275-2022: Changes to biosecurity cost recovery - Commencement of cost recovery to manage the risk of hitchhiker pests and diseases

21/12/2022

Who does this notice affect?

Customs brokers and importers of consignments over \$1000 imported as sea cargo.

What has changed?

The purpose of this advice notice is to:

- remind industry about the commencement of cost recovery from 16 January 2023 to manage the risk of hitchhiker pests and diseases
- provide an update on timing of industry consultation on the comprehensive review of the biosecurity cost recovery arrangement.

Commencement of cost recovery to manage the risk of hitchhiker pests and diseases – Sea FID charge increase from 16 January 2023

In the 2021-22 Budget, the Australian Government committed \$96.9 million over 4 years to better manage the risk of hitchhiker pests and diseases that can cause considerable cost and disruption to agricultural production, the environment, and the way of life of all Australians. The program is to be funded through a combination of existing departmental sources and cost recovery from industry.

This commitment reflects the growing risk posed by hitchhikers because of rising trade volumes, supply chain complexities, and the concurrent movement of pests and diseases around the world.

The program addresses the risk of major hitchhiker pests, for example khapra beetle and brown marmorated stink bug, that can be carried in and on containers and their contents (around 2.5 million containers arrive each year). Noting that it is not possible to check all containers and that increased screening effort potentially causes delays at ports, the funding aims to better manage the threat of hitchhiker pests through working with industry to design and introduce innovative ways to better profile risk and enable more rapid screening.

The department advised its intent to cost recover for its increased efforts to manage hitchhiker risks through <u>Industry advice notice 226-2022: Changes to</u> <u>biosecurity cost recovery</u>, published 15 November 2022, and in the <u>2021–22</u> <u>Biosecurity Cost Recovery Statement (CRIS)</u>, published on 25 March 2022. It has also been raised at various industry forums such as the Department's Cargo Consultative Committee.

The Full Import Declaration charge for sea cargo (Sea FID) for each declared consignment arriving by sea will increase from **\$49** to **\$58**, commencing **16 January 2023**.

Billing arrangements will remain the same with the proposed increase applied to Sea FIDs lodged on or after 16 January 2023.

The <u>Biosecurity (Hitchhiker) CRIS 2022-23</u> sets out the details of this proposed change to the Sea FID and is available on the department's website.

Please contact the department at: <u>BioCRIS@aff.gov.au</u> if you have concerns or need support managing the transition to the new price.

Review of the biosecurity cost recovery arrangement

The department is progressing the review of all current regulatory charging for biosecurity activities. Through this review, a new cost base has been determined which will inform potential changes to fees and charges to align with the costs of delivering biosecurity regulatory activities to industry.

The department intends to commence industry consultation on the review and proposed changes to existing fees and charges in early 2023. This engagement will be supported by a consultation paper with opportunity for industry to provide feedback.