

## Australia's Bogor Goals Progress Report (as at 8 August 2014)\*

### Highlights of Achievements and Areas for Improvement

- Reductions in tariffs being implemented under FTA commitments. Plans to reduce unilaterally MFN tariffs for some textiles and apparel goods.
- Reforms to improve the management of biosecurity. Measures to improve risk-based profiling and inspection processes.
- Local content requirements still applied in television and radio programming.
- Increase of monetary thresholds for foreign investors from New Zealand based on the signature of a bilateral agreement.
- Australia has confirmed that its SPS regime is science-based, transparent and consistent with international obligations. However, specific trade concerns have been raised in the WTO SPS Committee and no resolution has been reported in some cases so far.
- Reforms in competition policy, government procurement and deregulation have taken place.
- New eligibility criteria to issue the APEC Business Travel Card to business travellers to closely align requirements with those requested by other APEC economies.
- Visa sub-classes under the simplified temporary work visa framework were reduced from 17 to 8.

### Summary of Topics

#### Tariffs

Since the previous Bogor Goals assessment in 2012, Australia has reported progress in reducing tariffs via RTA/FTAs. The Australia-Malaysia FTA entered into force on 1 January 2013 and eliminated immediately all tariffs on Malaysian products.

Australia expects to reduce MFN tariffs on certain apparel and textile products from 10 to 5 per cent by 1 January 2015. Also, by that time, all remaining tariffs on goods from Thailand and Chile will be removed in accordance to the bilateral FTAs signed with these APEC economies.

#### Non-Tariff Measures

Reforms on Australia's anti-dumping and countervailing systems were finalized by June 2013. The reforms include the establishment of the Anti-Dumping Commission as the authority in charge of Australia's anti-dumping system. In addition, the reforms have incorporated a new appeals process and an industry stakeholder forum; amended subsidies provisions to reflect more accurately relevant WTO agreements; created an inquiry process to investigate the circumvention of anti-dumping measures; and clarified provisions on dealing with parties who do not cooperate with the anti-dumping investigations.

Australia has continued reforms in its biosecurity system. Since 2012, policies have been implemented to improve the management of biosecurity. The introduction of the Inter-Governmental Agreement on Biosecurity and the National Biosecurity Environmental Response

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\* This brief report was prepared with information from Australia's submission of 2014 APEC Individual Action Plan (IAP) template; the WTO SPS and TBT Information Systems; and the Australian Communications Media Authority and the Department of Foreign Affairs and Trade websites.

Agreements are relevant examples of efforts in this front. In addition, Australia has been implementing measures to facilitate trade by signing bilateral sanitary and phytosanitary agreements; and reducing quarantine times to import certain animals.

### **Services**

Australia has continued the implementation of the high-speed National Broadband Network (NBN). As at 28 January 2014, the NBN had been rolled out to 368,300 premises, with 87,500 active services. The interim satellite service was active on 44,400 premises and the fixed wireless network had been rolled out to 66,300 premises with 7,700 active services.

In the educational sector, Australia is developing minimum reporting requirements for the Vocational Education and Training (VET) providers through total VET activity reporting. All registered training providers and endorsed/accredited qualifications are listed in a national register and a website portal, My Skills ([www.myskills.gov.au](http://www.myskills.gov.au)), is assisting individuals and employers looking to undertake specific training programs.

Local content requirements on programs, advertisements and music are still maintained for television broadcasters and commercial radio stations.

### **Investment**

Australia continued to liberalize its foreign investment regime. From 1 March 2013, Australia is extending to New Zealand investors the same higher monetary thresholds applicable to United States investors. In addition, some updates to Australia's foreign investment policy were implemented, including a relaxation from notification for foreign government banks taking security when lending, under some particular circumstances.

In 2013, the indexed monetary thresholds for foreign investors to notify the government and get prior approval were equal to AUD 248 million (AUD 1,078 million for New Zealand and United States investors).

### **Standards and Conformance**

When necessary, Australia adopts measures to protect public health, security and safety. Australia has reported that its standard setting bodies in the fields of animal and plant health, food safety and other aspects of human health have adopted international standards as appropriate.

By the end of 2013, six specific trade concerns raised against Australia at the WTO SPS Committee had not reported a resolution. Those concerns involve products such as chicken meat, beef and fresh fruits.

Standards Australia keeps an active involvement on international standardization activities. Approximately 38 per cent of the total catalogue of Australian Standards are identical and aligned to international standards.

Australia is also involved in multilateral accreditation arrangements such as the Asian Pacific Laboratory Accreditation Cooperation (APLAC) and the International Laboratory Accreditation Cooperation (ILAC). For example, Australia's National Association of Testing Authorities (NATA) provides both the ILAC and APLAC Secretariats and currently holds the Chair of the

ILAC Accreditation Committee (AIC). NATA and China's accreditation authority (CNAS) have commenced a joint project to strengthen cooperation and improve the function of accreditation facilitating international trade. The Joint Accreditation System of Australia and New Zealand (JAS-ANZ) has recently been re-evaluated as a signatory to the Pacific Accreditation Cooperation (PAC) Multilateral Recognition Arrangement (MLA). JAS-ANZ is also signatory party to the International Accreditation Forum (IAF) MLA.

Australia has introduced tobacco plain packaging as a public health measure. Under the Tobacco Plain Packaging Act 2011, from 1 October 2012, all tobacco products manufactured or packaged in Australia for domestic consumption have been required to be in plain packaging and from 1 December 2012, all tobacco products have been required to be sold in plain packaging. The measure is subject to challenge in the WTO by five Members, including claims that Australia's measure is inconsistent with the TBT Agreement.

### **Customs Procedures**

In order to facilitate trade, Australia has implemented measures to improve its risk-based profiling and inspection processes. The Australian Customs and Border Protection Service is developing a trusted trade programme which will promote supply chain security and provide enhanced border clearance privileges along with increased certainty and reliability of cargo clearance processes for its members.

### **Intellectual Property Rights (IPR)**

The Intellectual Property Laws Amendment (Raising the Bar) Act 2012 came into full effect on 15 April 2013. The Act includes provisions to raise the quality of granted patents; give free access to patented inventions for regulatory approvals and research; reduce delays in resolution of a patent and trade mark applications; assist the operation of IP professionals; improve mechanisms for trade mark and copyright enforcement and simplify the system.

During 2012-13, IP Australia continued the development of eServices and B2B channel. eServices is a portal catered for self-filers and SMEs that allows customers to establish a user identity and submit a range of IPR transactions electronically. The B2B channel is a fully automated transaction portal that facilitates the direct transfer of IPR transactions from a customer's business system to IP Australia's business systems. This channel caters the needs of high-volume users.

### **Competition Policy**

Over the course of 2012-13, the Australian Competition and Consumer Commission (ACCC) concluded a number of court actions against companies engaged in anti-competitive practices, including five first-instance competition proceedings relating to the Air Cargo freight cartel, bringing penalties to almost AUD 100 million.

Cross-jurisdictional reforms, as part of the National Partnership Agreement to Deliver a Seamless National Economy, were implemented to encourage competition in the energy, transport and infrastructure sectors.

In December 2013, Australia announced that it is undertaking a review of the competition framework to ensure that its competition laws remain robust and effective in the future.

## **Government Procurement**

The Commonwealth Procurement Guidelines (CPG) were reviewed and reissued as the Commonwealth Procurement Rules on 1 July 2012. The review includes a refinement of their scope; an improvement of their usability and readability; a re-definition of procurement methods; and a clarification of procurement obligations and better practice.

A standard suite of contract documents for low risk procurements under AUD 80,000 was introduced for use across Australia.

## **Deregulation/Regulatory Review**

The Government is reducing the regulatory burden for individuals, businesses and community organisations with the aim of cutting the net annual cost of Commonwealth Government regulations by \$1 billion every year. This annual target is supported by incentives and mechanisms to achieve meaningful reductions in regulation over time. An Office of Deregulation has been established to coordinate the whole-of-government implementation of the agenda, supported by the newly established Deregulation Units in each government portfolio. The Office of Deregulation reports directly to the Prime Minister and the Cabinet on progress. Deregulation Units have been established in Government departments as well.

The new Australian Government Guide to Regulation was issued in March 2014. All Cabinet submissions require a Regulation Impact Statement (RIS). Also, the Regulatory Impact Analysis (RIA) framework has been strengthened, with greater emphasis on costing impacts on business, community organizations and individuals.

## **Mobility of Business People**

Australia implemented new eligibility criteria to issue the APEC Business Travel Card (ABTC) to business travellers. The intention is to bring eligibility requirements closer to those required by other APEC economies. The new criteria also ensure that small to medium sized businesses enjoy the same level of access to the ABTC scheme as large global companies. The changes were implemented after 2012.

Although Australia's visa system is universal, it puts in place working visa systems to enable business people to visit Australia for business activities. On 24 November 2012, visa sub-classes under the simplified temporary work visa framework were reduced from 17 to 8.

## **RTA/FTAs**

Currently, Australia has in force seven FTAs<sup>2</sup> and it is negotiating seven FTAs at various levels of progress. In addition, Australia recently concluded successfully FTA negotiations with Korea and Japan (signed in April and July 2014 respectively).

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<sup>2</sup> Australia's RTA/FTAs in force are the following ones: Australia–New Zealand (1983), Australia–Singapore (2003), Australia–United States (2005), Australia–Thailand (2005), Australia–Chile (2009), Australia–New Zealand–ASEAN (2010), Australia–Malaysia (2013). Australia also has a bilateral agreement with PNG – the *Papua New Guinea–Australia Trade and Commercial Relations Agreement*.