

## Australia process for Air Exports into USA

I want to let you know about some changes to the way air freight exports to the USA are being processed out of Australia, for you to circulate amongst your team as appropriate.

Effective 1 July 2017 new legislation has come into effect in Australia. Screening requirements for export air cargo to the United States of America changed. These requirements have been imposed on airlines by the US Government.

The changes mean that all air cargo being transported to or via the USA must either:-

- be examined by scanning **at piece level** (box, carton, pallet or another deconsolidated form of cargo) or
- originate from a 'Known Consignor'. (scanning will then not be required, unless there are restricted items in the consignment, please refer below).

Australian exporters, freight forwarders and airlines must comply with the new security measures to comply with the new US security laws. This means that air shipments of Household goods & personal effects bound for or transiting through the USA must comply with the new processes.

This is proving to be harder for moving companies because the nature of the freight is so different from that dispatched by most other exporters/forwarders. The air shipments are packed in an uncontrolled environment (a client's home) and so there are additional potential risks to be considered and managed.

If a moving company is approved as a 'Known Consignor' then air freight packed and prepared by the moving company can be uplifted by the airline without screening. There are however restrictions on what can be packed in the consignment:-

- No electronic items may be included in the consignment
- No pre sealed items may be included: eg: pre packed /sealed foods, liquids, milk powders (baby formula) unopened wine or liquor
- No furniture into which explosives could be hidden may be included in the air shipment (this includes mattress' of any size (including cot).

So, an air freight consignment packed and handled by a 'Known Consignor' will not benefit from the waiving of security screening requirements if it contains any of the above items, it will have to be screened on a 'piece' basis.

If an air shipment is packed by a mover which is not a 'Known Consignor' or, if it is packed by a Known Consignor but contains any of the restricted items listed above, then it must be screened.

Screening must be done on *a piece basis*, meaning loose (individual cartons) and not in a tri wall. If packed items are packed directly into triwalls then the triwalls may be screened with the contents intact but there are size limitations for the screening machines. (In most cases packing directly into a triwall at residence would be impractical anyway as a triwall would need to be packed and unpacked outside of the house).

#### Costs;

- When a consignment is screened there are costs imposed by the airline or the approved ground handler undertaking the screening and so these costs will have to be passed on. These costs are expected to remain as a rate per chargeable kg and docs fee charged by the security scanning company.
- Becoming a 'Known Consignor' and maintaining that status involves significant costs and so these costs may be passed on by way of a compliance charge for air shipments bound for or transiting through the USA.

We can probably expect that there will be minor delays in transit time due to possible delayed departures, at least in the initial weeks.

Nuss has applied for 'Known Consignor' status of course and we are awaiting approval. The Department of Infrastructure (the entity responsible for managing the accreditations) sent out a notice earlier this week asking all moving companies to resubmit applications acknowledging and including the restrictions on contents of Household goods and personal effects shipments noted above, which we have done. We now await approval. In the meantime we will be subject to scanning on a piece basis however have made arrangements with an approved security scanning provider to accept our triwalls and unload them for scanning and reload the triwall, thus complying with the legislation but avoiding having to airfreight on a piece basis (meaning we avoid sending perhaps 15-50 individual pieces loose by air). Bear in mind that even as a 'Known Consignor', if a client wishes to include any restricted items in the air shipment then it can not be accepted under the Known Consignor process anyway.

Source: <https://infrastructure.gov.au/security/air-cargo/us-bound-air-cargo-security-arrangements.aspx>