

TradeWays

INTERNATIONAL OPPORTUNITIES FOR AUSTRALIAN BUSINESSES



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From the Trade Desk

New governments, new grants. With the change of Government, there have been some changes to the sorts of grants available to companies, along with the eligibility requirements.

When was the last time that your company reviewed what support was available to improve your bottom line? Ai Group delivers a number of grant programs, and can assist you in assessing what programs suit your needs. First step is to search the program list on our website, <http://www.aigroup.asn.au/industry/fundingsearch>. Second step is to contact the Trade Department to discuss further.

News

New interactive website launched for Victorian exporters

The Victorian Government has launched a new interactive export website, Export Connections providing Victorian businesses with great access to information and opportunities through customised support. Export Connections is a multifaceted resource of information equally valuable for seasoned exporters as for emerging export businesses. The public area of on the website offers a broad range of export news and events, links to other agencies, success stories and information on how to prepare an export strategy and operate a successful export business. In the members area of the website there are range of interactive features assisting Victorian businesses to link to global market opportunities. By registering as a member businesses will be delivered qualified export opportunities and customised trade information sourced by the overseas network of Victorian Government Business Offices and other organisations, tailored to their industry or geographic regions of interest. You will also have the opportunity to participate online in secure forums and networking sessions around export opportunities and forthcoming trade fairs and missions. This wealth of information is free of charge; all you need to do is register to become an Export Connections member by visiting <http://www.export.vic.gov.au>.

Dredging at the Port Phillip Bay entrance complete

As part of the channel deepening project, dredging works at the entrance of Victoria's Port Phillip Bay is complete. The Port of Melbourne Corporation said that this was the first time in the port's history that the entrance had been deepened without the use of explosives. The project remains on schedule to be completed by 31 December 2009, with about 40% of the overall project completed and just over 9.2m cu m dredged out of a total of 22.9cu m. To keep up to date on the channel deepening project visit <http://www.channelproject.com>.

Changes at Customs and new fees at AQIS (Australian Quarantine and Inspection Service)

In response to concerns raised by industry Customs is implementing modifications to the Integrated Cargo System (ICS) to process all facets of risk assessment on import declarations in real time, which in turn increases the certainty of the original status issued. It is expected these new arrangements will considerably minimise late changes to status unless exceptional circumstances exist. In November 2008 when these changes are introduced, Customs anticipates that there will be an increase in the number of declarations held for evaluation. In the majority of cases these holds will not require production of

documents. If documents are to be produced brokers/importers will be advised through ICS messaging and diagnostic functionality. To minimise the impact on the timely clearance of cargo, industry are encouraged to lodge import declarations as early as possible. Customs will be conducting a number of ICS information sessions around the country from 20 October where this process will be covered in more detail. To find out more visit <http://www.cargosupport.gov.au/webdata/resources/notices/ACCA0810.pdf>.

On another note, the AQIS fees have increased as of 13 October for the clearance of containers on ICS import declarations FCL, FCX from \$15 to \$16 and LCL from \$3.75 to \$4. For more information visit <http://www.aqis.gov.au>.

Spotlight on increasing role of supply chain in economy

The Australian transport and logistics industry will increasingly contribute to the nation's economy, with sea, air and road freight volumes growing and rail quickly catching up, national and international supply chain and logistics experts said in a report late last month. The first annual report on the state of the logistics and supply chain industry in Australia is from the Logistics Association of Australia in partnership with international consultants at the Logistics Bureau.

Australia's transport and storage industry was now the seventh largest employing industry and would grow by 1.6% every year for the next five years. The main threats to Australia's growth were the credit crisis in the US, rising inflation, increased fuel and commodity prices and weaker consumer demand. It also predicted that the global economy would stabilise in 2009 and recover in 2010. Other findings include:

Road transport and services and storage are the major contributors to the industry gross product; Freight volumes will continue to increase due to demand from Japan, the nation's largest export market, and China; Sea was the dominant form of international freight transport; Road was the major player in domestic freight transport, but rail was quickly catching up; and fuel prices would continue to be a major challenge for the transport industry with wages, depreciation and rent contributing to the total cost of transport and warehousing.

The next supply chain report will focus on service providers, employment and training and regulatory environment. For more information visit <http://www.laa.asn.au>.

Queensland putting export opportunities in focus

Queensland exports were the focus of this year's Export Week, which the state's trade minister John Mickel promised would be bigger than ever, highlighting export businesses, growth sectors, and market opportunities. Export Week is held from 13 to 17 October and provides industry the chance to network and develop skills and market opportunities. Several seminars were held focusing on export topics such as business opportunities in the Moscow region, minerals, energy and mining equipment and services in South America, India, Russia and China. Trade intelligence collected by State Government's overseas trade representatives was also made available in an effort to share information on export market opportunities, in the form of an export showcase which Ai Group was also involved in. Overall, a prime opportunity for Queensland's regional export-ready businesses to meet face to face with top trade representatives and ask all the hard questions about how to take advantage of opportunities to service overseas markets. For more information visit <http://www.export.qld.gov.au>.

Notification of Malaysian Halal Certificate

As of mid this year the Government of Malaysia has authorised the Halal Industry Development Corporation (HDC) to issue the Malaysian Halal Certificate which was previously issued by the Malaysian Development Department of JAKIM. HDC is wholly-owned by the Government of Malaysia and the Halal Certificate should be accepted in place of the JAKIM Halal Certificate. For more information visit <http://www.mida.gov.my>.

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Market in Focus – Kazakhstan

Why Kazakhstan

- Kazakhstan is the largest of the former Soviet republics in territory, excluding Russia;
- It possesses enormous fossil fuel reserves and plentiful supplies of other minerals and metals;
- Kazakhstan's economy has great potential.

Because of its strong macroeconomic performance and financial health, Kazakhstan became the first former Soviet republic to repay all of its debt to the International Monetary Fund (IMF) in 2000, seven years ahead of schedule. The GDP growth rate was 10.7% in 2006, 8.7% in 2007, with a forecast of 7.8% in 2008. The economy is driven by oil exports which generate 40% of the country's total revenue. The oil sector attracts huge foreign investments, second after Russia among the CIS (Commonwealth of

Independent States). Consumer prices have risen by over 8.6% in 2007, despite efforts by the National Bank of Kazakhstan (the central bank) to combat inflation.

The agriculture sector contributes nearly 7% to the GDP and employs around 20% of the active population. Kazakhstan is the sixth-largest producer of grains (includes wheat, rice and barley) in the world. Livestock raising is also an important activity. Kazakhstan is rich in natural resources; oil and gas, coal, copper, zinc, uranium and silver. Oil production amounts for 30% of the GDP. The building and construction sector is growing strongly. The manufacturing sector is not well developed given the fact that almost all capital and consumer goods are imported into the country. Therefore, manufacturing activities are limited to textiles, chemicals and fertilisers, and pharmaceuticals. The services sector is growing and contributes nearly 55% to the GDP.

Kazakhstan is open to international trade. Oil exports account for 50% of the total exports. Foreign trade is almost equal to the GDP. Kazakhstan's top three export partner's are: Switzerland, Italy and Russia. The commodities mainly exporter are mineral fuels and oils, iron and steel, copper, and inorganic chemicals. The top three import partners are: Russia, Germany and China. Kazakhstan mainly imports machinery, mineral fuels and oils, vehicles, articles of iron and steel, and electric and electronic equipment.

The country has embarked upon an industrial policy designed to diversify the economy away from overdependence on the oil sector by developing its manufacturing potential. The policy aims to reduce the influence of foreign investment and foreign personnel. Aided by strong growth and foreign exchange earnings, Kazakhstan aspires to become a regional financial centre and has created a banking system comparable to those in Central Europe.

Kazakhstan has made good progress in introducing the necessary legal and business framework for a market economy, indulging price liberalisation. Privatisation is well advanced. Considerable foreign participation is encouraging the development of good corporate governance. The country is also the first in the CIS to try to convert its current pension system into a fully funded system.

The country is helped considerably by substantial reserves of oil and gas and commercial deposits of most of the elements in the periodic table. Economically it therefore has great potential. Difficulties with basic infrastructure including pipeline routes make realising this potential more problematic.

Economic priorities include:

- Encouraging additional foreign investment necessary for the development of pipeline routes;
- Continuing with large-scale privatisation in order to prevent serious budgetary pressures, and increase stock market activity;
- Fully implementing laws related to pension reform; and
- Rehabilitation and modernisation of production and processing sectors.

Major Australian Exports 2007 (A\$m):

- Telecommunications A\$1,621
- Measuring & controlling instruments A\$894
- Pumps for liquids A\$691
- Motor vehicle parts A\$599

**Includes A\$5m of confidential items and special transactions, 38% of total exports*

Major Australian Imports 2007 (A\$m):

- Pig iron A\$7,442
- Salt of metallic acids A\$291
- Builders joinery & carpentry of wood A\$77
- Miscellaneous chemical products A\$25

Export Opportunities

Kazakhstan's economy has great potential, due to its substantial reserves of oil, gas, metals and minerals. Basic infrastructure difficulties need to be overcome, including pipeline routes, and there are opportunities for companies to get involved in the country's modernisation programme.

The country offer opportunities in most sectors. Priority sectors identified include: oil and gas; metals, minerals and mining; financial services; manufacturing; telecommunications; transport – road, rail and aviation; construction, and power generation. In addition opportunities exist in the following sectors: agriculture; food processing and packaging, and environment.

Oil and gas

Exploitation of Kazakhstan's oil and gas reserves is central to the development of the economy. The legal definition of the Caspian as a sea was a crucial requirement to support Kazakhstan's claim for independent access to offshore resources. The signing of a major pipeline consortium agreement for the Caspian opens access to world markets.

Mining and minerals

Kazakhstan's substantial mining of coal, chrome, lead and other metals suffered badly from the collapse of trade relationships after the break-up of the Soviet Union. With the help of foreign investment, there are signs that this is a sector once more on the move.

Agribusiness

Agriculture continues to be a major employer and exporter. In recent years, however, production has dropped by 50 percent because of a lack of capital and an inability to compete at world prices. Grain is the principal crop. Cotton, rice and fruit and vegetables are also grown extensively even though only a small percentage of the arable land is irrigated.

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e-link

Trade shows and exhibitions are vital tools for making contacts and selling your goods overseas. There are a lot of trade show databases on the internet, but ExhibitorOnline has one of the largest. You can search their database by event name, industry, time, and location, and you will get a list of upcoming trade show events with some of the important details. For more in-depth information you need to have a subscription. Visit <http://www.exhibitoronline.com> for more information about trade shows and exhibitions, and if you browse a while you will find articles, tips, quizzes, a buyer's guide, a comprehensive listing of trade show resources, classified ads, a listing of suppliers, and much more.

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Trade Missions

Incoming Missions

AusBiotech 08: Australia's Biotechnology Conference "Building a Bioeconomy"

26 – 29 October 2008

AusBiotech 08 is the premier biotechnology conference for the Asia Pacific region. A comprehensive conference program together with an extensive BioIndustry Exhibition and Business Matching Program will bring together representatives from the global biotechnology industry to create a world leading event. More than 1400 delegates attended AusBiotech 2007. In 2008, the conference is expected to attract a strong contingent throughout Australia and internationally including: CEO/MD/Executive Managers of global biotechnology and pharmaceutical companies; senior managers of biotechnology companies; biotechnologists; venture capitalists; researchers; entrepreneurs; manufacturers; media professionals; legal, financial and other service providers; patent attorneys; and licensing professionals. To register visit <http://ausbiotech2008.com.au>.

Advanced Manufacturing Australia 2008 International Conference

Understanding the shape of future of global manufacturing

30 October 2008

The conference will draw together speakers from industry, academia and government to provide a holistic snapshot of where we stand today and how industry and individual businesses need to develop to ensure sustainability in the future global manufacturing environment. The presentations cover a diverse range of topics of value to all involved including those working in: automotive, aerospace, mining, whitegoods, defence, transport, medical, electronics, and general manufacturing. For more information and to register visit <http://www.amaus.com.au/pages/events>.

Outgoing Missions

NSW Construction and Infrastructure Mission to Vietnam

17 – 21 November 2008

The NSW Department of State and Regional Development (DSRD) invites export ready NSW companies supplying building, construction and infrastructure services and products to participate in a trade mission to Vietnam: Ho Chi Minh City and Hanoi. The mission offers companies the opportunity to assess their company's prospects and meet relevant business contacts in Vietnam. All cost associated with business matching and official program events will be covered by DSRD for participating companies where they meet its assessment of being export ready for the market. Travel, accommodation and all personal expenses are the responsibility of the individual participant. For more information contact Crista Bracamonte on 02 9338 6652 or email crista.bracamonte@business.nsw.gov.au.

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VICTORIA - Upcoming Events

[Ai Group Events](#)

[Other Events incl. Austrade/TradeStart](#)

Ai Group Events

TradeDocs – Does a Letter of Credit Stress You Out?

We can help you demystify letters of credit. By attending this full-day programme you can better understand how to comply with your Letter of Credit requirements. The programme for the day includes: Letter of Credit; INCOTERMS; Insurance and Liabilities; Shipping Documents (Airway Bill, Bill of Lading, etc.); Preparation of various documents: Certificate of Origin, Carnets, Quarantine documents and Trade Scams and Frauds.

Date: Thursday 16 October
Venue: Australian Industry Group
20 Queens Road, Melbourne
Time: 9.00am – 4.30pm
Contact: Bilyana Petrovski on 03 9867 0152 or email billie@aigroup.asn.au

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Other Events incl. Austrade/TradeStart

Austrade, supported by Department of Agriculture, Fisheries and Forestry (DAFF)

Briefing: The Japanese Market for Australian Food Exports

With an expert panel to answer your questions, this briefing is an excellent opportunity to learn about common challenges for exporters of Australian food product to Japan, against a background of recent food safety issues. The briefing will also highlight trends and opportunities for Australian product in Japan. Discover how you can overcome the challenges and benefit from new import and distribution requirements and heightened consumer sensitivity, as Japanese distributors seek product with strong traceability credentials, including Australian product. Guest speakers include Catherine Taylor, Australian Trade Commissioner, Tokyo; and Andre Mayne, Counsellor (Agriculture), Australian Embassy, Tokyo. You should attend if you are a new or existing Australian producer and exporter in fresh food, processed food, and pet food.

Date: Friday 3 October
Venue: Department of Innovation, Industry and Regional Development
Level 27, 121 Exhibition Street, Melbourne
Time: 9.00am – 11.00am
Cost: \$0.00
Contact: Register at <http://www.austrade.gov.au/japanseminars08> or call Austrade Direct on 13 28 78

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NEW SOUTH WALES - Upcoming Events

[Ai Group Events](#)

[Other Events incl. Austrade/TradeStart](#)

Ai Group Events

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Date: Tuesday 21 October
Venue: Australian Industry Group
51 Walker Street, North Sydney
Time: 9.00am – 4.30pm
Contact: Bilyana Petrovski on 03 9867 0152 or email billie@aigroup.asn.au

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Other Events incl. Austrade/TradeStart

Austrade

E-business for Exporters workshop

This full-day workshop will equip you with the required knowledge to take your company along the e-business path. Austrade's e-business expert David Turner is a specialist in developing websites as international marketing tools. At this workshop, he will provide you with easy to implement tips to increase your website's visibility in cyberspace and advice about how to sell your products online. Australian businesses who are currently developing a website, or looking to improve their current website should consider attending this workshop.

Date: Thursday 13 November
Venue: Austrade Sydney
Level 23, Aon Tower
201 Kent Street, Sydney
Time: 9.00am – 4.30pm
Cost: \$50.00
Contact: Austrade Direct on 13 28 78 or email info@austrade.gov.au

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QUEENSLAND - Upcoming Events

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[Other Events incl. Austrade/TradeStart](#)

Ai Group Events

TradeDocs – Does a Letter of Credit Stress You Out?

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Date: Tuesday 11 November
Venue: Australian Industry Group
202 Boundary Street, Spring Hill
Time: 9.00am – 4.30pm
Contact: Bilyana Petrovski on 03 9867 0152 or email billie@aigroup.asn.au

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Other Events incl. Austrade/TradeStart

Austrade supported by Ai Group, key stakeholders and industry

New Opportunities in Chile and beyond

At this free event you will learn why Chile is an important base for Australian business in the region in terms of future areas of commercial growth. Seminar topics include: opportunities in the mining sector; Chile commercial overview; financial sector overview: opportunities for investors, fund managers and financial institutions; how to set up a business in Chile; and receive an update on the Australia-Chile Free Trade Agreement.

Date: Friday 17 October
Venue: Conrad Treasury Hotel, Surveyor's Room
21 Queen Street, Brisbane
Time: 8.30am – 12.15pm
Cost: \$0.00
Contact: Austrade Direct on 13 28 78 or email info@austrade.gov.au

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