Newsletter Date: June 2017

"The way to stop financial joyriding is to arrest the chauffeur, not the automobile."

Woodrow Wilson

CARGO NETWORK INTERNATIONAL PTY LTD

Gold Coast 2018 Commonwealth Games

"4 TO 15 APRIL 2018"

If you are considering using any images and indicia on your products representing the Gold Coast 2018 Commonwealth Games, please seek advice first.

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The Major Sporting Events (Indicia and Images) Protection Act 2014 (the Act) was introduced in July 2014 to protect indicia (for example signs, indications or distinguishing marks) and images associated with certain major sporting events that the Australian Government has committed to support.

Import provisions within the Act permit a rights holder or authorised user of indicia and images to object to the unauthorised use of protected indicia and images on goods imported into Australia. Section 25 of the Act gives the Australian Customs and Border Protection Service (ACBPS) the power to seize goods in cases where it is suspected that the user of protected indicia and images is not authorised to do so. The ACBPS will manage the import provisions through the existing Notice of Objection Scheme.

A Notice of Objection can be lodged at any time by a rights holder or authorised user (objector) under section 23 of the Act. The Notice of Objection will have effect in relation to imported goods bearing protected indicia and images associated with a major sporting event, where the use of the indicia and images by the designated owner is not authorised. Once accepted by the ACBPS, and unless revoked, a Notice of Objection will remain in force for that event's protection period, as defined by the Act.

The legislative scheme does not provide for the seizure of goods which are imported for personal use and not intended to be used for commercial purposes. The ABF is required by law to seize the imported goods unless there are no reasonable grounds for believing that the Act would be contravened.







DAWR (Quarantine) concerns...



Packing Declarations "a change is a coming 1 July 2017"

The Department of Agriculture and Water Resources is implementing a NEW Packing Declaration for FCL and LCL shipments with effect 1 July 2017. The new document was introduced mid last year on the basis of a phase-in approach to assist industry to slowly implement across their supply chain.

The NEW Declaration is a re-wording of the existing Packing Declaration to better reflect—the standards in international shipments HOWEVER, incorrect Packing Declarations identified after July 1 will be considered as a NON-COMFORMANCE breach.

If you would like to discuss or clarify your current processes, please contact our DAWR section.

AUSTRALIA'S ILLEGAL LOGGING LAWS

The Department of Agriculture and Water Resources has administered the illegal logging laws since they commenced in 2012. We aim to reduce the risk of products containing timber from illegal harvesting entering the Australian market.



The <u>Illegal Logging Prohibition Act 2012</u> applies to all imported timber and timber products and all domestically grown logs processed in Australia.

Australian Importers/Exporters are required to undertake due dilligence on their suppliers to ensure compliance.





Low Value Threshold (goods imported below AUD 1000.00)

Under the legislation passed by the Australian Parliament, from 1 July 2018, suppliers, online marketplaces and re-deliverers with an Australian GST turnover of \$75,000 or more are required to register, charge, report and remit GST on sales of low value goods to consumers in Australia (vendor collection model). High value goods (with customs value greater than \$1,000) will continue to be taxed at the border.

As per the legislation, the vendor collection model will commence on 1 July 2018 and is not conditional on the outcome of a Productivity Commission Inquiry that is required to report on 31 October 2017. The Treasurer, the Hon. Scott Morrison, clarified in his speech to Parliament today that the Government's policy is to implement the vendor collection model as legislated and that businesses should take the actions needed to implement it on the basis of the vendor model. The Treasurer went on to say the Government will not look kindly on businesses that in 6 months' time say it is too difficult to implement because they have not prepared for compliance by 1 July 2018.

How this will be implemented and how this will be policed is yet to be detailed...





Further consolidation in the Shipping Industry. Good... Bad... or Necessary....

Hapag-Lloyd strengthens position as top 5 carrier / Among the market leaders in several trades / One of the youngest and most efficient fleets in the industry / Annual synergies of USD 435 million planned.

Hapag-Lloyd and United Arab Shipping Company (UASC) are set to merge. The merger between the two liner shipping companies has been completed in Hamburg. With 230 vessels and a shared fleet capacity of approximately 1.6

million TEU, Hapag-Lloyd is the fifth-largest liner shipping company in the world. Hapag-Lloyd will remain a publicly traded company registered in Germany with its headquarters in Hamburg.





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Un-Manned Cargo Aircraft.

Forwarders, shippers, universities and aircraft manufacturers, grouped under the name Platform for UCA (<u>PUCA</u>), are researching technological and regulatory issues and hoping to attract investment.

The aircraft need not have a traditionally shaped fuselage, could have a larger loading door in place of a cockpit and could also be designed with shipping containers in mind. Without the need for pressurised cabins, life-saving equipment and with just one ground-based 'pilot' controlling the aircraft, operating costs would be considerably lower than for a manned plane.

UCAs are expected to be cheaper and more efficient than piloted aircraft, and PUCA sees commercial possibilities in those with a 10-tonne payload, to cover thin traffic routes.

"We don't believe there's a market for big aircraft," said Hans Heerkens, assistant professor of the University of Twente and chairman of PUCA.

"There are many areas where you can't transport cargo efficiently, and we think these aircraft would be especially good for areas without high volumes of freight or passengers – like Wales, or Eastern Europe."

The group's plans, which could take 15 to 20 years to come to fruition, are backed by the European Shippers' Council (ESC).



