# Australia

|  |  |
| --- | --- |
| **Australia’s Bogor Goals Progress Report (as at 3 September 2018)[[1]](#footnote-1)\*** | |
|  | **Highlights of Achievements and Areas for Improvement** |

* Low average applied MFN tariff rates. Reduction in tariffs through the implementation of RTA/FTA commitments.
* Anti-dumping duties have been terminated for several products, but others still remain,
* Simplification of documentation for importing goods for human consumption.
* Temporary export restrictions have been imposed on liquefied natural gas.
* Goods and Service Tax (GST) extended to service sectors but with some exceptions made for some non-resident suppliers.
* Local content requirements apply to television and radio broadcasting.
* Increase of minimum thresholds to review proposed foreign investments. However, all proposed land investments need to be screened. Exceptions apply for investors from FTA partners, which are subject to screening thresholds.
* Restrictions on investment have been put in place in the real estate market and agricultural land.
* No specific trade concerns have been raised against Australia in recent years at WTO SPS and TBT Committees.
* Trans-Tasman Patent Attorney Regime is in place. New and amended copyright regulations and overall reduction in cost of registering trademarks.
* Improvements to competition policy regulation. Further incentives to lodge competition complaints.
* Introduction of system facilitating disputes through mediation regarding intellectual property-related issues.
* Measures implemented to facilitate the issuance of visas. Work and Holiday Visa Programme has been expanded in recent years.

|  |  |
| --- | --- |
|  | **Summary of Topics** |

Tariffs

Simple average applied MFN tariffs are low at 2.5% in 2016 based on the Harmonized System nomenclature at the six-digit level.

Australia continues to report progress in reducing tariffs, by implementing tariff phase-outs for several agreements, such as those with Korea, Japan and China.

Non-Tariff Measures

Import requirements for goods of human consumption were amended to reduce the number of required documents. Food labelling was also introduced. It requires the display information regarding the origin of a product, to provide more information to customers about where those products come from.

Temporary export restrictions on Liquefied Natural Gas (LNG) were imposed in 2017 as a result of domestic supply shortages.

Anti-dumping duties have been terminated for several products such as those of bio fuels and poly (vinyl chloride) homopolymer resins. However, other products such as hollow structural sections and deep drawn steel sinks are still subject to anti-dumping duties.

Services

The Professional Services Mutual Recognition programme established in 2016 aims at ensuring greater recognition of Australian qualifications as well as reducing obstacles encountered by Australian business providing services abroad.

Also, amendments made to Australia’s tax laws on Goods & Service Tax (GST) in 2016 extends its application to all cross border service and digital transactions and ensures that non-resident suppliers are not subject to GST should conditions be met. This reduces compliance cost for both importers and non-resident suppliers.

Television broadcasters and commercial radio stations remain subject to various local-content requirements.

Investment

Amendments to Australia’s foreign investment framework are aiming to streamline procedures, clarify land use restrictions and reduce regulatory burden. In addition, the revised Australia-Singapore FTA, effective from December 2017, is facilitating Singaporean investments in Australia by eliminating the need for review to investments below AUD 1.094 billion in non-sensitive sectors. Except the case of investors from FTA partners, from 1 January 2018, the screening thresholds to foreign investments is equal to AUD 261 million (except media and agribusiness). For agribusiness, the threshold is equal to AUD 57 million.

In the case of proposed land investments, all foreign investments, except those from FTA, need to be reviewed. Those from FTA partners are subject to review if the amounts are above minimum thresholds in certain specific cases.

However, restrictions on investments have been put in place in recent years. For example, regarding investment in real estate, in order to tackle rising housing costs, the main residence capital gains tax exemption has been removed, foreign investors can only buy new property and have to occupy their property within 6 months, and the sale of new apartments to foreigners is capped at 50% of the new residential development. Also, in the case of agricultural land, foreign investors have to show that the land has been marketed widely for a minimum of 30 days

Standards and Conformance

The Department of Industry, Innovation and Science released a “Best Practice Guide to Using Standards and Risk Assessments in Policy and Regulation”, which assists policy makers in assessing the suitability of standards. The guide looks at WTO TBT obligations to be complied in the decision-making process.

Australia has adopted international standards for ISO 16739 for Building Information Model (BIM) data sharing. The standard incorporates a data scheme and an exchange file format for use in sectors such as architecture and construction, among others

Nine specific trade concerns against Australia have been reported without a resolution in the WTO SPS Committee. However, no concerns have been raised in recent years. The latest cases date back to October 2015 regarding delays in the start of risk analysis for avocados and in the approval process to export chicken meat to Australia. Regarding TBT issues, no specific trade concerns have been reported to the WTO TBT Committees since the end of 2014.

Customs Procedures

As part of its efforts to facilitate exports, a new application was launched in September 2016 to provide information to exporters on export finance, licenses and regulations among others.

Also, Australia amended its Customs Tariff Act to implement the Harmonized System (HS) 2017 nomenclature, which incorporate the changes agreed upon in the World Customs Organization’s fifth review of the International Convention on the Harmonized Commodity Description and Coding system.

Intellectual Property Rights

Australia and New Zealand have put in place the Trans-Tasman Patent Attorney Regime since February 2017, which provides a single registration and administration system for patent attorney professions in both economies.

Copyright regulations were introduced and amended in 2017 to improve access of copyright materials for people with disability and ensure that they are well suited for the new digital developments. From October 2016, there has been an overall decrease in cost of registering trademarks and an increase in the cost of renewal of patents late in patent life.

Competition Policy

Amendments made to Australia’s competition law in October 2017 reduces the likelihood of market power being misused. The changes attempt to replace regulations that stifle competition within industries and streamline review procedures.

In addition, the Australian Competition & Consumer Commission (ACCC) launched an online tool to aid individuals in the agricultural sector to lodge competition complaints anonymously. This attempts to further incentivise individuals to report breaches of the law and increase competition in the sector.

Government Procurement

With Australia’s second revised offer in June 2017, some progress has been made in its accession to WTO’s Government Procurement Agreement. It aims to conclude its accession by April 2018.

Implementation of WTO Obligations

As part of its efforts to further develop its commitments under the expansion of the WTO Information Technology Agreement, Australia reduced its import tariffs with the expectation of phasing out the remaining tariffs by July 2019.

Dispute Mediation

Investor-State Dispute Settlement provisions are included in 6 Free Trade Agreements (FTAs) and 20 Bilateral Investment Treaties.

Australia established the Intellectual Property Mediation Referral Service in July 2017, which is a register of qualified, accredited and specialized private mediation providers connecting affected parties with accredited and qualified mediation providers specialized in IP-related disputes. Also, IP Australia is collaborating with the World Intellectual Property Organization to enable international disputes to be resolved using digital facilities.

Mobility of Business People

Previously, employers who were a sponsor to subclass 457 visa holders were required to contribute 1%-2% of annual business payrolls. However, with the changes made to the foreign employment requirements, employers are instead required to pay an annual foreign worker levy for temporary workers and a one-time levy for permanent skilled visa holders.

Measures have been implemented to facilitate the issuance of visas. For instance, Singaporean applicants can obtain multiple-entry visas valid for 6 years and Chinese applicants can apply for visitor visas online. Also, the Work and Holiday Visa Programme, allowing applicants between 18 and 31 years of age to work and holiday in Australia for one year, has been extended. Now, passport holders from 23 economies can apply for this visa.

Transparency

A beta version of the IP policy register was published in 2017 to shed more light on the IP issues in Australia. The initiative aims to increase the availability of information available and increase participation in policy making.

Australia has also attempted to provide more transparency in government spending through the proposed amendments being discussed on the Australian Broadcasting Corporation Act 1983 (ABC Act) and the Special Broadcasting Services Act 1991. If legislated, it will provide more public information on the use of government funding within its state-owned corporations ABC and SBS.

RTA/FTAs

Australia has 10 RTA/FTAs in force[[2]](#footnote-2). Negotiations on the Pacific Agreement on Closer Economic Relations Plus concluded in 2017. Signatories are currently in the process of ratifying the agreement and will enter into force once remaining 8 countries have. In addition, 4 agreements are currently under negotiation. The Comprehensive and Progressive Agreement for Trans-Pacific Partnership was signed on 8 March 2018.

1. \*The brief report was prepared with information from Australia’s submission of 2018 APEC individual Action Plan (IAP) template; Australia Anti-Dumping Commission; Australia Department of Foreign Affairs and Trade; WTO SPS & TBT Notification Alert System; WTO World Tariff Profiles 2017; WTO Trade Monitoring Database; Australia Department of the Treasury; Australian Taxation Office; Australia Foreign Investment Review Board; Australian Department of Home Affairs; IP Australia; Australian Competition and Consumer Commission; Standards Australia; and Parliament of Australia websites. [↑](#footnote-ref-1)
2. 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-Korea (2014); Australia-Japan (2015); and Australia-China (2015) [↑](#footnote-ref-2)