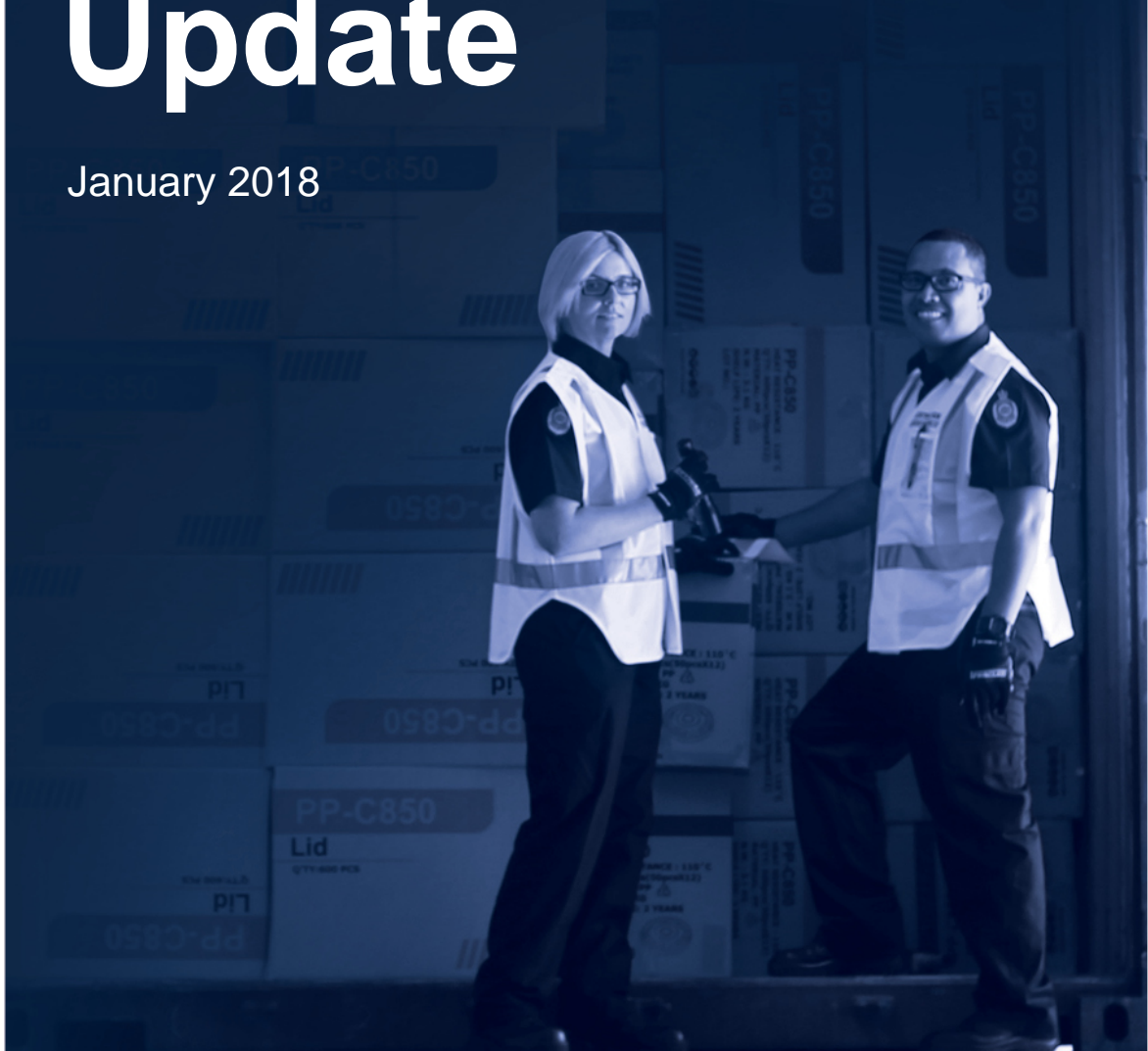




Australian
BORDER FORCE

Goods Compliance Update

January 2018



Message from the Commander Customs Compliance



Welcome to the January 2018 Goods Compliance Update (GCU).

This edition contains feature articles on trade remedy measures, the Tariff Concessions System, the first in a series of supply chain integrity case studies, an overview of new initiatives and upcoming changes in the trade and goods environment and a reminder for export reporters.

We received positive feedback on the September 2017 edition and the new GCU format. It was pleasing to hear that our readership look forward to each edition of the newsletter and continue to see it as a valuable source of compliance information.

Update on Home Affairs—trade and customs functions

The Department of Home Affairs will continue its focus on trade facilitation and the compliant movement of legitimate goods across the border. The ABF will be a discrete body within the Home Affairs Portfolio, operationally independent to deliver border protection outcomes. The ABF will:

- continue to be Australia's frontline border law enforcement agency and focus on the facilitation of both trade and travel, as Australia's customs service
- work closely with the Department and Portfolio agencies to deliver border security outcomes
- retain its statutory head – the ABF Commissioner

The Department will provide the ABF with corporate and enabling services under an agreed service delivery model to ensure the ABF continues to deliver operational outcomes. Governance, reporting lines and delegations are currently being established between the Department and the ABF to ensure clear communication with no ambiguity in responsibilities and accountability.

More details will be provided to industry as these arrangements progress.

Customs Compliance Branch update

2017 was a productive year for the Customs Compliance Branch.

- We conducted a series of complex audits to ensure correct amounts of customs duty, indirect taxes and trade remedies are being collected. Since July last year, 48 cases have been closed resulting in demands for unpaid duties of \$9.6 million.
- The National Trade Advice Centre (NTAC) continued to improve on performance against service standards with good results over the last quarter in the timely provision of Advance Tariff rulings.
- Earlier last year Customs Compliance Branch coordinated intellectual property brand protection training with brand owners for ABF officers. Both groups found this training to be beneficial as it has assisted us in the detection of intellectual property infringing goods and provided a hands-on approach to identifying counterfeit goods.

- There has been a 20% increase in the number of voluntary disclosures over the last year with a total revenue of over \$35 million being recovered for this period. There has also been an increase in the complexity and variation of voluntary disclosures, post warrant amendment and intentions to submit.
- Recently some of our officers attended a series of legal sessions and site visits hosted by the Customs Brokers and Forwarders Council of Australia (CBFCA). This was an excellent opportunity to gain a better understanding of operations, processes and systems from an industry perspective.

Trade and Goods Compliance Advisory Group (CAG) outcomes

In 2017, CAG members worked together to achieve a number of outcomes in relation to addressing discussion topics nominated by our industry as areas of focus for 2017. These were:

- Export reporting
- Anti-dumping
- Voluntary disclosures
- Cargo reporting

During these discussions, we identified that industry is seeking further granularity in export reporting statistics to assist them to address areas of non-compliance. In response to this, the ABF included more detailed export reporting statistics in the September GCU. CAG members also requested clarification on Voluntary Disclosures, particularly in relation to lodging an “intention” to submit. As a result, we are currently updating our guidance material on Voluntary Disclosures to reflect this feedback.

These are just some of our achievements over the last year. The ABF will continue to build upon these and seek new opportunities to enhance our communications, improve compliance and facilitate trade.

National Customs Broker Licensing Advisory Committee (NCBLAC)

The NCBLAC is a statutory body that supports the Comptroller-General of Customs in the issuing and administration of customs broker licences. The NCBLAC performs a critical function in the compliance framework through its monitoring of professional standards and in providing independent advice to the Comptroller-General on actions and behaviours that require a compliance response.

After eight years of service as its Chair, Mr Stephen Skehill has retired from the position and will be replaced by Professor Robin Creyke. I wish to acknowledge Mr Skehill's significant contributions to our compliance work over this time and wish him well in his continuing roles. We welcome Professor Creyke and look forward to her involvement in further strengthening of fundamental aspects of a sound compliance framework. I also wish to thank Mr Ernie Dean who will continue to serve as the Industry Representative and Mr John Skevington, as the Deputy Industry Representative.

Border Watch

Remember, if you have information or any concerns relating to a border issue, please report it to Border Watch. Your information is important to us. If you see something suspicious, report it.

Thank you for your interest and support and I look forward to another productive year in partnership with industry delivering sound trade and economic outcomes through the goods compliance framework.

Stephen Hledik
Acting Commander
Customs Compliance
Australian Border Force

Feature articles

Trade remedy measures

The ABF is working to improve compliance with trade remedy measures (also referred to as anti-dumping) as part of the 2017/2018 National Compliance Improvement Programme (NCIP).

To date, this has included a number of audits focussing on the classification of hollow structural steel (HSS), aluminium extrusions (ALEX) and the application of exemption codes including Clear Float Glass (CFG).

Audit findings

Audit findings have revealed a pattern of non-compliance through misclassification. This is due to the incorrect identification of commodities subject to trade remedy measures.

Examples of this include incorrect:

- Identification of HSS as 'line-pipe'
- Identification of lengths of ALEX as 'handles for cupboards'
- Application of exemption for CFG for suppliers other than the exempt supplier plants named in the Dumping Notice

Brokers have a responsibility to understand their obligations in relation to trade remedy measures. Goods must be identified as presented at the border (not end use) and classified correctly. Interim dumping duties (IDD), interim countervailing duties (ICD) and the application of exemption codes depend on the correct classification of commodities and use of exemption provisions.

IDD and ICD errors in only a small number of transactions may result in a significant retrospective debt to the Australian Government. A recent audit resulted in a broker being subject to penalties of more than \$10,000 and claiming against their insurance to compensate their client.

At times, it may be challenging to differentiate between commodities. However, this can be the difference between paying nil or standard duty only or IDD and ICD. If in doubt, we recommend research or referral to subject matter experts to avoid future adverse audit findings.

Other commodities are more straightforward to determine. For example:

- ALEX in single lengths cannot be cupboard handles until it is cut into smaller pieces with holes to enable affixing to cupboards.
- Dumping Notices are very specific about the application of exemptions where a specific entity or plant is named as being exempt for IDD and or ICD purposes.
- CFG exemptions relate to a specifically named plant. This means that the exemption cannot be claimed for other plants even if related to the named exempt plant/parent entity.

Further information

The ABF wants to help brokers to correctly identify and classify goods.

- We are developing a 'draft precedent' to help identify line-pipe and enable differentiation from HSS.
- An article in the June 2017 GCU explained trade remedy requirements when calculating IDD and ICD and advice on claiming exemptions.

- Visit the [Anti-Dumping Commission \(ADC\)](#) website for material on how to correctly identify and classify goods subject to trade remedy measures.

Contact us

We are aware of instances of clients changing brokers when advised to pay IDD and ICD, in an attempt to circumvent these costs. Please refer related matters to [Border Watch](#) for investigation.



Tariff Concessions System

The Tariff Concessions System (TCS) is a trade assistance scheme with origins back to federation. TCS gives local manufacturers some protection from imported goods and, where there are no substitutable goods produced in Australia, importers may receive duty concessions.

The ABF recently delivered a series of presentations to local manufacturers on the TCS, which included a detailed explanation of the core criteria for making a Tariff Concession Order (TCO). Some local manufacturers, particularly if they are not importers or exporters, have had limited exposure to the TCS and are often not aware of where to go for information.

Core criteria

As outlined in these presentations, and pursuant to Part XVA of the *Customs Act 1901* (Customs Act):

- TCO application is taken to meet the core criteria if, on the day on which a TCO application was lodged, no substitutable goods were produced in Australia in the ordinary course of business.

Substitutable goods

In relation to a TCO application, substitutable goods are:

- Goods produced in Australia that are put, or are capable of being put, to a use that corresponds with a use (including a design use) to which the goods the subject of the application or of the TCO can be put.

Application of substitutable goods

External review bodies interpret substitutable goods very broadly. As a result, there is an opportunity for local manufacturers to consider this broad view when they are planning to object to a new TCO application or revoking an existing TCO. For example:

- Identify if there is an overlap of use/s, rather than just focusing on the likeness, performance and competition of their good compared to the TCO good.
- Do not exclude parts and subassemblies, as these could also be subject to one or more TCOs.

When a TCO application is for goods that are made-to-order capital equipment, local manufacturers are not required to have made a substitutable good. The test requires that:

- At the time of the TCO application, the local manufacturer has made a good within the last five years with the same labour skills, technical and design expertise as that required to make the substitutable good. Hence the substitutable good is hypothetical, however if made, it would have a use that corresponds to a use to which the TCO goods are put.

Industry engagement

We will continue to promote the TCS to local manufacturers to increase awareness and understanding. We also encourage trade consultants to develop a deeper understanding of their clients' businesses in relation to the TCS and to provide guidance accordingly. The range of goods manufactured by local manufacturers is substantial and there are many opportunities to leverage the TCS.

For more information, contact the Tariff Concession Administration mailbox tarcon@abf.gov.au.

New initiatives

Cargo Timeliness Report

Cargo reporting remains a key area of focus for the ABF. We require accurate and timely cargo information to undertake risk assessment activities and to facilitate the clearance of cargo.

To help cargo reporters meet reporting timeframes, we have developed a new reporting tool in the Integrated Cargo System (ICS)—the Cargo Timeliness Report. The report provides cargo reporters with data on their own late reported cargo and includes:

- Summary and detailed information
- Industry average benchmark for performance comparison
- Filtering options to assist with analysis

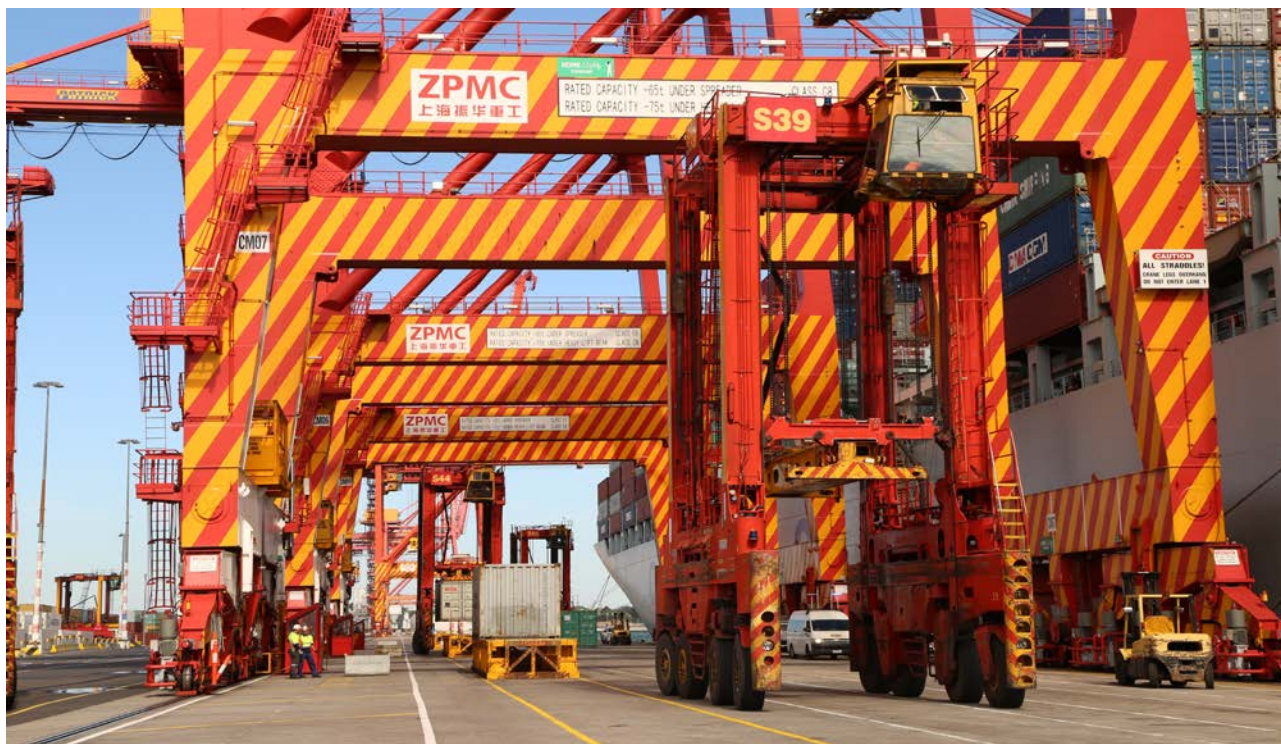
This will enable cargo reporters to monitor trends relating to the lodgement of cargo reports within legislated timeframes and to improve their business practices.

The Cargo Timeliness Report is available through the ICS reports menu. Further details about this initiative and the user guide can be accessed through [DIBPN 2017/28](#).

Note that the introduction of this report does not change existing legislated requirements for cargo reporting.

Contact us

If you have any questions about the Cargo Timeliness Report or related matters please contact goodscompliance@abf.gov.au.



Case studies

Licensed depots and warehouses

Depots and warehouses are licensed under the Customs Act and are subject to statutory conditions (section 77N) and additional conditions (section 77Q).

The ABF conducts visits to licensed depots and warehouses to check that these conditions are complied with. This includes, but is not limited to, checks to ensure that:

- Visitor logs are in the approved format and completed correctly
- CCTV systems are fully operational
- Fencing is structurally sound
- ABF signage is displayed correctly
- Deadhouse/cage is being used appropriately
- Firearms and other high-risk goods are stored inside the deadhouse
- The ABF is notified of new staff members within 30 days of commencement.

A breach of a licence condition may lead to administrative action, including infringements, prosecution, suspension or even cancellation of the licence.

Case study 1: Unauthorised changes to licenced premises

ABF Officers conducted an onsite licence check of a depot. They identified that unauthorised modifications had been made, including the relocation of the deadhouse cage and changes to the car park.

Under section 77N of the Customs Act, the holder of a licence must not cause or permit a substantial change to be made in a matter affecting the physical security of the depot.

Licensees who seek to make substantial changes to the existing licensed site must be granted approval to 'vary' their licence before any changes are made. Modifications without permission are in breach of the Customs Act.

In this case, the ABF issued the depot with a warning letter for two breaches.

Case study 2: Unauthorised export

ABF Officers assessed the status of held cargo at a depot. Depot staff were unable to locate the particular item. The depot subsequently located the item and re-exported it on the next flight, despite the consignment having a status of 'held' in the ICS.

Under section 77Q of the Customs Act, the holder of the licence must not facilitate transshipment or export of goods where there is a 'held' status on the import declaration or cargo report to which the goods are subject.

As a result, the depot was issued with an infringement notice for \$8,100¹.

¹ As of 1 July 2017, there was an increase in penalty units. The same breach now would result in an infringement of \$9,450.

Case study 3: Temporary fencing

ABF Officers visited a Cargo Terminal Operator (CTO) to assess the status of permanent fencing surrounding the CTO. They identified that permanent fencing had not been installed and there were holes in the temporary fencing.

This is an offence under section 102CK of the Customs Act and a warning was issued to the CTO. During later visits, ABF Officers found minimal progress on the installation of permanent fencing to address this and an infringement of \$8,100² was issued.

Case study 4: Duty free store theft

ABF Officers visited a duty free store (DFS) after a reported forced entry and burglary. They found substantial damage to the store and theft of high value goods. The DFS had CCTV cameras installed, however the hard drive was unsecured and stolen in the burglary. Further, inadequate arrangements with the DFS' alarm company resulted in non-attendance.

Under section 82A of the Customs Act, the Comptroller-General can impose additional licence conditions to protect revenue owing to the Commonwealth and ensure compliance. Additional licence conditions such as the following are just two of the licence conditions that applied in this example:

- The holder of the licence must install and maintain CCTV coverage of the licensed area, including all entry and exit points and keep the footage for a period of 30 days. The holder of the licence will provide the footage to ABF when requested.
- The holder of the licence must install and maintain monitored alarm systems.

The DFS was penalised the duty and GST of the goods stolen.

Further information for licence holders is available on our website.



² As above.

The ABF & industry working together

Border Watch is the ABF's single collection point for information about activities that seek to circumvent Australia's customs, trade and border protection controls, or undermine Australia's immigration and citizenship programs.

Key partners of Border Watch industry program are involved in the movement of goods and people across the Australian border. Industry members include customs brokers, freight forwarders, shipping companies, warehouses and depots, airlines and transport companies.

Recently the ABF and Australian Federation of International Forwarders (AFIF) collaborated to deliver Border Watch presentations to new industry members as part of the AFIF Basic Import and Export Sea Freight Procedures course and AFIF Basic Air Freight Procedures course in Sydney, Melbourne and Brisbane. AFIF is a long-time supporter of Border Watch and this was an opportunity for us to work together to educate participants and promote the benefits of Border Watch.

The presentations included an overview of:

- Unlawful and criminal activities targeting Australia's border
- Threats posed by the infiltration of the supply chain
- Possible indicators to help recognise illegal imported and exported goods
- Reporting suspicious behaviour to Border Watch
- The role industry plays in helping to protect the border, the economy and the safety of the Australian community.

Join the Border Watch industry program

Border Watch is dedicated to building strong partnerships underpinned by trust and confidence.

We encourage any company that operates in the international trade or transport sectors to join the program.

For more information on the program and how to become a member visit the [Border Watch](#) website.



BORDER WATCH

Help protect Australia's border

Upcoming changes

GST on low value imported goods

From 1 July 2018, low value goods imported from overseas by Australian consumers will attract the Goods and Services Tax (GST).

This will require businesses (including suppliers, online marketplaces and redeliverers³), with Australian sales of AUD75,000 or more each year, to collect GST on goods with a customs value of AUD1000 or less at the time of sale. For tax purposes, these are treated as domestic sales and not importations.

Border processes will not change, however we advise businesses to consider whether changes to your business processes are required.

Goods with a value of more than AUD1000 will continue to be treated as importations and taxed at the border.

Overseas businesses impacted by this law change must:

- Register with the Australian Taxation Office (ATO)
- Charge GST on sales of low value imported goods (unless GST-free or alcohol and tobacco)
- Lodge returns with the ATO and make payments to them
- Ensure certain information is included in customs documents for the goods

To help sellers meet these requirements, the Integrated Cargo System will allow collection of vendor ID, importer ID and (where applicable) GST-paid exemption code.

Further information is available at [Treasury Laws Amendment \(GST Low Value goods\) Act 2017](#) and on the [ATO website](#).



³ Redeliverers provide offshore mailbox or shopping services in relation to goods and assist with their delivery into Australia under an arrangement with the consumer.

Changes to the luxury car tax

Following an amendment to the *A New Tax System (Luxury Car Tax) Act 1999*, some public institutions are eligible to claim an exemption for Luxury Car Tax (LCT) under Item 7 in Schedule 4 (Schedule 4) of the *Customs Tariff Act 1995*.

Importers of a luxury car may be eligible for an exemption if:

- The importer is a public museum, gallery, library or institution that is registered for Goods and Services Tax and endorsed as a Deductible Gift Recipient
- The car is consigned to the importer
- The car is a work of art or collectors' piece
- The car is imported for the sole purpose of public display
- All conditions for Item 7 in Schedule 4 eligibility have also been met.

Importers should enter the exemption code 'OTHR' when making a claim.

Exemptions under Items 10, 11, 15, 18, 21 or 24 in Schedule 4 remain unchanged.

For further information on the changes, visit the [Australian Tax Office](#) website.

For information on tariff concession eligibility under Schedule 4, visit the [Department of Home Affairs](#) website.



Reminders

Export reporting requirements

Accurate export reporting is an essential compliance requirement. Exporters and their agents have a responsibility to understand their reporting obligations and ensure that export declarations are completed correctly.

Incorrect export reporting may undermine our ability to perform our role in preventing the exportation of illicit goods and applying Australian Government policy at the border. The reporting is also used by the Australian Bureau of Statistics to compile export statistics, which are then relied on by the public and private sector to make trade related decisions.

It is an offence under the Customs Act to provide a false or misleading statement (including through the lodgement of an export declaration) to the ABF. If we identify offences, we will apply appropriate treatments. These may range from, but are not limited to, education and awareness initiatives through to the issuing of administrative penalties or prosecution for serious breaches.

Important reminder for owners and agents

When lodging an export declaration (see ICS screenshot below), if the party reporting the declaration to the ABF is not the owner of the goods:

- AGENT must be selected from the drop down menu under the Type field; and
- The ABN or CCID for the owner of the goods must be entered in the Goods Owner Party ID field.

More information on export reporting requirements is available on our website:

- [Factsheet: Completing Export Declarations](#)
- [DIBPN 2017/17: Important Reminder About Export Reporting Obligations](#)
- [Export Manual 2.1: Export Declarations](#)

Recent DIBPNs

2017/32

New consolidated cargo clearance benefit commences

From 15 November 2017, a new consolidated cargo clearance benefit for the Australian Trusted Trader (ATT) programme started. Under this benefit Trusted Traders, or their licensed Customs brokers, can lodge a single import declaration for a consolidated consignment across all shipment types for sea and air cargo.

Carriers and freight forwarders will continue to provide cargo reports, at the supplier level (reflecting current practice), but the consolidated shipment can be cleared on a single import declaration.

This will streamline clearance requirements and costs for Trusted Traders.

Importers that are not Trusted Traders

For importers outside of the ATT programme, there will be no change to current import clearance requirements. An import declaration lodged by these importers (or their Customs brokers) will still be required for each supplier in a consolidated shipment, other than for sea cargo type FCX.

Further information

The complete DIBPN is available to view [here](#) on our website.



2017/38

Renewal of customs broker licenses

All customs broker licenses will expire on 30 June 2018. Customs brokers wanting to renew their licence must apply for renewal.

Renewal application

In March 2018, the ABF will send an *Application for renewal of Customs Broker Licence* pack to each customs broker. We recommend that you note the following:

- To facilitate this process, customs brokers need to ensure that their contact details in the ICS are up to date.
- Completed renewal applications must be submitted to the ABF by close of business 29 June 2018.
- Renewal applications received after this date will not be processed and the licence will expire on 30 June 2018.
- If a renewal fee payment is not cleared by the due date, the application will be considered incomplete and will not be processed.

Continuing Professional Development requirements

It is a licence condition for customs brokers to complete 30 points of Continuing Professional Development (CPD) activities per CPD year. Non-compliance is a breach of the Customs Act and can result in suspension and/or an infringement notice issued.

As part of the renewal application, customs brokers are required to sign a declaration that they have met their CPD requirements. The ABF may ask a customs broker to demonstrate their compliance and for this reason, receipts or other suitable documentation evidencing attendance at CPD activities must be retained.

More information

Details on the licence renewal process and CPD requirements are in the [DIBPN](#).

Contact brokers.licensing@abf.gov.au for further information.



Events

Gold Coast 2018 Commonwealth Games

The Gold Coast 2018 Commonwealth Games (GC2018) will take place from 4-15 April and involve over 6,600 athletes and team officials from 70 Commonwealth nations and territories.

A freight guide outlining customs and biosecurity policies and shipping procedures for clients and service providers importing and exporting freight to and from Australia in connection with the GC2018 is available [here](#). This includes details on temporary imports, carnets, securities, prohibited and restricted imports and FAQs.

Temporary Imports

Certain goods may be temporarily imported into Australia for a period of up to 12 months without the payment of duty or taxes if conditions are met.

The process for exporting these goods depends on the method used. Importers are reminded:

- If goods have been temporarily imported under a security the importer must contact the ABF before arranging export of the goods to verify export and acquit the security.
- If temporarily imported goods are being exported as part of a passenger's baggage, the goods must be produced to the ABF to verify.
- In both cases:
 - An Export Declaration will be required.
 - If export of the goods cannot be verified duties and taxes will be payable.

More details on temporary imports are available on our [website](#).

Intellectual Property Rights

Importers are also reminded that the *Major Sporting Event (Indicia and Images) Act 2014* (MSEP Act) prevents the unauthorised commercial use of certain indicia and images associated with major sporting events the Australian Government has committed to support.

GC2018 indicia and images are protected by the MSEP Act. This includes common words, titles and short expressions associated with the event. However, the authorising body/objector will still be required to lodge a Notice of Objection to protect their specific indicia and images.

The MSEP Act, the Trade Marks Act and the Copyright Act provides the ABF the power to seize goods suspected of infringing protected indicia and images where a Notice of Objection has been lodged.

For further information on intellectual property rights refer to our [website](#).

In the news

Border Watch referral puts a stop to illegal imports

17 November 2017

A 33-year-old Korean man has been arrested after a five month ABF investigation into illegal tobacco imports.

The investigation began in June last year after an allegation was made to the Border Watch hotline. ABF officers at the international Mail Centre in Clyde, identified and stopped more than 150 packages containing illicit tobacco destined for various addresses in the Sydney CBD.

On Wednesday 15 November, ABF investigators conducted several search and seizure warrants on multiple addresses across the Sydney CBD. During the warrants several packages containing illegally imported tobacco were seized.

The maximum penalty for tobacco smuggling is ten years imprisonment. Penalties of up to five times the amount of duty evaded can also be imposed by the courts.

Read the full article [here](#).



Prohibited weapons and drugs seized

4 November 2017

In the month of October 2017, the ABF intercepted 16 separate parcels containing 45 gel ball soft air guns bound for addresses across Western Australia.

Gel ball air soft guns are controlled as firearms under the *Customs (Prohibited Imports) Regulations*. Importers must obtain permission before bringing any firearms, including imitation firearms, into Australia.

The maximum penalty for importing goods without the relevant import permission is a penalty of up to \$450,000, and/or imprisonment for 10 years.

Read the full article [here](#).

Compliance program results 1 July–30 November 2017



Note: Statistics were accurate at the time of publishing. System parameters may result in variances if published for the same timeframe in the future.

Infringement Notice scheme

Table 1 – Infringement Notice scheme offence descriptions

Offence	Description
33(2)	Moving, altering or interfering with goods subject to Customs control without authority
33(6)	Moving, altering or interfering with goods subject to Customs control without authority
36(2)	Failure to keep goods safely or failure to account for goods
36(6)	Failure to keep goods safely or failure to account for goods
64(13)	Failure to meet reporting requirements for the impending arrival of a ship or aircraft
64AB(10)	Failure to meet reporting requirements for the report of cargo
64ABAA(9)	Failure to meet reporting requirements for outturn reports
64ACD(2)	Failure to report on passengers and crew
77R(1)	Breach of conditions of depot licence
233(1)(b)	Prohibited imports
233(1)(c)	Prohibited exports
243T(1)	False or misleading statements resulting in a loss of duty
243U(1)	False or misleading statements not resulting in a loss of duty

Figure 1 – Number of infringement notices served 1 July–30 November 2017

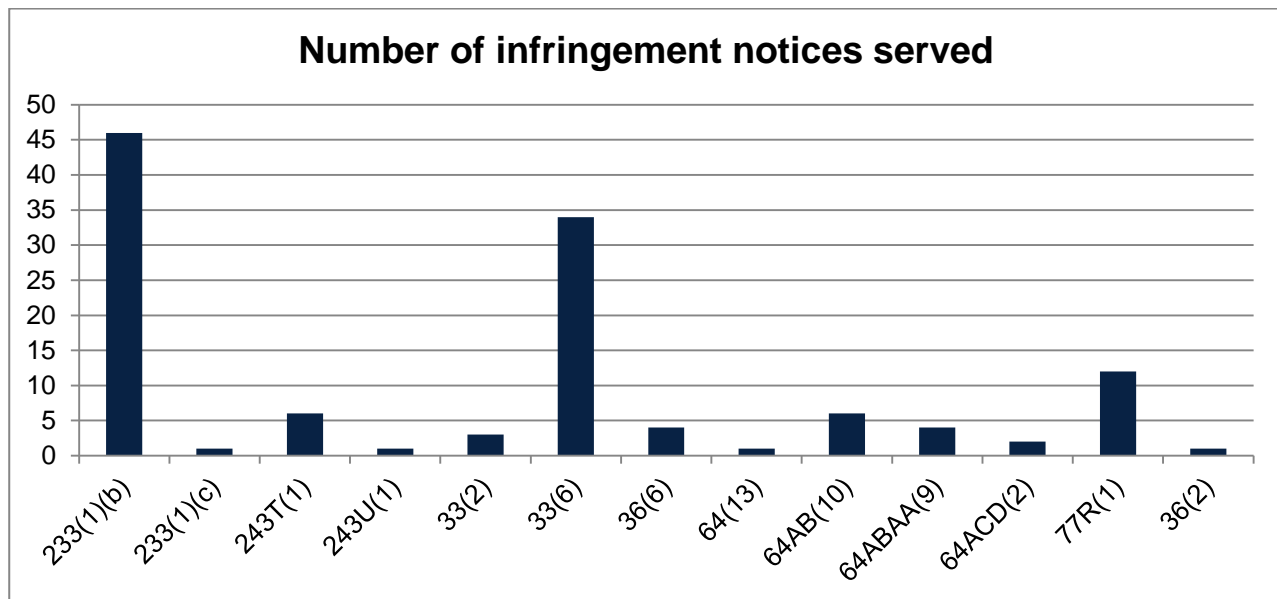
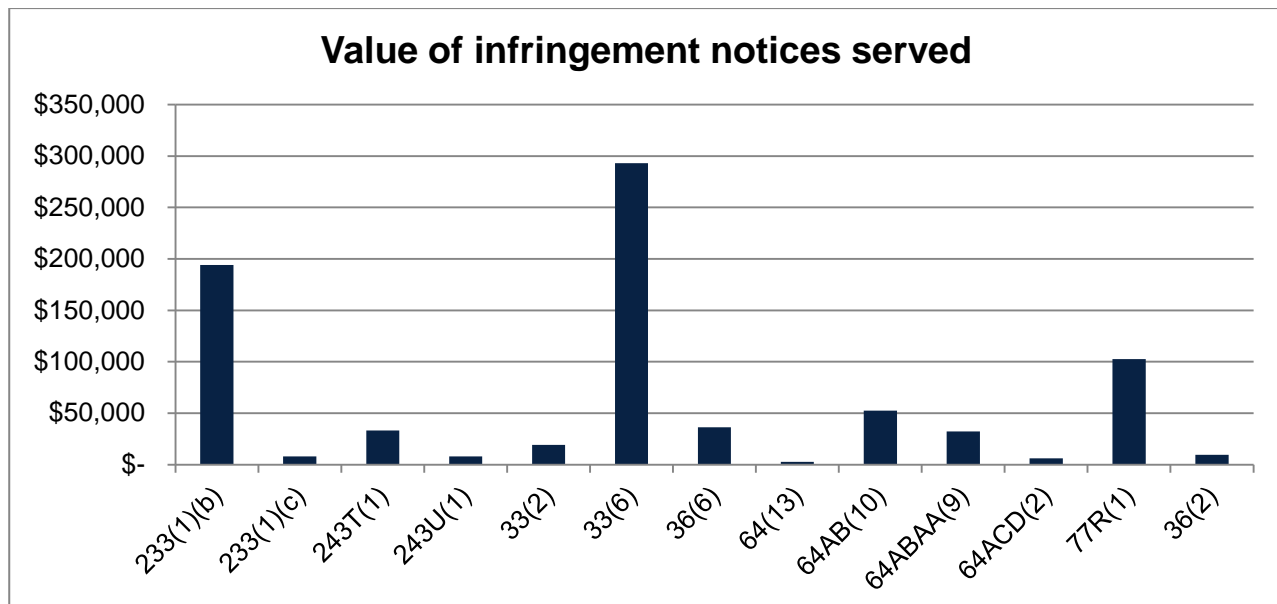


Figure 2 – Value of infringement notices served 1 July–30 November 2017



Revenue understatements

Table 2 – Understated revenue for 1 July–30 November 2017

Description	Amount
Post transaction verification	\$10,746,639.75
Pre-clearance intervention	\$4,549,149.59
General Monitoring Program	\$99,276.26
Voluntary disclosures	\$3,902,179.62
Refunds refused	\$2,167,573.90

Cargo control and accounting

The purpose of cargo control and accounting activity is to monitor the level of compliance of cargo terminal operators and licensed depots and warehouses with their respective legislated and licence conditions.

Table 3 – Cargo control and accounting activity for 1 July–30 November 2017

Description	Results
Number of customs cargo control and compliance activities	25,869
Proportion of breaches identified as against lines checked	2.22%

Refund scheme

Table 4 – Administration of the Refund scheme for 1 July–30 November 2017

Description	Results
Number of refund applications lodged	55,748
Number of approved refund applications	57,831
Value of approved refund applications	\$128,088,167
Value of refunds lodged	\$120,004,190
Number of refunds rejected/adjusted	1,110
Value of refunds rejected/adjusted	\$2,167,574

Duty Drawback scheme

Table 5 – Administration of the Duty Drawback scheme for 1 July–30 November 2017

Description	Number	Value
Drawbacks lodged	1,064	\$66,314,302
Drawbacks paid	962	\$54,991,874
Drawbacks rejected	6	\$109,358

Description	Number	Value
Drawbacks withdrawn	7	\$63,900
Drawback over claims	50	\$795,420

Compliance Monitoring Program

The Compliance Monitoring Program (CMP) monitors the accuracy and quality of import and export declarations and cargo reports to assess overall levels of industry compliance.

Import declarations

Table 6 – CMP import results for 1 July–30 November 2017

Description	Results
Number of lines checked	2,895
Number of lines detected to have error/s	840
Error rate (by number of lines)	29%
Number of errors detected	1,097

Table 7 – Most common errors on import lines for 1 July–30 November 2017

Description	Number
Val - Valuation Date	266
Incorrect Delivery Address	119
Tariff Classification	105
Val - Price (Invoice Total)	78
Gross Weight	75
Val - Invoice Terms	74
Tariff Concession or Other Concession Other	56
Val - Related Transaction	52
Other	41
Incorrect Supplier Identified	29

Export declarations

Table 8 – CMP export declaration results for 1 July–30 November 2017

Description	Results
Number of lines checked	183
Number of lines detected to have error/s	57
Error rate (by number of lines)	31.1%
Number of errors detected	98

Table 9 – Most common errors on export declarations for 1 July–30 November 2017

Description	Number
FOB Value	39
Gross Weight	20
Net Quantity	11
AHECC - Misclassification	9
Origin	4
AHECC - Multi-Lines	3
Consignee City	3
Consignee Name	2
Declared Owner	2
FOB Currency	2

Cargo reporting

Table 10 – CMP cargo report results for 1 July–30 November 2017

Description	Results
Number of lines checked	2,710
Number of cargo reports detected to have error/s	107
Error rate	3.95%
Number of errors detected	120

Table 11 – Most common errors on cargo reports for 1 July–30 November 2017

Description	Number
Gross Weight	35
Consignee Incorrect	24
Goods Description	24
Consignor Incorrect	23
Cargo Report Data Inaccuracy (Other)	9
Currency Code	2
Declared Value	2
Origin Port of Loading	1

Anti-dumping and countervailing

Table 12 – Anti-dumping and countervailing post transaction verification activity for 1 July–30 September 2017

Description	Results
Total CVAL/FOB coverage	\$17,242,631
Number of lines checked	953
Detection rate	44.81%
Duty under	\$2,826,600