



SIMPLIFIED TRADE SYSTEM IMPLEMENTATION TASKFORCE SIMPLIFIED TRADE SYSTEM

Ports Australia is pleased to provide a submission to the Simplified Trade System Implementation Taskforce to contribute to supply chain digitalisation that efficiently and effectively addresses key challenges and opportunities faced by cross-border trade regulation. Ports Australia supports the development of a simplified trade system to digitalise cross-border regulatory interactions; and is appreciative of the consultation being conducted to ensure the relevancy of the system. As there is a significant number and diversity of supply chain partners, the role of government is significant.

Government has the opportunity to enable a coordinated and standardised approach to the exchange of information within the supply chain for numerous government, supply chain and community benefits. These include but are not limited to, reduced duplication in the provision of information, increased transparency of imports and exports, increased ability to reduce risks related to imports and exports, and improved short-term responsiveness and long-term planning for regulatory and freight efficiency.

Digitalisation of supply chain interactions to improve the efficiency of the supply chain has been an increasing focus in recent years. Particularly as concern has risen around supply chain productivity and delivery timeframes. Digitalisation presents opportunities to reduce these concerns, as increased supply chain transparency will enable better identification of bottlenecks and better importer and exporter visibility of the location of goods along the supply chain, allowing them to provide greater certainty to customers awaiting delivery or transportation of commodities.

Currently the Productivity Commission is undertaking an inquiry into the productivity of Australia's maritime logistics system and is similarly concentrating on digitalisation, with the inquiry terms of reference specifying it as a key aspect to be addressed. In this Simplified Trade System submission and in the one to the Productivity Commission, Ports Australia will continue to advocate for the digitalisation of regulatory and commercial supply chain interactions to enhance the productivity and transparency of the system.

Ports Australia is the peak industry body representing both publicly and privately owned port authorities and corporations across Australia. Ports Australia is governed by a Board of Directors comprising the Chief Executive Officers of 13 port corporations from across Australia.

Key Recommendations

1. Ports Australia supports a national approach to a simplified trade system and recommends drawing upon previous and current work conducted in this space.
2. Ports Australia supports the development of a simplified trade system in consultation with industry, with port specific workshops being essential to this.



I. National approach

It is imperative that a national perspective is taken to simplification and digitalisation of Australia's trade system to ensure consistency and efficiencies are maximised for government, importers, exporters, transporters and other supply chain entities; and Ports Australia supports drawing together previous and current work conducted in this space. The Australian freight task is interconnected and many freight transporters are national entities undertaking services between jurisdictions. Due to this, a national approach to a freight community system is needed.

Ports Australia thus encourages the exploration of approaches which enable national connectivity i.e. a national system or set system standards which allow for future integration of or interoperability between jurisdiction-based systems. An agreed upon national approach is needed, and it is recommended that this is addressed at a ministerial and departmental level, as a standing agenda item at 1) the national Infrastructure and Transport Minister Meetings, and 2) at coordinated meetings between relevant federal and state departments.

A list of other notable work that has recently been conducted in this space and which would be valuable to understand the progress and/or outcomes of to inform the system, includes:

- the Freight and Logistics Council of Western Australia state-based pilot project to improve freight data tracking and transparency;
- the port community system work championed by the Port of Brisbane with involvement from several ports across the country; and
- the Transport for NSW freight community system business case development.

2. Industry workshops

The Australian ports are key infrastructure that allows for the movement of freight and passengers intrastate, interstate and internationally, with over 98% of international trade by weight conducted via the country's ports.¹ Given the number of international vessel movements and volume of trade along the port interface, the ports play an important role in cross-border trade. Hence, the port perspective on the challenges and opportunities to simplify cross-border trade regulation is valuable from biosecurity to national security.

Due to the diversity of the ports sector in regard to specific state regulation, their ownership, operating models and trade specialisation, and the fact that the ports facilitate such a significant portion of Australia's trade, it is suggested that all ports are engaged in the process to develop the simplified trade system. Ports Australia thus supports the Simplified Trade System Implementation Taskforce's arrangement of a workshop in conjunction with Ports Australia, to understand in detail opportunities and challenges that the system may be able to address. Ports Australia is appreciative of this first workshop being organised and emphasises that this ongoing engagement with the sector continue throughout the project.

¹ Bureau of Infrastructure, Transport and Regional Economics (BITRE) 2014, Containerised and non-containerised trade through Australian ports to 2032–33.



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REFERENCES

Bureau of Infrastructure, Transport and Regional Economics (BITRE) 2014, *Containerised and non-containerised trade through Australian ports to 2032–33*, BITRE, Canberra, viewed 27 September 2020, <https://www.bitre.gov.au/sites/default/files/report_138.pdf>.