

Australia's Bogor Goals Progress Report (as at 13 August 2012)*

Highlights of Achievements and Areas for Improvement

- Continued reduction in remaining tariffs on a unilateral MFN basis and through implementation of FTAs.
- Transparency in the application of anti-dumping measures has improved.
- While some economies have concerns in relation to Australia's sanitary and phytosanitary requirements, Australia has confirmed its SPS regime is science-based, transparent and consistent with international obligations.
- Trade facilitation efforts by improving inspection processes through the application of cargo risk assessment.
- Further liberalization of foreign investment. Thresholds were unified and adjusted every year to prevent screening from becoming more restrictive over time.
- Some local preference policies exist in government procurement, particularly in relation to the development of SMEs.
- Reforms are continuing in several areas, including competition policy, deregulation and simplification and intellectual property rights.

Summary of Updates

Tariffs

From 2010, Australia has reduced MFN tariffs on passenger motor vehicles and components, footwear, carpets and certain fabrics and textiles from 10 percent to five percent. Australia reduced tariffs to zero on passenger motor vehicles imported from partners to the ASEAN-Australia-New Zealand Free Trade Agreement (AANZFTA) except for certain vehicles manufactured in Indonesia, Malaysia and Thailand, which are subject to tariff elimination at later dates. On the bilateral side, under the Thailand-Australia FTA, 529 tariff lines fell to zero on footwear, automotive components and carpets, and to five percent on apparel and certain finished textiles. Tariffs on passenger motor vehicles and some textile products from the United States went down to zero, whereas tariffs on carpets and some finished textile products fell to 3 percent and tariffs on apparel being reduced to 8 percent,

Non-Tariff Measures (NTMs)

When necessary, Australia adopts measures to protect public health, security and safety. Measures that may have a significant impact on trade are notified to WTO. Reforms are being implemented on Australia's quarantine and biosecurity arrangements, with key achievements including further strengthening the import risk analysis process; improving risk-based profiling and inspection processes at airports, mail centers and seaports; implementing improved export certification arrangements; enhancing offshore risk mitigation measures; among others.

Some concerns have been expressed in relation to Australia's strict sanitary and phytosanitary (SPS) requirements, including the lack of cost-benefit analysis and the need to bring the measures closer to international norms. However, Australia has reported that its SPS regime is

* This brief report was prepared with information from Australia's submission of 2012 APEC Individual Action Plan (IAP) template and the minutes of the meeting of Australia's WTO Trade Policy Review from April 2011.

consistent with international obligations, which state that SPS rules must be based on scientific measures appropriate to protecting the local economy and natural environment. Australian reforms to the SPS regime are consistent with the themes outlined in the 2008 independent review of Australia's biosecurity and quarantine arrangements.

In June 2011, Australia announced a package of reforms to Australia's anti-dumping regime to improve timeliness and transparency for all parties to anti-dumping investigations and to better align Australia's laws and practices with other WTO members. The first tranche of legislation implementing the amendments took effect in October 2011, introducing a time limit on the Minister's consideration of an investigation, which will result in earlier resolution of complaints. As at 31 January 2012, Australia had 27 anti-dumping and countervailing measures in place, applying to a relative narrow range of goods (covering nine products and 15 economies).

Services

The Australian Government is conducting a strategic review of the student visa program to enhance the continued competitiveness of the international education sector.

In the telecommunications sector, the Australian Government is implementing a new high-speed National Broadband Network (NBN). The NBN will be Australia's first domestic, wholesale-only, open access broadband network offering equivalent terms and conditions to all access seekers or service providers. The NBN is being rolled out progressively over 9.5 years.

Investment

Further liberalization of Australia's foreign investment regime took place in 2009-10. The lowest thresholds for private business investment was replaced with the new unified threshold, which is indexed on 1 January every year to keep pace with inflation and to prevent foreign screening from becoming more restrictive over time (AUD 244 million as at 1 January 2012). Australia also abolished the existing requirement that private investors notify proposals to establish a new business valued above AUD10 million.

Standards and Conformance

Standards Australia has adopted a policy in which every standard, regardless of who develops it, must demonstrate positive net benefit to the community as a whole. Standards Australia continues his active involvement on international standardization activities. Of the total catalogue of Australian Standards approximately 38 percent of these 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. The National Association of Testing Authorities (NATA) is publishing "A Guide to using NATA Accreditation in Legislation, Regulation and Specification", which provides guidance on the accreditation system, both at the domestic and international levels, and explain the practical use of the APLAC Mutual Recognition Arrangement.

Customs Procedures

Australian Customs and Border Protection Service continue to undertake research and evaluation activities to improve the efficiency and effectiveness of border management processes and interaction with industry. Outcomes of this work were published in a number of reports, such as Time Release Studies and Customs Industry Engagement and Analysis Project.

Intellectual Property Rights

On 15 April 2012, the Intellectual Property Laws Amendment (Raising the Bar) Act 2012 received Royal Assent. 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.

IP Australia is modernizing its customer communication channels and standardizing customer processing across different IPR under the Integrated Customer Service Delivery program. The new e-commerce channels (B2B and web eServices) will deliver increase customer data quality and convenient self-service capabilities that cater for the high-volume of service requests across trademarks, patents, designs and plant breeder's rights. IP Australia has also extended the search system for patents (AusPat) to encompass an eDossier so that customers can view (publicly available) patent documents in a way that suits them, as well as an electronic notification service to alert subscribers of any change to patent cases they have flagged as being of interest with AusPat eDossier.

The Australian Government is currently drafting legislation to implement the TRIPS Protocol. This would allow the manufacture and export of cheaper generic versions of patented medicines to address public health problems in eligible importing countries.

Competition Policy

The *National Partnership Agreement to Deliver a Seamless National Economy* (SNE NP) by the Council of Australian Governments continues to deliver effective competition reform. Some examples of progress are found in energy distribution and retail businesses, infrastructure heavy vehicles, rail safety, and commercial vessel safety.

In 2011, the Parliament passed laws that amend the Competition and Consumer Act 2010 (CCA) to prohibit anti-competitive price signaling and information disclosures on classes of goods and services that are prescribed by regulations. Their application will be limited to the banking sector in the first instance. The new laws will take effect on 6 June 2012.

In 2011, the Parliament also passed laws that amend the CCA to clarify the operation of Australia's mergers and acquisitions provisions in relation to small scale acquisitions (referred to as 'creeping acquisitions'). These amendments took effect as of 6 February 2012.

Government Procurement

In 2011, the Australia Government moved away from paper-based procurement policy guidance and published its guidance materials on the internet to improve transparency and accessibility.

As at April 2011, there was no single procurement policy in Australia. Australia is a federation and therefore Commonwealth, State and Territory governments are each responsible for establishing and maintaining their own procurement policy frameworks. There are some local preference policies remaining across the States and Territories, particularly in relation to promoting SMEs. The Commonwealth Government works with State and Territory governments to promote consistency in government procurement policies.

Deregulation/Regulatory Review

The Australian Government is working with States and Territories on reducing the regulatory burden on business in areas of shared responsibility under the SNE NP. The aim is to improve efficiency and reduce the cost of regulation through the implementation of 27 deregulation priorities, eight areas of competition reform and improving regulatory processes. By end of 2011, 15 out of 27 deregulation priority reforms had been completed. The bulk of the remaining reforms are well advanced towards completion in December 2012. Full implementation of the reforms could lower business costs by more than AUD 4 billion per year.

Australia has also been eliminating unnecessary regulatory burdens under Better Regulation Ministerial Partnerships between the Minister for Finance and Deregulation and other portfolio Ministers. This initiative has helped to simplify processes and benefit consumers and businesses.

The Australian Government released a revised Best Practice Regulation Handbook in June 2010, covering a number of changes to the Regulation Impact Statement (RIS) requirements aimed at better balancing the rigor and practicality of the RIS process. On 13 December 2011, the Government announced an independent review of the Australian Government best practice regulation requirements.

Dispute Mediation

Australia is currently a party to the Convention on the Recognition and Enforcement of Foreign Arbitral Awards (the New York Convention) and the International Convention on the Settlement of Investment Disputes (ICSID). In addition, Australia provides investors with option to referring to the ICSID and provides for foreign awards to be enforced.

Mobility of Business People

In Australia, the APEC Business Travel Card (ABTC) Scheme commenced permanent operations in March 1999, facilitating entry procedures for ABTC holders.

Although Australia's visa system is universal and no major changes since 2009, it puts in place five short stay business visitor visas to enable business people to visit Australia for business activities. In addition, Australia has other working visa schemes such as the Temporary Skilled Migration Program involving the 457 business visa, the Employer Nomination Scheme and the Regional Sponsored Migration Scheme.

Transparency

Australia ensures that laws, regulations, and progressively, procedures and administrative rulings are promptly published or otherwise made available.

RTAs/FTAs

The ASEAN-Australia-New Zealand FTA is now in force for all signatories. Amendments to the article on Rules of Origin and the related Product Specific Rules in the Australia New Zealand Close Economic Agreement (ANZCERTA) took effect on 1 September 2011.

Currently, Australia has six FTAs in force and it is negotiating nine FTAs at various levels of progress.