

AUSTRALIAN TRUSTED TRADER PROGRAM (ATT)

Clients are reminded of the Australian Trusted Trader Program introduced by Australian Border Force (ABF), it is available to **importers, exporters and service providers**, the intent is to have companies participating that can demonstrate strong compliance around their supply chain. In return they receive a tick of approval from ABF for along with a number of direct benefits. **Southern Cross Cargo** will be participating in this program and encourage our customers to consider if it is appropriate for their business.

ABF's aim is to have 2000 Trusted Traders by 2020. They realise to achieve this aim they must provide incentives to encourage businesses to join. ABF continue to work with current Trusted Traders to identify meaningful incentives. For example, they are currently reviewing whether the requirement for Certificates of Origin under the China Australia Free Trade Agreement could be waived for Trusted Traders. This would provide direct cost and time savings. Customs are also working with other Government Agencies, Quarantine, Office of Transport Security to try and streamline their processes for Trusted Traders. We expect more and more benefits to accrue to Trusted Traders as the program develops.

The program is already operational. It initially had a very complex application process which caused many to not consider it. Recent changes to the application process has simplified it significantly and made it much easier to access.

The primary benefit being promoted has been companies on the program being recognised as meeting high security and supply chain standards which then allows Customs to have significantly less intervention with your import and export transactions. This allows Customs to concentrate on imports/exporters that are not on the Trusted Trader program, In many ways the business is receiving a tick similar to that under ISO.

Monetary benefits are starting to be included and this is where greater interest is for many.

Duty Deferral allows eligible Trusted Traders who defer Goods and Services Tax (GST) to defer the payment of duty, on most goods, to a consolidated monthly payment. A single invoice will be generated and sent electronically to the business and can be automatically deducted from your nominated bank account. This benefit assists Trusted Traders through increased cash flow and a reduction in administrative processes.

Consolidated Cargo Clearance allows Trusted Traders to lodge a single Customs Declaration for Air and LCL shipments that contain orders from multiple vendors. This reduces the Government Entry charges payable on the multiple declarations that would otherwise be required.

Not yet implemented but under consideration is the ability to replace shipment by shipment customs declaration with a single monthly

Periodic Declaration. We believe this will be a significant benefit as we will be able to streamline the declaration process. Delaying the delivery of data to customs allows us to work with customers to extract required import data electronically before the periodic declaration would be required delivering cost savings to both parties. Periodic Declarations will break the need for an entry being completed in order to take delivery of your goods thus providing as clear break between freight and customs at the border for each shipment.

Many companies are seeking participation to this program for just the soft benefits which include being recognised as a compliant business in terms of International trade, less intervention at the border, reciprocal arrangements with other Governments when exporting goods from AU and importantly being able to advertise to others that your business is compliant with all import supply chain processes, this can be promoted in sales and tenders your business might be participating in. The cost saving benefits are certainly advantageous in particular with the advent of duty deferral.

For our purposes we are actively seeking to have many of our customers participate on this program we see the benefits to both of us and will be working with each to ensure the efficiencies and savings are made available.

Please contact us to arrange a meeting to go over the program in greater detail.