



Export Council of Australia

The Voice for Australia's Exporters

4 July 2014

Committee Secretary
Joint Standing Committee on Treaties
PO Box 6021
Parliament House
Canberra ACT 2600

Sent by email to: jsct@aph.gov.au

Export Council of Australia Submission to the Joint Standing Committee on Treaties on the World Trade Organisation Trade Facilitation Agreement (WTO TFA).

The ECA makes this submission directly on behalf of its members, and indirectly on behalf of the international trade community, in support of the swift implementation of the WTO TFA.

A not-for-profit, membership based organisation, the ECA is the peak industry body representing Australia's exporters and importers. With a membership base of 1,000 and a reach of 15,000, the ECA represents companies of all sizes and across a wide range of industries. The ECA's core activities include research, advocacy, skills development and events.

The ECA would like to reiterate our support for the WTO TFA, which will reduce trade barriers and minimise red tape, ultimately simplifying the processes and costs associated with exporting to the 160 WTO member countries.

The ECA submitted a formal statement of support to Australian Government for the timely implementation of the WTO TFA on May 12, 2014 and we would like to take this opportunity to state again that we believe the WTO TFA will offer significant benefits to Australian exporters, and globally, will boost jobs and economic growth.

The ECA believes that the WTO TFA will offer significant benefits, including the following:

- Being a multilateral agreement, the WTO TFA benefits will be offered on an MFN basis, which is the best possible outcome for Australian exporters.
- Australian exporters, especially small exporters, will benefit from the WTO TFA because of the additional transparency and access to information it affords. For example, the requirement of all member countries to publish relevant procedures and forms for importing goods on the internet, as well as the provisions on advanced rulings will provide more clarity and confidence to businesses before their goods leave Australia. Indeed, the ECA believes that the WTO TFA may form a platform to develop provisions for Rules of Origin and Certificates of Origin



that could be specific to SMEs as these procedures often unfairly disadvantage smaller companies.

- The speeding up of import procedures and processes will enable Australian goods to get to market quicker. The quick release of perishable goods is a noteworthy benefit of the WTO TFA and one that will be welcomed by Australia's food and beverage exporters.
- Improving trade facilitation will reduce business costs for Australian exporters and make their goods more affordable to overseas consumers, thus improving their international competitiveness.
- As stated by DFAT, it is estimated that the full implementation of the agreement could reduce the costs of trading across borders by up to 10 per cent for OECD countries.
- The WTO TFA is consistent with the obligations of the parties to the World Customs Organisation SAFE Framework of Standards to Secure and Facilitate Global Trade.

The ECA endorses the steps that Australian Government agencies have already taken that are consistent with the WTO TFA, such as the work by Australian Customs and Border Protection Service (Customs) towards developing a Trusted Trade Program to be adopted by 1 July 2015, and the start of work by the Australian Tax Office and Customs, in conjunction with Treasury, on Transfer Pricing regimes. The ECA will continue to work towards the aims of the WTO TFA in consultation with government and promote its benefits to Australia's trade community.

In conclusion, the ECA urges the Joint Standing Committee on Treaties to endorse Australia's swift implementation of the WTO TFA and strongly encourages the Australian Government to use this momentum to strive toward advancing WTO negotiations to bring the Doha Round to a close.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Ian Murray', with a horizontal line underneath it.

Ian Murray AM
Executive Chairman
Export Council of Australia