

THE AQIS / INDUSTRY CARGO CONSULTATIVE COMMITTEE (AICCC)

TERMS OF REFERENCE

The AQIS/ Industry Cargo Consultative Committee (AICCC) is the principal advisory forum for AQIS and the cargo handling and importing industry to consult on all issues arising from the management of Australia's Import Clearance and Seaport quarantine strategy.

The objective of the AICCC is to provide AQIS and industry with a consultative forum directed, inter alia, at enabling AQIS to improve the effectiveness and efficiency of the pre-border, border and post-border quarantine controls and wherever possible coordinate the functions of the concerned parties to avoid duplication and facilitate the smooth and seamless flow of vessels through ports and cargo / goods through Australian sea and airports.

Noting the Government policies relating to the functions delivered by AQIS and its authorised Agents the Committee will:

- act as the peak industry consultative group between AQIS and the cargo handling/importing industry on all operational, policy, efficiency and strategic issues.
- consider and provide advice to AQIS on matters relevant to the Cargo handling/importing industry
- ensure that it acts as an effective conduit for information exchange between the cargo handling/importing industry and AQIS

The committee will consider:

- strategic directions for AQIS's Import Clearance and Seaport Programs relevant to the cargo handling/importing industry
- significant proposed changes to policy and operational procedures
- program budgets, cost recovery mechanisms and charging levels
- key program performance issues such as efficiencies and effectiveness indicators

Who are the AICCC's Members

The industry interests in AICCC are represented through the Industry Working Group on Quarantine (IWGQ). Membership of the IWGQ is open to all stakeholders through their national associations. The IWGQ independently considers all matters within the AICCC, as well as those matters specifically related to the development and financing of training initiatives, electronic systems and industry self regulation schemes.

The IWGQ accommodates many stakeholders who may only have specific concerns in limited areas within the scope of the cargo handling and importing process. These concerns can be addressed by these stakeholders being "affiliate members" who, through the group's liaison office, will receive information, be consulted on all relevant matters and participate in

considerations when appropriate. A further mechanism to ensure effective communication and consultation in specific areas is the formation of either permanent sub committees or working parties. Refer appendix 2

The Membership

- AQIS (Cargo Management and Shipping Group)
- Industry Working Group on Quarantine (IWGQ)
 - Australian Chamber of Commerce and Industry
 - Regional cargo facilitation committees/councils
 - Shipping lines
 - Stevedoring/container terminal and depot operators
 - Customs brokers
 - Air/sea freight forwarders
 - Importers/cargo owners
 - Airlines/cargo terminal operators
 - Air express operators/couriers

The AICCC is chaired by Mr Hart Krtschil, who has been a member of the Quarantine and Export Advisory Council (QEAC) from 1997 to 2007.

web-site www.qeac.gov.au

A Secretariat/Liaison Office of the AICCC / IWGQ commenced operations in April 1997. For details regarding the Secretariat refer to Appendix 1

What are some of the Key Issues the AICCC is dealing with?

Some specific issues are:

- Co-regulation/Compliance Agreement projects across a range of activity areas
- “Informed Compliance” training and administration, including the development and maintenance of an Internet based “e- learning” system named “Guardian”
- Review of the operations of the Import Clearance and Seaports Programs
- IT issues – AIMS redevelopment, CMR, including promoting and maintaining the inclusion of AQIS’s Import **Conditions (ICON)** on commercial databases
- Review budgets and monitoring of financial performance
- Post implementation reviews of a range of projects
- Broker Accreditation and Re-Accreditation for LCL, FCL and AEP schemes
- Automatic Entry Processing (AEP) for commodities
- Financial cost recovery issues
- Development of a training and information CD, *Australian Quarantine – a shared responsibility*, covering quarantine awareness for the Australian Cargo Industry logistics chain and Australian import conditions for overseas manufacturers, suppliers, exporters and local importers.

What are some of the AICCC’s Principal Achievements to Date?

Since its formation in December 1993, the AICCC has pursued a policy of actively encouraging close working relationship between AQIS and all Industry parties. The AICCC carried out a major study into the requirements of Industry parties. This study became a key submission to the Nairn Review advocating industry participation in low risk quarantine functions. A key recommendation of the Nairn Review was the establishment of QA based systems that allowed industry to perform low risk quarantine functions

The AICCC established its own secretariat in 1997 in advance of the Government's response to the Nairn Review recommendations being made public.

One of the key achievements of the partnership between AQIS and Industry, facilitated through the AICCC, has been the Broker Accreditation Scheme, which builds on the Nairn Report and the concept of a "Shared Responsibility". Customs Brokers and members of the Customs Brokers and Forwarders Council of Australia Inc. (CBFCA) have embraced this Scheme which has given improved resource utilisation to both Government and industry. The Scheme has also greatly facilitated quarantine clearance arrangements and has improved the balance of facilitation and control from an AQIS perspective. The Scheme has been expanded from covering FCL containers only to also include LCL cargo and packaging concerns. A further development that has been trialled in early 2005 is the Automatic Entry Processing (AEP) for commodities which is now in place. These schemes have been the forerunner of similar arrangements being introduced for a range of other activity areas such as Quarantine Approved Premises (QAP), MT Container Parks etc

Industry members of the AICCC are closely involved in developing and operating an on-line training system "Guardian" which is used for the accreditation and re-accreditation of persons operating under AQIS Compliance Agreement. Some 8400 persons working in QAPs were accredited via this system over the past two years with re-accreditation commencing in March 2008. A generic quarantine awareness package has been finalised which will provide valuable information for all personnel associated with or working in the logistics, barrier clearance and importing industries

The AICCC continues to be closely involved in developing information packages aimed at facilitating industry compliance with Quarantine conditions, thus assisting in observation of quarantine requirements as well as speedier clearance of goods.

Industry members of the AICCC / IWGQ shared the 2000 QEAC Quarantine Award for Media and Education for the production of a CD-ROM designed to improve quarantine awareness and to provide an education tool. The CD-ROM has proven to be a success in the international trade area and was recently updated and re-issued.

For more details on the activities of the AICCC and a look at the CD-ROM, please visit its web-site www.aiccc.com

How Often Does the AICCC Meet and Where? When is the Next Meeting?

The AICCC meets three times a year. Meetings generally take place at the AQIS offices in Sydney and Canberra. The last meeting of the AICCC took place in Sydney on 9th April 2008 and the next meeting is scheduled for 21st August 2008 in Canberra

Appendix I

THE AICCC SECRETARIAT / LIAISON OFFICE

Background

Stakeholders in the Import and Seaport Clearance Industries formed the Industry Working Group Quarantine (IWGQ) in 1993. Representatives of that Group make up the Industry contingent of the AQIS Cargo Consultative Committee (AICCC). The secretariat function for both groups was attended to by the Australian Chamber of Shipping (ACOS) until 1996.

The "Import / Export Cargo Clearance Study" commissioned by the IWGQ and published in June 1996 identified a number of areas which required more intense focus and attention than the then existing system's secretarial and voluntary structure could support. Industry determined that a need existed for a more permanent and dedicated secretariat to attend to the areas defined by the study and other issues determined from time to time.

Because of its close involvement with the physical movement of cargo and associated documentary requirements, the Australian Cargo Handling / Logistics Industry and Commerce (hereafter referred to as the "Industry") have an important role to play in achieving the objectives of quarantine control.

The concept of setting up a dedicated liaison office which would also attend to secretarial functions of the committees and funding options was explored with the Executive Director of AQIS in late July 1996 and a positive response was received. It was agreed that Industry would prepare a proposal for further discussion between it and AQIS.

A detailed proposal was prepared by Industry and agreed between the parties after further discussions by the middle of February 1997.

The office commenced operations on April 1997 and its functions, responsibilities, location, staffing and contact details are:

Functions

The Secretariat / Liaison Office is to be national and non-executive / operational. It is to provide consultative and advisory functions at a senior level representing the objectives of AQIS and Industry, serving as a focal point for both parties. It shall assist in the implementation of recommendations of the Nairn Report once considered and acted upon by Government as well as the recommendations following from Industry initiated studies and reports once accepted by both parties.

Responsibilities

- 1) Provide a focal point for both parties and act as a sounding board for AQIS and Industry on broad national issues.
- 2) Assist in the implementation of the new Governments or AQIS import clearance policy initiatives through provision of technical advice and as a focal point for AQIS / Industry working groups
- 3) Act as Secretariat to the AICCC and related Committees, as well as working parties or task forces convened from time to time.

4) Assist in developing a greater awareness by AQIS and the Industry of each other's needs and obligations. A major and integral part of this task is the monitoring, updating and publicising the training capabilities Industry has developed in consultation and conjunction with AQIS.

5) Assist in the development of Industry Self-Regulation Programs.

6) Identify, develop and monitor AQIS / Industry projects in a non-executive function.

7) Attend to policy matters as required by AICCC members.

Staffing

Mr. Hart Krtschil accepted the task to establish and run the office. He has wide experience in all facets of the Cargo Handling Industry and Commerce through long business associations in senior positions in the Logistics Industry and as representative of Industry on a variety of Committees, Task Forces and the like. He was actively involved in the establishment of the IWGQ and the AICCC and has chaired both committees since their inception. He was a member of the Quarantine and Exports Advisory Council (QEAC), an independent advisory body for the Minister of Agriculture, Forestry and Fisheries, from 1997 to 2007.

Location and Contact Details

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Appendix 2

<p>INDUSTRY WORKING GROUP ON QUARANTINE Unit 214/ 35 Doody Street ALEXANDRIA NSW 2015 Telephone: (02) 9700 7522 Bus 0413 050 127 Mobile Facsimile: (02) 9700 7533</p>
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IWGQ - Committee Structure

Under the full IWGQ membership the following “standing” committee structure is in place to deal with a range of issues. Members who are not members of these committees are frequently brought into discussions / deliberations to contribute expertise in areas such as co-regulation projects. Ad hoc committees and working groups such as the Charging Review Committee are formed / convened from time to time.

Standing Committees:

Professional Development, Training, Education & Awareness:

Members: ACCI, AFIF, CBFCA & Secretariat
Chair: CBFCA Mr. S. J. Morris

IT / EDI Developments

Members: ACCI, AFIF, CBFCA, CAPEC & Secretariat
Chair: CAPEC Mr. G. Clark

Co-Regulation and Accreditation Projects

Members: AATA, CBFCA, FBIA, CAPEC & Secretariat
Chair: FBIA Mr. A. Beaver

Special Projects

Members: ACCI, AFIF, FBIA, SAL & Secretariat
Chair: SAL Mr. Russell

The Chairs of each committee together with H. Krtschil form the **Executive / Finance Committee (EC)** of the IWGQ.
This Committee is chaired by Mr. S.J. Morris

In 2000 the IWGQ discussed the establishment of an Executive Committee (EC) and agreed, in principle, that the functions of the then finance committee be extended to include other functions such as noted below. It was also agreed that a brief be prepared outlining the functions the Executive Committee should attend to on behalf of the full IWGQ.

The establishment of the EC is primarily aimed at providing governance between meetings on behalf of the full committee and assist the secretariat in managing the day by day affairs of the IWGQ. The functions, responsibilities and the role of the secretariat are periodically reviewed and confirmed as remaining valid.

It was agreed that the EC was to be made up the chairs of the four IWGQ subcommittees and the secretary with meetings being convened by the secretariat.

Functions to be attended to by the EC on behalf of the full committee, *inter alia*, are:

- Generally assist the secretariat by providing guidance on governance and policy issues relating to projects undertaken by the IWGQ
- Provide guidance on commercial and legal arrangements entered into by the IWGQ from time to time during its normal course of providing services to industry.
- Monitor and approve expenditure of the Industry Project Fund within agreed budget guidelines established by the IWGQ.
- Review and approve the annual budget of the secretariat as well as any contractual changes to relevant arrangements.
- Represent the IWGQ from time to time on external committees, joint commercial supervisory bodies and the like

Since February 2004 the Executive committee is also the Board of Directors of the company IWGQ Holdings Ltd which was formed to hold intellectual property rights such as the Guardian E-Learning System.