

## For Official Use Only



Australian Government  
Australian Customs and  
Border Protection Service

## Brief

For information  
Ministerial No:108866

To Assistant Minister for Immigration and Border Protection

Subject Perth Airport VIPs – Off-Terminal Clearance and VIP Facilitation

Timing For noting

## Recommendations

That you:

1. Note the content of this brief;
2. Note the recommendations of the *Review of Arrangements for the Facilitation of VIP International Air Passengers on a Cost Recovery Basis* (Attachment A); and

noted / please discuss  
noted / please discuss

s. 22(1)(a)(ii)

Assistant Minister for Immigration and Border Protection

Signature

Date: 7/02/2014

## Assistant Minister's Comments

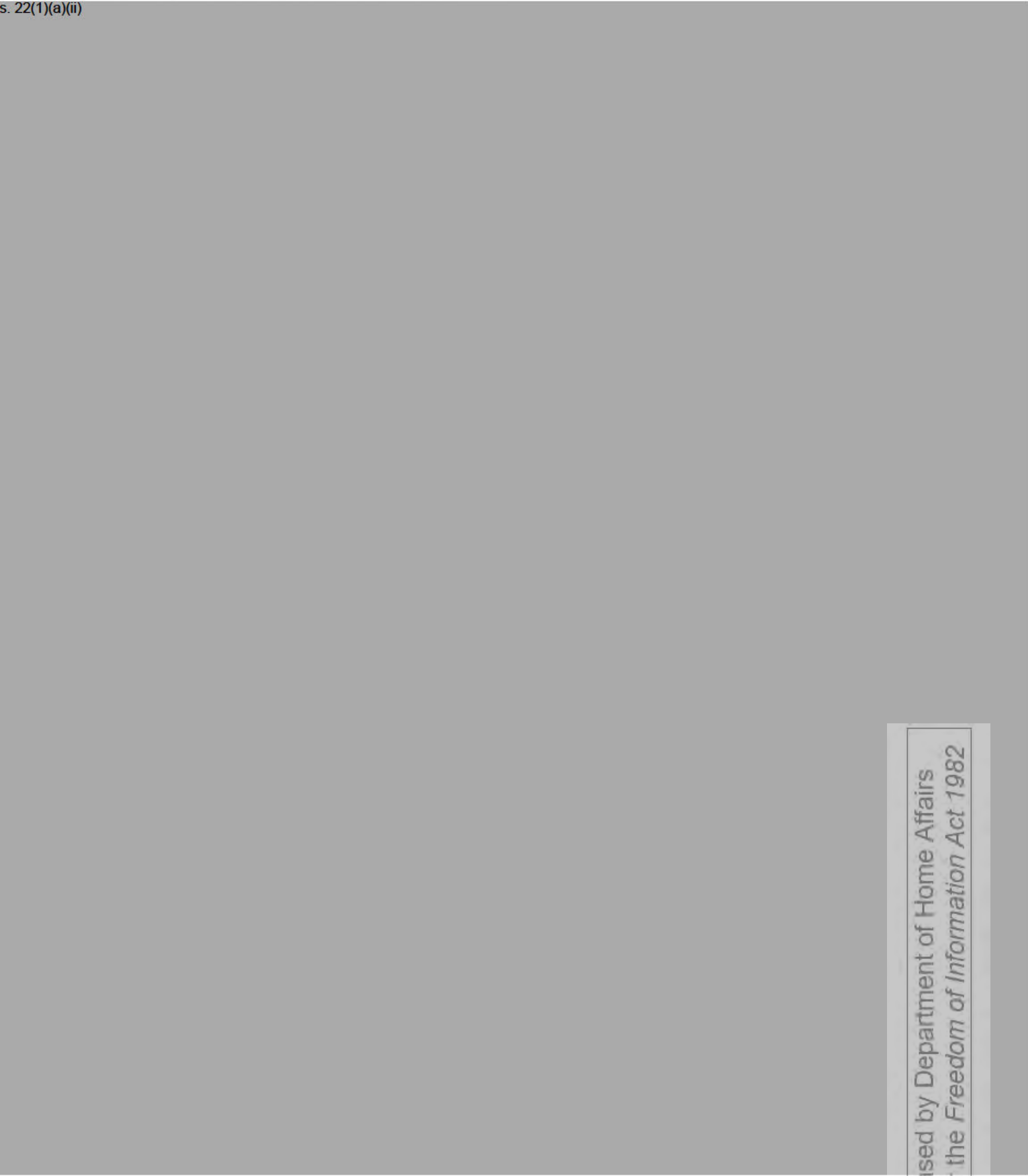
Assistant Minister's Comments				
<b>Rejected</b> Yes/No	<b>Timely</b> Yes/No	<b>Relevance</b> <input type="checkbox"/> Highly relevant <input type="checkbox"/> Significantly relevant <input type="checkbox"/> Not relevant	<b>Length</b> <input type="checkbox"/> Too long <input type="checkbox"/> Right length <input type="checkbox"/> Too brief	<b>Quality</b> Poor 1.....2.....3.....4.....5 Excellent <b>Comments:</b>

Released by Department of Home Affairs under the Freedom of Information Act 1982

For Official Use Only

For Official Use Only

s. 22(1)(a)(ii)



Released by Department of Home Affairs  
under the *Freedom of Information Act 1982*

For Official Use Only

For Official Use Only

s. 22(1)(a)(ii)

Released by Department of Home Affairs  
under the *Freedom of Information Act 1982*

For Official Use Only

4. VIP Facilitation Review

- Between May-July 2013 ACBPS, in concert with other border agencies, undertook a review to determine the feasibility and risks associated with providing VIP facilitation services at Australia's international airports on a user-pays basis.
- Industry input was obtained by correspondence and interview. Peak industry bodies, airport operators, major airlines and private concerns responded, including:
  - a) All major international airport operators;
  - b) Qantas;
  - c) Tourism and Transport Forum; and
  - d) Crown Casinos and Universal Aviation.
- Other government departments and agencies involved in relevant border control operations were directly consulted.
- The **'Review of Arrangements for the Facilitation of VIP International Air Passengers on a Cost Recovery Basis'** highlighted that there is no common view held across industry participants of a single VIP facilitation model. Airport operators indicated a preference for exclusive lounge services offered on a user-pays basis, whereas the airlines mostly prefer an enhancement of the existing Express Path service offered within the price of the airfare. Charter operators proposed a third option centred on increased border agency support at separate terminals.
- Key recommendations arising from the review were:
  - a) A user-pay model based on separate processing lounges for VIP facilitation in Australia's international airports should be further developed in consultation with industry;
  - b) Express Path facilities be retained for use by currently eligible travellers, and ACBPS negotiates limited additional access to the Express Path facility for airports that commit to the infrastructure investment in a VIP facilitation dedicated lounge; and
  - c) Further development of off-terminal clearance is not presently supported because of the unaffordability of costs to establish the required operational and security controls (The review also recommended that ACBPS advise the relevant industry representatives of that decision).
- The Minister for Immigration and Border Protection has considered the review findings and agreed with the recommendation to pursue the necessary legislative changes that will enable full cost recovery by the border agencies. These changes are planned to be introduced in the Spring/Summer 2015 Parliamentary session.



- The Minister also agreed with the recommendations that:
  - a) A user-pay model based on separate processing lounges for VIP facilitation in Australia's international airports should be further developed in consultation with industry; and
  - b) Express Path facilities are retained for use by currently eligible travellers, and ACBPS negotiates limited additional access to the Express Path facility for airports that commit to the infrastructure investment in a VIP facilitation dedicated lounge.

## Background

5. ACBPS continues to receive increasing interest from operators of international airport and other industry participants (eg. Crown Casino) for the facilitation of VIP travellers through border processing at international airports.
6. Current examples of VIP facilitation in Australia are:
  - a) Express Path – the purpose of the Express Path is to provide an opportunity for airlines to offer a differentiated queueing service to their premium customers by providing them with an Express Path card to identify them as eligible Express Path travellers.
  - b) Off-terminal Clearance – Private aircraft, whether owned by individuals or by corporations, can apply to have clearances occur away from the main passenger terminal.
  - c) Alternative Airport Clearance – very similar to off-terminal clearance, this activity is used by private airlines or individuals who wish to land and be cleared at an airport that is not one of the eight international airports.
7. It should be noted that, in the context of this discussion, VIP facilitation pertains to the package of exclusive services that may be offered to passengers by private entities under commercial arrangements. It includes the provision of compulsory border clearance by government agencies. VIP facilitation is different to the established Guest of Government arrangements that are provided at the discretion of the Government to foreign dignitaries at no cost.
8. In the current resourcing environment, VIP facilitation without cost recovery would adversely impact on the ability of border agencies to maintain current levels of border protection and meet current facilitation standards for the significant majority of travellers who arrive and depart by an international terminal.
9. The proposal for user-pays VIP facilitation services has the broad support of Australia's international airport operators and tourism operators. The proposal has received mixed reviews from airlines who have expressed some concerns about the implication for other facilitation initiatives sponsored by industry and the border agencies such as Express Path.
10. A key finding of the review is that there is presently no capacity within prevailing legislative, financial and operational settings for the border agencies to viably administer any routine VIP facilitation service without a fee or cost-recovery basis.

s. 42(1)

12. Any option for VIP facilitation on a cost recovery basis will require amendment to relevant border agency Acts or Determinations to permit the setting and collection of fees for the provision of differentiated facilitation services
13. ACBPS has assumed the lead on this matter and will work with other border agencies to amend the relevant legislation. These changes are planned to be introduced in the Spring/Summer 2015 Parliamentary session.

### Consultation – internal/external

#### 14. Internal:

- Traveller Policy, Customs Branch
- Traveller Business Improvement, Customs Branch
- Airport Operations Branch

#### 15. External:

There was 'nil' external consultation in the preparation of this brief. The following stakeholders were consulted in undertaking the VIP facilitation review:

- Department of Agriculture;
- Department of Immigration and Border Protection;
- The Australian Federal Police;
- The Attorney-General's Department;
- Department of Infrastructure and Regional Development;
- Department of Finance;
- Department of the Prime Minister and Cabinet;
- Department of Industry;
- Department of Treasury; and
- National Passenger Facilitation Committee members.

### Client service implications

16. Increased support for VIP traveller processing is not without risk. In particular there is a risk that staffing for general airport operations that is passenger clearance and border Protection functions, may be reduced at times, particularly where the VIP workload increases at short notice beyond the expected level of support



## Financial/systems/legislation implications

- Enhanced VIP facilitation in off-terminal or alternative terminal clearance requires significantly greater investment by industry and government agencies to replicate the rate of effort and standards of security, anti-corruption and border controls that exist in the gazetted airports.

## Attachments

### Attachment A

Report of the Review of Arrangements for the Facilitation of VIP International Air Passengers on a Cost Recovery Basis.

s. 22(1)(a)(ii)

Authorising Officer

s. 22(1)(a)(ii)

Acting National Director

Trade and Customs Division

3/2/14

Ph: (02) 6275 6346

Contact Officer

s. 22(1)(a)(ii)

Acting Director Traveller Policy Section, Customs Branch, Trade and Customs Division, Ph: s. 22(1)(a)(ii)

CC

Minister of Immigration and Border Protection

Released by Department of Home Affairs  
under the Freedom of Information Act 1982



**Australian Government**  
**Australian Customs and**  
**Border Protection Service**

## **Cost Recovery Opportunities for Border Agencies at Australian Airports**

### Background:

1. In early 2013, the former Minister for Home Affairs directed the Australian Customs and Border Protection Service (ACBPS) to undertake a review which would examine the feasibility and risks associated with providing VIP passenger facilitation services at Australia's international airports on a cost-recovery basis.
2. This directive was the result of a number of submissions to the then Tourism Minister by a range of industry representatives, who were keen to provide travellers with dedicated (and differentiated) levels of service. Given the agency's reform agenda it was timely to conduct the review and ascertain whether such arrangements could form part of our future operating environment.
3. The subsequent review, titled the *'Review of Arrangements for the Facilitation of VIP International Air Passengers on a Cost Recovery Basis'* (the 'Review'), was undertaken between May – July 2013 by ACBPS in cooperation with the Departments of Immigration and Border Protection (DIBP) and Department of Agriculture (Agriculture).
4. Industry input was obtained by correspondence and interview. Peak industry bodies, airport operators, major airlines and special interest groups responded, including:
  - a. All eight (8) major international airport operators
  - b. Qantas
  - c. Tourism and Transport Forum
  - d. Crown Casinos and Universal Aviation
5. Other government departments and agencies involved in relevant border control operations were directly consulted.
6. In December 2013, the Minister for Immigration and Border Protection (MIBP) agreed to the recommendations of the Review and directed border agencies to work with industry to establish a user-pays VIP facilitation model based on a separate processing lounge within existing international airport terminal infrastructure.
7. The MIBP also wrote to survey participants to advise them of the outcomes of the Review. The Review document has not been publically released (given the commercial nature of some content); however, copies of the Review's Executive Summary have been distributed (refer Attachment A).

Released by Department of Home Affairs  
under the Freedom of Information Act 1982



Current status of work:

8. There is presently no capacity within existing legislative, financial and operational settings for the border agencies to provide a dedicated VIP facilitation service on a fee or cost-recovery basis. Implementing a cost recovery regime for this kind of activity requires amendments to relevant Commonwealth legislation in order for Customs, Immigration and Quarantine (CIQ) costs to be recovered.
9. ACBPS has commenced work to amend relevant sections of the *Customs Act 1901* (Cth) and associated Regulations. This follows Executive Committee endorsement of the proposal to consider the legislative bid as part of the Spring 2014 Parliamentary Session.
10. On 22 July 2014 the Parliamentary Business Committee of Cabinet (PBC) advised ACBPS that the bid received category 'B' status (indicating medium priority for introduction to Parliament in the requested sitting period).
11. At this stage, it is expected that the legislative amendment will not be considered during the Spring 2014 Parliamentary Session, and a 're-bid' for the Autumn 2015 Parliamentary Session will be required.
12. ACBPS has also established the VIP Facilitation Steering Group (Steering Group), comprised of senior border agency officials. The key objective of the Steering Group is to provide the necessary oversight, guidance and coordination to the implementation of the cost recovery regime.

Cost recovery opportunities:

13. The Minister's endorsement of a cost-recovery regime, for dedicated facilitation services within existing international terminal infrastructure, has provided the impetus for ACBPS and partner agencies to consider other opportunities for cost-recovery.
14. Adopting this approach has been strengthened by the existence of the *Review of all Border Related Charges, Fees and Taxes* (the 'Fees Review'), currently being undertaken by ACBPS in conjunction with Agriculture. The Fees Review will encompass all border related charges, fees and taxes including a consideration of other charges and cost recovery opportunities within the DIBP Portfolio.
15. At the 25 August 2014 Steering Group meeting, members supported ACBPS recommendations that border and related agencies pursue cost recovery for:
  - VIP facilitation conducted as an Off-Terminal Clearance (OTC) arrangements; and
  - The provision of CIQ services at airports where there is no permanent border agency presence.







Traveller Policy & Strategies Section  
Customs Branch  
September 2014

## INTERNAL BRIEF

File No. N/A

Deputy Secretary Policy Group

### VIP Facilitation on a Cost Recovery Basis

#### Recommendation

It is recommended that you note the information in this brief.	Noted / please discuss
--	------------------------

#### Key Points

1. Between May and July 2013, the Australian Customs and Border Protection Service (ACBPS) in cooperation with border agencies, undertook *'The Review of Arrangements for VIP Facilitation on a Cost Recovery Basis'* (the Review).
2. The aim of the Review was to examine the feasibility and risks associated with providing differentiated facilitation services at Australia's international airports on a cost recovery basis.
3. In December 2013, the Minister for Immigration and Border Protection (MIBP) agreed to the recommendations of the Review and directed border agencies to work with industry to establish a user-pays facilitation model based on a separate processing lounge within existing international airport terminal infrastructure.
4. The Review found that there is presently no capacity within existing legislative, financial and operational settings for the border agencies to provide differentiated facilitation services on a fee or cost-recovery basis.
5. Amendments to relevant sections of the *Customs Act 1901* (Cth) and associated Regulations will be required in order for costs to be recovered.
6. Noting the lead time for legislative change and the necessary infrastructure work by airport operators, the MIBP agreed to a phased implementation of the differentiated facilitation arrangements.
7. ACBPS has also established a Steering Committee, comprised of senior border agency officials. This Steering Group will provide oversight, guidance and coordination to the implementation of the interim arrangements and cost recovery regime.

**Background:***The Review:*

8. The former Minister for Home Affairs, the Hon Jason Clare MP, directed that ACBPS undertake the review.
9. This directive was the result of submissions to the then Tourism Minister (the Hon Martin Ferguson, MP) by a range of industry representatives, who were keen to provide travellers with dedicated (and differentiated) levels of service. Given ACBPS' reform agenda it was timely to conduct the review and ascertain whether such arrangements could form part of our future operating environment.
10. The differentiated facilitation model(s) in this context pertain to those international travellers who are afforded premium levels of service by tourism operators on a commercial basis. It does not include VIPs that are guests of Government.
11. Industry input was obtained by correspondence and interview. Peak industry bodies, airport operators, major airlines and special interest groups responded, including:
  - a. All eight (8) major international airport operators;
  - b. Qantas;
  - c. Tourism and Transport Forum;
  - d. Crown Casinos; and
  - e. Universal Aviation (Ground handling service provider).
12. Other government departments and agencies involved in relevant border control operations were directly consulted.
13. The Review found that there was no common view held across industry participants for a single differentiated facilitation model.
14. In December 2013, the Minister considered the review findings and agreed with the recommendation to pursue the necessary legislative changes to enable full cost recovery by the border agencies.
15. The MIBP also wrote to survey participants to advise them of the outcomes of the Review.

*Cost Recovery Regime:*

16. Differentiated facilitation without a cost recovery regime would adversely impact on the ability of border agencies to maintain current levels of border protection and meet current facilitation standards for the significant majority of travellers who arrive and depart by an international terminal.
17. It is anticipated that the application of a full cost recovery regime will allow ACBPS to provide a dedicated facilitation service to travellers with minimal impact on resourcing.
18. The application of a full cost recovery regime is supported by the Border-Related Fees, Charges and Taxes Review (Fees Review) currently being undertaken by ACBPS in conjunction with the Department of Agriculture. The Fees Review will encompass all border related charges, fees and taxes including a consideration of other charges and cost recovery opportunities within the DIBP Portfolio.
19. A cost recovery regime can only be applied once the relevant legislation is amended.



*Current Work status:*

20. Border agencies and industry stakeholders will shortly commence work on the development and implementation of 'interim arrangements'. The comparative differences in airport infrastructure, and the variation in traveller volumes seeking such a facilitation service, means that the specifics of these interim arrangements will be negotiated at a local level. It is expected that interim arrangements will be in place in 2015.

**Jeff Buckpitt**

First Assistant Secretary, Trade, Customs and Industry Policy Division

January 2015

<b>AUTHOR:</b>	<b>Sharon Nyakuengama (Ext. 6677)</b>
<b>POSITION:</b>	Assistant Secretary, Customs and Industry Branch
<b>DOC DATE:</b>	<b>28 January 2015</b>

Released by Department of Home Affairs  
under the Freedom of Information Act 1982

**PROTECTED: Sensitive Cabinet**

**Update on Premium Traveller Facilitation**  
**Briefing for meeting with DCEO Border Operations**

**27 April 10.30am**

To: Acting FAS Trade Customs & Industry Policy Division  
 Acting Commander Strategic Border Command

s. 22(1)(a)(ii)

**Key Issues**


- Work has been progressing on the development of premium traveller facilitation services at international airports on a cost recovered basis since the July 2013 review (Refer to Background section).
  - Industry consultation has occurred, most recently as part of the Fees and Charges review.
  - Legislative bids have been submitted, seeking full cost recovery for these services.
  - Potential models have been discussed (including with industry through forums such as the National Passenger Facilitation Committee, engagement with airline associations and airport operators). The in-terminal models consider a combination of interim arrangements (expansion of Express Path initiative) and cost recovery (Premium traveller lounges).
- The proposed models in this brief for in-terminal and off-terminal clearance have been developed in consultation with Governance Command Support, Strategic Border Command, and regional airport commands.
- The approach of interim, short-term and longer-term (permanent) solutions have been proposed to address issues including
  - Current non-public nature of ERC decision
  - legislative change to enable cost recovery (will be category T status in Budget bill);
  - development of infrastructure by airport operators (should they choose to);
  - further industry consultation to quantify demand (detail was sought through the fees and charges industry consultation session however this has not as yet been received by the portfolio);
  - a measured response for staffing arrangements to address risks and reflecting details from industry such as quantification of demand, location and nature of service.

**Current Status of Work**

**Legislation**

- The ERC agreed to relevant legislative amendment being introduced into the Australian Parliament to implement proposed changes in the Portfolio submission, including a new general charging head of power in the *Customs Act 1901*.

**PROTECTED: Sensitive Cabinet**
 Released by Department of Home Affairs  
 under the Freedom of Information Act 1982

- In the Fees and Charges submission the Portfolio proposed full cost recovery for in demand services such as premium traveller clearance, additional automated primary processing capabilities (eGates) and border agency clearances at those airports without an ongoing border agency presence. The ERC has requested that the Portfolio come back with a commercial charging proposal, above cost recovery, for these services.
- While these decisions will require Act and Regulations changes, the decision to support charging over and above cost recovery rates may (potentially) require new taxation Acts and new Regulations to be created.
- s. 42(1)  

- Advice from AGS, on this matter, may be sought; however the models of the Australian Bureau of Statistics and the Bureau of Meteorology charging for commercial rates for some services might be feasible in conjunction with the proposed contractual arrangement, between the portfolio and service industries.

#### Proposed Premium Traveller Facilitation Models

- Noting the key outcome of the Review – pursue the development of a user-pays premium traveller facilitation model within existing international terminal buildings – Immigration Portfolio and Agriculture officials have been consulting with industry stakeholders on the development of such a model.
- The Premium Traveller facilitation Review noted that the development and implementation of Interim arrangements for premium traveller facilitation should only be considered at those airports where airport operators commit to infrastructure investment, necessary for the development of a permanent premium traveller-dedicated lounge. Without a defined model under a cost-recovery regime no airport operator has committed to such investment.
- The Review also indicated that the existing Express Path facility could be considered as a solution for any interim arrangement model. However, this is problematic:
  - a. Only Sydney, Melbourne and Brisbane airports currently offer such a facility; and
  - b. The Express Path facility has been designed for a traveller demographic that is considered to be highly compliant and low risk (from a border clearance perspective). Notwithstanding the fact that all travellers will be subject to the same border clearance processes, the proposal to allow a 'premium' traveller class to use such a facility creates a potentially greater border risk.
- Through various consultation forums (NPFC meetings, Border Fees & Charges Industry Consultation sessions, and the Review itself), industry has been unable to clearly articulate anticipated demand for the Premium traveller facilitation service. As part of their submissions to the Review, Australia's three largest airports estimated demand may be in the order of 40-50 requests per month (Melbourne, Brisbane) through to 3000 per month (Sydney).
- These factors have made it difficult for ACBPS to propose workable interim and permanent solutions.
- That said, ACBPS officials are proposing the following high-level premium traveller facilitation process as a starting point for future consultation with industry stakeholders. This model has been developed collaboratively by staff from within SBC(Canberra Office and Aviation Commanders), Border Management Group (BMG), and Customs and Industry Branch.



**Proposed Business Model (for Premium traveller facilitation within existing international terminal infrastructure)**

**Interim arrangements (pre-legislative amendment)**

- Exclusive 'Premium' traveller lane (similar to Express Path) at both inwards and outwards immigration processing points
- Similar dedicated traveller lane at Secondary Examination Area (SEA) for inwards processing
- Airport operator to provide advanced advice to border agencies of traveller arrival/departure (via application form template – *to be developed*)
- Traveller(s) to be escorted through process by (appropriately cleared) industry officials
- Border agency charge levied against traveller - nil
- Charges levied by airport operator against traveller – to be agreed between traveller and airport operator
- Implementation date: as soon as practical (*subject to consultation and agreement with industry stakeholders*)
- Impact on existing border agency resources – nil (border agency officers remain at existing workpoints)
- Impact on traveller(s) – differentiated/personalised experience (albeit, at existing traveller entry / outward control points)

**Near-term arrangements (post-legislative amendment)**

- Premium travellers to use existing airport VIP lounges, adjacent to existing traveller entry / outward control points (same as those used for GoG / Dignitary facilitation) for inwards/outwards processing.
- Airport operator to provide advanced advice to border agencies of traveller arrival/departure (via application form template – *to be developed*)
- Traveller(s) to be escorted through process by a combination of industry officials (airside to Entry Control Point ECP / kerb to Outwards Control Point OCP), and border agency officers (dedicated facilitation in VIP lounges)
- Border agency charge levied against traveller – commercial rates (*to be determined*)
- Charges levied by airport operator against traveller – to be agreed between traveller and airport operator
- Implementation date: As soon as practical following enactment of legislation (*subject to consultation and agreement with industry stakeholders*)
- Impact on existing border agency resources – to be confirmed (there will be demand for these services – this will be quantified with further consultation with industry – however, there will be some impact until recruitment processes are finalised as this model will require deployment of border agency officers to VIP lounges)
- Impact on traveller(s) – differentiated / personalised experience in dedicated (existing airport) facilities

Please note: Under this proposed model, and at discretion of the airport operator, this business model could include additional services such as limousine pick up / drop off etc.

**Longer –term arrangements (potential permanent solution)**

- Premium travellers use dedicated airport lounges constructed by airport operators – no requirement for travellers to use existing entry/outward control points
- Airport operator to provide advanced advice to border agencies of traveller arrival/departure (via application form template – *to be developed*)
- Traveller(s) to be escorted through process by a combination of industry officials and border agency officers (consultation with industry will establish precise routines, procedures, service levels and rates of effort)
- Border agency charge levied against traveller – commercial rates (*to be determined*)
- Charges levied by airport operator against traveller – to be agreed between traveller and airport operator
- Implementation date: As soon as airport infrastructure (dedicated Premium Traveller lounge) has been developed and is capable of supporting Premium traveller business model
- Impact on existing border agency resources – nil (dedicated resources are recruited/deployed to support Premium traveller facilitation business model)
- Impact on traveller(s): differentiated / personalised experience in dedicated (existing airport) facilities



- There are risks associated with this model – specifically the current lack of appropriate facilities at airports through which to offer this service. Of particular note is the fact that a number of airports do not have dedicated infrastructure (space, technology etc.) in which to offer a premium traveller facilitation service. For those that do, the proximity of these rooms to entry/outward control points is problematic. These matters will be addressed with airport operators as a matter of priority.
- In light of the Government support of border agencies' proposal to establish a charging regime for premium border clearance services, ACBPS believes there is an opportunity to provide enhanced levels of support to the business aviation / OTC elements of industry.
- OTC, in general, presents a border risk due to limited infrastructure, limited security (CCTV, screening etc.) and equipment to properly undertake border clearance and intervention activities. While changes in legislation will not initiate any greater levels of premium service, the provision to apply cost recovery (allowing for the recruitment and deployment of officers dedicated to OTC) will be viewed favourably by industry as it may allow ACBPS and border agency partners to support future application at requested times.
- However, noting the associated risks with OTC, the proposed OTC business model (below) still supports assessment of industry requests on a case by case basis.

**Proposed Business Model (for Premium traveller facilitation under OTC arrangements)**

**Off-terminal clearances (pre-legislative amendment):**

- Premium travellers to use existing application/notification process to airports willing to undertake.
- Applications continue to be assessed on a case by case basis.
- Pilots/airline operators/aircraft handlers to provide advanced advice to border agencies of traveller arrival/departure (via established procedures).
- Border agency charge levied against traveller – nil.
- Charges levied by airport operator against traveller– to be agreed between traveller and airport operator and OTC industry / ground handler.
- Impact on border agencies – significant.
- Impact on traveller – differentiated/personalised experience.

**Off-terminal clearances (post-legislative amendment):**

- Premium travellers to use existing off terminal clearances sites.
- Airport operator to provide advanced advice to border agencies of traveller arrival/departure (via application form template – *to be developed*)
- Border agencies to assess application on a case by case basis with due regard to operational viability. Where approved/not approved, border agencies send a notification back to requestor.
- Border agency charge to be levied against the traveller – commercial rates (to be determined)
- Charges levied by airport operator against traveller– to be agreed between traveller and airport operator and OTC industry / ground handler.
- Implementation date: As soon as practical following enactment of legislation (*subject to consultation and agreement with industry stakeholders*)
- Impact on existing border agency resources – to be confirmed. There will be a demand for these services but the impact needs to be quantified with further consultation with industry.
- Impact on traveller – differentiated/personalised experience in their hanger/off terminal facilities.

- There may additional services associated with off terminal clearances, such as limousine pick up/drop off, escort meeting the plane etc. This will be at the discretion of the aircraft handler/airport operator.

#### Communication Strategy with Stakeholders

- To date, ACBPS and border agency partners have undertaken a broad program of consultation with industry stakeholders, predominantly through the 2013 VIP Review and Fees Review.
- Post-Budget, ACBPS will coordinate a targeted engagement campaign, with focus apportioned to airport operators (for the in-terminal facilitation model) and the business aviation / OTC operators (for OTC arrangements). The focus of these discussions will be on developing the traveller facilitation models outlined in this briefing into workable business processes.
- Off-terminal, border agency officials are committed to delivering premium traveller facilitation services. While an OTC facilitation model already exists, this service may be enhanced through an increased capacity to service industry requests for support via dedicated funding/resourcing.
- In-terminal, border agency officials are also able to deliver a premium traveller facilitation service. However, before doing so, airport operators will be required to deliver appropriate infrastructure to ensure that border security is not compromised. This will be the initial focus of engagement.
- Forums such as the NPFC will be used to keep government and industry stakeholders informed on progress for both in-terminal and off-terminal facilitation models.

#### Background

- The *Review of Arrangements for the Facilitation of Very Important Person International Air Passengers on a Cost Recovery Basis* (the 'Review') was conducted between May-July 2013.
- The (then) Minister for Immigration and Border Protection considered and agreed to the recommendations of the Review in December 2013. Border agencies were directed to work with industry to establish a user-pays premium traveller facilitation model based on a separate processing lounge within existing international airport terminal infrastructure.
- Industry and government stakeholders were advised of the outcomes of the Review through January and February 2014.
- The Review did not support the further development of off-terminal clearance on the basis that alternative terminal clearance requires significantly greater investment by industry and government agencies to replicate the rate of effort and standards of security, anti-corruption and border controls that exist in the gazetted airports.
- That said, ACBPS and border agency partners agreed that, from a policy and resourcing perspective, it would be inconsistent for border agencies to develop and apply cost recovery for premium traveller facilitation in a dedicated lounge within existing international terminal infrastructure, yet not employ the same cost recovery regime for traveller facilitation services when conducted as either an OTC activity at established international airports or at those without an ongoing border agency presence (for example, Essendon).
- Internal Government legal advice indicated that it would take approximately 12-18 months to progress legislative amendments from drafting to implementation. As such, ACBPS commenced work to amend the relevant Commonwealth legislation required as a matter of priority.
- ACBPS Executive endorsed the consideration of a legislative bid as part of the Spring 2014 Parliamentary Session where, in July 2014, it subsequently received category 'B' status. On the understanding that the bid would not be considered during the Spring 2014 Parliamentary Session, ACBPS commenced work to prepare a 're-bid' for the Autumn 2015 Parliamentary Session.
- The subsequent establishment of the Border Fees, Charges and Taxes Review (the 'Fees Review') in July 2014 provided ACBPS and border agency partners with an alternative mechanism through which to pursue industry consultation and legislative amendment for premium traveller facilitation.
- The Expenditure Review Committee (ERC) decision on 8 April 2015 to support this aspect of the Portfolio's submission now provides ACBPS and border agency partners with enhanced levels of clarity for future consultation with industry stakeholders on the development of facilitation business models.