Trade Agreements

Policy

Support growth, competition, innovation and productivity
Assist trade recovery
Balance defensive & offensive interests
Eligible goods = improved market access

Operational

Eligibility assurance
Revenue assurance
Rules of Origin

It's about the Goods

What are the goods

The inputs – originating / non-originating

Define substantial transformation

Where did it happen

Preferential access
Operational Certification Procedures

It's about paperwork

Documentation ‘correct’ & familiar

Certification & verification - export country or import country
Your ‘Correct’ or My ‘Correct’

3rd Party Invoicing

1. When goods are invoiced other than in the exporting or importing country*

2. An invoice issued by another company located in a third country or located in the same country where the COO and declaration of origin are issued*

3. The definition can differ between agreements

How does this work?

* AANZFTA
Indirect consignment

Certificate of Non-Manipulation
Through Bill of Lading
Discrepancies (Examples)

HS interpretation (export vs import)

Dates and supply chain events
Documentary Options for Assurance

- Government / Authorised Body issued COO
- Self issued COO/declaration
- The customs import entry
Government or Authorised Body Issued COO

### For Customs
- Perception of ‘arms length’ assurance
- Familiar

**But**
- Has resource implications
- Assumption that data has been verified (not always the case)
- Complicates audit trail – 3rd party involvement

### For Business
- Adds to the document set & duplicates data
- Requires systems/process changes or manual operations
- Has cost & resource implications, e.g. courier
- Often not e-doc friendly
Self Certified COO

For Customs

- Perception of ‘conflict of interest’
- No independent verification
- Simplifies verification – no 3rd party involved
- Can be difficult to negotiate

For Business

- Adds to the document set & duplicates data
- Cost less than 3rd party/government issued COO
Invoice Declaration

For Customs

- Part of existing audit trail/required document
- Collates all relevant data on one document
- Identifies company officer & signature
- Simplifies verification – no 3rd party
- Links goods & money

But

- Perception of ‘conflict of interest’

For Business

- No additional documents
- No duplication of data
- No change to process
- No ongoing additional cost
Most Effective & Efficient Assurance – The Import Entry

For Customs
- Integral to specific entry/declaration
- Part of existing risk & audit trail
- Has no resource implications
- Importer is local and reachable

Prove it or Lose it
- Onus on importer/beneficiary
- IT/e-process neutral

For Business
- Existing process
- No additional documents
- No changes to systems
- No fiscal impact
- Requires good broker management
Post Entry Audits

Cumulative risk = large assessments

Time & resource intensive

Penalties have become core revenue

The goods have long gone
THANK YOU

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