



AUSTRALIAN  
FOOD AND GROCERY  
COUNCIL

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Chair of the Joint Standing Committee on Treaties  
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Dear Chair of Committee

The Australian Food and Grocery Council (AFGC) wishes to record its support for the proposed approach to move to a change of tariff classification (CTC) method for determining rules of origin under the Australian New Zealand Closer Economic Relations Trade Agreement (ANZCERTA).

The AFGC supports the Government objective to amend the ANZCERTA Rules of Origin (ROO) to ensure that they:

- recognise changing economic drivers as both economies seek to become more internationally competitive
- reduce the incentives for inefficient production processes by business in order to meet the ROO requirements
- lower compliance costs for businesses attempting to meet the ROO requirements to attain preferential market access and improve consistency between Australia's Free Trade Agreements.

Australian manufacturers clearly need to be efficient and innovative to remain viable in international and domestic markets. Global companies that have operations in Australia and the surrounding region have increased capacity to source and distribute products through world-wide networks and alliances. This development has been driven by the significant price squeeze pressures that are placed on our industry. Organisations must be able to take advantage of lowest cost supply and distribution chains to ensure they remain globally competitive.

The AFGC supports Australian trade and industry policy that promotes a global world-best outlook and lean and efficient operations.

Yours sincerely

Dick Wells  
Chief Executive.