



Export Council of Australia

The Voice for Australia's Exporters

A Well Needed Win for Global Trade

Thursday 23 February, 2017

The Export Council of Australia (ECA) celebrates the entry into force of the Trade Facilitation Agreement (TFA), a significant event that is poised to change the future of global trade for Australia and the world.

The ECA echoes the World Trade Organisation's (WTO) statement in calling this the "biggest reform of global trade this century", as the Agreement is poised to change the future of global trade for both Australia and the world by making it cheaper, easier and faster for business to facilitate trade, particularly SMEs.

The cost of engaging in international trade will be reduced by around 15% on average globally thanks to the TFA, which is expected to add almost 3% to global exports by 2030 – a larger impact than if all countries were to eliminate remaining trade tariffs.

The WTO expects around USD 1 trillion more in global exports and more than 20 million jobs to be created thanks to the Agreement that seeks to harmonise, simplify and reduce costs involved in border processes and customs clearance procedures.

For Australian SMEs, this means cheaper and simpler access to international customers by reducing red tape at borders around the world, reducing required paperwork, and allowing for digital rather than physical documentation, among other measures to collectively streamline international trade procedures.

"With current trade regulations restricting Australia's economic growth opportunities, the ECA strongly supports easier trade to help SMEs access their international potential and stimulate employment opportunities here at home," ECA CEO Lisa McAuley says.

"Australia has been a strong supporter of the TFA, having committed some AUD10 million to multilateral programs to assist developing countries undertake trade facilitation reforms," Ms McAuley says. "We will not need to introduce new legislation or procedures to implement the Agreement, we have already established a National Committee on Trade Facilitation – as required under the TFA – where the ECA is proud to be representing SME exporters."

Providing more significant improvements from a low base is the Aid for Trade aspect of the TFA, as it assists developing countries. Supporting developing countries to trade and prosper will ultimately benefit Australia's trade and investment opportunities.

Importantly, the TFA also reinforces the benefits to be had when countries come together through the WTO to pragmatically address significant barriers companies face when doing business overseas.

The ECA welcomes and strongly supports continuing multilateral efforts to further reduce the costs and complexity of conducting international business, which thereby allows more Australian businesses to successfully engage in international trade.

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