

## Importing Asbestos in Vehicles into Australia – 5<sup>th</sup> April 2017

Please note that as of Monday, 6th March 2017, and without prior notification, the Australian Border Force (ABF) / Customs have implemented a new asbestos community protection question (CPQ) when lodging import declarations for all motor vehicle tariff codes. While there are ongoing discussions as to the implications of these changes, and whether further changes may be possible, in the meantime we have been instructed by ABF that AIMA (FIDI Australia) members must progress as the new rules currently stand.

The specific question asked when lodging a formal customs entry for a motor vehicle, motorcycle etc. is as follows: *"Do the goods contain asbestos?"*.

From 1999 most car manufacturers worldwide stopped using asbestos components in the manufacture of motor vehicles, asbestos was used in motor vehicles as the friction material in clutches, automatic transmission and brake linings, as well as in gaskets. The use of asbestos in these components was prohibited from 1999, with the exception that pre 1973 vehicles could continue to be fitted with asbestos containing brake shoes until 2004. Therefore, it is possible that some older and 'classic' vehicles could still contain these asbestos containing products. These specific vehicle parts, clutches, automatic transmission and brake linings, as well as gaskets are the subject parts which are being targeted.

Also, with the increasing use of aftermarket parts, there is no guarantee that some of these have not been manufactured with asbestos so the manufacture date of a vehicle does not guarantee that there is no asbestos.

Based on this, Licensed Customs Brokers (LCBs) in Australia are required to exercise due diligence in obtaining assurance from importers that the goods do not contain asbestos prior to answering the question when lodging the customs entry. This is a major change in Government Policy/practice for vehicle imports.

Please find attached more detailed information regarding this change (ABF Bulletin "Importing Asbestos into Australia") as well as a **Suppliers / Manufacturers Declaration** template (Asbestos Declaration Template) which is a suggested means of client declaring vehicle is free of asbestos. The importer, will need to ask the questions outlined in the declaration of the supplier of parts and/or the vehicle manufacturer.

Where the importer is not able, or willing, to provide an asbestos-free assurance, the Customs Brokers are directed to nominate a **'YES'** response at the time of lodging the declaration.

This would instigate a hold on the cargo and the ABF will advise what type of examination or testing they would like performed. Unfortunately, any costs incurred due to the sudden change in process will be for your/the importer's account. You should also be aware that there are significant fines for false declarations, as high as 3 times the value of the vehicle or AUD\$180,000.



We currently appear to be enjoying a period of 'quasi amnesty' on vehicle import clearances based on the Asbestos Declaration submitted. Vehicles less scrutinised appear to be the ones more recently produced, say 5-6 years old and are from perceived low risk countries like UK and NZ. We don't know how long Customs will continue to take this approach.

ABF are looking for assertions there is no asbestos in the vehicle. To minimise the possibility of testing, we propose you have your clients complete a Second Declaration, attachment "Asbestos Declaration II". This offers further assurances to ABF, there is no asbestos present in vehicle. It is up to the client to research the history of the vehicle but it shouldn't be too hard for them to find out the detail.

As part of import documentation the importer will need to give an undertaking to Grace in Australia, to meet any costs of testing, modification or even abandonment/disposal of the vehicle.

Charges for **a)** removal of required parts, and **b)** the testing itself are unable to be quantified at this stage, however, we do know the cost could be considerable.

For clients wishing to import vehicles the first step is to complete both the declarations attached, after first making the necessary enquiries at origin. These requirements will be for any vehicle requiring a formal customs entry. You can find out more information in regard to importing vehicles into Australia by clicking on this link to the [Department of Infrastructure](#).

In summary, in addition to the existing requirement for clients to obtain an import prior to shipping vehicles, clients will also be required to complete the following three forms:

[Asbestos Declaration I](#)

[Asbestos Declaration II](#)

[Asbestos Declaration III to Grace](#)