



Risk management brings better results

By Mark Errey

Since the first regulation of trade, Customs organisations have faced the paradox of reconciling enforcement with the need to facilitate trade. Depending on which side of the argument one stood, trade or law and order, there was always a perception that too much emphasis was being placed on the other side of the equation. Oscillation between the two to meet changing focuses, led to uncertainty in Customs as to what its role should be.

In the 21st century, rapidly growing volumes of trade and travellers, combined with the rise in trafficking of drugs and other prohibited/restricted goods, gives urgency to the need for an end to the paradox. Customs must remain an effective filter of the detrimental elements of trade while not presenting a bottleneck to economic development.

Risk management is the approach Australian Customs is taking to maximise the effectiveness of enforcement while preserving the efficiency of goods and travel movement. By identifying areas of high risk in its sphere of responsibility and targeting them, Customs concentrates its efforts where results are likely to be had and facilitates areas and transactions of low risk.

The pay-off for industry and the public is that those who are compliant will face lower costs of doing business, giving an incentive for compliance. The pay-off for Customs is less wasted effort and better results.

Implementation of Customs risk management policy is well

developed in the organisation. Customs Commercial and Border Divisions have risk management plans for all major areas and the concept is being integrated into planning at the highest levels. A corporate strategic risk profile for Customs has been developed and is being integrated with corporate planning and resource allocation. Risk management is also being used for the Cargo Management Re-engineering Project.

Training courses to meet the differing needs of staff are available through Human Research and Development. The results of a survey on risk management involving selected staff will be used to determine how effective and widespread training and the use of risk management has been.

Our expertise in this area is flowing to other countries. Australian Customs has an extensive program of assistance in risk management for other customs administrations, especially within APEC and the South Pacific Forum. We also are assisting the World Customs Organisation to review its risk management training modules. We provide some risk management training courses for the Australian Federal Police.