



**Australian  
BORDER FORCE**



# **Future Cargo Reporting Model Consultation Paper**

Prepared by Australian Border Force within the  
Home Affairs Portfolio

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# 1. Overview

The current cargo reporting framework, implemented through the Integrated Cargo System (ICS), was designed more than two decades ago and reflects the supply chain structures, data availability and operational practices of that time. It has supported lawful trade, and the protection of Australia's border, through a series of tightly sequenced, cascading steps, defined timeframes for reports to be made and who is able to provide each complete report.

As global trade volumes expand, supply chains continue to become faster and more complex. Industry increasingly creates and holds rich, structured data much earlier in the supply chain journey. Discovery activities and stakeholder engagement have identified growing misalignment between current reporting arrangements and how modern supply chains operate, particularly in relation to late, sequential reporting, strong interdependencies between reporting content, limited supply chain visibility and ability to reduce impact on multiple downstream parties when errors or delays occur.

The effectiveness of Australian border regulation depends on the ability of the following agencies to access and use cargo information in a coordinated and timely manner.

- **Australian Border Force (ABF)** – responsible for customs administration, border security, community protection, trade compliance and the collection of customs revenue and duties.
- **Department of Agriculture, Fisheries & Forestry (DAFF)** – responsible for managing biosecurity risks associated with imported and exported goods, protecting Australia's environment, agricultural industries and food security.

Other departments and agencies intersect with cargo regulation where goods are subject to other legislative, policy or regulatory controls, such as health, safety, environmental or strategic trade obligations. While agency mandates differ, their decision-making processes converge at the border through shared dependence on timely, accurate and reliable cargo reporting data.

## 2. The Future Cargo Reporting Model initiative

The Future Cargo Reporting Model (FCRM) initiative is being progressed to examine whether Australia's cargo reporting arrangements remain fit for purpose in an evolving trade environment.

This consultation seeks practical, experience-based input from industry to inform the design of a future cargo reporting model. Industry parties generate, exchange and rely on cargo data every day, and their insights into when information becomes available, who holds it, and how it is used operationally are critical to ensuring any future model is workable and aligned with real supply chain practices.

### 2.1. Background to the initiative

Cargo reporting plays a central role in border operations by providing the information used to assess risk, authorise cargo release, collect revenue and manage compliance for goods crossing the Australian border. While the existing reporting framework continues to support lawful trade, changes in trade scale, business models and data availability present an opportunity to re-examine whether the underlying reporting model remains appropriate for future needs.

Introduced in 2004-05, the ICS is the single authorised channel for customs reporting of all import and export cargo and processes hundreds of thousands of reports each day to support the clearance of trade valued at billions of dollars daily. The current reporting arrangements in ICS are designed as a cascade reporting model, under which cargo information is submitted by multiple parties across the supply chain—including carriers, freight forwarders, cargo handlers, brokers and importers—and linked through specific reference fields. The reporting events are tightly interdependent to establish cargo status and clearance outcomes.

The close coupling of reporting events constrains earlier data use if not all information is available to the reporting party. By identifying opportunities to modernise cargo reporting, the FCRM aims to support trade continuity, economic resilience and Australia's credibility as a reliable trading nation, while continuing to uphold strong border, biosecurity and revenue protections.

As trade volumes continue to grow and supply chains become more time sensitive, the economic cost of disruptions to the supply chain increases. In this context, continued reliance on legacy reporting design assumptions represents a growing resilience risk. The FCRM provides a structured opportunity to address this challenge by re-examining how cargo information is collected, timed, structured and governed.

The FCRM does not focus on technology solutions; rather the FCRM seeks to establish a reporting model that enables earlier access to higher quality data, supports scalable risk-based decision making, and reduces the severity and duration of disruption when failures occur.

The ABF is also exploring future cargo system and technology consideration through the Cargo Reporting System Transformation (CRST) initiative. This includes consideration of data sharing, industry connectivity and system capabilities that could support future cargo reporting approaches and broader cargo systems reform over time.

## 2.2. Purpose of the initiative

The FCRM initiative explores how government and industry can work together to ensure cargo information is available at the right time, from the right parties, and in a way that supports efficient border processing.

Specifically, the initiative examines:

- what cargo information is required to support regulatory decision-making,
- who is best placed within the supply chain to provide that information,
- when cargo information should be reported relative to supply chain events,
- how cargo information should be structured, linked and governed across reporting events.

A modern cargo reporting model should:

- provide greater certainty and predictability for compliant traders
- reduce duplication and reporting complexity
- provide higher quality information earlier in the supply chain
- improve end-to-end visibility of cargo movements
- strengthen risk-based assessment and intervention

This phase of the initiative is grounded in a **co-design** approach. Border regulators are committed to working collaboratively with industry as genuine partners to ensure the future cargo reporting model reflects real-world operational needs, aligns with modern supply chain practices, and delivers tangible benefits for both government and industry. Co-design is focused on principles and options, rather than committing to specific solutions.

Changes to systems, policy or legislation would be considered after a model has been designed, as needed to implement the future model, noting that there may be impacts across other relevant government agencies.

The FCRM team seeks input from industry parties with equities in the cargo reporting process, as well as academic and research institutions with expertise in trade facilitation, supply chain management, border regulation and trade data governance. Submissions received will inform the refinement of design principles, high-level requirements and potential future options for cargo reporting and may be shared with other affected agencies where appropriate.

Industry feedback will play a critical role in shaping the direction of the final model. Further consultation activities will be undertaken as the project progresses to explore additional considerations, refine options and ensure stakeholder perspectives continue to inform subsequent phases of design and delivery.

This consultation is undertaken for information-gathering and design purposes only. It does not constitute a procurement process, request for tender, or proposal for system development.

The outcome of this initiative is open; there is no assumption that the future cargo reporting model will include specific predetermined features.

## 2.3. Summary of initial engagement findings

Discovery activities and stakeholder engagement undertaken to date indicate that the current cargo reporting model is increasingly misaligned with modern trade practices. Feedback consistently showed that existing reporting arrangements that do not reflect how modern supply chains operate or how data is generated, managed and shared across the trade environment. Stakeholders consistently highlighted the operational impacts of these structural features, including reduced predictability, duplicated effort and limited ability to resolve issues earlier in the supply chain.

These structural characteristics have direct implications for how cargo is assessed, cleared and managed at the border. Limited access to reliable data earlier in the supply chain reduces flexibility in risk assessment and constrains timely decision-making, particularly as trade volumes grow and supply chains become more fragmented and dynamic. Sequential dependencies and duplicated reporting requirements increase compliance effort, reduce predictability for legitimate trade, and complicate the coordinated management of biosecurity, revenue and enforcement risks.



Taken together, these themes highlight the need to explore alternative approaches to cargo reporting that are better aligned with contemporary trade realities and emerging risk profiles. There was consistent support for a more flexible, principles-based model that enables data to be provided earlier, by the party best placed to supply it, and reused across regulatory processes where appropriate. The consultation questions that follow are intended to explore these opportunities further and inform the development of a future cargo reporting model that is operationally grounded, risk-based and capable of evolving alongside changes in trade, technology and supply chain complexity.

### 3. Scope of consultation paper

The paper seeks stakeholder input on:

- the cargo information required to support border clearance decisions,
- the appropriate party or parties to provide that information,
- the timing of reporting relative to cargo and supply chain milestones,
- high level considerations for structuring and linking reporting events.

To keep this consultation focused, the following matters are **out of scope**:

- new systems, or changes to or replacement of the ICS. This consultation is about how a future cargo reporting model could work, not about designing or replacing specific systems.
- legislative or regulatory change, including amendments to the Customs Act 1901. While changes to legislation may be needed in the future, this phase focuses on defining the reporting model itself—such as what information is needed, when it is reported, and who provides it.
- operational policies or procedures to implement a future model. Implementation and operational details will be considered as a part of model implementation, rather than at this design phase

Stakeholders are welcome to provide high-level observations or identify risks; however, detailed analysis of these matters will be undertaken, where required, through subsequent phases of the FCRM or other projects addressing modernisation of trade systems and processes.

Accessibility and translation support is available upon request. Stakeholders who require this support, or who wish to discuss participation needs, can contact the FCRM team at [FCRM@abf.gov.au](mailto:FCRM@abf.gov.au).

## 4. Key concepts for stakeholder feedback

Building on these discovery insights, the following questions invite focused stakeholder input to inform the design and policy considerations for the FCRM. We are also interested in approaches that already work well, including practices that reduce delays or duplication today. Responses are sought to support information-gathering only and do not form part of a procurement process. When responding to these questions, stakeholders are encouraged to draw on practical, real-world experience. Responses do not need to be framed in regulatory or technical language—concrete examples, operational scenarios and descriptions of what works or does not work today are particularly valuable. When considering future models or opportunities, respondents are encouraged to think beyond current reporting arrangements and system constraints.

Your feedback will be shared with DAFF recognising the importance of cargo reporting to delivering effective and efficient management of biosecurity, imported food and agricultural exports, guided by current regulatory settings. In considering your responses, to the extent relevant, please highlight how this may enhance of otherwise impact biosecurity requirements. DAFF may seek specific further information through this process following receipt of these responses.

### 4.1. Preload Reporting



In some customs administrations overseas, importers or carriers may be required to report some cargo information before that cargo is loaded on board a ship or aircraft for departure, usually referred to as “preload reporting”. For example, US Customs & Border Protection requires Import Security Filing (ISF) and the WCO’s Preload Air Cargo Information (PLACI) standard for sea and air cargo respectively.

This is largely for the basis of ensuring maritime or aviation security, so that the loading of goods that pose a threat to a ship or aircraft can be prevented.

This information may also be used to give Customs earlier awareness of the cargo or enable an earlier border risk assessment, particularly if a greater amount of information is supplied, such as through US Customs & Border Protection’s Enhanced Air Cargo Advanced Screening (ACAS) to better identify the parties involved in the air cargo supply chains. While this might not provide a complete picture of the consignment and may not allow for a cargo release upon loading or

departure, it can still support risk assessment and release earlier than would otherwise have been the case and assist in trade facilitation.

The limited amount of information required through preload reporting means that more traditional and more detailed manifest information or cargo reports still need to be reported by carriers in some way.



- Should a preload reporting regime for air and/or sea cargo be implemented in Australia, and what would be the impacts on Australian importers and carriers?
- If a preload reporting regime is implemented, should this be limited to:
  - a smaller amount of information to reduce the impact upon the party providing it, or
  - a larger amount of information to improve early risk assessment and opportunities for earlier clearance?
- If a preload reporting regime is implemented, should it be based on:
  - the place of export<sup>1</sup> or
  - the place where the cargo was loaded on the ship or aircraft carrying it to Australia?
- Unless the scale of preload reporting is quite large, it is unlikely to be sufficient to replace current ICS cargo reporting. In what ways can it be aligned to cargo reporting to reduce duplication and ensure that preload and cargo reporting can be connected?

## 4.2. Transaction-based vs entity-based reporting



Traditional transaction-based customs reporting requires the same documents to be submitted to ABF for a consignment, regardless of the nature of the goods or the parties responsible for them. Broadly speaking, this means ABF requires the same information for consignments of low-risk goods imported by known low-risk entities, including Australian Trusted Traders, as it does for high-risk goods from unknown or high-risk entities—effectively, each importation is treated as a ‘brand new’ interaction with the border.

An emerging alternative is “entity-based” reporting, where the type, quantity and timing of information reported to ABF is based upon the trust, established relationships and sophistication and compliance controls of specific entities operating in the supply chain. This approach can rely upon greater visibility over an entity’s operations ahead of the border and improved audit oversight behind the border so that there are fewer actions or regulatory requirements at the border.

At its simplest, this could involve a slimmed-down import declaration for trusted low-risk entities supported by an assessment of internal controls and post-release supplementary information. At its most extensive, importers would make their internal systems available so that ABF could extract consignment-specific information if new supply chains, trading parties or commodities were detected on a cargo report.

Depending on how reporting is condensed, this could involve a compliance framework that is more extensive than the current Australian Trusted Trader, combined with a level of sophistication of internal information systems and connections with the trade system. In practice, and for consistency with the WCO’s SAFE Framework of Standards, this may involve consideration of a more stringent “tier” of Australian Trusted Trader (ATT) membership, rather than establishing another scheme in parallel with ATT.

While providing trade facilitation benefits to business through potentially reduced levels of reporting and greater use of internally created and managed data, border management can be more

effective through earlier or improved access and integrity of data sourced directly from the creator and greater potential visibility of traders' supply chains and business relationships.

It is noted the section does not address compliance-based biosecurity arrangements and broader reporting requirements. Views specific to these matters are also welcome in this context.



- Could a shift from transaction-based to entity-based reporting reduce the reporting burden for trusted businesses with the necessary technical and procedural sophistication?
  - Would this require higher standards than the current ATT program?
- Is there potential for a tiered approach where some businesses may still need to report for example, an abbreviated import declaration for border release and a more complete declaration to pay duties, etc. while others must engage in full and transactional reporting for items of high risk or involvement of unknown/untrusted entities?
  - How would this work where the intermediaries involved (brokers, freight forwarders, &c.) were trusted entities, but the importers were not?
  - How would this work if the importer is a trusted entity, but some of the intermediaries are not?
- Would businesses involved in the importation of goods — including carriers, freight forwarders, operators of licensed premises, customs brokers, importers — be prepared to give ABF and DAFF read access to their internal systems or a direct data feed to discharge regulatory reporting requirement noting this may reduce direct and indirect clearance costs in return for reduced transactional reporting?

### 4.3. Separate release and clearance of cargo



**Release** of cargo means that cargo is released from customs control and delivered into home consumption. Release of cargo requires that all biosecurity or other border risks have been assessed, and that the release of the cargo would not pose a biosecurity or other border risk. Most permits would need to be cited or produced before release.

**Clearance** of cargo means that all customs or other government requirements have been satisfied. Clearance requires that all duties, taxes and charges<sup>2</sup> relating to the cargo have been paid. Clearance also requires that any permits or restrictions not dealt with before release have been satisfied.

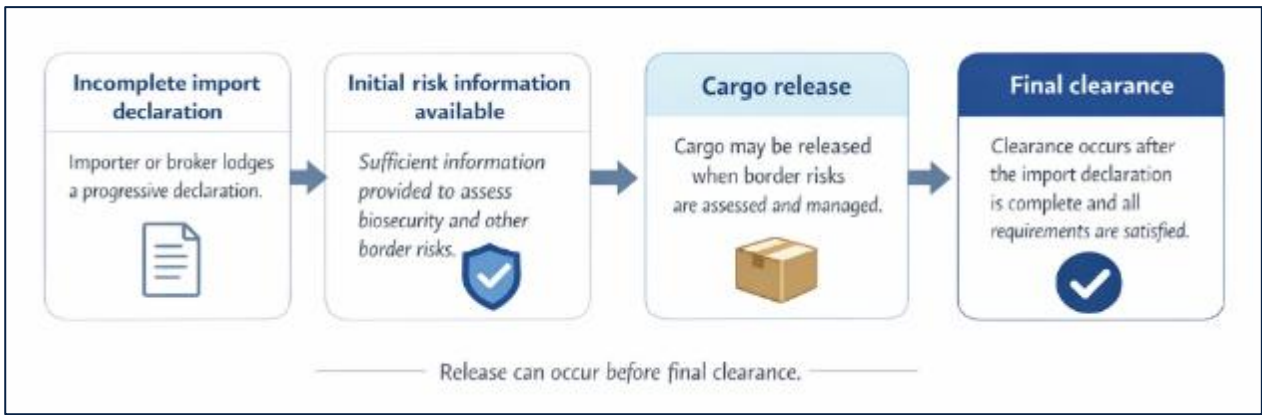
The current cargo reporting model links the release and clearance of cargo so that they generally have the same requirements and occur at the same time. It may be possible to **separate** the release and clearance of cargo so that goods may be delivered into home consumption prior to absolute clearance.

For goods that must be **entered**, there could be:

- A **progressive declaration**, allowing an importer or broker to make an incomplete import declaration

Release of the cargo would be available when the declaration provides sufficient information to allow biosecurity and other border risks to be assessed and managed.

Clearance of the cargo would occur after the import declaration is complete and all requirements have been satisfied.

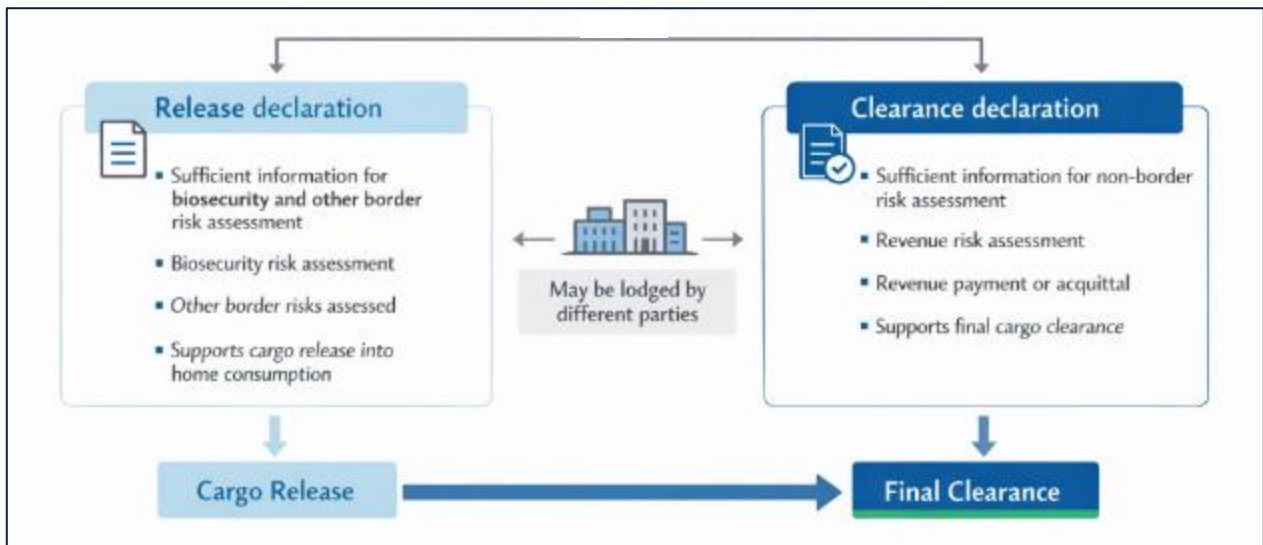


- **Separate declarations** for the release and clearance of the cargo.

A *release* declaration would provide sufficient information to allow assessment of biosecurity and other border risks.

A *clearance* declaration would provide sufficient information to assess non-border risks, including revenue risk and enable revenue payment/acquittal.

The release and clearance declarations may be made by different parties.



For goods that are **not entered**, there could be a simple release declaration that provides sufficient information to allow assessment of biosecurity and other border risks. If cargo is delivered into home consumption prior to clearance, then the model would need a mechanism to mitigate any **revenue risk**. A model that separates the release of cargo from their clearance may require a *security bond* to be provided, to be acquitted when all duties, taxes and charges have been paid.

The ICS plays a critical role holding and subsequently signalling goods have been released from biosecurity control, provided biosecurity requirements have been met. Respondents may wish to consider any potential consequential impacts in relation to biosecurity outcomes. This may be a matter for further DAFF engagement.



- What are advantages and disadvantages for your business of a progressive declaration vs separate declarations?
- Is there another mechanism that could be used to separate the release of cargo from its clearance?
- If the import declaration were to be split into separate release and clearance declarations:
  - Who should be allowed to provide a release declaration?
  - When should the clearance declaration be required? Not later than X days of release? Weekly, monthly, quarterly?
- If a security bond were to be necessary to mitigate risk to revenue:
  - Who should provide the security?
  - How could the administrative burden of tracking revenue liability and acquittal of securities be minimised for importers/brokers and regulators?

## 4.4. Revenue



The calculation and collection of revenue is one of the key functions of the reporting model. There are several elements of the reporting data that serve to assist in calculating revenue liabilities, including goods value, classification and date of export. When contemplating a reporting model for the future, we need to consider how that aligns with our regulatory goals to both correctly calculate and also collect and reconcile revenue due (charges collected on behalf of DAFF are not under consideration here).

Revenue is also a space subject to considerable risk — there will always be those who seek to evade their obligations regarding the payment of duties and taxes. It is also possible that with a changing international trade landscape, there may be changes to border revenue that we cannot yet anticipate.

Some of the elements of revenue calculation that could be looked at through a new lens as a part of a new reporting model include:

### **Who is doing the revenue liability calculation.**

Right now, information provided as a part of reporting is used by the system to calculate liabilities, however there may be opportunities to leverage the sophistication of industry systems and reverse that paradigm, potentially reducing the data points needed for goods reporting.

### **The role of the ransom model and clearance vs release.**

Australia's border operates under a ransom model (with the exception of some Trusted Trader importers who pay periodically)—goods are not released until liabilities are paid. There may be an opportunity to separate the concepts of clearance and release—that is goods may be released (and can be entered into home consumption), but further work, including trade data and associated payments, are required to finally acquit and 'clear' the import. This feeds into:

### **Periodic or post-border payment based on risk.**

If a move away from the ransom model can be supported by better data and better understanding of risk in the supply chain and at the border, it could support more tiered approaches to meeting border revenue obligations. These approaches may include models with varying settlement periods, varying data and assurance obligations and varying compliance burdens.

Many of these concepts would require significant adjustments to risk approach—and would need appropriate risk mitigation strategies designed into the solution. These kind of changes to revenue calculation and collection would need to be applied carefully—and not universally.

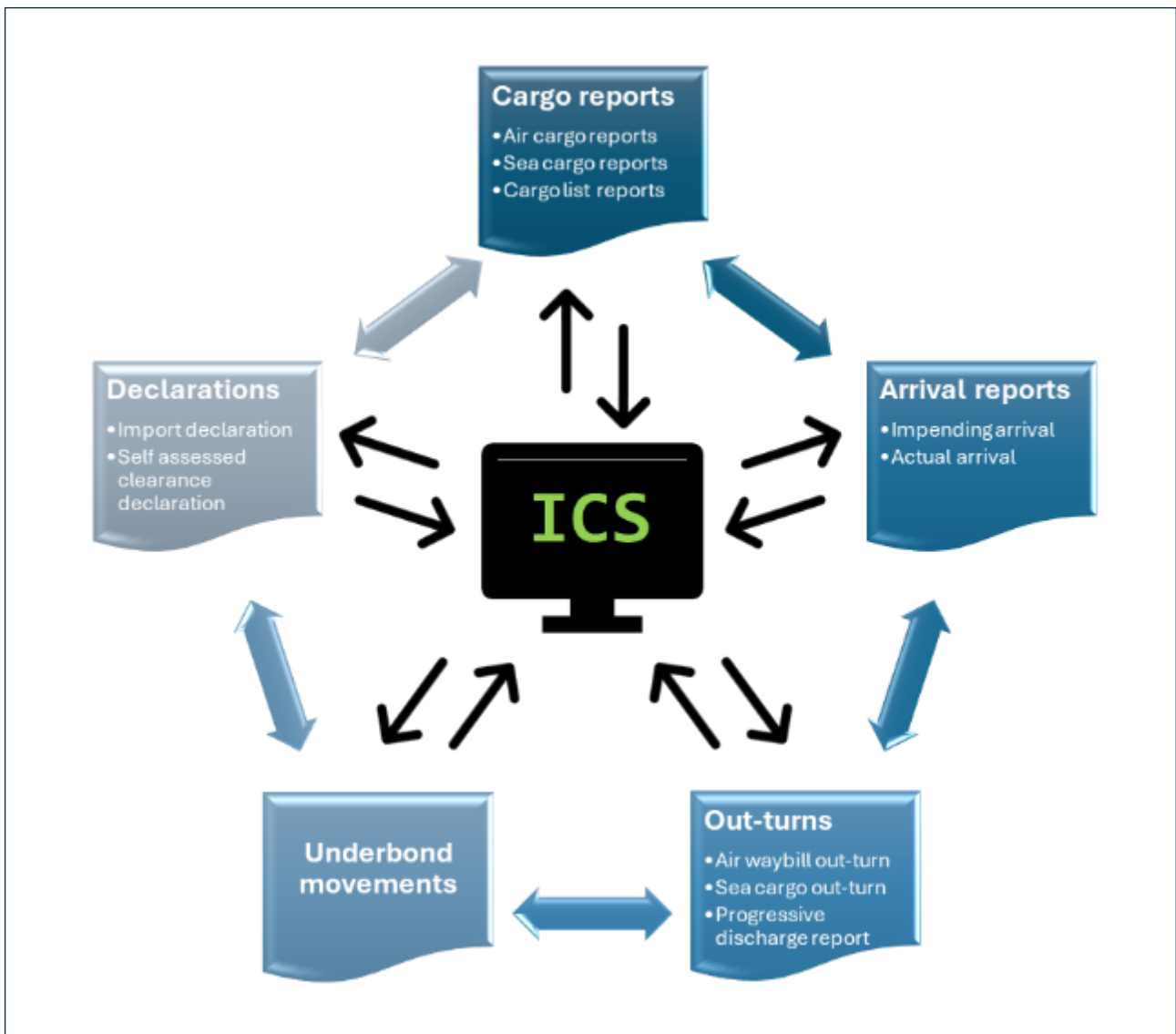


- Do you support more streamlined revenue assessment and collection processes?
- How could your business or your operational systems support managing the risk of differential revenue collection?
- Is revenue calculated and collected in a different way in another country that you would like to see in the Australian model? For example, monthly calculation, use of deposits and securities, post-border revenue collection more generally?
- If you were responsible for the calculation of revenue liabilities (as opposed to the trade system calculating them), do you believe you have the capability and information to correctly calculate liabilities?
  - How do you think the data can be assured?
  - How often should the data be checked or audited?
- Do you support the concept of tiered approaches to revenue at the border based upon risk and risk mitigation?
  - Do you have any suggestions as to other reporting elements that should be tiered?

## 4.5. Alternatives to cascade reporting

Current import cargo reporting arrangements largely follow a cascade reporting model, where different supply chain parties submit reports based on information they either hold or receive from upstream parties. These reports range from information at the highest level about the movement of a ship or aircraft through to information about specific cargo at the consignment level.

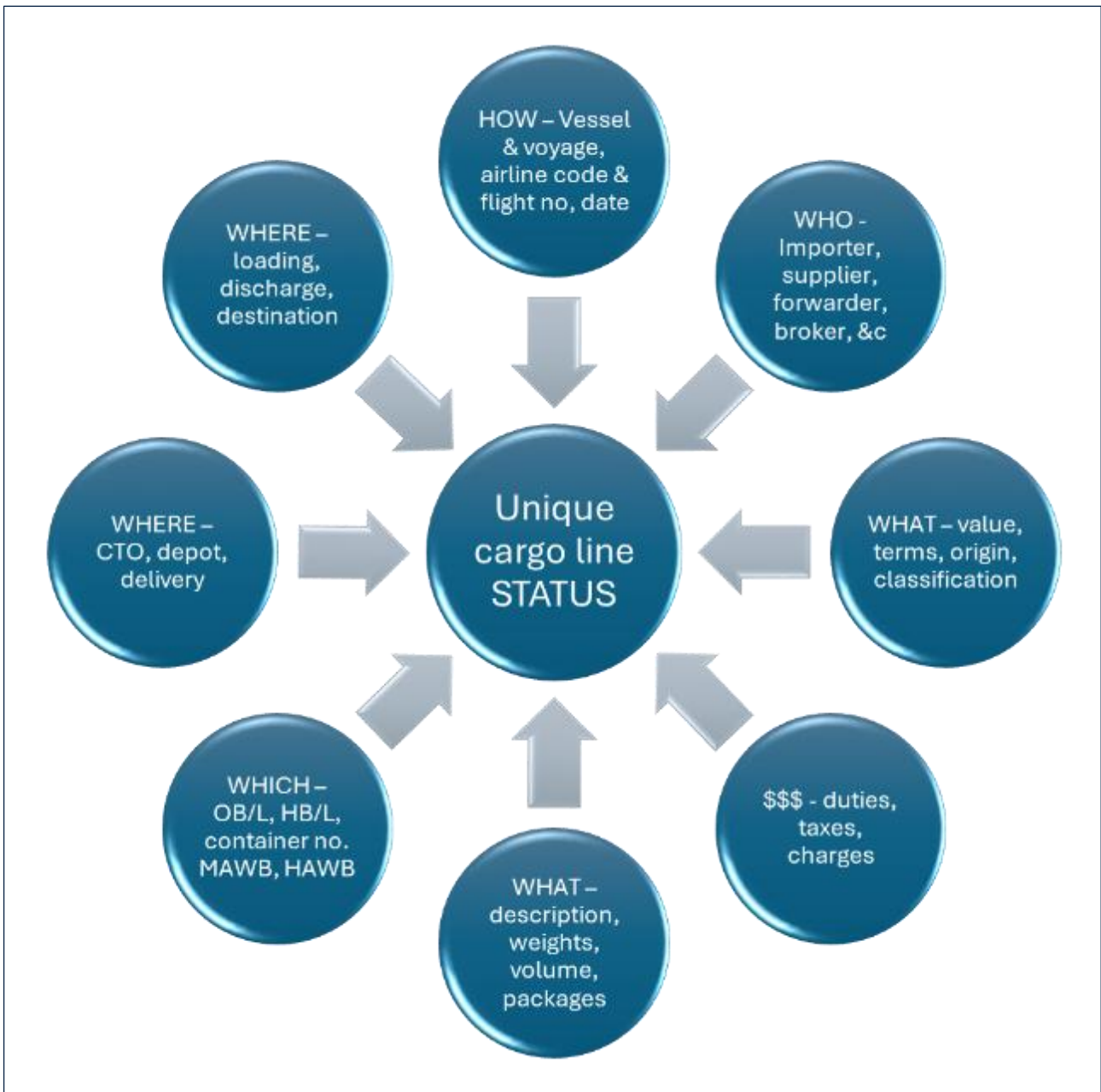
Traceability of cargo through each level is managed using a unique cargo line identifier (UCL ID) that allows reports to be linked in the ICS. The UCL ID supports cargo accounting and border risk assessment.



This approach reflects traditional logistics processes but results in duplicate reporting and delays before a complete view of shipment is available.

FCRM may consider whether the outcomes currently achieved through cascade reporting – particularly linking consignments to the transport movement carrying them – could be achieved through alternative approaches.

Many supply chain parties already exchange cargo information with each other as part of normal commercial operations. A future reporting model may be able to make better use of these existing data flows, rather than relying on a single party to collect and submit information on behalf of others.



A future model might focus on what information is needed for release and clearance rather than reproducing the current suite of reports.

Some approaches to this model include:

- **Source-based contributions**

Each party provides the cargo information they originate or control, rather than repeating information generated by another party. For example, the exporter or supplier may provide goods description and products details, a freight forwarder may provide consolidation information and carriers may provide transport and conveyance details, but not necessarily sequentially.

This approach focuses on capturing information as close to its original source, with cargo information progressively forming a complete shipment record. It would require a mechanism to associate related data.

- **Shared shipment records**

A shipment record is established early in the supply chain with different parties contributing information to that record as it becomes available. Rather than submitting separate reports, parties would progressively add the information they hold, creating a more complete and consistent view of the shipment.

This approach focuses on progressive completeness of cargo information.

- **Event-based contributions**

Cargo information is associated with key logistics events such as packing, booking, loading or departure. Parties contribute relevant information at the point those events occur, enabling cargo information to be built progressively as the shipment moves through the supply chain.

This approach aligns reporting with operational activities rather than formal reporting stages.

- **Consignment level boundary**

Each consignment is reported together with the key details needed to place it on a specific movement – for example, the ship or flight and, where relevant, the container or cargo unit. Intermediate consolidation layers (such as master/ house structures) are not required to be fully reported to establish the link. In practice this means authorities can determine what goods are arriving, on which craft and who is responsible, without needing to construct the full supply chain with high assurance.

This approach simplifies reporting by focusing on the end-end link (consignment ⇔ craft) rather than how cargo is grouped in between.

Approach and Focus	Strengths and Considerations
<p><b>Source-based contributions</b></p>  <p><b>Who</b> provides the information</p>	<p><b>Strengths</b></p> <ul style="list-style-type: none"> <li>• Higher data accuracy and accountability</li> <li>• Reduces duplication and re-reporting</li> <li>• Information captured close to source</li> </ul> <p><b>Considerations</b></p> <ul style="list-style-type: none"> <li>• Requires strong data-linking mechanisms</li> <li>• Complete shipment view may emerge late</li> <li>• Reliant on consistent participation</li> </ul>
<p><b>Shared shipment record</b></p>  <p><b>Where</b> information is held</p>	<p><b>Strengths</b></p> <ul style="list-style-type: none"> <li>• Single, consistent shipment view</li> <li>• Progressive completeness over time</li> <li>• Less reconciliation between reports</li> </ul> <p><b>Considerations</b></p> <ul style="list-style-type: none"> <li>• Clear governance and ownership required</li> <li>• Higher system complexity</li> <li>• Data access and control concerns</li> </ul>
<p><b>Event-based contributions</b></p>  <p><b>When</b> information is provided</p>	<p><b>Strengths</b></p> <ul style="list-style-type: none"> <li>• Reporting aligned to operational events</li> <li>• Earlier visibility of risk</li> <li>• Supports progressive build-up of data</li> </ul> <p><b>Considerations</b></p> <ul style="list-style-type: none"> <li>• Events must be clearly defined</li> <li>• Risk of gaps if events are missed</li> <li>• Less familiar compliance model</li> </ul>
<p><b>Consignment level boundary</b></p>  <p><b>How</b> information is linked</p>	<p><b>Strengths</b></p> <ul style="list-style-type: none"> <li>• Simpler reporting model</li> <li>• Faster determination of what is arriving and on which craft</li> <li>• No need to reconstruct full consolidations</li> </ul> <p><b>Considerations</b></p> <ul style="list-style-type: none"> <li>• Reduced visibility of intermediate structures</li> <li>• Depends on accurate consignment–craft linkage</li> <li>• May limit some analytics</li> </ul>

With all models, the key factor from a regulator perspective is knowing who is bringing what goods, in which container or cargo unit, on what ship or aircraft. These are critical data points needed for the regulator to be able to accurately risk assess and clear a movement.



- Is there critical consignment data that you receive or have available, but is not reported until much later due to the cascade?
  - How could a multi-party or shared reporting approach reduce duplication or delays?
- Which supply chain parties are best placed to provide each major cargo data element with highest level of accuracy?
  - What safeguards would be necessary to ensure data quality, accountability and clarity of responsibility?
- What practical challenges might arise if cargo information was progressively built across the supply chain rather than reported sequentially?
- What approaches could support linking cargo information from multiple parties to create a complete and consistent shipment record?
- If multiple parties contribute information, who should be responsible for correcting errors, and how should that process work?
- Are there alternative approaches that could reduce reliance on tightly sequenced reporting while still allowing regulators to accurately assess and release all cargo?
- Could periodic or standing reporting arrangements (for example, for trusted or high-volume entities) reduce duplication or rework? If so, how?

## 4.6. Low and high value import consignments



The current model for import cargo differentiates between consignments that have a **value greater than \$1,000** and those that do not. Consignments having a value greater than \$1,000 (with some exceptions) must be entered by making an import declaration.

Consignments having a value not greater than \$1,000 generally do not require an import declaration. This cargo is released and cleared using a self-assessed clearance (SAC) declaration. The SAC is usually communicated within the cargo report; this requires that the cargo does not include prohibited or restricted items, items attracting duties<sup>3</sup>, or goods subject to DAFF concerns.

The \$1,000 threshold also provides an exemption from duties, taxes and charges (with some exceptions). For consignments under the threshold, GST may be collected at the point of sale rather than on importation.

Australia's threshold value is higher than the thresholds of many of our trading partners. For example:



United States<sup>4</sup> has no exemption



China<sup>5</sup> has a threshold of RMB50 (≈\$10)



United Kingdom<sup>6</sup> has thresholds of GBP135 (≈\$250) for customs duty and GBP39 (≈\$70) for VAT



Canada<sup>7</sup> has a threshold of CAD20 (≈\$20).



New Zealand<sup>8</sup> has a similar threshold to Australia. Customs duty and GST is not collected at importation for consignments with a value not greater than NZD1,000 (≈\$820). For 'low value' consignments, GST is collected when the items are purchased.

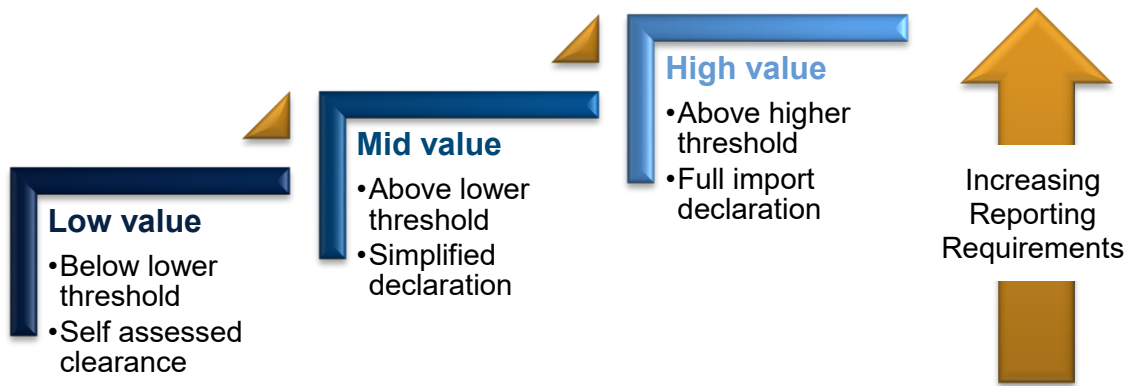


- As the number of low value importations has increased greatly since the current cargo reporting model was designed – and continues to increase year on year – is the model still appropriate?
- Should the value threshold for making an import declaration be changed from \$1,000?
  - If so, should it be higher or lower?
- What about the value for paying duty?

The growth of e-commerce has resulted in direct-to-consumer import consignments rising to huge volumes. Approximately 96% of air cargo consignments are released and cleared using a SAC communicated within the cargo report.

To ensure that border regulators have sufficient information to assess biosecurity and other border risks, it might be useful to separate the entry threshold from the duty threshold.

If the nexus between the requirement to enter goods, and the exemption from customs duty were to be broken, regulators could have more complete information about low value goods to support management of biosecurity or other border risks. This could be with tiers, for example, a full import declaration for goods with a value exceeding \$1,000, a simplified declaration for goods with a value exceeding a lower threshold, and a SAC for goods with a value below the lower threshold.



- Could the single threshold be replaced with two or more thresholds? For example, a lower threshold above which a “simplified declaration” would be sufficient, and a higher threshold above which a full import declaration would be required.
  - In this model, for mid value importations between the lower and higher thresholds, would it be better to use
    - a simplified import declaration,
    - a self-assessed clearance with additional fields,
    - allow additional information in a cargo report?



- Should there be a separate mechanism for businesses managing high volume low value consignments, such as online purchases?
  - How should high volume low value be defined?
  - What challenges arise when managing high-volume, low-value consignments under current reporting arrangements?
  - What might a different mechanism look like?
- Could differential reporting be introduced in relation to the different relationships: classical e-commerce; business to business transactions, and personal/unknown?
- Should there be a separate mechanism for trusted entities to clear cargo consigned to them or under their control?
  - How much of the supply chain would need to be recognised as trusted entities, through the Australian Trusted Trader program or through mutual recognition of AEOs?
  - What might that mechanism look like?
- How could a future model better accommodate different cargo streams without increasing consumer or industry burden?
- What other options exist to ensure greater information is provided in relation to low value consignments, irrespective of intermediate value thresholds, to support more targeted risk management

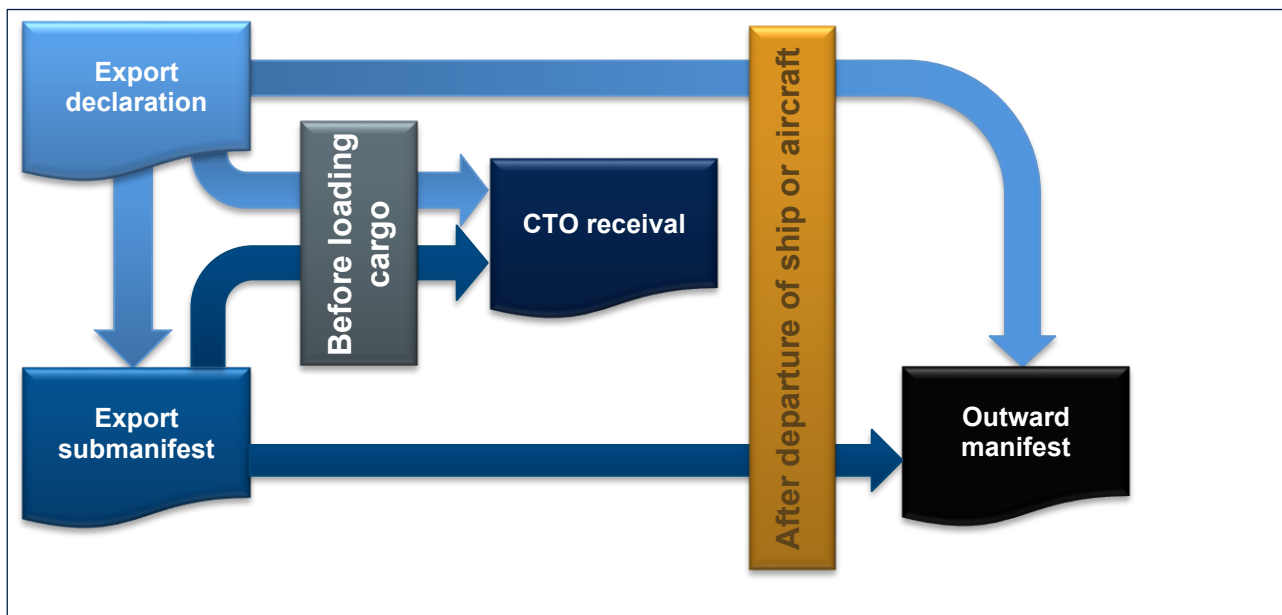
## 4.7. Export reporting



In early stakeholder consultation on FCRM, very few specific changes to cargo reporting for exports were identified. It is generally acknowledged that export reporting is simpler and subjected to fewer regulatory burdens than the import process (with some exceptions). The overall reporting requirements for exports, including the level of detail, is significantly reduced in comparison to imports due to a different environment – such as the absence of a need to capture extensive details for revenue calculations. While exploration has been done in the past about utilising export reporting to facilitate import reporting in the receiving country, it has been clearly established that export reporting  $\neq$  import reporting.

In identifying potential changes to the export reporting model, the following considerations come into play:

- The reduced need for data in the export space to calculate revenue
- The limitations on who can report exports – unlike reporting an import declaration requiring either an owner or a licensed customs broker to lodge, export declarations have no such limitations
- The need for improved data quality and compliance – and the potential benefit of better quality export data for facilitation of receiving-end imports
- The regulatory burden associated with exports involving goods with permits, certificates or other regulatory steps to ensure compliance with receiving end requirements.



In the absence of any specific suggested changes to the export cargo model, the focus of FCRM will include:

- improving the quality of reporting, including timeliness, data quality and regulatory expectations
- streamlining export permits and certificates, and
- supporting other export-related regulatory processes

to ensure Australia's compliance with international agreements and keeping export markets open to Australian producers.



- Do you consider the current export reporting model effective and efficient? If not, what would you like to see change?
- How do you think data quality in export documentation can be improved?
  - Who should be responsible for export reporting data quality?
  - Should there be limitations or regulations on who can report export data?
- Would export reporting be more manageable if the associated permits and documentation could be facilitated through the one trade system?
- Are the export reporting timeframes that currently exist reasonable and achievable?
- Are there instances where regulatory intervention in export movements create barriers to smooth trade or significant costs for business?

The current model for export cargo differentiates between consignments that have a **value greater than \$2,000** and those that do not. Consignments having a value greater than \$2,000 (with some exceptions) must be entered by making an export declaration.

Consignments having a value not greater than \$2,000 generally<sup>9</sup> do not require an export declaration. This cargo is reported on a CTO receival notice, sub-manifest and/or manifest using the export declaration exemption code EXLV. Cargo that includes goods that need an export permit, goods where duty or excise is unpaid, or goods related to a drawback of duty, must be entered.



- Is \$2,000 the right threshold for differentiating low and high value exports?
- Does there need to be different information provided where EXLV is quoted?
- Is there another mechanism that would facilitate export of consignments that have a value not greater \$2,000, but require entry because of permits, duty, or intended drawback?

## 4.8. Automated or system-supported determination of classification, valuation and origin



Tariff classification, customs valuation and origin determinations underpin revenue collection, trade policy administration, and regulatory and security risk assessment. These determinations are generally made at the import declaration stage and rely heavily on manual interpretation of commercial documentation by reporting parties and intermediaries.

As supply chains become increasingly digitised, detailed product, commercial, and transactional information is often created and captured earlier in commercial processes, sometimes well before goods are shipped. International customs reforms are exploring how such information could be used to support system-assisted determinations, with the potential to improve consistency, enhance transparency, and enable earlier identification of key trade attributes.

Within a FCRM, consideration could be given to how this information might support more automated or assisted approaches to determining classification, valuation and origin particularly noting the demands and availability of customs professionals able to perform these determinations, while maintaining the reporting party's responsibility and accountability for the final declaration.

It is recognised that classification, valuation, and origin have different legal, commercial, and risk characteristics, and that automation or system support may be more feasible or appropriate for some determinations than others.

Some possible approaches that could be explored are:

- **Rules based** system support, where structured product and transaction data is assessed against codified tariff, valuation or origin rules to generate a suggested outcome.
- **Data based** system support, where product attributes, commercial data, and historical declaration patterns are used to generate suggested outcomes.

- **Risk focused** system support, where automated analysis is used to identify inconsistencies, anomalies, or unusual outcomes in declarations. Rather than determining results directly, declarations that may warrant review by the importer or customs broker are highlighted.

These are not mutually exclusive and may be more appropriate for different circumstances or to different cohorts. The most effective approach for tariff classification may not be the most effective for determination of valuation or origin.

If an outcome is suggested for tariff classification, valuation, or a duty concession based on origin, tariff concession or concessional item, then how should it be applied? Different approaches to confirmation and use of system supported results include:

- The importer or customs broker reviews and confirms the system-generated outcome before submission.
- Results are accepted, unless the reporting party identifies an issue and makes an amendment prior to submission.
- Results are guidance or suggestions only, with no default applied, and the importer or customs broker determines and reports the information.

Any approach would need to clearly articulate how responsibility, liability, and assurance are allocated between the system and the reporting party.



- What information currently captured within your business processes could support automated or system-assisted determination of tariff classification, valuation or origin?
- At what point in your processes is this information first created or reliably available?
- In what circumstances could automated or system supported determination improve efficiency, consistency, or certainty?
- What transparency, governance, and assurance arrangements would be necessary to support confidence in automated or system-supported suggestions, including explainability of results and treatment of errors?

## 4.9. Supporting compliance and revenue integrity



Cargo reporting plays a key role in supporting compliance, revenue collection and risk management. Inaccurate or late data increases costs for both industry and government. It is not always clear why data is unavailable, incorrect or otherwise not fit for purpose. The role of quality data in ensuring compliance is understood by all parties, but the challenges to ensuring regulators have access to good data are not always obvious.

A future cargo reporting model, especially one that leverages trust and supply chain visibility to a much greater degree than today needs to have access to high quality data to address risks in the supply chain and risks to a different approach to clearing goods. The questions below seek to understand where data quality issues arise today and how reporting arrangements could be improved in a way that supports compliance while remaining proportionate for legitimate trade.



- What are the main causes of data inaccuracies in the current reporting environment?
- How could cargo reporting arrangements better support compliance and revenue assurance?
- How can risk-sharing between government and industry be strengthened?
- Would a more risk-based approach to reporting reduce unnecessary effort for low-risk trade?

## 4.10. Supply chain transparency and visibility



Beyond regulatory reporting, access to timely and reliable information can improve how cargo is planned, moved and released across the supply chain. Supply chain transparency refers to the sharing of information to parties along the supply chain, enabling visibility of the movement of goods and the activities that support international trade. This may include visibility of logistical milestones, cargo status, commercial relationships and the parties in the movement, control or receipt of goods. It may also refer to greater visibility of the participants in the supply chain, the roles they perform and the relationships between them.

Greater transparency can support more informed decision-making for both industry and border agencies. Earlier visibility of supply chain information may assist in identifying issues before cargo reaches the border, improving predictability, reducing delays and supporting more targeted regulatory intervention where required. It may also support greater resilience across supply chains by enabling earlier identification and resolution of disruptions, inconsistencies or emerging risks.

Improved visibility may also support the identification and management of supply chain integrity risks. For example, stakeholders have identified concerns regarding the misuse of legitimate business identities, including the unauthorised use of Australian Business Numbers (ABNs), importer details or established trading profiles by third parties seeking to conceal their involvement in an importation (piggybacking). Such practices can reduce transparency regarding who is responsible for goods moving through the supply chain and may undermine confidence in cargo reporting information. Greater visibility of supply chain participants, their relationships and their roles in cargo movements may assist in identifying anomalies, strengthening identity assurance and improving confidence in reported information.

A future cargo reporting model may provide opportunities to improve visibility of both cargo movements and supply chain participants. This could include consideration of how information relating to beneficial ownership, authorised representatives, commercial relationships, delivery arrangements and control of goods may contribute to a more complete understanding of supply chain activity. This may also provide opportunities to improve transparency of underbond supply chains by enabling earlier access to movement information, greater visibility of custody changes

and improved confirmation of cargo arrival at approved locations, including linking supply chain information across events and participants.



- What information would most improve visibility of parties involved across the supply chain to allow regulators to apply appropriate controls?
  - How could this information improve awareness of the parties acting on behalf of or providing services to importers? How could it better capture changes of possession of goods along the supply chain?
- What challenges do businesses currently experience in maintaining visibility over goods under customs control?
  - What information would most improve visibility of cargo movements across the supply chain?
- Are there particular supply chain integrity risks that would benefit from greater visibility of commercial relationships, ownership arrangements or authorised representatives?
- How could reporting arrangements better reflect actual supply chain roles and responsibilities?
- How should reporting information be linked to cargo accounting or assurance processes?
  - What information could provide better assurance that goods have been delivered to the intended party?

## 4.11. International reflections



### **New Zealand**

New Zealand's Trade Single Window<sup>10</sup> (Joint Border Management System) is structured around a single, integrated regulatory reporting interface. The model consolidates reporting interactions for traders and enables information submitted once to be reused across border agencies. Reporting responsibilities remain clearly defined, with integration occurring primarily within government rather than through distributed industry reporting.

### **Singapore**

Singapore's Networked Trade Platform<sup>11</sup> reflects a network-based approach to trade data, focused on interoperability and the reuse of information already generated through commercial and logistics processes. Rather than relying on a single regulatory submission, the model supports regulatory reporting through the exchange and reuse of upstream commercial data contributed by multiple parties across the supply chain.

### **European Union**

The European Union is progressing the EU Customs Data Hub<sup>12</sup>, which represents a shift away from traditional message-based, sequential reporting toward a data-centric, multi-submission model. Under this approach, different parties may submit data elements independently, with information progressively assembled into a complete regulatory dataset. The model reduces reliance on tightly sequenced reporting events while maintaining cargo accountability through shared data standards and governance arrangements.

### **Other jurisdictions**

Other jurisdictions have adopted variations of pre-load reporting, risk-based targeting, and differentiated treatment of cargo streams, particularly for air cargo and trusted operators. These approaches often separate early risk assessment from final clearance decisions and rely on data maturing over time.

Across these examples, common themes include:

- earlier access to cargo information, acknowledging that data quality improves over time
- reduced reliance on tightly sequenced reporting events
- clearer alignment between data ownership and reporting responsibility
- increased reuse of commercial and logistics data

- greater differentiation of regulatory treatment based on risk

Australia's FCRM provides an opportunity to consider how these approaches may inform a model suited to Australia's trade environment, regulatory objectives, and industry practices.

Direct experience from industry partners provides an additional perspective for ABF and DAFF to consider when designing their own reforms.



- Which international cargo reporting practices are most relevant to Australia's trade environment, and why?
- What aspects of international models do you consider most effective or valuable and why?
- What aspects of international models would be difficult to apply in Australia, and what constraints would need to be addressed from your experience?
- How can Australia leverage international experience while designing a model tailored to domestic regulatory and industry needs?

## 5. Submission process

### 5.1. How to respond

Submissions are invited from industry parties and other stakeholders with relevant expertise. Respondents may address all questions in this paper or only those most relevant to their experience.

Submissions should include:

- organisation name and primary contact details
- responses to relevant consultation questions
- clear identification of any confidential information

Submissions should be provided electronically to [FCRM@abf.gov.au](mailto:FCRM@abf.gov.au) by 19:00 AEST **Monday 29 June 2026**.

### 5.2. Confidentiality

Submissions, or parts of submissions, may be marked as “Confidential” and will be handled in accordance with applicable Commonwealth legislation and policies. While reasonable steps will be taken to protect confidential information, submissions may be subject to disclosure under the *Freedom of Information Act 1982* (Cth) or other legal requirements. Personal information will be managed in accordance with the *Privacy Act 1988* (Cth) and the Australian Privacy Principles.

### 5.3. Consultation timeline

Key consultation milestones will be published separately. Further engagement activities, such as targeted workshops or follow-up discussions, may be undertaken as the project progresses.

### 5.4. Next steps

Following the close of submissions, ABF and DAFF will review and consider the information received to inform the next stages of the FCRM. This will include analysing submissions to identify key themes, opportunities, risks and implementation considerations, and using these insights to refine the problem definition, design principles and potential model constructs for future consideration by government. Further consultation activities—such as targeted workshops, technical deep dives or follow-up requests for information—may be undertaken as required.

### 5.5. Use of information

Submissions will be reviewed by the Department of Home Affairs, through ABF, and by DAFF, and will be used to inform research, options development and future phases of the FCRM.

Responses may be analysed to identify key themes and considerations and may inform internal briefings and future consultation activities. The FCRM team may contact respondents to clarify matters raised. This consultation is for information-gathering purposes only and does not form part of a procurement process.

The FCRM team will consider how suggestions could reduce the burden of regulatory compliance, reduce duplicated reporting of information, and safeguard system stability and access. The team will also consider the impact on the capacity of ABF, DAFF, and other government agencies to protect Australia's border and enable legitimate trade.

ABF and DAFF recognise that changes to cargo reporting directly affect how industry plans, moves and releases cargo. The quality of feedback received through this consultation will directly influence future design choices. Industry input at this stage provides the greatest opportunity to shape a future cargo reporting model that supports trade continuity and reduces unnecessary disruption. While individual feedback will not be provided on submissions, the FCRM team may contact respondents to seek clarification or additional information where required.

Modernising Australia's cargo reporting framework is essential to supporting economic prosperity and resilience, strengthening border security, and maintaining international trade competitiveness. Continued stakeholder engagement will be central to delivering a future-ready, efficient and globally aligned cargo reporting model.

## 6. Glossary and acronyms

### 6.1. Glossary

This subsection defines key terms used throughout this consultation paper.

Term	Definition
<b>Border regulators</b>	Government agencies with responsibilities for managing goods crossing Australia's border, including customs, biosecurity and other regulatory functions.
<b>Cargo reporting model</b>	The framework that defines what cargo information must be reported, who must report it, when it must be reported, and how reported data is linked across the supply chain to support border decisions. The model also identifies the circumstances under which cargo can be moved, released, and cleared. The model is distinct from the systems used to implement it.
<b>Cascade reporting</b>	A cargo reporting approach where information is submitted in a linked sequence across multiple reporting parties and message types, building from high-level transport and consignment details down to more granular cargo details. Each submission depends on upstream identifiers or data to establish the full cargo "cascade".
<b>Design principles</b>	High-level considerations used to guide future design choices.
<b>Multi-filing</b>	A reporting model where multiple parties each submit the data elements they hold (rather than a single filer submitting a complete dataset), and the combined submissions form the full regulatory cargo report. A multi-filing approach typically requires clear allocation of responsibility, data governance and rules for resolving inconsistencies.
<b>Reporting timeframe</b>	The required or expected period by which cargo information must be submitted relative to a defined event (for example, prior to loading, prior to arrival, or within a specified time after arrival).
<b>Revenue integrity</b>	The accuracy and completeness of revenue outcomes supported by cargo reporting.
<b>Stakeholder engagement</b>	Planned activities to consult and collaborate with internal and external parties to gather input, test assumptions, and inform design and decision-making.
<b>Supply chain transparency and visibility</b>	The ability for authorised parties to access timely and accurate information about cargo movement and status across the supply chain.
<b>Unique cargo line identifier</b>	The combination of information used by the ICS to identify cargo and allow reports related to that cargo to be linked. For sea cargo the information will include the vessel ID, voyage number, ocean bill of lading number, and if applicable, house bill of lading number &/or container number. For air cargo the information will include the airline code, flight number, date of arrival, master air waybill number, and if applicable, house bill of lading number.

## 6.2. Acronyms

This subsection defines acronyms used throughout this consultation paper.

Acronym	Meaning
<b>ABF</b>	Australian Border Force
<b>AEST</b>	Australian Eastern Standard Time
<b>Cth</b>	Commonwealth of Australia
<b>DAFF</b>	Department of Agriculture, Fisheries and Forestry
<b>DHA</b>	Department of Home Affairs
<b>FCRM</b>	Future Cargo Reporting Model
<b>ICS</b>	Integrated Cargo System
<b>STS</b>	Simplified Trade System
<b>UCL Id</b>	Unique Cargo Line Identifier

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## 6.3. Endnotes

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- <sup>1</sup> *Place of export* is defined for Part VIII, Div 2 of the *Customs Act 1901* in sub-s.154(1) of the Act. This definition could be adopted for Part IV Div 3, or another definition developed.
- <sup>2</sup> Duties include customs duty, additional duty, and anti-dumping measures.  
Taxes include goods & service tax (GST), wine equalization tax (WET), luxury vehicle tax (LCT).  
Charges include import declaration processing charge, biosecurity charges and inspection fees.
- <sup>3</sup> tobacco, tobacco products, and alcoholic beverages
- <sup>4</sup> The White House, “*Suspending Duty-Free De Minimis Treatment for All Countries*”, 30 July 2026, accessed 23 April 2026 at <https://www.whitehouse.gov/presidential-actions/2025/07/suspending-duty-free-de-minimis-treatment-for-all-countries/>
- <sup>5</sup> China Customs, Item 45(1) of “*Regulations of the People’s Republic of China on Import and Export Duties*”, 26 October 2014, accessed 23 April 2026 at <http://english.customs.gov.cn/Statics/d30338b4-2f6a-47ea-a008-cff20ec0a6d2.html>.
- <sup>6</sup> Gov UK, “*Tax and customs for goods sent from abroad: Tax and duty*”, accessed 23 April 2026 at <https://www.gov.uk/goods-sent-from-abroad/tax-and-duty>
- <sup>7</sup> Canada Border Services Agency, “*Increase to low-value shipment thresholds and other changes*”, 25 November 2025, accessed 23 April 2026 at <https://www.cbsa-asfc.gc.ca/services/cusma-aceum/lvs-efv-eng.html>
- <sup>8</sup> New Zealand Customs Service, ‘*Duty and allowances*’, 18 July 2025, accessed 27 April 2026 at <https://www.customs.govt.nz/sending-and-receiving/duty-and-gst/duty-and-allowances>
- <sup>9</sup> Consignments having a value not greater than \$2,000 that include goods “of which a permission (however described) is required by an Act or an instrument made under an Act” must be entered for export. Sub-s.113(2A) *Customs Act 1901*
- <sup>10</sup> New Zealand Customs, “*Trade Single Window (TSW)*“, updated 4 October 2024, accessed 30 April 2026 at <https://www.customs.govt.nz/business/trade-single-window-tsw>
- <sup>11</sup> Singapore Customs, “*Networked Trade Platform*”, updated 22 January 2026, accessed 30 April 2026 at <https://www.customs.gov.sg/doing-business/quick-links-for-traders/networked-trade-platform/>
- <sup>12</sup> European Council, “*Modernising the EU customs union*”, 26 March 2026, accessed 30 April 2026 at <https://www.consilium.europa.eu/en/policies/modernising-the-eu-customs-union/#hub>