

# Customs Brokers and Forwarders Council of Australia Inc.

## COMMENTARY

An assessment of the effectiveness of the biosecurity measures to manage the risks of Brown Marmorated Stink Bug (BMSB) entering Australia – Review by Dr Helen Scott-Orr, Inspector-General or Biosecurity

22 February 2019

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## **1. EXECUTIVE SUMMARY**

Thank you for allowing the Customs Brokers and Forwarders Council of Australia Inc. (CBFCA) the opportunity to provide a submission to this important BMSB Review. The CBFCA welcomes the Review "An assessment of the effectiveness of the biosecurity measures to manage the risks of brown marmorated stink bug (BMSB) entering Australia.

The CBFCA has a long history in working with the Department of Agriculture (the Department) on biosecurity policy, process and on the application of fees, charges and taxes as part of Government philosophy on cost recovery or fee-for-service arrangements.

The CBFCA is of the view that Australia's biosecurity system must be underpinned by a modern and effective regulatory framework. Currently, biosecurity is managed under the Biosecurity Act 2015 (the Act), and related Regulations. The CBFCA notes that Australia's biosecurity risks have changed significantly in the last decade with shifting global demands, growing passenger and trade volumes and increasing imports from a diversified number of countries, with these variants contributing to a new and varying biosecurity focus.

It is an industry expectation that the Act cuts red tape and reduces the regulatory burden on compliant businesses which interact with Australia's biosecurity system. The Act is seen as providing a strong regulatory framework to enable the management of biosecurity risks in a responsive manner, to enhance Australia's capacity to manage biosecurity risks into the future in partnership with industry and ensures Australia remains competitive in the international trade environment.

Since the implementation of the BMSB seasonal measures and the expansion of additional high risk and emerging countries, the Act has only provided stronger regulatory framework to manage the biosecurity risks, however the CBFCA believes it has failed to manage a prompt BMSB emergency response. The slow response and late implementation of policy "on the run" has significantly impacted commercially and financially on industry to remain competitive in the trade environment and has disrupted the supply chain.

The biggest impact for CBFCA members is in the areas of Assessment Services Group (ASG), Inspection Services Group (ISG) and Client Contact Group (CCG).

This is mainly due to the Department inability to manage the increased number of entries submitted by industry for BMSB assessment with existing resources and outdated systems, resulting in failure to meet current client service standards.

It is important to note that if the Department continues to do the same thing the end result will be same. It is now time for change and the CBFCA is advocating for modernisation of the service, administration, operations, systems, and not just modernising the Biosecurity Act 2015 that places more obligation and infringement notice penalties on the biosecurity industry participants.

The Department claims that biosecurity is a *"Shared Responsibility"*, this is often spoken about, but unfortunately not practiced enough, and now it is time for change that aims to provide a modern, seamless border clearance that also manages the biosecurity risks.

The CBFCA welcomes any urgent investment in Information Communication Technology (ICT) that enables the Department to provide a modern, seamless border clearance and biosecurity predictive analytics and intelligence, which is based on risk and rewards good compliance. The imports program can continue to be funded via the existing cost recovery or fee for service arrangements, as the CBFCA has no confidence if the proposed <u>biosecurity import levy</u> (tax on sea freight) is implemented, funds may go into consolidated revenue and not allocated to the imports and export programs to support the challenged biosecurity system.

The CBFCA understands that the Regulator Performance Framework is an important part of the Government's commitment to reduce unnecessary or inefficient regulation imposed on individuals, business and community organisations by at least \$1 billion a year.

Importantly, the way regulators administer regulations can have a major effect on productivity as industry has experienced during the BMSB seasons.

As the Framework establishes a common set of performance measures that will allow for the comprehensive assessment of regulator performance and their engagement with stakeholders, the CBFCA hopes it will encourage the Department to minimise their impact on those they regulate while still delivering the vital role they have been asked to perform.

Increased accountability and greater transparency is important to ensuring the Department achieves their objectives while at the same time supporting the Australian economy.

The CBFCA commentary in this submission specifically addresses issues which impact on service providers in international trade logistics and supply chain management.

### 2. INTRODUCTION

#### 2.1 Customs Brokers and Forwarders Council of Australia Inc.

The CBFCA the peak industry association represents service providers in the international trade logistics and supply chain management industry, in particular those service providers who undertake border clearance activities through the Department of Home Affairs (DAH) and Department of Agriculture and Water Resources (the Department), these being licensed individual customs brokers (operating as sole traders or in partnership) or licensed corporate customs brokerages where the individual licensed customs broker is a nominee for that corporate entity.

Licensed customs brokers are accredited by the Department under the Broker Accreditation Scheme to undertake co-regulatory arrangement documentation assessment activities for non-commodities and commodities.

In this capacity, the CBFCA has provided commentary to a variety of Government and regulatory inquiries as to policy, equity, compliance, cost recovery and process improvement on biosecurity matters.

The CBFCA is also an active member of the Department of Agriculture Cargo Consultative Committee (DCCC), Import Industry Finance Consultative Committee, and works with the Department on a variety of idealistic biosecurity process outcomes.

Further details of the CBFCA, its credentials and its involvement in the movement and clearance of goods into and out of Australia are available at <u>www.cbfca.com.au</u>

#### 2.2 Contact Details

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#### 3. BACKGROUND

Just as background information the CBFCA supported the implementation of the Biosecurity Act 2015 (the Act) which promised to create a responsive flexible operating environment, to give effect to the key aspects of:

- effectively managing risk
- *improving productivity*
- *strengthening partnerships*
- sound administration and,
- transparency

From a CBFCA perspective the new Act promised to provide for better management of the biosecurity risks of animal, plants, pests and diseases entering in Australia through the international trade pathway.

For service providers in international trade the identified benefits include:

- reducing complexity, providing certainty, making it easier for the Commonwealth to regulate and for stakeholders to understand their obligations (i.e. by removing duplicative provisions and by clarifying regulatory powers)
- reducing regulatory burden for compliant business persons and targeting resources to the areas of highest risk (i.e. whole of supply chain, approved arrangements) and improving service delivery.

In the BMSB season from 1 September 2018, the increased application of biosecurity measures to more goods imported from more countries resulted in substantial disruption to trade for our members and their import clients. Industry has experienced the opposite to what the new Act promised:

- Increased regulation and complexity
- Extra work and additional costs to industry
- Increased regulatory burden
- Unsatisfactory service delivery well outside current client service standards

For these reasons the CBFCA welcomes this much needed review.

#### 4. THE REVIEW OF BMSB MEASURES

It is important to note that the CBFCA supports the Department's Brown Marmorated Stink Bug (BMSB) seasonal measures, as we know this is an exotic pest that poses a significant biosecurity risk to Australia's agricultural industries, and also a smelly nuisance pest that may infest homes, offices and factories.

However, due to the increased application of biosecurity measures to more goods imported from more countries resulting in substantial disruption to trade for our members and their import clients, the CBFCA welcomes this much needed review focused on the assessment of the effectiveness of the biosecurity measures to manage the risks of BMSB entering Australia.

The CBFCA hopes this review will highlight the key issues that significantly impact on industry, and will encourage the Department to minimise their impact on those they regulate, while still delivering the vital role they have been asked to perform. Accountability and transparency is important as highlighted in the Regulator Performance Framework.

The key issues that impact on CBFCA members are covered in the below commentary.

#### 5. CBFCA COMMENTARY

The concept of co regulatory framework has been in place in certain biosecurity activities and was noted in the Quarantine and Exports Advisory Council (QEAC) submission to the Beale Review, where it was stated:

"The responsibility of managing risk should not be a sole Department responsibility but be spread across corporate Australia. There should be a legislative mechanism to ensure corporate Australia and importers take responsibility for managing the risk by ensuring appropriate systems and procedures are in place."

The expected increase in the volume of goods, aircraft, vessels and people entering and exiting Australia is a burden the Department will clearly not be able to manage with existing processes and resources. It is therefore in the Department's interests to seek out more productive working relationships with industry to share the responsibility for managing Australia's increasing biosecurity risks.

The CBFCA continues to support Approved Arrangements (AA), as together industry and government can work to manage biosecurity risks. By encouraging more industry members to share the responsibilities for managing biosecurity risks, AA arrangements will also reduce such risk.

It has become evident in the BMSB season from 1 September 2018, this increased application of biosecurity measures to more goods imported from more countries resulted in substantial disruption to trade with industry concern. The activation of profiles for high risk countries and goods in the Integrated Cargo System (ICS) has resulted in increased referral for biosecurity assessment to a level where the Departments ASG and ISG resources are challenged to meet the current client service standards.

The CBFCA via the DCCC meetings warned the Department after the 2017-2018 BMSB seasonal measures, when only USA and Italy were identified as high risk countries, to undertake an internal review and plan for future season, as the CBFCA expected this exotic pest to expand to other European countries.

Unfortunately the decision and announcement by the Department to include the additional target high risk counties listed below was delayed not giving industry enough time to prepare for the 2018-2019 BMSB seasonal measures.

- United States of America
- Italy
- Germany

- France
- Russia
- Greece
- Hungary
- Romania
- Georgia
- Japan (heightened vessel surveillance will be the only measure applied).

The late implementation of the Offshore BMSB Treatment Providers Scheme also resulted in late registrations and limited approved offshore treatment providers in these countries to handle the offshore treatment for goods shipped to Australia, resulting in trade disruptions, delays and additional costs to industry. As a result of limited offshore treatment providers when the BMSB season commenced, the demand for onshore treatment increased, and the limited capacity at the onshore treatment providers resulted in long post border delays, adding additional costs to industry.

The Department's BMSB Team worked hard to develop supporting information for industry however most of the information was uploaded on the Departments website under <u>Seasonal Measures for Brown BMSB</u> and supporting pages listed below when the season commenced making it difficult for industry to clearly understand the complex requirements. The pages were frequently updated and policy changed for the management of the LCL (less than container load) and FAK (freight of all kinds) containers due to systematic constraints and lack of trained resources to manage the complex policy and procedures impacting on the ASG to efficiently assess the import documentation and issue correct biosecurity directions.

- <u>What happens to your goods on arrival during BMSB season</u>
- <u>Management of LCL and FAK containers</u>
- <u>Offshore BMSB treatment providers scheme</u>
- <u>Prepare to import during BMSB season</u>

The CBFCA acknowledges the hard work of the BMSB managers and team to develop these industry support web pages, however the CBFCA is of the view such important policy and process changes required more frequent communication with the wider industry via the Department's Import Industry Advice Notice system, as too much information is on the webpages and often hard to find policy changes or updates to webpages.

What is evident since 1 September 2018, the increased application of biosecurity measures to more goods imported from more countries resulted in substantial disruption to trade with industry concern. The activation of profiles for high risk countries and goods in the ICS has resulted in increased referral for biosecurity assessment to a level where the Departments ASG, ISG and CCG resources are

challenged to meet the client service standards.

The key operational divisions within the Department that mainly impact on CBFCA members include:

#### 5.1 Assessment Services Group (ASG)

The activation of profiles for high risk countries and target high risk goods in the ICS has resulted in increased referral for biosecurity assessment. CBFCA member use the Cargo Online Lodgement System (COLS) to submit documents to the Department for assessment. The significant increase in number of BMSB entries for assessment has challenged the ASG to process entries within client service standards.

Department service standard:

- We will process your lodgement **within 1 business day** of receipt for urgent items.
- Non-urgent items will be processed within 2 business days of receipt.
- Lodgement processing may take longer if:
  - they require policy advice
  - incomplete or incorrect information is provided
  - additional information is required to continue the assessment (applicants will be notified of this by the assessing officers).

Department service target: 80% of assessments to be processed within our service standard.

Since the start of the BMSB season ASG officers are working harder and longer hours to keep up with the demand and the increase volumes has resulted in an increase in inconsistent directions provided to industry, requiring reassessment and additional cost to industry. The job satisfaction level has decreased on both sides (government and industry) as both are working harder but not smarter to meet the complex requirements, with limited systematic enhancements to handle the increased volumes. It has become evident assessment officers need further appropriate training to interpret the import condition and issue nationally consistent directions to industry for future BMSB seasons. ASG requires experienced and stable workforce, limiting the internal staff rotation and loss of skilled assessment officers moving away from the front line in to more attractive and rewarding positions.

As volumes continue to increase and the biosecurity risks increases, the demand for service will naturally increase, and the Department needs to seriously consider reviewing the client service standards and deliver a fast and effective clearance at the border as the current service level is not sustainable and the Department will struggle to meet the needs of industry, that operates in a fast and demanding trading environment.

#### 5.2 Inspection Services Group (ISG)

Naturally the increased biosecurity intervention has a downstream affect, which has also impacted on the ability of the ISG to keep up with the increased demand for inspection bookings as the BMSB measures require:

- Target risk goods will be subject to increased onshore intervention through random inspection and will be directed for onshore treatment if BMSB is detected.
- Random inspection of goods after treatment to validate the effectiveness of treatments.
- Random inspection of goods from all other emerging BMSB risk countries.

Inspection of goods service standard:

- Will provide this service **within 3 business days** of confirmation of your scheduled appointment.
- During periods of significant short-term increases in trade activity, there may be delays. If this is the case, we will consult you to agree on a mutually suitable time for your appointment. Service target: 95% of inspections to be provided within our service standard.

Since the BMSB season commenced the Department has struggled to meet the client service standards and on average industry has to wait one to two weeks to obtain a booking. Such delay has a significant commercial and financial impact on industry that has to pay for container staging, storage and container detention charges for the late return of empty container to the shipping line that provides limited free day for the return, plus the costs for lost sales opportunity.

As the demand for inspections have increased to manage the biosecurity risks the Department has to resource the ISG and review the current service standards and it is not viable for industry to wait 3 to 14 days for an inspection as industry pay a reasonable fee for the inspection and assessment service under the cost recovery model. Some of our members have reported delays in Melbourne and Sydney of up to 21 days from vessel arrival for biosecurity clearance which includes delayed entry assessment, inspection bookings and post inspection release as the officers are not release the goods at the AA depot and refer the entry to a centralised team to release the goods at the border.

The Department should also allow AA's in particular Class 1.1 and 1.3 depots to undertake the low risk biosecurity inspections to free up officers to focus on high risk and complex inspections. Inspections for visual and labelling and allow unpack at AA's without the need to hold containers Seals Intact waiting on officer to supervise the unpacking and then inspection, which is time consuming for officer and industry.

#### 5.3 Client Contact Group (CCG)

Just as a background the Department prior to implement the COLS system operated front counters in the major capital cities and airports where industry could take commercial documents for face to face processing and interaction with the officer.

Since the implementation of COLS the Department closed all the national front counters despite CBFCA objections to keep counters open until such time COLS was proven to be viable system for industry and the Department, however the Department insisted in COLS documentation lodgement and moved to a national contact number 1800 900 090.

Unfortunately, the national number is not efficient for customs brokers who interface with the Department on daily basis for assessment of import entries. While the client service standard is to answer the phone within 5 minutes, since the BMSB season members are waiting on line for long periods with reports of well over 30 minutes in many occasions and then transferred a number of times from Tier 1 and 2 officers hoping to reach a skilled officer to address any issues with the assessment and biosecurity directions. Members are reporting significant delays in reaching an experienced officer and often the enquiry is referred back to the BMSB policy team to provide a formal advice. It is not uncommon to be on line for up to one hour or need to ring numerous times to reach an officer. The BMSB policy team do not have a direct number for industry and emails sent to BMSB or Air and Sea Cargo are not responded to promptly to assist with the urgent cargo clearance.

A recently retired CBFCA member stated that his biggest regret is that industry has lost personal contact with the Department.

The CBFCA has been advocating for the Department to provide a direct number for customs brokers to interface with senior assessment officers or provide an Account Manager to assist and direct customs brokers queries to relevant Department division to assist with any policy or process matters.

#### 5.4 Information and Communication Technology (ICT) Systems

The Department has replaced and modernised the Quarantine Act 1908 with the Biosecurity Act 2015, however they have failed to modernise the administration, operations, service delivery and ICT systems.

The CBFCA has been advocating to the Department to modernise the ICT systems (i.e COLS, AIMS etc.) and provide better interface in COLS or via the third party softer used by industry to communicate to the Integrated Cargo System (ICS). Industry would prefer a single window to trade where the information provided to the ICS can be used by other regulatory agency to avoid the need for duplication of functions and data entry to meet different regulatory agency needs. The information provide in the ICS should be sufficient for any regulatory agency assessment.

It has become evident that the Departmental systems and resources are unable to manage the increased volumes of entries due to BMSB intervention, and in particular the profiling and assessment of LCL / FAK containers has challenged the department to manage the complex and manual process resulting in confusion, delays and additional costs to industry.

The CBFCA welcomes any urgent investment in ICT that enables the Department to provide a modern, seamless border clearance and biosecurity predictive analytics and intelligence which is based on risk and will reward good compliance. The current systems do not have the capability for analytics and manage each import transaction, which penalises the bigger importers and service providers with good compliance records. The Department needs to move away for transactional documentation management and start to manage based on identified risk and noncompliance.

#### 5.5 BMSB Profiling

Goods that fall within the tariff classifications have been categorised as target high risk goods and require mandatory treatment for BMSB risk when from affected countries or through pathways from affected countries. Some of the tariff chapters have created significant challenges for industry in particular LCL/FAK consolidating goods based on tariff classification and identification of target risk or high risk goods offshore.

The CBFCA has advocated for review of tariff chapters and possibility to target BMSB intervention at a lower tariff level (not tariff chapters) and be more flexible on providing provision for exceptional circumstances for low risk (i.e. A Compact Disc (CD) imported with a book, the CD is subject to BMSB but the book is not, resulting in onshore fumigation, there are other examples where low risk goods in the tariff chapter are caught up with little flexibility provided that allows at least an unpack/inspect onshore but at the same time Department permitted LCL/FAK de consolidation, which is higher risk.

Unfortunately there is no flexibility for consideration of exceptional circumstances as

a member was forced to ship a container of medical goods back to Singapore to be repacked and shipped back to Australia, as the importer refused to fumigate onshore the small quantity of high risk goods loaded in error in the container due to potential risk or goods being damaged by the treatment.

#### 5.6 Offshore BMSB Treatment Providers Scheme

The approval process for offshore treatment providers has been effective and the Department has done a good job in a very short time frame to approve the number of providers on the list.

The difficulty is the certification is not government to government and the Department has to work with individual treatment providers for approval and noncompliance as we have experienced with the suspension and re-instatement of some treatment providers in Italy.

One issue to note is the Department relies on the treatment provider to send a copy of the treatment certificate to the Department and often due to file size or other issues the Department fails to receive the certificate and forcing industry to follow up treatment providers despite industry providing a copy of the treatment certificate with the documentation for assessment. As the treatment providers are approved by the Department this is a role for the BMSB Treatments team to address this issue and for ASG to assess the certificate and issue a direction. Any ICT development in this area is welcomed as certificate when received by the Department from treatment providers should be assessed and recorded on the system to avoid any issues when industry submit the document via COLS or AEP.

#### 5.7 Industry Engagement

The department has done a reasonable job to engage with industry and delivered industry workshop, however it was very late and close to BMSB season, which provided limited time for industry to understand the complex policy, inform client's and overseas agents/suppliers to ensure compliance. The BMSB webpages were updated frequently when changes were made making it difficult for industry to identify the changes and communicate changes to import clients and offshore agents and suppliers. Ongoing industry engagement and consultation at a policy development level is required and early release of the BMSB measures for 2019/2020.

CBFCA would like to acknowledge the efforts of the BMSB managers and team in managing the current BMSB season. It has been a difficult period for all stakeholders, however the Department has been engaging and communicating with CBFCA throughout.

#### 5.8 CBFCA Suggestions to improve onshore cargo professing delays

Below is a summary of the CBFCA suggestions to improve onshore cargo processing delays this season and in the future.

- Reduce intervention of low risk goods as we are of the understating there is a significant percentage (over 50%) of entries submitted via COLS where the end result is "Completed and Released". If this is the case change the focus from documentation management to risk management, and consider if the accredited biosecurity industry participant (customs brokers) can assess the documents to free up ASG to assess high risk entries.
- Expansion of AEPCOMM to other commodities currently not in scope and provide further training and incentives as the AEPCOMM system has improved, but it is still complex and some customs brokers fear the system as any small mistake results in non-conformity and increased intervention, which penalises their clients.
- Consider mandatory offshore treatment for LCL (less than container load) and FAK (freight of all kinds), if the Department's systems and resources are unable to manage the high risk goods profiles in FAK containers.
- Provide better visibility for ASG to identify and manage BMSB entries from other general biosecurity entries, as this may assist with better synergies of assessment and processing of entries.
- Target BMSB intervention at a lower tariff level (not tariff chapters) and be more flexible in providing provision for exceptional circumstances for low risk (i.e. CD which comes with a book) as per example provided in earlier commentary.
- Permit inspection of low risk goods to be conducted by approved persons operating under an AA in particular Class 1.1 and 1.3. depots.
- Stop holding containers "seals intact" and allow unpack prior to inspect at AAs, officers waiting for unpack at AAs is a waste of everyone's time.
- Better utilisation of inspection officers time as they should inspect more jobs when onsite at manned depot's 1.1 or other AA's and not only selected few due to time constraints, this reduces travel time and more time to spend on inspections.
- Reduced intervention on high compliant importers, which reduces the

number on entries referred to the Department for assessment.

- Limit the random BMSB surveillance inspection until such time the Department has available inspectors to undertake the inspections as ISG are way outside service standards of 3 days, which is the Department service standard and not industry.
- Increase the usage of automation and allow customs brokers to self-direct for onshore treatment, unpack inspect and other small tasks such as change of inspection location etc.
- Provide clear policy advice, support, work instructions to ASG staff as they are taking longer to process entries due to the BMSB complexity and charging industry more as they may exceed the 15 min assessment block.
- Review the number of ASG entries for re-assessments to determine if more training is required, as re-assessments is double handling the entry and we should aim at getting the direction right the first time, reducing phone calls, emails etc.
- Provide a dedicated BMSB hotline for customs brokers to be able to reach ASG staff to address any post entry assessment issues as mistake are made on both sides and ASG and customs brokers need to work in partnership to achieve best outcome as our assessment goals are the same, and that is to come up with correct assessment/direction to manage the biosecurity risks.
- Modernise the ICT systems to manage the process as currently the system is managed by human intervention for every biosecurity transaction. Based on this model even with increased resources, the Department will continue to be challenged as the transactions and complexities will increase as trade continues to grow as predicted.
- Consider COLS enhancements that provide better visibility and integration between ASG and customs brokers. Develop a dashboard that provides status of entry processing as this may reduce the number of calls by industry chasing directions as ASG has been outsider service standards during the BMSB season.
- Consideration as to COLS interaction with third party software may deliver time saving benefits for customs brokers as it may reduce the duplication of date entry. COLS should be a self-serve portal for customs brokers just like the bank Apps people use and less reliance of ASG for low risk functions.

- Review the documentary requirements and look to reduce the number of documents required for assessment, this may result in faster assessment and processing times.
- Review the service standards and move with the times as importers, customs brokers and forwarders operate in a fast paced and demanding environment, and compete on supply chain efficiency getting their goods from origin to customer. The Department while managing the biosecurity risks, also have an obligation to facilitate trade as biosecurity is a shared responsibility, and it is often industry that acts as the frontline reporting biosecurity risk to the Department based on detections at the AAs.
- Provide a dedicated phone number or Account Manager for customs brokers to reach senior assessment officers to address direction issues. The 1800 central number is a waste of time for customs brokers who can spend up to 30-40 minutes before they can reach someone. Time is money and we need to reduce the time it takes to reach an officer. Industry is ringing the Department due to the delays and uncertainty of cargo clearance. If the service improves the calls to the Department will also reduce.
- ASG is the Departments assessment frontline but at the same time jobs in this area are perceived by industry as low level and less incentive for officers to stay long term resulting in loss of knowledge. If the Departments ASG model remains the same and based on assessment this area needs significant resourcing, training for consistency of decisions, automation and remuneration that will allow ASG to provide the service industry deserves and pays for, as not many in our industry can charge \$30 per 15 minutes assessment block for their service.

#### 5.9 Feedback from CBFCA members

#### Example 1

Just for my own sanity, try and help me here. Why are motor vehicle spare parts stood out as a high risk BMSB commodity? Is it to do with the so called "hitch hiking" skills of the BMSB? If that is the reason then why can't they stipulate "non-packaged" motor vehicles spare parts ONLY. It is irrational, illogical and down-right stupid for any commodity that is sealed in plastic, individually packaged and then packaged again in a high quality cardboard box to be considered high risk. A cardboard box is a cardboard box (same v same) and BMSB hitch hikers slide off the dam things – So what is the logic? The logic goes out the window. Can someone explain to me why they are considered high risk and can we get this sorted NOW - I don't want it on the agenda for the review next year – all too slow! . Our industry has to start challenging and pushing back what the authorities introduce, we need to be stronger, we need to question them (they need our help and guidance) - What we see unfolding now is a joke.

I recently had 33 FCL containers of brand new high quality (beautifully packaged) motor vehicle spare parts ordered into fumigation because each container had a tiny percentage of product with European origin, it was less than 1% in each container that was targeted, some containers had no high risk goods at all, but they ordered all 33 into fumigation as the importer could not provide definitive proof. There was also talk of "Cross contamination", I nearly fell over laughing. And this would be funny BUT the cost to re-position, fumigate, transport and store was just over \$78,000 – Really!

Who wins in this, nobody, not the country (no BMSB risk anyway), not the importer, not the consumer, not DAWR (they can't handle the work flow that stupid policy has created, not the Customs Broker (our integrity is being questioned and we get hit with cash flow issues) and not even ANJ, Price and Speed, ACFS, L.Arthurs. They are complaining, not sure why, they are making a motza, but they are. This is totally unacceptable in the year 2019!

Any thoughts on this level of poor policy or am I just an old bloke that has lost touch?

#### Example 2

We are experiencing extended delays, GAS hold release issues with ICS and 1-stop, delays with releases after fumigation, re-issuance of GAS holds after an ICS amendment is made, issues with wharf confusion over the actual terms of the GAS Holds along with other issues causing delays, extreme storage costs, delays at the depots awaiting verification inspection and huge detention costs.

The amount of money we are losing in these processes is becoming quite alarming and industry is refusing to accept our additional expenses leaving the company suffering enormous loses.

We need to know what we can do to prevent these losses as it is getting to the point where we will need to have our overseas agents decline from accepting any BMSB associated cargo.

#### Example 3

*Currently our client is experiencing significant delays for an urgent container of welding consumables that is delaying progress in manufacturing and construction industries.* 

Here is the timeline of the shipment.

7 Jan - Import declaration submitted, requesting fumigation 7 Jan - DAWR select the shipment for documentary processing, that is, all documents have to be submitted for review 9 Jan - DAWR direction issued for Methyl Bromide fumigation

9 Jan -Further DAWR direction given for post fumigation inspection "Verify post BMSB (Stink Bug) treatment" - see attached, NOTE that the direction also requires the container to be unpacked.

9 Jan – Client advised of DAWR direction requirements, and, at that time, at least a 2 week delay

10 Jan - Shipment arrives in port

12 Jan- Container available and collected from port, back to Rockes for fumigation

14 Jan - Container is placed under fumigation

16 Jan - Fumigation and 24 hour breathing period complete, Rockes request DAWR verification inspection

16-23 Jan - Various follow up requests made to DAWR for the inspection time to be advised - no success

23 Jan - DAWR advise inspection booked for 1 Feb, expect delivery late 1 Feb, if DAWR authorise release, or, Monday 4 Feb.

The post-verification inspection was completed. There was no further communication from DAWR. The shipment was released and will be delivered on Monday 4 Feb, 24 days after arrival.

*I appreciate that there are delays everywhere due to BMSB, however this delay will stretch to almost 4 weeks simply due to the verification inspection.* 

Another container on the same vessel for this customer was delivered 18 Jan following fumigation – a 1 week delay which was acceptable in the current situation.

DAWR should prioritise inspections, which are at the behest of DAWR random selection of containers.

#### Example 4

As you correctly point out the DAWR response is a complete cop out and an admission of their failure to manage the risk, as they are so fond of telling us they do. It also makes a mockery the concept of shared responsibility, they make the rules and enforce the rules then change them to suit themselves. This time they have been shown up for their ineptness to take industry concerns seriously. To be in this situation in the third year of this problem and now realise they can't test for sulfuryl fluoride (SF) gas is laughable, they clearly have no idea even after 3 years of consultation. CPSU involvement is an issue to the Department to address.

The cost to the Australian agricultural industry if this debacle continue will be not insubstantial. For our clients who in the most had no choice of the use the SF treatment, it is particularly galling. If there is no decision in sight by Monday noon we will have no choice

but try to unpack, something I am loathed to do as this equipment requires assembly and some is relatively complex engineering and does not like being handles too many times.

Appreciate yours and the CBFCA's efforts thus far and you must feel pretty disappointed that the rural tailgate issue which is the main issue here not being addressed, so clearly they have no clue what to do.

I sincerely hope once this is resolved either way that the CBFCA takes on the Department to task for the totally unnecessary expense not to mention heartache and stress of those producers facing the potential of a delayed harvest which if the weather is unkind will make the storage and detention costs look like play money.

#### Example 5

Can you please advise where in any of DAWR's publications it states that goods with a value of over AUD \$1 million has to have "a delegates approval" before the entry can be authorised for treatment – we lodged the entry AC9N7N6C3 thru COLS on the 29.01.19, and today we get told (10 days after lodgement that this needs to be done).

It needs to be said that after 5 separate telephone calls to DAWR (4 TIMES ENTRY HAS BEEN ESCALETED) we are less than impressed, and that nobody we spoke to was eager to resolve or escalate the problem to fix it, and to be told on the 5th call ... very poor service in my opinion.

#### Example 6

The products of more than 80% of our clients, require some type of Quarantine interaction on a daily basis.

We are pretty much sick and tired of the constant excuses made by DAWR as to why they can't carry out the jobs they need to be doing.

Unfortunately for you, we are going to highlight some of the problems we encounter.

Please note we have many inspection bookings made, cancelled and then re-booked by DAWR.

*People get crook, fact of life, but this happens far too often that there is no attempt to try and juggle bookings to make it fair for the importer, rather than just let them go to the back of the queue, as has happened here.* 

Also, just the facts itself – booked on 21st, a reply received 4 days later, to receive an inspection date 10 days after the original application. Just not acceptable.

#### 6. CONCLUSION

In conclusion, it is important to note that if the Department continues to do the same thing the end result will be same. It is time for a change and the CBFCA has be advocating for modernisation of the service, administration, operation, systems, and not just the Biosecurity Act modernisation, that places more obligation and infringement notice penalties on the biosecurity industry participants.

The CBFCA will continue to work with the Department to achieve a win/win outcome, as only in partnership with industry, the biosecurity risks can be managed.

The CBFCA is available to discuss and expand further on our commentary as required.

Thank you once again for allowing the CBFCA the opportunity to provide a submission to this important BMSB Review.