

# Customs and Global Trade Update

July 2015



## Australian Trusted Trader Programme launched

The Department of Immigration and Border Protection launched The Australian Trusted Trader Programme yesterday in Melbourne, marking another important step on the path to a new trade environment.

Australian Trusted Trader is a programme under which importers, exporters and service providers who can demonstrate that they are low risk will be given various trade facilitation benefits. Ultimately, the programme provides for differentiated treatment of low risk participants in international trade, allowing those entities flexibility in their supply chain and providing international trade opportunities. Our guide on the Australian Trusted Trader programme and what to do now to prepare can be accessed [here](#).

Hunt & Hunt partner Russell Wiese, who spoke at the launch, summarises below the key messages and steps that importers, exporters and service providers should now take.

### KEY MESSAGES FROM THE LAUNCH

The launch was marked by speeches from:

- » Roman Quaedvileg, inaugural Commissioner of the Australian Border Force
- » Senator, the Hon Michaelia Cash, the Assistant Minister for Immigration and Border Protection
- » Teresa Conolan, the head of the Australian Trusted Trader Branch
- » Russell Wiese, partner within Hunt & Hunt's Customs and Global Trade team.

The overall theme of the speeches was “opportunity”, and there is no doubt that the programme represents opportunities for the newly formed Australian Border Force, the Government, importers/exporters and service providers.

## AUSTRALIAN BORDER FORCE

The Commissioner noted that over the past 20 years the pendulum has swung between enforcement and trade facilitation. However, he does not believe that these concepts are mutually exclusive. This is represented by the Australian Trusted Trader Programme which focuses on both compliance and trade facilitation.

The Commissioner noted that now is the right time for the commencement of the programme, particularly given the ability to leverage the proliferation of free trade agreements, AEO programmes in other countries and other trade facilitation initiatives. Further, with increasing trade volumes, the border authority needs to take a different approach to compliance if it is to successfully manage risk.

Ultimately, the Commissioner set the goal of 80% of trade being covered by the Trusted Trader Programme within 5 years. In this environment, the Australian Border Force will focus its tactical intelligence and other compliance strategies on the 20% of trade that falls outside of the programme.

While security will always be paramount, the Commissioner noted that the relationship between the border authority and the trade community is now moving from one of control, to trust.

## DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION

The Assistant Minister emphasised that Australian Trusted Trader represents an opportunity for Australia to achieve enhanced economic growth and maximise global potential. Her Government is committed to assisting Australian traders by reducing red tape and facilitate, not frustrate, trade.

Senator Cash noted that given our global competitors enjoy the benefits of similar programmes, we cannot afford to delay implementing a trusted trader programme.

The Senator emphasised that while security will always be a key requirement, through Trusted Trader the Government is looking to move from a system of only punishing non-compliance to one of also rewarding compliance.

## TRUSTED TRADER BRANCH

Ms Conolan emphasised that the Australian Trusted Trader Programme is designed for industry and made a request for continued feedback from the trade community.

She noted that an early goal in the development of the programme will be the negotiation of mutual recognition agreements with our key trading partners.

Ms Conolan also announced the 4 inaugural pilot partners being:

- » Boeing Aerostructures Australia;
- » Devondale Murray Goulburn;
- » Techwool Trading; and
- » Mondelez Australia.

Ms Conolan hoped that the number of pilot partners would increase to 40 over the course of the 12 month pilot.

## HUNT & HUNT LAWYERS

Russell Wiese highlighted the opportunities for all areas of the supply chain presented by the Trusted Trader Programme. These opportunities include:

- » For exporters – Faster clearance of goods into foreign markets through mutual recognition
- » For importers – More efficient supply chains and utilising mutual recognition to further facilitate integration into global value chains
- » For brokers/freight forwarders – The ability for those adopting best practices to use Australian Trusted Trader accreditation to differentiate themselves from less compliant competitors

As the programme is in a development stage, there is an opportunity for importers/exporters to identify what the pressure points are in the supply chain and investigate whether the Australian Trusted Trader Programme is the solution to those issues.

## WHAT NOW

The Australian Trusted Trader Programme has commenced its pilot phase. Whether you want to be part of the pilot, or an early adopter once the programme is fully implemented, now is the time to assess whether the programme is right for your business. This involves weighing the benefits of accreditation against the costs of meeting the accreditation standards.

[Click here](#) to see our guide on weighing up the benefits of the programme against the costs of accreditation.

While the programme is voluntary, and it is acknowledged that Australia currently has a very good reputation when it comes to facilitating trade, it is important to note that security is still the paramount concern. It is clear that in the future, the primary compliance actions of the Australian Border Force will be directed to those outside of the Australian Trusted Trader Programme.

If you would like to learn more about the Australian Trusted Trader Programme please contact a member of our Customs and Global Trade team.



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