

28 June 2016

# **Import Industry Advice Notice**

59/2016

# Peat importers can now use "AQIS commodity code" to become eligible for a reduced inspection trial

#### Who does this notice affect?

This notice is for importers of peat for use as fertiliser, soil conditioner or potting mix under *Tariff Code 2703.00.00: Peat (including peat litter), whether or not agglomerated* who wish to participate in a trial that may result in a reduced number of peat inspections.

Importers of coir peat, coconut fibre and sphagnum moss are not affected by this notice, and should lodge consignments as usual.

## What has changed?

In August 2016 the Department of Agriculture and Water Resources will commence a trial of a new inspection protocol on peat imports. The protocol will function similarly to the <a href="Compliance Based Inspection Scheme">Compliance Based Inspection Scheme</a> — eligible imports will qualify for reduced inspections once an importer has established a history of compliance by passing a set number of consecutive inspections.

To qualify for the trial, eligible peat products must be identified by customs brokers entering a four-digit code (FERT) into the "AQIS Commodity Code" field when lodging consignments. This code must be used in conjunction with the peat tariff code (2703.00.00). This code will be available for use from 28 June 2016.

Consignments lodged using this code prior to the commencement of the trial will contribute to importers' compliance history when the trial begins in August. All importers who use the code when lodging peat consignments will automatically become eligible to participate in the trial.

## When and how to use the "AQIS Commodity Code"

From 28 June 2016, a four-digit AQIS Commodity Code (FERT) will be available on customs brokers' software and should be used when lodging eligible peat consignments with the department. Eligibility for the trial is restricted to peat imported for use as fertiliser, soil conditioner or potting mix. Peat imported for other purposes (such as packaging material), as well as coir peat, coconut fibre and sphagnum moss, will not be eligible. The "AQIS Commodity

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Code" field should be left blank when lodging consignments of other products under this Tariff Code.

The reduced inspection trial itself will not commence until August 2016. However, importers are encouraged to commence using the designated "AQIS Commodity Code" from 28 June 2016 to build up their compliance history. Only entries lodged with the "FERT" code will be counted towards compliance history. Although all consignments will still be inspected until the trial begins in August, importers who use the code during this time to establish compliance history may meet the trial's requirements to qualify for reduced inspections sooner.

The "AQIS Commodity Code" field has not previously been used by the department; however, this field is included in the <u>CMR Software Developers Guide Business Rules</u>, so should be available in custom brokers' software. Using the code in this pre-trial period will also provide an opportunity to importers and brokers to ensure the code field is functional in their software.

## **Expected benefits for importers**

The reduced inspection trial will reduce the frequency of inspections for eligible imported peat consignments after an importer has established a sufficient history of compliance by passing a set number of consecutive inspections. Importers who demonstrate a strong record of compliance with Australia's biosecurity requirements will be rewarded with fewer inspections at the border, saving those importers time and costs associated with the inspection process. Note that all imported full container loads of peat being sent directly to rural locations will remain subject to tailgate inspections as per the <a href="mailto:sea container delivery postcode">sea container delivery postcode</a> classifications.

More details of the new inspection protocols for peat will be released in another Industry Advice notice closer to the trial's commencement. This will include further details on the trial's exact commencement date, its duration and the details of how it will operate.

#### Further information?

For further information, please email Plant Import Operations at <a href="mailto:imports@agriculture.gov.au">imports@agriculture.gov.au</a> or phone 1800 900 090.