"Cheers to a new year and another chance for us to get it right." — Oprah Winfrey

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Australia-China Free Trade

January 1, 2018 saw the China-Australia Free Trade Agreement (ChAFTA) enter into year 4 with even more Tariff reductions. China is Australia's largest trading partner. Trade and investment with China is central to Australia's future prosperity. In 2016, China bought \$93.5 billion of Australian exports, more than a quarter of Australia's total exports to the world; China is our top overseas market for agriculture, resources and services. Chinese investment in Australia has been growing strongly in recent years, reaching \$87.2 billion by the end of 2016.

The China-Australia Free Trade Agreement (ChAFTA), which entered into force on 20 December 2015, has built on Australia's large and successful commercial relationship with China, by securing markets and providing Australians with even better access to China across a range of our key business interests, including goods, services and investment.

FOR AUSTRALIAN GOODS EXPORTERS

Thanks to ChAFTA, more than 96 per cent of Australia's goods exports to China are now eligible to enter duty-free or with preferential access.

China buys more of Australia's **agricultural produce** than any other country. In 2016, this market was worth around \$10 billion to Australian farmers and the broader agricultural sector. ChAFTA provides Australia with an advantage over our major agricultural competitors, including the United States, Canada and the European Union. It also counters the advantages Chile and New Zealand currently enjoy through their FTAs with China.

China is by far Australia's largest market for resources and energy products. In 2016, Australia exported around \$74 billion worth of **resources**, **energy and manufactured products** to China. Since 20 December 2015, 92.8 per cent of China's imports of these products from Australia entered duty-free, with most remaining tariffs to be removed by 1 January 2019. On full implementation of ChAFTA (1 January 2029), 99.9 per cent of Australia's **resources**, **energy and manufacturing** exports will enjoy duty-free entry into China.



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DAWR (Quarantine) concerns...

FCL/LCL Packing Declarations

The NEW FCL/LCL Packing Declarations have now been in place since June 2017.

The transition with international suppliers has been relatively smooth, however, there are still some overseas suppliers providing the OLD format. Whilst the change in the format is relatively subtle, the Department of Agriculture, Water & Resources (DAWR) treats the incorrect format as Compliance breach.

If you would like to discuss or clarify your current processes, please contact our Customs/Quarantine section.





Brown Stink Bug Alert ...

As we have reported previously, goods originating from Italy are now included in the Brown Stink Bug import conditions. <u>This includes LCL cargo.</u>

With effect 17 January, 2018 goods from Italy require MANDATORY treatment

on arrival into Australia.

This will incur additional charges and delays

Any questions to our Customs/Quarantine section ...

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World's busiest airline flight routes—Australia

Two (2) of the busiest air routes in the world are located within Australia. That's correct! Australia. Sydney to Melbourne is the second busiest flight route in the world with 54,519 flights a year and Brisbane to Sydney is the eighth busiest flight route in the world, with 33,765 flights a year and increasing with new second runway due to finish in late 2018. This would explain why Australians airline passengers spend a lot of time on board planes in holding patterns.

The number one (1) flight route goes to South Korea, from the holiday island Jeju to the capital of Seoul, with 64,991 flights a year.



South Australia planning to build the world's largest thermal solar plant.

Following the success of the world's largest battery, South Australia is aiming to build the world's largest thermal solar plant. Solar Reserve's \$650 million, 150 megawatt Aurora solar thermal plant has received State approval. Construction is due to begin this year.

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Artist's impression



On 18 July 2017 the Prime Minister announced reforms to Australia's national security and intelligence arrangements. These reforms involved establishing a Department of Home Affairs and a Home Affairs Portfolio.

The Department of Home Affairs is a central policy agency, providing coordinated strategy and policy leadership for Australia's national and transport security, federal law enforcement, criminal justice, cyber security, border, immigration, multicultural affairs, emergency management and trade related functions.

The Department of Home Affairs *includes the entirety of the Department of Immigration and Border Protection*. It also includes national security, emergency management and criminal justice functions from the <u>Attorney-General's Department</u>; the Office of Transport Security from the <u>Department of</u> <u>Infrastructure and Regional Development</u>; multicultural affairs from the <u>Department of Social</u> <u>Services</u>; and the counter-terrorism coordination and cyber security policy functions from the <u>Department of the Prime Minister and Cabinet</u>.



the <u>Australian Border Force</u> (ABF) the <u>Australian Security Intelligence Organisation</u> (ASIO) the <u>Australian Federal Police</u> (AFP) the <u>Australian Criminal Intelligence Commission</u> (ACIC) the <u>Australian Transaction Reports and Analysis Centre</u> (AUSTRAC) and

the <u>Office of Transport Security</u> (OTS), currently a <u>division</u> of the Department of Infrastructure and Regional Development.









Middle East Air Freight Volumes Exceed Asia Pacific

The latest regional study and statistics from the Airports Council International, ACI, said that <u>Middle East air</u> <u>freight</u> traffic had a 7.4% rise in January, outpacing the 3.3% growth for the <u>Asia-Pacific region</u>.

The council's <u>Asia-Pacific division</u> said that the pushing force leading to China's New year may positively impact the region's betterment in <u>air freight volumes</u>, thus somewhat partially compensating for the continued downtrend pressurized by the weakening trade activities. It also added that in the Mid-East, cargo services traffic benefitted continuously with the network expansion.

Both in the Mid-East and Asia-Pacific, 8 out of 10 best freight hubs recorded positive gains and profits in the month, primarily led by **Qatar Airways** from Doha (DOH)'s home base with 21.6%, Guangzhou with 9.8%, whereas Dubai with 8.2%. Other leading airports which recorded a double digit rise include New Delhi with a 15.8% rise and Chengdu up by 12.6%.



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CARGO NETWORK INTL.

Unit 4, 1368 Kingsford Smith Drive Meeandah Qld 4008

Tel: +61 7 3260 1166 Fax: +61 7 3260 1200

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Australian Border Force

More than 300 prohibited weapons have been seized by officers from the Australian Border Force (ABF) in Townsville after they executed a warrant on a residential property on January 9 2018.

The activity followed a lengthy investigation by the ABF linking the residential address in question to previous prohibited weapon import attempts.

ABF Townsville District Commander Bronwen Robinson said the seized items comprised a variety of weapon types.

"In total, 316 items were seized, including BB guns, knuckle dusters, blow pipes and an assortment of knives," District Commander Robinson said.

(courtesy ABF website)







