
Reflections on Australian Trusted Trader one month after launch

25 July 2016

In brief

- Over 250 businesses applied for Australian Trusted Trader in the first month.
 - First Mutual Recognition Arrangement signed between Australia and New Zealand, bringing the facilitation of trans-Tasman trade to new levels.
 - China, Singapore, Hong Kong and Canada commit to negotiate Mutual Recognition Arrangements with Australia at the World Customs Organization Council meeting in Brussels.
 - Submit your Expression of Interest now to ‘get a seat at the table’ and assist in the design of future benefits offered through the programme.
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In detail

Followers of our year-long series on Australian Trusted Trader (ATT) will be familiar with the details of the programme. ATT provides preferential treatment for international traders who meet supply chain security and trade compliance standards. ATT delivers reduced supply chain costs, improved speed to market, freeing up working capital, and range of other commercial benefits for participating international businesses.

This month, we provide a brief update on the status of the programme a month after launch, confirming our expectations of significant demand in the programme and also to call out some exciting news on the Mutual Recognition Arrangement (MRA) front.

Status of the programme to date

ATT successfully launched on 1 July 2016, and received strong interest from organisations across Australia. Within the first three weeks of the programme’s implementation, over 250 businesses have submitted applications to become members of the ATT, significantly exceeding the Department of Immigration and Border Protection’s (DIBP) initial estimates for 2016. To accommodate for the extensive demand, the Australian Border Force (ABF) (the operational arm of DIBP) will drastically increase staffing levels over the next two years – a clear commitment to ensure the programme’s success.

Importantly for government, a large number of service providers and small-medium enterprises (SME) have expressed interest in the programme – highlighting that ATT is a good fit for both big and small

businesses. DIBP's focus will now turn to the facilitation of large volume/value traders to ensure efficiencies generated through the programme result in economic benefits across Australia.

Mutual Recognition Arrangements

At the World Custom Organization Council meeting in Belgium, ABF Commissioner Roman Quadedvlieg and New Zealand Customs Comptroller Carolyn Tremain signed the first Mutual Recognition Arrangement (MRA) between Australia and New Zealand. This MRA will streamline trans-Tasman trade and enhance the economic integration between 'trusted' businesses across the ditch.

MRAs effectively ensure your Trusted Trader status is recognised when your goods land in foreign jurisdictions. The Australia-New Zealand MRA is the first to formally recognise the robustness of ATT – we expect it to act as proof of concept for further MRA's and accelerate their negotiation and signing with other key trading partners.

On the back of this significant achievement, DIBP has also signed a further three Statements of Intent to work towards signing MRA's with Canada, Singapore and Hong Kong respectively (joining Korea already in the midst of negotiations with Australia). These milestones were capped off with a new Strategic Partnership with China, committing the countries to work towards ATT mutual recognition and further streamline trade between the two trading partners.

The takeaway

With widespread interest in ATT, interested businesses that delay entry can expect increasingly extended delays in their application process. We encourage interested organization's to submit their Expression of Interest as soon as possible in order to 'get their seat at the table' and influence the ongoing evolution and design of the programme and its benefits to suit the needs of modern businesses.

Let's talk

For a deeper discussion of how these issues might affect your business, please contact:

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