



Guidelines for Steel Tariff Rate Quotas

Under the Indonesia Australia Comprehensive Economic Partnership Agreement (IA-CEPA)

Part 1—Preliminary

1. Purpose of this Guideline

This Guideline provides for, and in relation to, the establishment and administration of a system of tariff rate quotas for the export of quota steel from Australia to Indonesia under the Indonesia Australia Comprehensive Economic Partnership Agreement (IA-CEPA).

Note: Under the IA-CEPA, a certain weight of quota steel may be exported to Indonesia at a reduced tariff rate. Quota steel must be covered by a tariff rate quota certificate to be eligible for the reduced tariff rate. A higher tariff rate may apply to quota steel that is exported to Indonesia and that is not covered by a tariff rate quota certificate.

Note: This document is intended to provide guidance only, and is not to be read as legal advice or similar. The Department does not guarantee, and accepts no liability whatsoever arising from or connected to, the accuracy, reliability, currency or completeness of any material in this Guideline

2. Definitions

In this Guideline:

Annual access amount has the meaning given by clause 4(1).

Consignment means a single shipment (by sea or air) of **quota steel** that is exported to a single consignee.

The Department of Industry, Science, Energy and Resources (the Department) is the competent government authority that manages steel tariff rate quotas under IA-CEPA in Australia.

IA-CEPA means the Indonesia-Australia Comprehensive Economic Partnership Agreement, signed on 4 March 2019, as amended from time to time.

Initial decision has the meaning given by clauses 10(1) and (2).

Memorandum of understanding (MoU) means a written agreement between the Department and a quota applicant that sets out expectations and responsibilities.

Quota steel means any of the products referred in the Schedule.

Quota Unit means the section of the Department that is responsible for managing steel tariff rate quotas under the IA-CEPA.

Quota year means a calendar year beginning on the entry into force of the Indonesia-Australia Comprehensive Economic Partnership Agreement and ending on 31 December, or beginning on 1 January and ending on 31 December for each calendar year thereafter.

The Secretary is the Secretary of the Department.

Tariff rate quota certificate means a tariff rate quota certificate issued by the Department under this Guideline.

Uncommitted access amount: for quota steel for a quota year—has the meaning given by clause 4(2).

3. When is an export of a consignment complete

For this Guideline, an export of a consignment of quota steel from Australia to Indonesia is complete when the consignment is unloaded in Indonesia.

1. Access amounts

Annual amounts:

(1) The **annual access amount** for quota steel for a quota year is the total weight of the steel that may be exported from Australia to Indonesia in the quota year at a reduced tariff rate under the IA-CEPA specified in Appendix 2-A. 1 to the IA-CEPA.

(2) The **uncommitted access amount** for quota steel for a quota year is the amount of the annual access amount for the quota steel for the quota year in relation to which a tariff rate quota certificate has not been issued.

(3) If a tariff rate quota certificate for quota steel for a quota year is cancelled, the Secretary may decide that the certificate is taken never to have been issued for the purposes of working out the uncommitted access amount for the quota steel for the year (see clause 9(4)).

Part 2—Tariff rate quota certificates

5. Application for tariff rate quota certificate

(1) A person may apply to the Secretary for a tariff rate quota certificate, where the person intends to export a consignment of a quota steel to Indonesia in a quota year.

(2) An application must be:

- made in a manner approved, in writing, by the Secretary; and
- must include the information required by the form.

Note: For the purposes of applying for a tariff rate quota certificate, minimum data requirements are:

- The HS Tariff Classification Number of the quota steel
- A description of the quota steel
- The Quantity of the quota steel (with unit of measure)
- The Exporter's Name and Address
- Importer's Name and Address
- Business Identification Number (NIB)
- Importer's Tax ID

(3) The Department may request further information from the applicant that is relevant to the application.

(4) Any further information in relation to the application (whether or not provided in response to a request under clause 5(3)) must be given to the Quota Unit.

(5) A person who has made an application under clause 5(1) may withdraw the application at any time before the Secretary makes a decision on the application.

6. Applications dealt with on first-come, first-served basis

(1) The annual access amount for quota steel for a quota year will be committed on a first-come, first-served (FCFS) basis. Applications will be FCFS in the order that they are received by the Secretary.

(2) An application for a tariff rate quota certificate for the export of a consignment of quota steel referred to in clause 5(1) is taken to be received by the Secretary at the time that the application referred to in clause 5(2) and all documentary evidence under clause 5(3) and requested information requested by the Department under clause 5(4) is received.

7. Issue of tariff rate quota certificate

(1) This section applies in relation to an application for a tariff rate quota certificate for the export of a consignment of quota steel to Indonesia in a quota year that is received by the Secretary as referred to in section 6.

(2) Subject to clause 7(3), the Secretary must issue a tariff rate quota certificate to the applicant for the export of a consignment of quota steel in the quota year if the uncommitted access amount for the quota steel for the quota year is greater than zero.

(3) The Secretary may decide not to issue a tariff rate quota certificate to the applicant if the Secretary considers that it is not appropriate to issue the certificate taking into account the following:

- a) any failure by the applicant to submit the minimum data requirements specified in Section 5 or any required documentary evidence;
- b) any failure by the applicant to comply with clause 13(2) in the quota year or a previous quota year;
- c) a failure of the applicant to hold any licence required under a law of the Commonwealth to export the goods;
- d) any relevant liability in relation to a tariff rate quota certificate or the export of the quota steel that has not been paid by the applicant (including if the applicant is jointly liable with another person or other persons);
- e) whether the applicant's business as an exporter of the quota steel is not financially viable or is not likely to remain so;
- f) whether it would not be in the best interests of the industry relating to the quota steel for the certificate to be issued;
- g) if the total weight of the consignment applied for is more than the uncommitted access amount for the quota steel for the quota year—that fact.

(4) If the total weight of the consignment applied for is not more than the uncommitted access amount for the quota steel for the quota year and the Secretary decides to issue a tariff rate quota certificate to the applicant, the certificate must be issued for the total weight of the consignment applied for.

(5) If the total weight of the consignment applied for is more than the uncommitted access amount for the quota steel for the quota year, and the Secretary decides to issue a tariff rate quota certificate to the applicant, the Secretary must issue a tariff rate quota certificate for a part of the consignment applied for that is not more than the uncommitted access amount.

8. Tariff rate quota certificate is not transferable or variable

A tariff rate quota certificate is not transferable and may not be varied.

9. Cancellation of tariff rate quota certificate

Cancellation on request

(1) The Secretary must cancel a tariff rate quota certificate for the export of a consignment of quota steel to Indonesia in a quota year if the person to whom the certificate has been issued requests the Secretary to do so.

Cancellation on own initiative

(2) The Secretary may cancel a tariff rate quota certificate for the export of a consignment of quota steel to Indonesia in a quota year if:

- a) the certificate is incorrect in any respect; or
- b) the consignment does not leave Australia within 6 weeks after the certificate was issued; or
- c) the person to whom the certificate was issued has failed to comply with a request under clause 13(2) in the quota year or a previous quota year; or
- d) the person does not hold, or ceases to hold, any licence required under a law of the Commonwealth to export the goods; or
- e) a relevant liability in relation to a tariff rate quota certificate or the export of the quota steel has not been paid by the person (including if the person is jointly liable with another person or other persons); or
- f) the Secretary considers that the person's business as an exporter of the quota steel is not financially viable or is not likely to remain so; or
- g) the Secretary considers that it would not be in the best interests of the industry relating to the quota steel for the person to continue to hold the certificate.

(3) A tariff rate quota certificate for the export of a consignment of quota steel to Indonesia in a quota year may be cancelled under this section at any time before the export of the goods is complete.

Uncommitted access amount may be increased by weight of cancelled certificate

(4) For the purposes of working out the uncommitted access amount for quota steel for a quota year or a quarter of a quota year, the Secretary may decide that any cancelled certificate is taken never to have been issued.

Part 3—Review of decisions

10. Application for reconsideration by Secretary

- (1) A person who applied for a tariff rate certificate may apply to the Secretary to have a decision (the **initial decision**) not to issue the certificate under clause 7(3) reconsidered.
- (2) A person to whom a tariff rate certificate has been issued may apply to the Secretary to have a decision (the **initial decision**) to cancel the certificate under clause 9(2) reconsidered.
- (3) An application for reconsideration by the Secretary:
 - 1) must be in writing; and
 - 2) must set out the reasons for the application; and
 - 3) must be lodged with the Secretary within 28 days after the date on which the initial decision first came to the notice of the applicant or within such further period as the Secretary allows.

11. Secretary to reconsider decision

- (1) On receipt of an application in accordance with section 10, the Secretary must reconsider the initial decision, and may make any decision that he or she might have made in the first instance.
- (2) If the initial decision was made under clause 7(3) and the Secretary:
 - a) sets aside the initial decision; and
 - b) decides to make a decision (the substituted decision) under section 8 to issue a tariff rate quota certificate for the export of a consignment of quota steel to Indonesia in a quota year in substitution for the initial decision;
then, for the purposes of making the substituted decision, references in the relevant section to the uncommitted access amount for the quota year are taken to be references to the uncommitted access amount for the quota year at the time the substituted decision is made.
- (3) If the initial decision was a decision to cancel a tariff rate quota certificate for the export of a consignment of quota steel to Indonesia in a quota year under clause 9(2), the Secretary may only set aside the initial decision if, at the time of setting aside the decision, the uncommitted access amount for the quota steel for the quota year is equal to or more than the total weight of the consignment.

12. Effect of Secretary's decision

- (1) If the Secretary makes a decision under section 11 to set aside the initial decision, the initial decision ceases to have effect from the date of the decision.
- (2) The Secretary must give the applicant notice in writing of the Secretary's decision under section 11 within 45 days after the day on which the application for reconsideration was received.
- (3) The notice must set out the reasons for the Secretary's decision.

Part 4—Miscellaneous

13. Audits

(1) The Secretary may require an audit to be carried out in relation to the following:

- a) a tariff rate quota certificate issued to a person;
- b) all tariff rate quota certificates issued to a person during a specified period.

(2) A person who is carrying out an audit in relation to one or more tariff rate quota certificates issued to a person may request the person to do either or both of the following:

- a) produce any documents, records or things that the auditor is satisfied are relevant to the audit;
- b) provide the auditor with all reasonable facilities and assistance for the effective carrying out of the audit.

Schedule

HS Tariff Classification number	Description of quota steel
7208.39.90	Products of iron or non-alloy steel, in coils, not further worked than hot-rolled, of a width of 600 mm or more, of a thickness of less than or equal to 3 mm, and either: <ul style="list-style-type: none">- a thickness of greater than 0.17mm;- containing by weight 0.6% or more of carbon; or- both.
7209.17.10	Coils of iron or non-alloy steel, not further worked than cold-rolled (cold-reduced), of a width of 600 mm or more but less than 1,250mm, of a thickness of 0.5 mm or more but not exceeding 1 mm
7209.18.99	Coils of iron or non-alloy steel, other than tin mill backplate, not further worked than cold-rolled (cold-reduced), of a width of 600 mm or more, of a thickness of less than 0.5 mm and either: <ul style="list-style-type: none">- a thickness of greater than 0.17mm;- containing by weight 0.6% or more of carbon; or- both.