



Japan  
Fund for  
Poverty  
Reduction



# Workshop on Authorized Economic Operators (AEO) in BIMP-EAGA

*Kuala Lumpur, Malaysia*

*25–28 March 2019*

*Presented by: Stephen Cox*

*ADB Consultant / Customs Expert*



Australian Trusted Trader (ATT) is a partnership with Australian businesses to streamline legitimate trade.



- **Launched July 2016**
- **Scope: Import / Export**
- **Operators: All entities involved in the international trade supply chain**
- **Number of Operators: 300**
- **Legislation: Customs Act authorizes accreditation and benefits**
- **Future: Secure trade lanes, Cross Border collaboration with Border Agencies and an expansion of the benefits of the program**

# Australian Trusted Trader (ATT) – Accreditation

The entity:

ABF reviews compliance with ATT qualification criteria by:

Completes an expression of interest to determine eligibility (Two years trading History and an ABN (Tax Number))

Completes self-assessment questionnaire against ATT qualification criteria

Reviewing entity's documentary application (PCA)

Physically validating supply chain security and trade compliance process of the entity



If application is approved, the entity enters into an ATT agreement with ABF

The ABF works with the accredited Trusted Trader to manage ongoing compliance, through periodic revalidation



# Australian Trusted Trader (ATT) – Application

Information Required: **Business Details**

Legal structure



Business activities



Other Quality accreditation (ISO etc.)



Accountant certification



Overview of the business



Diagram of International Supply chain

# Australian Trusted Trader (ATT) – Application

## Information Required: **Systems and Records**

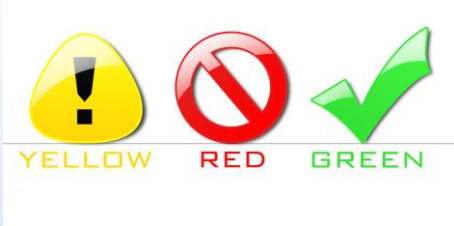
Logistics system

Electronic or manual  
(specify E – system)?



Operating system linked to  
financial system?

Does operating system provide  
notification of any compliance  
arrangements?



Does the business have staff  
performing a risk  
management role?

Does operating system assist in performing  
Audits and identify discrepancies?

Documented security risk  
assessment of the supply  
chain

System back up and recovery



Commercial systems in English?

# Australian Trusted Trader (ATT) – Application

Information Required: **Personnel Security**

**Screening of employees?**

**Are employees required to self report any criminal offences?**



**Drug and alcohol policy?**

**Exit procedures for staff in relation to access to premises and IT systems**



# Australian Trusted Trader (ATT) – Application

Information Required: **Third Parties**

Does the business engage third parties to provide international supply chain activities on its behalf?



Consolidate or deconsolidate of shore?

Procedures to screen third parties including clients and suppliers

# Australian Trusted Trader (ATT) – Application

Information Required: **Physical Security**

Own, rent or control any of the physical premises where international cargo is manufactured, dispatched, received or stored?



If business transports international cargo, do current business controls preserve the integrity of the cargo whilst in transit?

Integrity of containers to guard against unauthorized access or tampering

Measures taken to ensure the security of goods



# Australian Trusted Trader (ATT) – Application

## Additional information



Information related to your business compliance history you would like to provide

Has the business considered the ATT legal agreement internally?



Validation by ABF:  
On-site validation



# Australian Trusted Trader (ATT) – Benefits

Use of ATT Logo



Account Manager



Mutual recognition arrangement



A Monthly import and export report and other data reports



Consolidated cargo clearance



Streamlined process to be an accredited Sponsor under the Temporary Work (Skilled) Visa Program



A seat at the ABF discussion table and invitations to exclusive events

# Australian Trusted Trader (ATT) – Benefits

Priority processing  
of requests made  
to ABF



**Australian  
BORDER FORCE**

Priority treatment  
of goods at the  
border



Australia Government  
Partnerships - "Known  
Consignor initiative"



Duty Deferral



Easier access to APEC  
Business Travel Card



ATT Origin Advance Ruling



# Australian Trusted Trader (ATT) Security Risk Management

The culture, processes and structure directed towards maximizing the benefits of security in support of business objectives.

This allows:

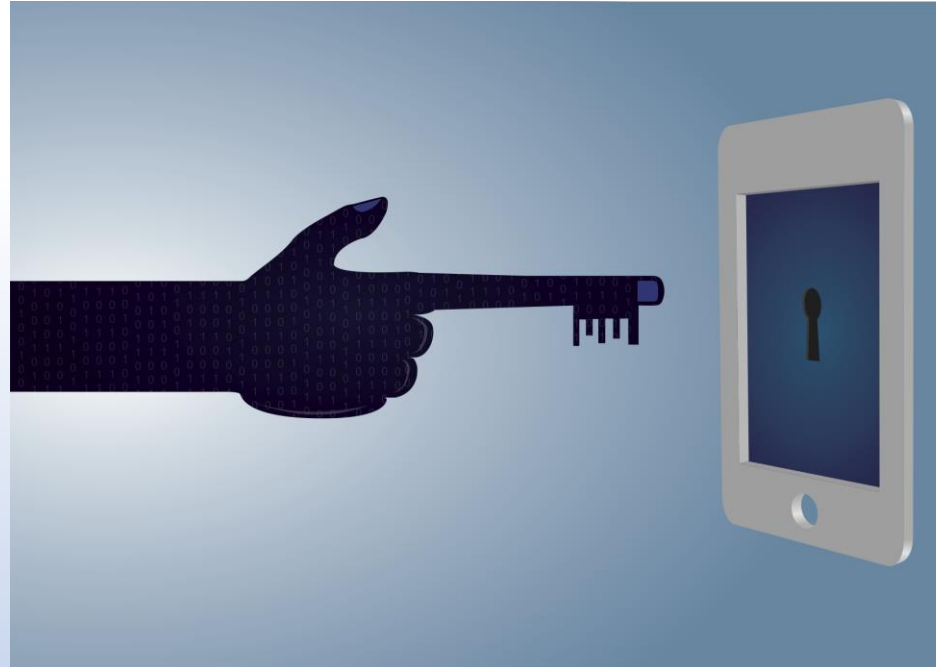
- Businesses to prioritize their activities based on the likelihood and consequences of a risk being realized.
- Maximized outcomes by minimizing the occurrence or effects of events that may negatively affect business processes.



# Australian Trusted Trader (ATT) Security Risk Management

**Why do trusted traders need a security risk management process?**

**ABF requires businesses to assess and formally implement a security risk management process, as exploitation of the international supply chain can have multiple negative effects, not just on a business, but also on the wider community.**

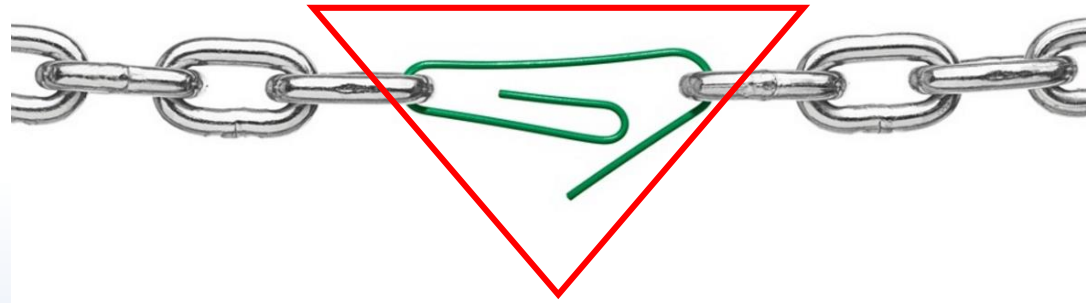


**Understanding who may be in a position to exploit your supply chain and how they would undertake this exploitation is pivotal to a meaningful supply chain security risk assessment**

# Australian Trusted Trader (ATT) Security Risk Management

To do this, businesses need to identify:

Areas of vulnerability  
within their international  
supply chain



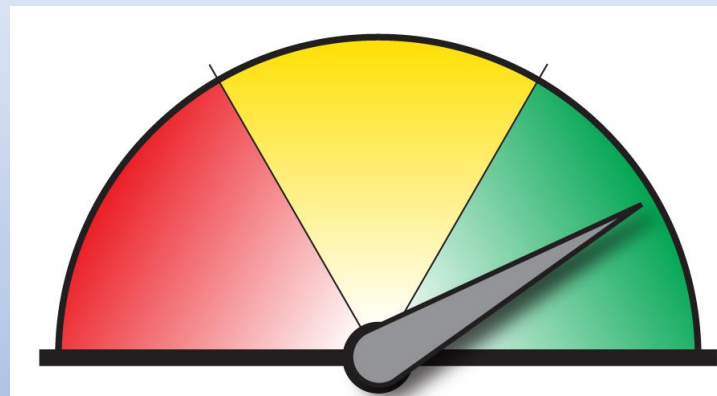
What would be the  
likelihood of this  
occurring?

Who would exploit their  
international supply chain  
and why?

What would be the  
consequences?

How could the supply chain  
be exploited and why?

Residual risks (such as doing  
business on the internet)  
and allocate responsibility  
for managing these risks



Appropriate measures to  
reduce risk to a tolerable  
level?

# Australian Trusted Trader (ATT) Security Risk Management (SRM)

The Central message for managing security risks are:

SRM is a common responsibility of all staff members including contractors within the entity



The process of managing security risk is logical and systematic and should form part of the standard management process of the business



Risk Management, including SRM is part of day to day business



Changes in the threat environment are to be monitored, and necessary adjustments made, to maintain an acceptable level of risk and balance between operational needs and security



# Australian Trusted Trader (ATT) Security Risk Management

## The Goal of Security Risk Management:

Embed risk management as part of the culture of the business,  
leading to well informed decision making.

## To achieve this businesses should:

- Establish the scope of any security risk assessment and identify the specific supply chain, people, information and /or assets to be safeguarded
- Assess the risk based on the adequacy of existing safeguards and vulnerabilities
- Determine the threats to people, information and assets in Australia and abroad, and assess the likelihood and impact of a threat occurring
- Implement any supplementary protective security measures that will reduce the risk to an acceptable level





*Questions?*

*Thank You!*