

Getting more out of the ATT

The Australian Trusted Trader program as an important initiative, writes Travis Brooks-Garrett, but there is opportunity for more tangible benefits

SINCE ITS INCEPTION, ATT HAS

seen growth in the participation of logistics service providers. While they have been rewarded with use of the ATT branding and other advantages, feedback from FTA members is that they believe an opportunity exists for more tangible direct benefits.

To support the member engagement process, FTA recently hosted two “advisory group” workshops with key ATT accredited logistics service providers. The aim being to identify and prioritise future benefits for consideration by the Department of Home Affairs and the Australian Border Force.

IMPORTANCE OF SERVICE PROVIDERS

FTA conservatively estimates that 70% of Australia’s inbound containerised trade is facilitated by freight forwarders and logistics service providers. Importantly, freight forwarders and licensed customs brokers are responsible for a higher share of SME enterprise import volumes.

For the ATT program to be truly representative and inclusive of those SMEs, accredited logistics service providers must play an enhanced role in the delivery of benefits to SMEs.

The FTA advisory group has observed that many service providers are primarily using their ATT accreditation as a marketing tool, without seeing direct operational benefits.

With more than half of all current ATT members being logistics service providers, it is

important for policy to also deliver meaningful benefits directly to service providers.

LACK OF AG INVOLVEMENT

The continuing lack of involvement of the Department of Agriculture in the ATT program has been a longstanding matter of concern to FTA members.

The department is now exploring its own “trusted” regimes under their Biosecurity 2025 and Beyond initiative, as well as the expansion of the Food Importer Compliance Arrangements and the re-introduction of BMSB Safeguarding Arrangements. Some of these programs include the allocation of an “account manager”, representing a serious duplication of federal government resources.

The advisory group notes that US Customs and Border Protection includes biosecurity parameters in its Authorised Economic Operator scheme.

While FTA understands that the department has made approaches to the Department of Agriculture, we now believe that this matter warrants intervention by senior government representatives.

THE DEFERRAL OF DUTY AND OTHER LIABILITIES

The advisory group unanimously agreed that duty deferral should be available to accredited service providers to allow for SMEs to access benefits.

While ATT Policy has expressed concern regarding the risk associated with extending the benefit to non-accredited cargo owners, the advisory group believe that many ATT accredited service providers would consider assuming duty liabilities on behalf of SME cargo owners.

ATT already requires accredited service providers to perform financial due diligence and other forms of due diligence with their clients. Moreover, many freight forwarders are already offering credit terms to their clients, some up to 60 days. With the accredited service provider assuming relevant duty liabilities in the event of non-payment, there would be no added financial risk to the Australian government. The advisory group believes that this warrants serious consideration by the department.

An opportunity also exists to extend the duty deferral benefit to SMEs for other border charges, including the Import Processing Charge, Wood Levy and other charges levied via the Full Import Declaration. ■



Travis Brooks-Garrett, director, Freight & Trade Alliance

RECOMMENDATIONS OF THE FTA ADVISORY GROUP

- ATT Policy must provide formal guidance on differentiated compliance approaches, including the application of the Infringement Notice Scheme, for ATT accredited entities. This differentiated compliance approach must also apply to accredited logistics service providers.
- Align sea freight cargo reporting screening times to airfreight cargo reporting screening times for ATT accredited entities.
- Introduce a specific ATT application for logistics service providers.
- Improved reporting functionality for ATT accredited service providers.
- A differentiated process for advising minor variations of s.77G licenses.
- Consider a broad Community Protection declaration, similar to the Modern Slavery declaration, on a client-by-client basis.
- Exemption letters for non-road vehicles should not be required on a transactional basis, if the service provider, as the declarant, is accredited under the ATT program.
- Account Managers of ATT accredited service providers should be available to assist certain issues even when the cargo owner is not accredited under the scheme.
- The department issues a self-assessment template for the CoO waiver requirement.
- The department commence engagement on potential operational reforms in managing Border Holds and interaction with ATT service providers.