



Australian Customs Cargo Advice

Number 07/06

Use of the Freight Forwarder Indicator for cargo reporting

Background

The Freight Forwarder Indicator (FFI) is used on an Integrated Cargo System (ICS) high-level cargo report, to identify whether a lower level bill is to be reported under it.

The reports are an Ocean Bill of Lading (OBOL) for sea or a Master Airway Bill (MAWB) for air.

The FFI provides the facility for persons who have on-sold space on a vessel or aircraft to meet their obligations under section 64AAB of the *Customs Act 1901*.

Reporters of high-level cargo reports are required to check the FFI field to indicate that a cargo report for a lower level bill will be submitted for the cargo by a freight forwarder. This also indicates to Customs that the cargo should be cleared against the lower level bill.

Implications of current practices

Reporters of a high-level cargo report may not know if a particular freight forwarder involved will lodge a lower level bill for the cargo. If the FFI is checked in this situation, cargo may be held by Customs in anticipation of receiving a cargo report that will not be submitted.

Some areas of industry are currently of the understanding that Customs requires reporters to check the FFI whenever there is a freight forwarder involved with cargo. This also has the potential to impede cargo movement.

Customs Position

The following statement has been developed to clarify Customs current position on industry use of the FFI.

Purpose of the freight forwarder indicator: To notify Customs that there is additional information for the related cargo that will be contained in lower level cargo reports.

If this indicator is not used as intended: Release of cargo may slow down, as important information may not be available to Customs for risk assessment.

To reduce the risk of slowing the release of cargo:

- **Use** the freight forwarder indicator if the reporter of a higher-level bill of lading/air waybill knows that a lower bill of lading/air waybill will be submitted;
- **Do not** use the freight forwarder indicator if the reporter of a higher-level bill of lading/air waybill does not know that a lower bill of lading/air waybill will be submitted.

Further Information

Further information can be obtained by contacting Cargo Support on 1300 558 099, or by sending an e-mail to cargosupport@customs.gov.au

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