



Welcome to our October newsletter. This month we want to share details of trade benefits that are readily available to Australian companies, some of these we have touched on previously but all remain as important as each other and bring benefits to all business in International trade.

## WHAT MORE CAN WE DO TO HELP YOU WITH INTERNATIONAL TRADE AND LOGISTICS?

### Free Trade Agreements

The Australian Government continues to adopt and pursue free trade agreements be they bi-lateral or multi-lateral agreements. Each agreement is negotiated separately and do have differing rules of compliance. For example, clearance within the USA/AU free trade agreement can be accessed without a certificate of origins being required at the time of import. A statement from the shipper confirming that the imported goods comply is sufficient to process the import customs declaration. Although full evidence will be required in the event of an audit. Whereas a number of the agreements with Asian countries require formal COOs and in some instances those in original format. Recent changes to the issuing authority for Chinese certificates of origin mean new stamps

and certificates are required.

With the various rules and accessibility being quite complex, please liaise with one of our experienced Customs team to ensure that you are taking full advantage of the FTAs as well as being compliant.

#### Countries with FTA'S

**Chile, China, Japan, Republic of Korea, Malaysia, New Zealand, Singapore, South East Asian nations (ASEAN), Thailand, USA.**

Of significant interest for Australian business is that the Government is in the process of negotiating an FTA with India. DFAT Reports that India's trade with Australia was approximately A\$16.5 billion in 2017. And with a population of 262 million, it could represent excellent opportunities for Australian exporters. While discussions are still pending various commodities and tariffs we will keep you updated as details come to hand.

### Annual Packing Declarations

As you would know for sea freight imports you are required to produce a packing declaration for each shipment, this is produced by your manufacturer and declares if wood was used or not in the packaging, if yes it also declares the compliance of the packaging used or the treatment of it.

For any regular suppliers it is worthwhile having them complete an annual packing declaration upon approval from Bio Security it can then be used for a 12 month period so negates the need for the manufacturer to produce one for each shipment.

Please get in touch with our customs team for further details on this and the documents that need to be completed by the manufacturer. [customs@sccargo.com.au](mailto:customs@sccargo.com.au)

## TOP NEWS INSIDE

- What more can we do to help you with International Trade and Logistics?
- Annual Packing Declarations
- Peak Season and Port Congestion
- Do you know how heavy your cargo is?
- Import GST Deferral
- Tariff Concession Orders (TCO's)
- New Banking Facility

## PEAK SEASON AND PORT CONGESTION

With 82 days until Christmas and Chinese holidays ending 7th October, peak season is well and truly upon us. We have been advised of congestion in the traditional transshipment ports of Singapore, Hong Kong and Malaysia. If your cargo is transshipping via one of these ports, please make sure that you allow for a buffer period in the event that your cargo is held over. Some shipping lines are reporting delays of up to 3 weeks, especially given vessel delays around Asia after recent weather events.

With Chinese holidays finishing this week we can expect an influx of containers moving from China to all ports. Please allow for a suitable notice period of cargo availability so that we can secure the most suitable vessel for your orders.

These delays can also lead to backlogs upon arrival into Australia, especially as transport companies seek to meet everyone's delivery demands. Please let us know in advance if you require extra free time at destination for your unloads so as to avoid container detention. If you are unsure of the best plan for your imminent orders during peak season, please contact one of our freight team [cargo@sccargo.com.au](mailto:cargo@sccargo.com.au)



## DO YOU KNOW HOW HEAVY YOUR CARGO IS?

Changes to the **Chain of Responsibility (CoR)** laws have come into effect on 1 October 2018.

The aim of COR is to make sure everyone in the supply chain shares responsibility for ensuring breaches of the Heavy Vehicle National Laws do not occur. Under COR laws if you are named as a party in the chain of responsibility and you exercise (or have the capability of exercising) control or influence over any transport task, you have a responsibility to ensure the laws are complied with.

The law recognises that multiple parties may be responsible for offences committed by the drivers and operators of heavy vehicles – and this can include the employer of the driver, the scheduler of the driver, the operator of the vehicle, the loader or unloader and the consignor and/or consignee.

Legal liability applies to all parties for their actions or inactions.

Your key responsibilities as a consignee may include ensuring that:

- your delivery requirements do not require or encourage drivers to:
  - exceed the speed limits
  - exceed regulated driving hours
  - fail to meet the minimum rest requirements
  - drive while impaired by fatigue.
- operators carrying freight containers have a verified Container Weight Declaration.

It is imperative that you stress to your shippers the importance of noting the correct weight of the container and its goods. A Container Weight Declaration (CWD) will be required for transport of all containers on Australian roads (in conjunction with any SOLAS weight declarations for export boxes).

Please contact our freight team if you require any further clarification of your obligation in this area [cargo@sccargo.com.au](mailto:cargo@sccargo.com.au)

## IMPORT GST DEFERRAL

This has been detailed in previous newsletter but given the significant cash flow savings available from it I am going to stay on the case here, if you are completing your BAS monthly and electronically and not set up for GST deferral WHY NOT? You have complied with the two main requirements of the ATO. For all business cash flow is a priority by accessing GST deferral you are not unnecessarily leaving money with the ATO only to claim back the same funds at a later time, keep it in your bank I am sure it will be better used.

We do recommend having this dialogue with your accountant or tax adviser.

## TARIFF CONCESSION ORDERS (TCO'S)

Tariff Concession Orders (TCO) are an Australian Government revenue concession that exists where there are no known Australian manufacturers of goods that are substitutable for imported goods. Changes in technology both here and overseas could mean that you are paying import duty for your products when in fact there may be reason to apply for concession. To clarify, if a TCO is currently in place for your imported goods or one is approved for imported goods then NIL duty will be applicable to the goods that comply with the TCO.

It is timely to look at this from a top down approach on what products you are paying the most annual import duty on, if you are aware of changes to local manufacturing on these products get in touch with us to assist with a review on the viability of a TCO application. If a TCO can be approved for any of your regular imports the reduced or NIL duty will be available immediately.

## New Banking Facility

Please note that we have moved to a new banking facility to accommodate our growing business needs. Details have been sent from our operational system and will appear on all invoices going forward. Could we please ask you to update the details into your system for all payments still owed to Southern Cross Cargo. Thank you for your assistance with this. If you require further details please contact our accounts team [accounts@sccargo.com.au](mailto:accounts@sccargo.com.au)