



Review of Australia's National Committee on Trade Facilitation

Project Description & Background Summary



**Centre for Customs and Excise Studies
Charles Sturt University**

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The Research Project

The research project is a review of Australia's National Committee on Trade Facilitation (ANCTF). It is designed to develop an industry position for presentation to Government on the membership, mandate and governance arrangements of Australia's National Committee on Trade Facilitation (ANCTF) with a view to enhancing the Committee's ability to influence a meaningful trade facilitation agenda that reflects the needs and aspirations of Australia's international trading community.

The research is being funded by the Australian International Trade & Transport Industry Development Fund (AITTIDF), with the support of the Australian Federation of International Forwarders (AFIF), the Customs Brokers and Forwarders Council of Australia Inc. (CBFCA), the Export Council of Australia (ECA), the Conference of Asia Pacific Express Carriers (CAPEC) and Shipping Australia (SA). The research is being undertaken by the Centre for Customs and Excise Studies (CCES) at Charles Sturt University (CSU).

The project involves an analysis of the current ANCTF organisational arrangements, its priorities, work plans and activities to date in the context of:

- World Trade Organization (WTO) policies and recommendations, in particular in the context of implementation of the Trade Facilitation Agreement (TFA)
- International trends and developments in TFA implementation
- The broader Government agenda with potential linkages to trade facilitation, and
- Industry's priorities and ambitions in relation to the international trade facilitation within the context of the ANCTF.

The analysis will lead to the identification of potential areas of improvement in the ANCTF membership, mandate and governance arrangements that can lead to enhancements to the Committee's ability to influence a meaningful trade facilitation agenda that properly reflects the needs and aspirations of Australia's international trading community.

Background

In December 2013, World Trade Organization (WTO) members concluded negotiations on a Trade Facilitation Agreement at the Bali Ministerial Conference, as part of a wider 'Bali Package'. On 27 November 2014 WTO members adopted a Protocol of Amendment to insert the new Agreement into Annex 1A of the WTO Agreement. On 22 February 2017, the Agreement was ratified by Rwanda, Oman, Chad and Jordan. This took the total number of countries that had ratified the Agreement (including Australia) to 112. This meant that the required threshold of two-thirds of the WTO membership (110) had completed their domestic ratification processes and the Agreement has now entered into force.

The TFA aims to reduce the cost of trading goods across borders by mandating that WTO members which ratify it implement a number of principles and standards designed to ensure that border and border-related procedures relating to trade in goods are transparent, efficient, and are optimised to meet the needs of both government and business. Developed countries, such as Australia, are expected to have the provisions of the TFA implemented very shortly after its entry into force, whilst developing countries will be granted a period of transition until achieving full implementation. Once the TFA is fully implemented, the expectation is that cross-border processes will be standardised at a "best practice" level across all WTO members which ratify it, lowering the cost of trade in goods for business and thereby creating growth for WTO member economies.

Notably, the TFA takes a “whole-of-government” approach, and its mandate covers not just traditional Customs processes relating to import and export, but rather encompasses the border-related activities of ALL government agencies. Many of its provisions are focused on effective collaboration between the private sector and government in ensuring that each member country’s border processes meet the requirements of the TFA. The key trade facilitative measures of the TFA are included in Section 1, Articles 1 through 12. These measures range from standards focused on the mechanics of the cross-border process to topics focused on encouraging and institutionalising effective cooperation between government institutions as well as between government and business at the border. An overview of these measures can be found at

<http://www.tfafacility.org/trade-facilitation-agreement-facility>.

In addition to the substantive requirements in Articles 1-12, the TFA in Section III, Article 23 (2) states;

Each Member shall establish and/or maintain a national committee on trade facilitation or designate an existing mechanism to facilitate both domestic coordination and implementation of the provisions of this Agreement.

In addition, Section III, Article 23 (1.4) provides that the WTO’s Committee on Trade Facilitation “shall develop procedures for the sharing by Members of relevant information and best practices as appropriate” (see Appendix 1).

Australia was an early mover in its national effort to prepare for the TFA, having already established its NTFC, the ANCTF, which is chaired by DIPB. According to the *Australian Government Organisations Register*, which is maintained by the Department of Finance:

The NCTF provides a forum for the discussion of strategic issues affecting Australian Industry stakeholders in the international trade environment. The NCTF will discuss opportunities for reform and improvements to the international trade environment. The NCTF will fulfil the obligations required by the World Trade Organization’s Agreement on Trade Facilitation, and serve as the Department of Immigration and Border Protection’s Ministerial Advisory Committee on Deregulation for trade facilitation issues.

The purpose of the ANCTF, further reflected in its (recently amended) Terms of Reference, is to “fulfil the obligations required by the World Trade Organization’s Agreement on Trade Facilitation by providing the forum to facilitate both domestic coordination and implementation of the provisions of the World Trade Organization Agreement on Trade Facilitation”.

According to the Terms of Reference, the “NCTF is responsible for facilitating and monitoring Australia’s implementation of the World Trade Organization’s Agreement on Trade Facilitation and to review and provide advice to the Australian Government on trade facilitation including:

- Emerging strategic issues in the international trade operating environment;
- The tasking of issue-specific working groups as required;
- Opportunities to improve the international trade environment, including exploring opportunities to realise efficiencies and deregulation at the border;
- Implementing established UN and WCO tools and guidelines;
- Coordinating support to developing trade partners;
- Roll back of existing protectionist measures especially non-tariff barriers;
- Improvements to the global trade system for the emerging digital economy; and

- Any associated recommendations for policy, regulation or legislative change”.

While Australia has already done much to set the stage for the ANCTF and its role in TFA implementation, emerging international experience with NTFCs indicates that difficulties may arise due to turf battles between government agencies, hesitation to engage effectively in constructive government-business dialogue on facilitation priorities, and inadequate political will to drive consensus and implement change in line with TFA standards. The goal of this research project is to examine these trends in order to identify international best practice to be emulated and pitfalls to be avoided as the ANCTF moves forward with its work, and thereby to ensure its effectiveness, in particular in light of the interests represented by AITTIDF’s member organisations.

Key Project Milestones

1. Undertake research to identify and document:
 - the current ANCTF organisational arrangements, priorities, work plans and activities;
 - the broader Australian Government agenda (including that of the Department of Foreign Affairs and Trade (DFAT), Department of Immigration and Border protection (DIBP), Department of Agriculture and Water Resources (DAWR), Department of Infrastructure and Regional Development (DIRD) and Department of Industry, Innovation and Science (DIIS)) to identify initiatives and priorities that may impact or be impacted by the work of the ANCTF.
 - relevant policies, recommendations, trends and developments of the WTO as well as multilateral trade organisations such as the World Customs Organization (WCO), United Nations Conference on Trade and Development (UNCTAD), Asia-Pacific Economic Cooperation (APEC), World Bank, United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP), World Economic Forum (WEF), Global Alliance for Trade Facilitation (GATF), G20 and B20.
 - other international trends and developments including experiences of other key trading partner countries in relation to the establishment and operation of National Committees.
2. Through a survey and a series of industry workshops and targeted interviews, research and document industry priorities and ambitions in relation to the facilitation of international trade within the scope of the TFA. This will include workshops to be held in Sydney, Melbourne, Brisbane and Canberra specifically designed to obtain input from the industry, including members of the following key industry associations:
 - Customs Brokers and Forwarders Council of Australia Inc. (CBFCA)
 - Australian Federation of International Forwarders (AFIF)
 - Export Council of Australia (ECA)
 - Conference of Asia Pacific Express Carriers (CAPEC)
 - Shipping Australia (SA)
3. Prepare an analysis of the findings of the above phases and develop recommendations supporting the ability of the ANCTF to fulfil its role in enabling Australia in TFA implementation and enact a meaningful trade facilitation agenda which is aligned with international best practice and the needs of the Australian business community.

Project Timetable

Activity	Timing
Research	Jan-Mar 2017
Survey/Workshops/Interviews	Feb-Mar 2017
Analysis/Recommendations	Apr-Jul 2017

Industry Input

As noted above, a key element of the project will be input from the five industry associations. This input will be primarily gained through:

1. A survey for distribution by each of the associations to their respective members
2. Industry workshops to be conducted by CCES for members of the industry associations:

Venue	Date
Brisbane: CBFCA Offices, 43 Nariel Street Albion	20 March
Sydney: Holiday Inn Sydney Airport, Cnr O’Riordan Street & Bourke Road, Mascot	21 March
Canberra: CCES Offices, Charles Sturt University Campus, Ground Floor, 10-12 Brisbane Ave, Barton	23 March
Melbourne: Mantra Hotel Tullamarine, 2 Trade Park Drive, Tullamarine VIC	24 March

3. Targeted interviews with survey respondents and workshop attendees in the week 20 – 24 March.

To facilitate the highest quality input from industry, members of the industry associations are encouraged to:

- familiarise themselves with this backgrounder
- familiarise themselves with the terms of the Trade Facilitation Agreement, and
- consider the desirable priorities and ambitions in relation to the facilitation of international trade within the scope of the TFA and, particularly, the preferred structure and role of the ANCTF.

Abbreviations and Acronyms

AFIF	Australian Federation of International Forwarders
AITTIDF	Australian International Trade and Transport Industry Development Fund
ANCTF	Australia's National Committee on Trade Facilitation
APEC	Asia-Pacific Economic Cooperation
CAPEC	Conference of Asia Pacific Express Carriers
CBFCA	Customs Brokers and Forwarders Council of Australia
CCES	Centre for Customs and Excise Studies, Charles Sturt University
CSU	Charles Sturt University
DAWR	Department of Agriculture and Water Resources
DFAT	Department of Foreign Affairs and Trade
DIBP	Department of Immigration and Border Protection
DIIS	Department of Industry, Innovation and Science
DIRD	Department of Infrastructure and Regional Development
ECA	Export Council of Australia
GATF	Global Alliance for Trade Facilitation
NTFC	National Trade Facilitation Committee
SA	Shipping Australia
TFA	WTO Trade Facilitation Agreement
UNCTAD	United Nations Conference on Trade and Development
UNESCAP	United Nations Economic and Social Commission for Asia and the Pacific
WCO	World Customs Organization
WEF	World Economic Forum
WTO	World Trade Organization