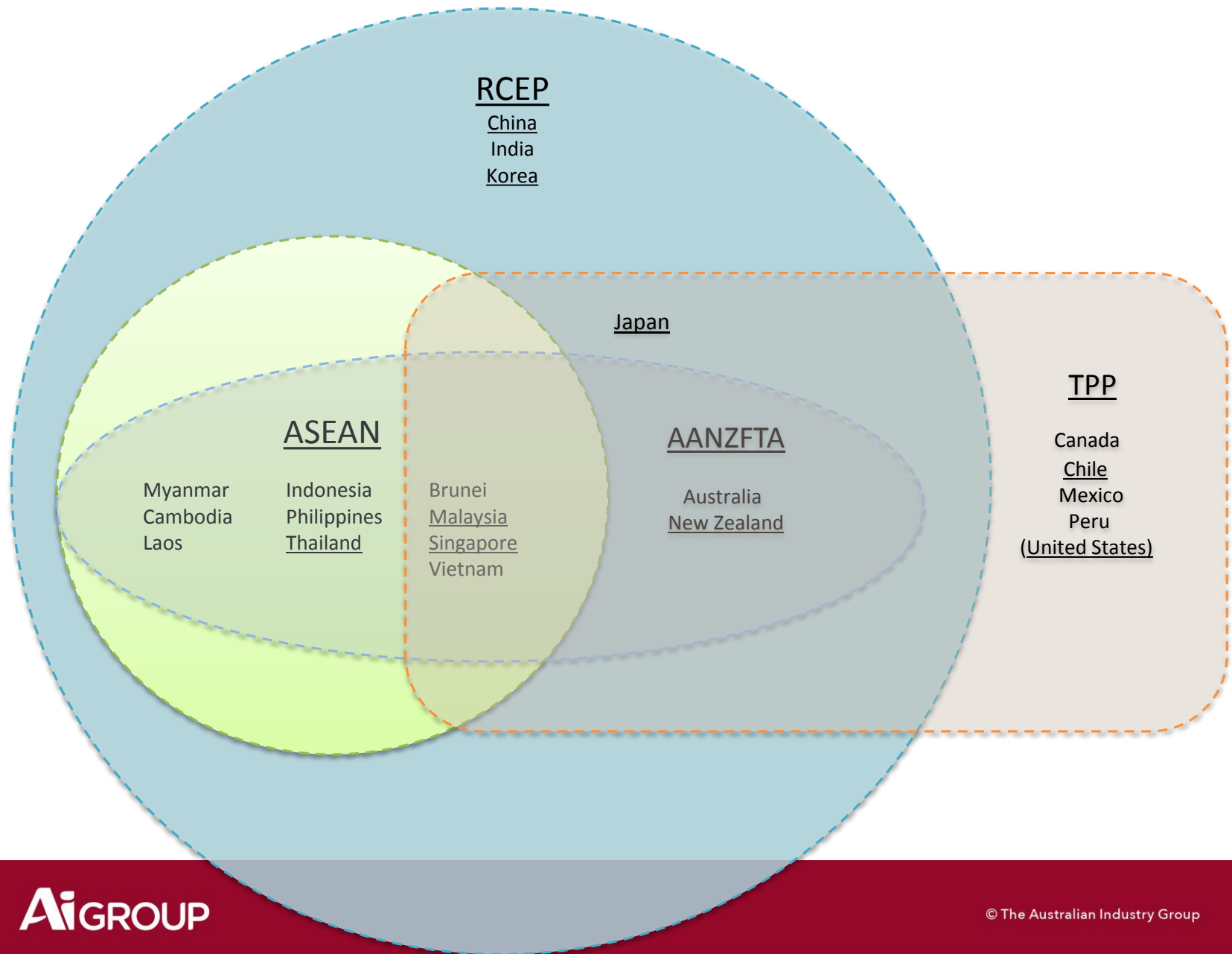


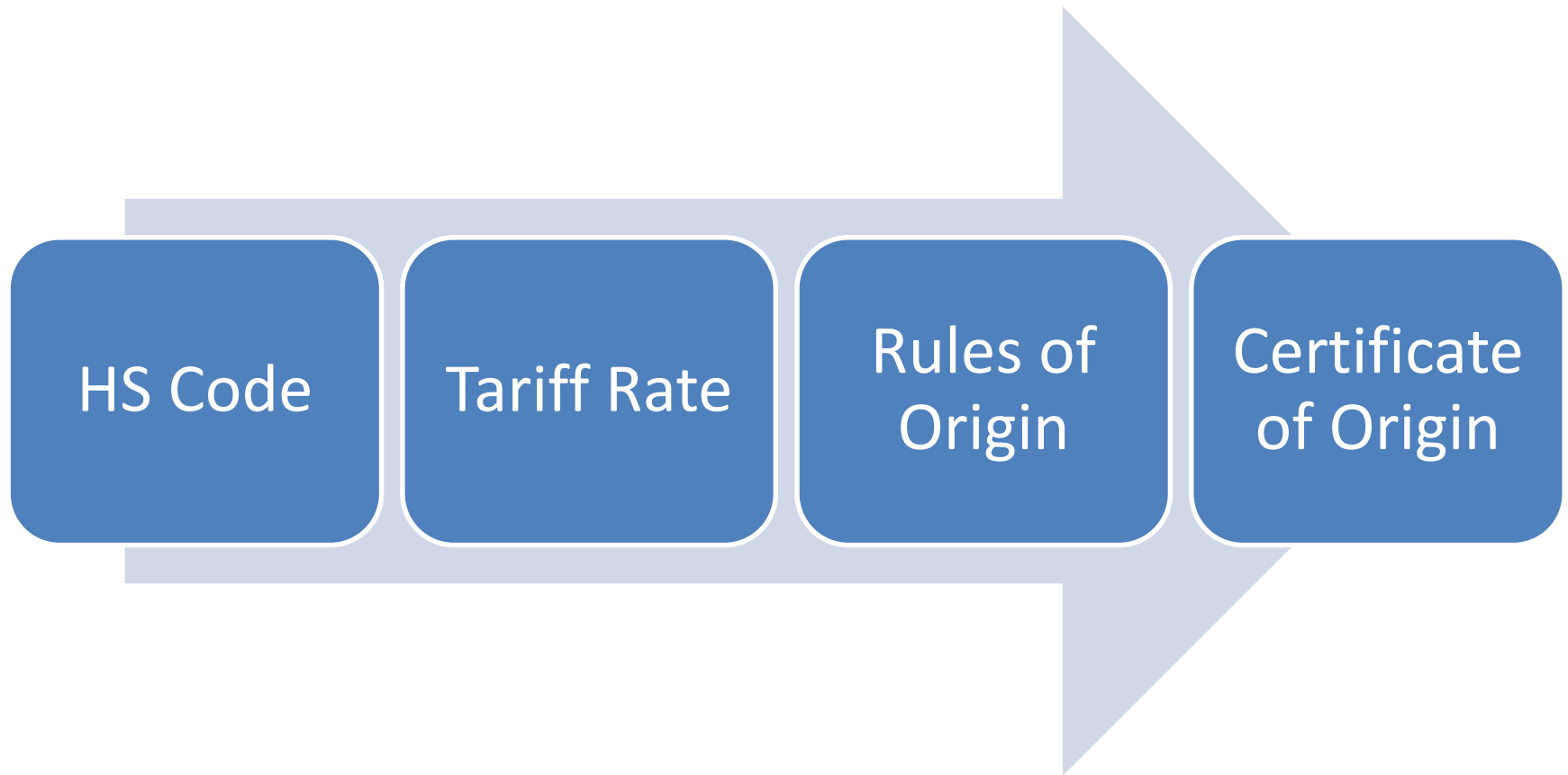
# How to use FTAs

Benefiting from International Trade





# FTA Process



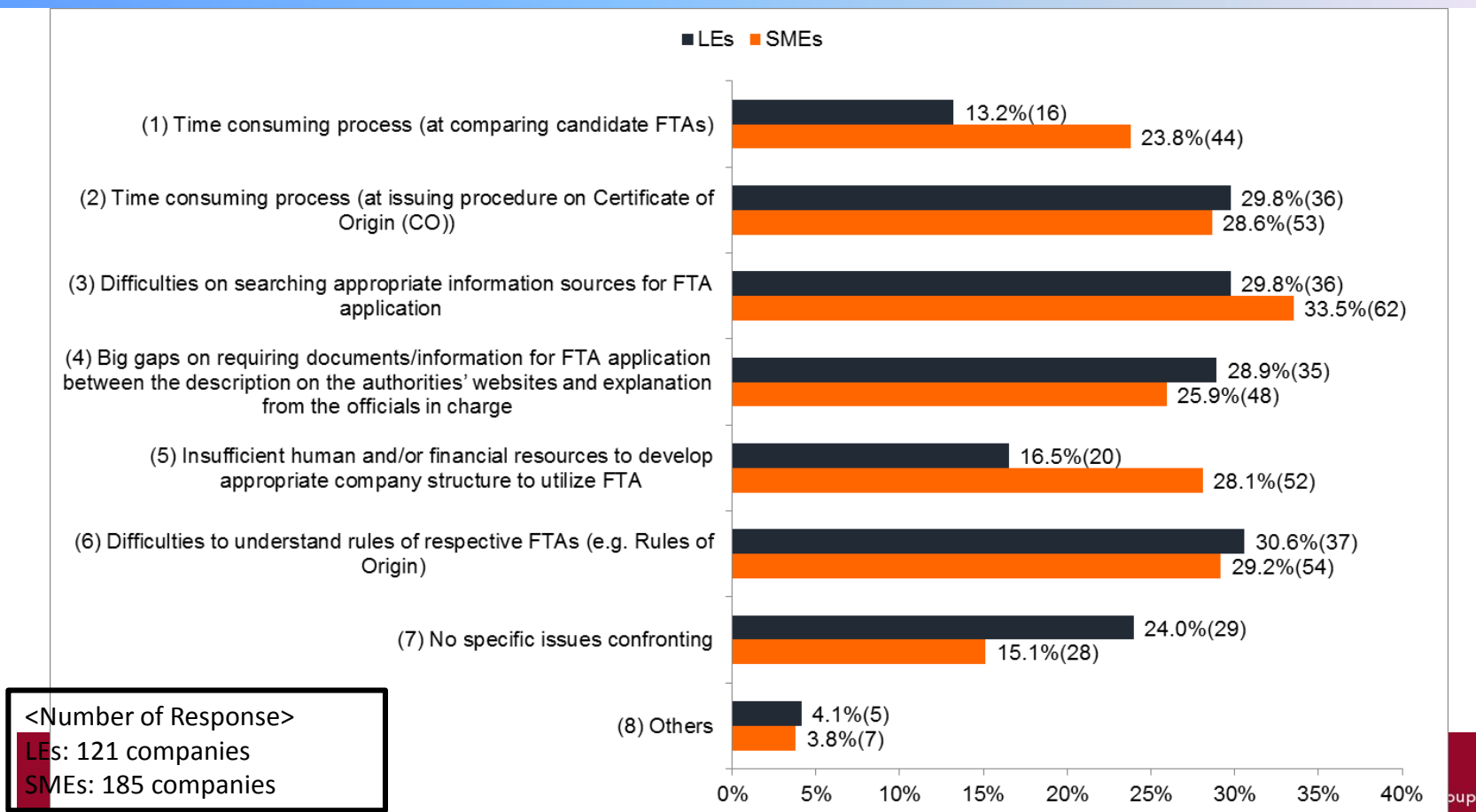
# Different Rules of Origin under FTAs

FTA	HS Code	Product Specific Rules of Origin
China – Australia FTA (ChAFTA)	8508.11	CTSH
Korea – Australia FTA (KAFTA)	8508.11	CTSH except from subheading 8508.19, or RVC (40)
Japan – Australia EPA (JAEPA)	8508.11	CTSH except from subheading 8508.19, or QVC 40

# 2-1. Bottlenecks for FTA Utilization (TIG)

## <LEs/SMEs>

- ✓ Information related issues, e.g. (3) difficulties on searching appropriate information sources for FTA application, and (6) Difficulties to understand rules of FTAs including ROO, were found as the biggest bottlenecks both for LEs and SMEs, together with implementation stage issue namely (2) time consuming process at COO issuing procedure.
- ✓ (1) Time consuming process at comparing candidate FTAs, and (5) Insufficient human/financial resources for utilizing FTAs were found as significantly bigger business bottlenecks for SMEs
- ✓ 24.0% of LEs was smoothly utilizing FTAs, which is significantly higher than SMEs with 15.1%.

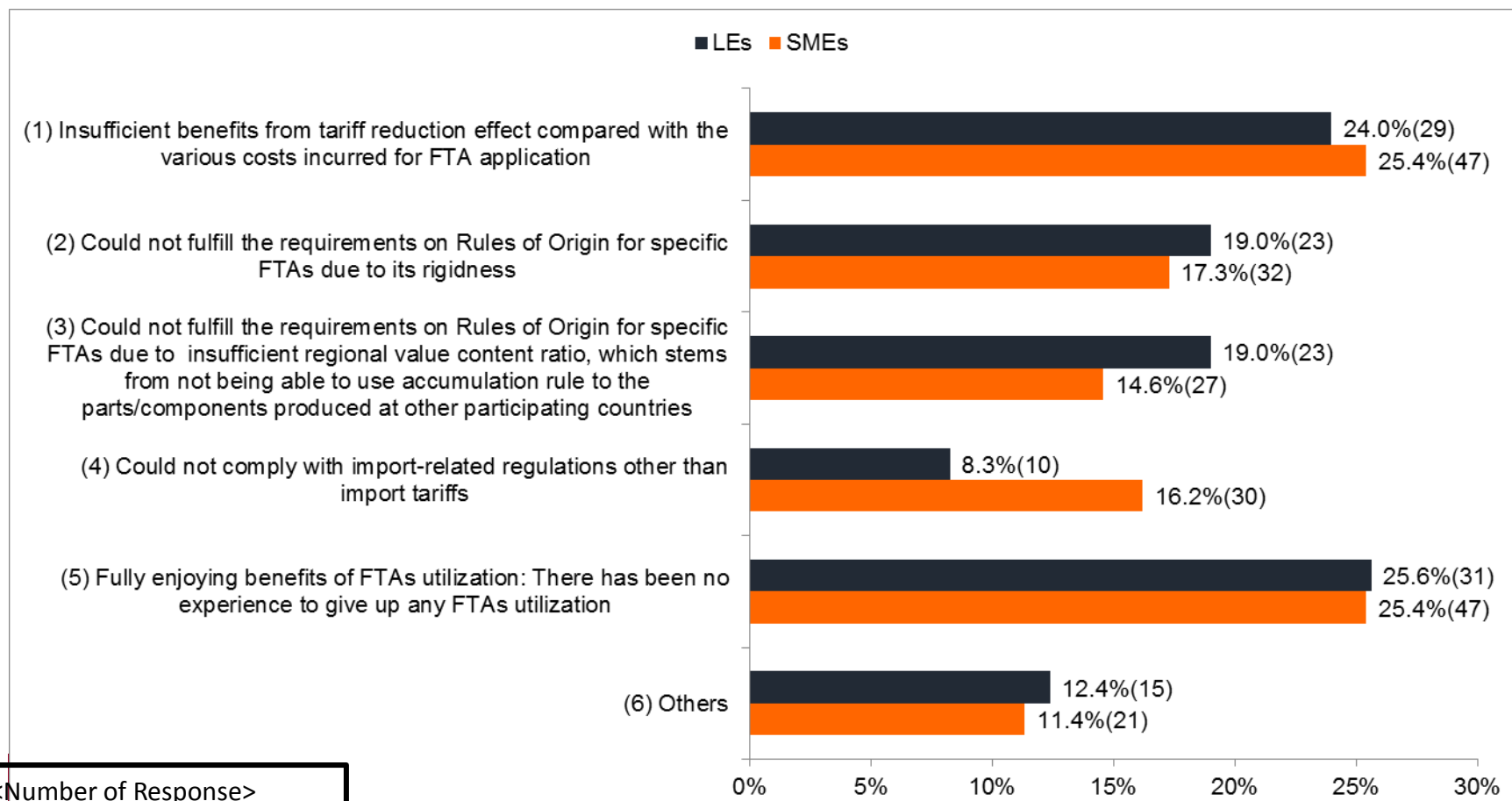


\* Each number in parentheses on the right side of each bar indicate the number of responded companies.

## 2-1. Experience of giving up FTAs utilization (TIG)

### <LEs/SMEs>

- ✓ (1) “Insufficient benefits from tariff reduction effect” was found as the biggest reason to give up FTA utilization both for LEs and SMEs, followed by (3) “Could not fulfill ROO due to insufficient RVC ratio”, which is regarded as significantly bigger reason for LEs.
- ✓ SMEs recognize (4) “Could not comply with import-related regulations” as bigger issue than LEs.
- ✓ 25.6% of LEs has no experience of giving up FTA utilization, compared to 25.4% on SMEs



<Number of Response>

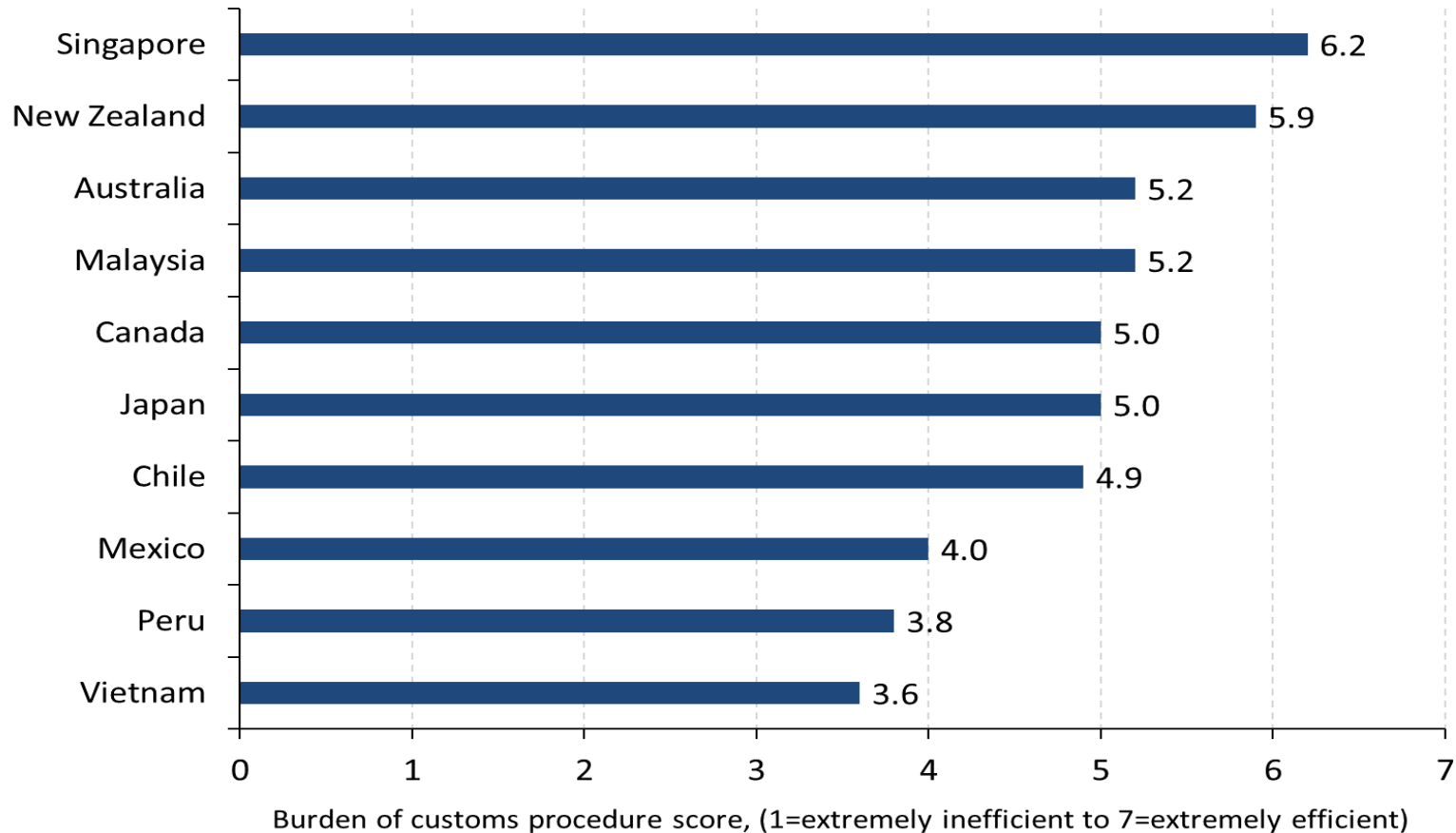
LEs: 121 companies

SMEs: 185 companies

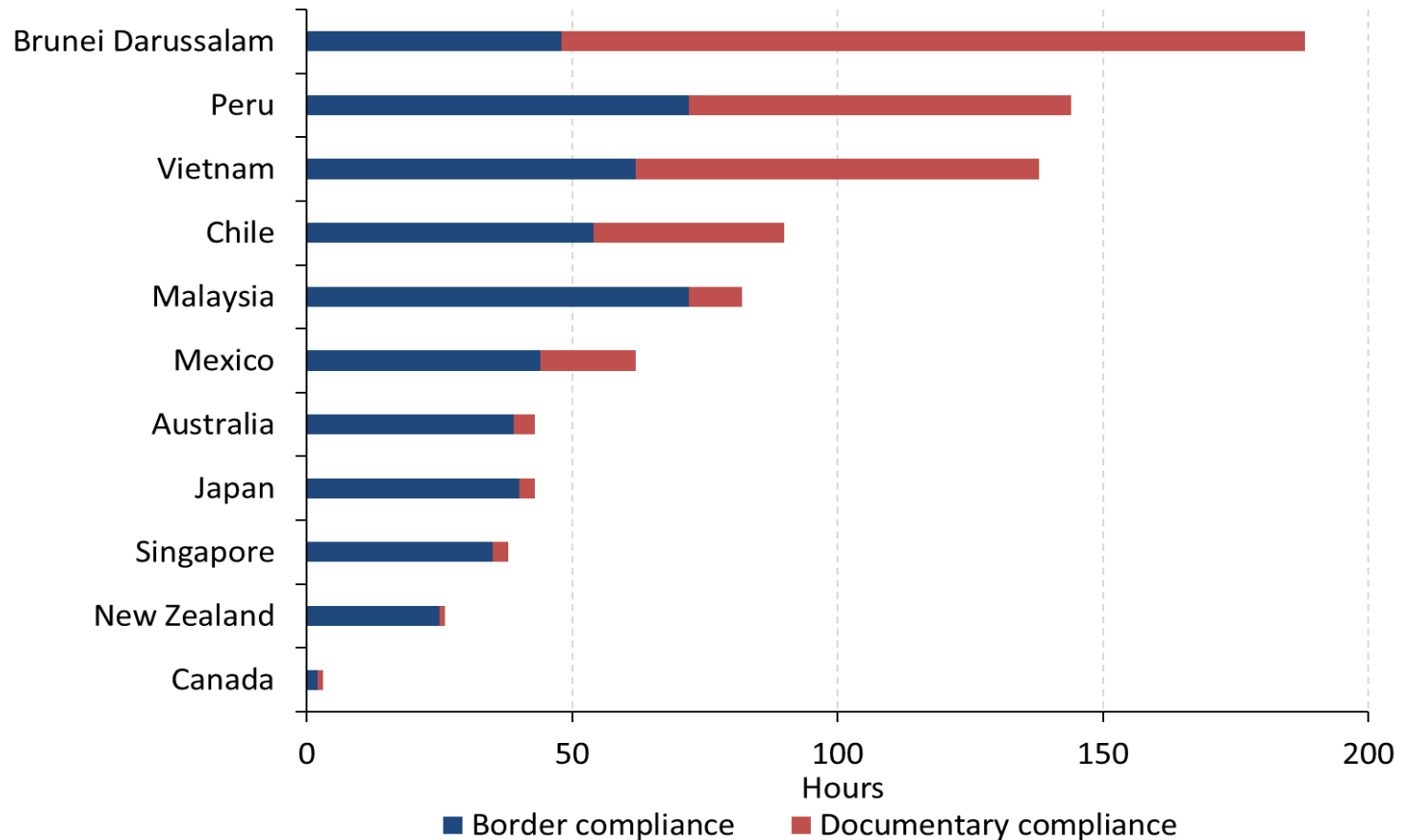
© The Australian Industry Group

\* Each number in parentheses on the right side of each bar indicate the number of responded companies.

# Burden of customs procedures in TPP-11 nations, 2017

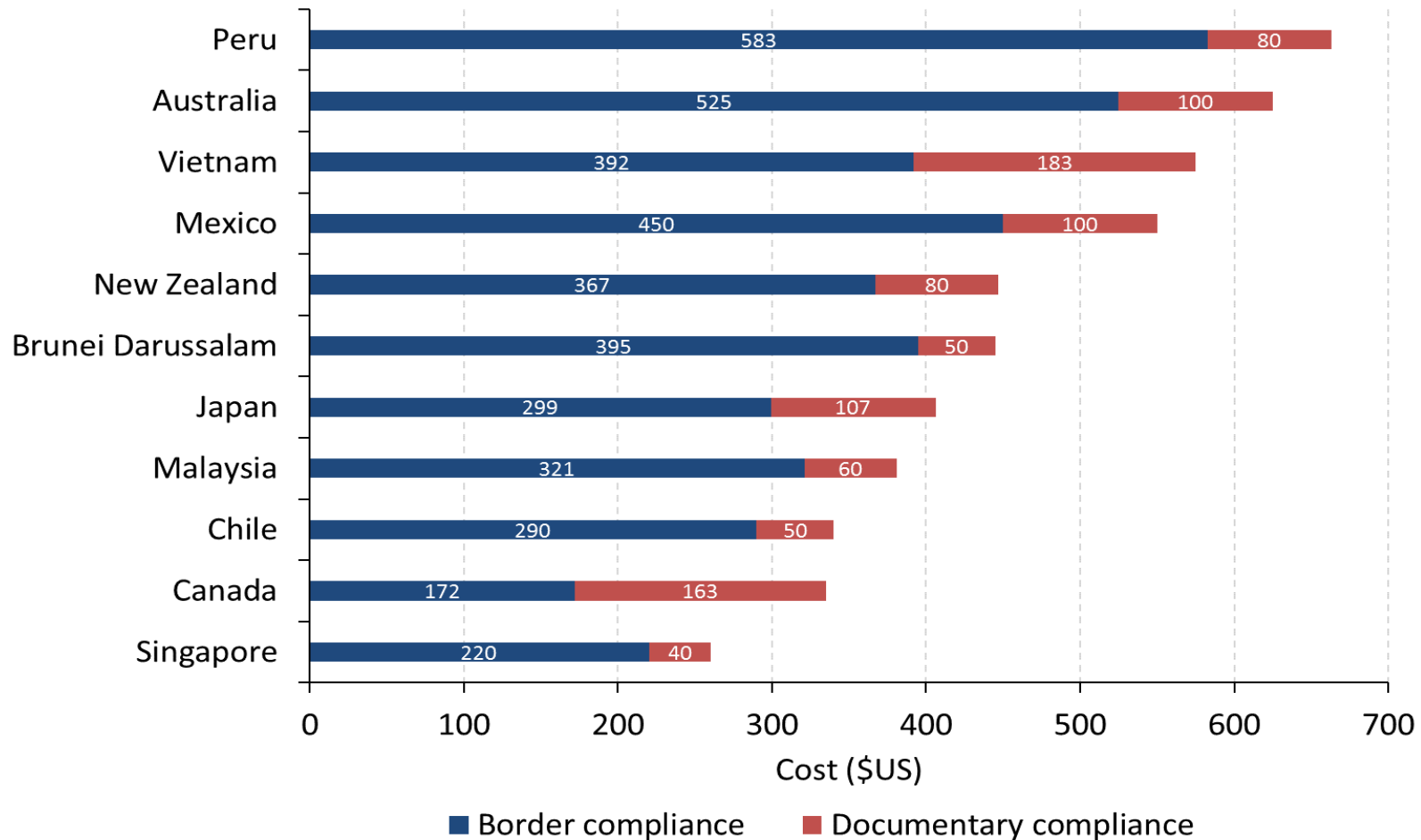


# Import compliance by hours in TPP-11 nations, 2016





# Import compliance by Cost in TPP-11 nations, 2016





[www.aigroup.com.au](http://www.aigroup.com.au) • [blog.aigroup.com.au](http://blog.aigroup.com.au)