



## Australian Trusted Trader Program

You may have heard about the Australian Trusted Trader program (or Authorised Economic Operator (AEO) program).

It is a voluntary accreditation program aimed at facilitating trade and enhancing supply chain security. It will be available to all Australian Business Number holders actively involved in the international supply chain.

**Businesses that meet the supply chain security requirements and demonstrate a history of trade compliance will be recognised as low risk and accredited as Trusted Traders by the Australian Government.**

The program benefits are being promoted as:

- Reduced red tape;
- Expedited border clearance and release of cargo;
- Deferred reporting and payment of Customs Duty;
- Reduced inspection interventions;
- Giving priority to Trusted Traders:
  - o where interventions are necessary;
  - o through a dedicated point of contact;
  - o in response to trade service requests such as tariff advice rulings and applications.

Globally, numerous countries have introduced Trusted Trader/AEO programs. Your overseas trading partners and/or parent companies may already be parties to overseas Trusted Trader/AEO programs. It is intended that there will be benefits in trading between accredited Trusted Trader/AEO parties.

In Australia, the program is currently in pilot stage, available only to approximately 50 businesses, but will be open for Expressions of Interest (EOIs) effective 01 July 2016. Government will categorise and prioritise EOIs before inviting the submission of Trusted Trader Self-Assessment Questionnaires.

There is still much to be determined by Government regarding the practical feasibility and implementation of the program, including the implications of deferred reporting on transaction based activities such as Quarantine border activities.

Businesses assessing the value of the program for their specific circumstances should consider:

- the levels of information and transparency required by Government;
- the sharing of confidential business information between Government agencies; and
- the size and nature of the business and the potential for achieving tangible benefits.

We recommend that businesses interested in learning more about the Trusted Trader program speak with Craig Beal or Daniel Magnone who will be happy to assist you.

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L.C. Loynes & Associates is monitoring the program's progress and will ensure clients for whom this program may be valuable are regularly updated.