

Trade opportunities with Australia
Information for Lithuanian businesses

Consulate-General of the Republic of Lithuania
Melbourne



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Introduction



Dear company manager,

The Lithuanian Consulate-General in Melbourne aims to help Lithuanian companies establish business relations with Australia and to generally promote bilateral trade between Lithuania and Australia. This publication provides relevant information for companies looking to export their goods and services to Australia.

Here you will be able to find some useful introductory information to help you launch your company's business relations with Australia. Important matters are covered, such as general country information, economic summary and overview of present trade relations with Lithuania, information about how to register a company, to find partners, taxation and legal advice and some useful contacts and links.

Some Lithuanian companies have already set their feet in the Australian market or use it as a hub for entering other markets in the region. Australian consumers are already enjoying the taste of products such as ice-cream, cheese cakes, dairy products, alcoholic beverages, and use Lithuanian parquet, crafts and works of art to build and decorate their houses.

Please note that the information in this publication provides a general guide only to the above matters. Whilst care has been taken in the preparation of this publication the information may change without notice and the applicability of the information may vary from one business to another. Accordingly, the Consulate-General does not accept any liability to any person for the content herein (or for the use that the content may be put to). You should seek professional advice and consult relevant agencies and authorities for accurate and up to date information.

I hope you find the information of use.

Yours sincerely,

Andrius Žilinskas
Honorary Consul-General of the Republic of Lithuania
Melbourne, Australia

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An overview of Australia

Australia is a stable, democratic society with a skilled workforce and a strong, competitive economy. With a population of 20 million, Australia is the only nation to govern an entire continent and is the sixth largest country in the world in land area.

The Australian federation consists of six States and two Territories. The largest State, Western Australia, is about the same size as Western Europe. Lithuania is approximately the same size as the island State of Tasmania. The distance between the two largest cities, Melbourne and Sydney is approximately 900 kilometres or about the same distance between Vilnius and Moscow.



Australia has had one of the most outstanding economies of the world in recent years. It is a high-growth, low-inflation, low interest rate economy. There is an efficient government sector, a flexible labour market and a competitive business sector.

The Australian economy performed solidly in recent years. Its economy can be described as a growing, low-inflation, low interest rate economy. In contrast with weaker global conditions and lower growth rates of developed countries, Australia's economic growth rates were positive and persistent (average annual real GDP growth of 3.7 per cent since 1998). Australia's economy has been ranked the most resilient in the world for the third year in succession. The outlook remains positive for increased growth in future.

Australia maintains very good business relations and contact with the Asia Pacific region. With almost half of global trade now focused in Asia Pacific, Australia is strategically placed and a favorable destination for investment and trade.

Table 1: Recent Economic indicators

	1999	2000	2001	2002	2003(a)	2004(b)
GDP (US\$bn):	390.6	379.5	358.0	400.6	509.6	622.7
GDP per capita (US\$):	20,514	19,691	18,334	20,277	25,469	30,695
Real GDP growth (% change YOY):	4.3	3.3	2.7	3.6	3.3	3.5
Current account balance (US\$m):	-22,308	-15,271	-8,333	-16,598	-30,017	-33,471
Current account balance (% GDP):	-5.7	-4.0	-2.3	-4.1	-5.9	-5.4
Goods & services exports (% GDP):	18.8	21.9	22.5	20.7	18.0	18.6
Inflation (% change YOY):	1.5	4.5	4.4	3.0	2.8	2.6
Unemployment rate (%):	6.9	6.3	6.8	6.4	6.0	6.0

Source: Australian Department of Foreign Affairs and Trade

Table 2: Major Australian exports, 2003-2004 (A\$m)

Coal	10,893
Non-monetary gold	5,651
Iron ore	5,216
Crude petroleum	4,643
Bovine meat	3,917

Source: Australian Department of Foreign Affairs and Trade

Table 3: Major Australian imports, 2003-2004 (A\$m)

Passenger motor vehicles	11,217
Crude petroleum	6,321
Computers	5,127
Medicaments (incl. veterinary)	4,898
Telecommunications equipment	4,359

Source: Australian Department of Foreign Affairs and Trade

An overview of Melbourne

Melbourne is the capital city of the State of Victoria. It can be considered as a manufacturing capital of Australia. It is a large, multicultural and cosmopolitan city. Its population is multinational and is the same as Lithuania's – 3.4 million people. Melbourne has a thriving and sustainable economy that welcomes and supports many different industries.

Globally connected infrastructure and shared time zone, makes it an attractive location for businesses of all sizes around the globe. Melbourne is renowned for its excellence in medical research and large and specialist hospitals.

Melbourne also offers a cost-competitive and politically stable environment.

The multilingual and multicultural environment with its open, tolerant and merit-based culture allows an outstanding quality of life for those who choose to live, work, study or visit here.

Located in the Asia Pacific time-zone, Melbourne offers economic stability, a rigorous intellectual property and taxation regulatory environment together with access to all levels of business support services. The City's advanced infrastructure including access to broadband, advanced telecommunications and competitive utility prices further add to Melbourne's status as a pre-eminent business centre in south-east Australia.

Melbourne's modern landmark buildings offer a superior business environment, coupled with a strategic transport network which includes Australia's only curfew-free 24 hour international airport, a major container port, access to Australia's busiest rail network and a highly efficient system of roads, highways and freeways. Melbourne Airport recorded the fastest growth of international passenger movements of any airport in the country since 1998 and has been an important contributor to the state's growth. The Port of Melbourne retains its ranking as the freight and logistics capital of the nation. Trade figures for 2001/02 indicate a record 11.3 million mass tonnes of overseas exports left Australia via Melbourne.



Melbourne's Regional Context

- Capital City of the State of Victoria
- 3.4 million population – 18% of the nation's population
- Gross Regional Product of AUD\$23 billion
- Greater Metropolitan Area - 8,806 sq km
- Favourable time zone – 3 hours ahead of Singapore, 1 hour ahead of Tokyo, 10 hours ahead of London

Infrastructure

- Australia's only 24-hour International Airport – currently rated among the world's top five. Melbourne Airport is located 22km from the CBD & serviced by 21 international airlines.
- 24-hour sea port – Port of Melbourne is Australia's largest container port, handling almost 40% of the nation's container trade as well as being one of the largest general cargo ports.
- Extensive road infrastructure with a network of freeways, highways & arterial roads.
- Excellent heavy rail network that radiates from the CBD to outlying suburbs.
- Competitive broadband service market.



Australia's trade relations with Lithuania

Although trade statistics of recent years show that Lithuanian products are strengthening their positions in Australian market, at present, trade between Lithuania and Australia is still at a relatively low level. Table 6 and Graphic 1 show Australia's trade with Lithuania dynamics in recent years.

Since 1999 import of Lithuanian products to Australia figures were growing steadily in favor of Lithuania. Products such as furniture, wood and timber products contributed mostly to this positive development. Steady growth also shows that Lithuanian products are competitive in Australian market.

In 2004 imports of Lithuanian products to Australia grew nearly by 39 percent to 12 million AUD if compared to 2003. Lithuania as importer was ranked in 76th place (two positions down from previous year). Overall trade deficit was 1,3 million AUD in favor of Lithuania. Major product groups that contributed to growing share of Australian Imports from Lithuania were furniture, wood, fertilizers.

In 2004 exports to Lithuania, if comparing with the previous year, increased by more than 40 percent to 10 million AUD and slightly topped export level of 2002. As a export destination Lithuania was ranked in 114th place. More detailed statistics on product categories are provided in Table 8 and Table 9.

Compared to other neighboring countries and EU, Lithuania's trade with Australia is still in development stage. Table 7 shows Lithuania's trade statistics compared to other neighboring Baltic states and other EU countries.

Table 1: Australia's trade with Lithuania 2000-2004

A\$'000	2000	2001	2002	2003	2004
Total exports	547	4,585	2,156	7,437	10,458
Total imports	1,862	2,806	5,285	8,468	11,723
Balance of merchandise trade	-1,314	1,779	-3,128	-1,032	-1,265

Source: Australian Department of Foreign Affairs and Trade

Graphic 1: Australia's trade dynamics with Lithuania 1999-2004



Source: Australian Department of Foreign Affairs and Trade

Table 2: Major Australian exports to Lithuania, 2004

Product category	(A\$m)
Other electrical machinery	7
Wool	2
Other products (Fish and etc.)	1

Source: Australian Department of Foreign Affairs and Trade

Table 3: Major Australian Imports from Lithuania, 2004

Product category	(A\$m)
Furniture	4
Wood, simply worked	2
Other wood manufactures	2
Fertilizers (excl. crude)	2
Other products (Diary products, alcoholic drinks and etc.)	2

Source: Australian Department of Foreign Affairs and Trade

Table 4: Australian merchandise trade with Lithuania, 2003-2004

	(A\$m)	Total share	Rank	Growth (yoy)
Exports to Lithuania	10	0.0%	114 th	40.6%
Imports from Lithuania	12	0.0%	76 th	38.4%
Total trade (exports + imports)	22	0.0%	100 th	39.5%
Merchandise trade deficit with Lithuania	2			

Source: Australian Department of Foreign Affairs and Trade

From Lithuania's perspective exports to Australia accounted for only 0.1 percent of overall Lithuania exports in 2004.

Table 5: Lithuania's principal export destinations, 2003

Rank	Country	Total share
1	Germany	11.2%
2	Latvia	10.1%
3	Russia	7.4%
4	Sweden	6.7%
5	United Kingdom	6.5%
43	Australia	0.1%

Source: Australian Department of Foreign Affairs and Trade

Table 6: Lithuania's principal import sources, 2003

Rank	Country	Total share
1	Russia	22.0%
2	Germany	19.1%
3	Italy	5.9%
4	Poland	4.3%
5	France	3.9%
62	Australia	0.1%

Source: Australian Department of Foreign Affairs and Trade

Table 7: Lithuania's merchandise imports to Australia compared to other European Union countries (A\$ million)

EU Countries				% share of EU total	% growth	
	2002	2003	2004		2003 to 2004	5 year trend
Austria	663	768	834	2.5	8.6	12.3
Belgium (a)	..	..	1,209	3.6	..	..
Belgium-Luxembourg (a)	996	1,190	..	..	..	..
Cyprus	4	5	2	0.0	-60.0	-9.4
Czech Republic	107	121	152	0.5	25.6	18.1
Denmark	749	784	978	2.9	24.7	14.4
Estonia	2	4	14	0.0	250.0	-13.2
Finland	667	648	733	2.2	13.1	1.1
France	3,233	3,819	4,186	12.5	9.6	15.1
Germany	7,337	8,029	8,210	24.6	2.3	8.2
Greece	419	141	138	0.4	-2.1	11.2
Hungary	171	136	156	0.5	14.7	18.8
Ireland	1,555	1,631	1,819	5.4	11.5	14.6
Italy	3,786	4,122	4,425	13.2	7.4	9.0
Latvia	2	2	1	0.0	-50.0	-1.2
Lithuania	5	8	12	0.0	50.0	39.3
Luxembourg (a)	..	..	2	0.0	..	..
Malta	5	11	10	0.0	-9.1	14.8
Netherlands	1,194	1,207	1,255	3.8	4.0	7.2
Poland	87	99	204	0.6	106.1	43.1
Portugal	219	200	184	0.6	-8.0	4.6
Slovak Republic	12	19	22	0.1	15.8	20.6
Slovenia	50	57	54	0.2	-5.3	9.4
Spain	917	1,047	1,278	3.8	22.1	15.3
Sweden	1,737	1,798	1,800	5.4	0.1	2.2
United Kingdom	5,846	5,454	5,752	17.2	5.5	-1.4
Total EU	29,765	31,299	33,431	100.0	6.8	7.4
World	127,666	129,983	141,076		8.5	6.0

(a) Prior to 2004 Belgium and Luxembourg were recorded as Belgium-Luxembourg.

Source: Australian Bureau of Statistics (ABS) trade data on Department of Foreign Affairs and Trade (DFAT) STARS database.

Table 8: Principal exports to Lithuania in product categories

Product category	2000	2001	2002	2003	2004
012 Meat (excl. bovine)	0	0	39	0	113
023 Butter	360	0	0	0	0
034 Fish, f.c.f.	0	0	144	4,902	223
098 Other food products	0	0	13	116	8
112 Alcoholic beverages	0	0	29	78	30
211 Hides & skins	0	106	28	76	292
212 Raw furskins	0	58	63	59	0
268 Wool	0	3,566	1,309	1,271	2,208
542 Medicaments	6	2	22	3	0
592 Starches & insulin	0	0	0	0	129
657 Special yarns & fabrics	0	0	0	123	0
713 Combustion engines	0	12	86	9	14
727 Food-proc. machines	0	586	34	0	0
728 Specialised machinery	0	2	36	10	16
745 Non-electrical mach.	11	12	5	0	0
759 Computer parts	63	3	8	8	0
764 Telecom. equipment	8	2	3	23	9
776 Integrated circuits	20	24	13	15	28
778 Other elec. mach.	0	5	3	2	7,040
*77 Electrical mach. & appliances	0	0	9	53	65
792 Aircraft & parts	31	4	1	0	0
813 Lighting fixtures & fittings	14	13	4	0	5
874 Measuring instruments	4	118	104	31	86
884 Other optical	0	0	0	384	0
894 Toys, games, sporting	0	0	146	0	3
896 Artwork & antiques	0	0	3	88	0
898 Musical instruments	10	1	0	0	0
931 Special transactions	8	13	11	5	15
988 Confidential items	0	0	2	0	58
Other	12	59	39	180	116

Source: Australian Department of Foreign Affairs and Trade

Table 9: Principal imports from Lithuania in product categories

Product category	2000	2001	2002	2003	2004
024 Cheese & curd	0	181	86	0	0
037 Prepared seafood	0	43	0	0	0
*0 Food & live animals	0	0	0	15	121
248 Wood, simple	880	588	357	1,978	1,579
322 Briquettes, lignite & peat	47	210	166	228	236
516 Other organic chemicals	157	240	266	287	292
562 Fertilizers	0	0	1,304	769	1,649
635 Other wood manuf.	1	37	57	775	2,227
651 Textile yarn	0	0	57	0	0
658 Other textile manuf.	51	25	32	134	446
*66 Non-metallic mineral manuf.	1	30	60	91	105
*6 Manuf. classed by material	0	1	23	111	105
713 Combustion engines	11	0	0	165	252
722 Tractors	316	0	159	135	0
759 Computer parts	24	30	7	7	0
*77 Electrical mach. & appliances	5	5	1	17	85
792 Aircraft & parts	1	1	4	1	103
*7 Machinery & transport equip.	17	3	29	99	130
821 Furniture	248	616	1,826	2,638	3,525
841 Men's clothing	1	501	578	81	20
842 Women's clothing	13	97	13	59	179
843 Men's knitwear	0	35	0	0	0
845 Other textile clothing	9	42	44	29	127
874 Measuring instruments	0	1	1	28	126
*87 Professional & scientific instr.	0	2	34	2	92
884 Other optical	22	51	63	35	24
895 Office supplies	0	5	35	69	103
*89 Miscellaneous manuf. articles	13	16	32	38	83
931 Special transactions	18	31	21	17	20
988 Confidential items	0	0	0	650	0
Other	26	15	27	12	94

Source: Australian Department of Foreign Affairs and Trade

Finding potential partners

There are various ways of finding potential partners and buyers for your products. Lithuanian companies can try and contact companies directly, contact specific companies in an industry through the relevant association, try to promote their products or services in trade events and exhibitions or use one of many internet portals that bridge sellers and buyers.

Lithuanian companies wishing to contact specific group of companies in specific sectors industry can find these organizations and specific industry associations through *VECCI – Victorian Employers Chamber of Commerce and Industry* <http://www.vecci.org.au/> or <http://www.business.vic.gov.au>.

If you are seriously considering exporting your products or services to Australia then it may be prudent to first carry out local market research. This research would ordinarily include in depth research on the following matters –

- Economic and industry trends
- Customer requirements and behaviour
- Market size, growth rate
- Assess competition, current offerings, strengths and weaknesses of each competitor
- Import taxes & Customs or any other regulations for your specific product category
- Develop a marketing plan

To gather information about the Australian market, market reports, government statistics, trade publications and industry association publications are available research sources.

Australian Bureau of Statistics (<http://www.abs.gov.au>) provides statistics on almost every aspect of Australian demographics and business. It is a valuable source of information on economic, environmental, industrial, demographic and regional statistics, used by governments, businesses, the education sector and the wider community. The ABS provides online information, subscriptions, in-depth access to information consultancy, expert survey advice and statistical training.

Government statistics on different topics:

<http://www.business.gov.au/Business+Entry+Point/Business+Topics/Market+research+statistics/Government+statistics.htm>

Conducting market research is beyond the resources of the Consulate-General in Melbourne. However, it is able to refer interested Lithuanian businessmen to an appropriate local consultant who would be able to conduct this local market research for an appropriate fee. If you wish to pursue this please contact the Consulate-General.

Another possible means of testing the market is to attend one of the many exhibitions which take place annually in Melbourne. There are different sources that supply such information.

Australia Exhibition Services (<http://www.austexhibit.com>) provides an on-line directory of Australian events, conferences and exhibitions, sorted by industry, city and other criteria; *Exhibitions and Events Association of Australia* (<http://www.eeaa.com.au>) provides an on-line directory of Australian events, conferences and exhibitions; ExpoBase is worldwide search for more than 17000 exhibitions including Australian events (<http://www.expodatabase.com>).

Lithuanian exporters may also visit internet site of the largest exhibition and convention center in the state of Victoria - *Melbourne Exhibition and Convention Centre* (<http://www.mecc.com.au>) could also give You some insight on some of the biggest exhibitions held in Australia.

Some of the more relevant exhibitions are set out below.

Fine Food Australia

Established 1984
Melbourne Exhibition & Convention
Centre
Melbourne, Australia
September 11-14, 2006
Annual



Australia's largest exhibition for the food and beverage industry, Fine Food Australia is an international event showcasing the latest innovations in food, drink and equipment. Feature areas within Fine Food focus on the key industry areas of bakery, confectionery, dairy, drinks, meat & seafood, natural products and equipment for retail, catering and hospitality.

Hotel Australia

Established 2001
Melbourne Exhibition & Convention
Centre
Melbourne, Australia
September 11-14, 2006
Annual



Australia's premier exhibition for the hotel, motel and restaurant equipment industries. Hotel Australia is a truly international event, showcasing the latest products and services from around the world. The event is co-located with Fine Food Australia and making it the largest food and hospitality event in Australia. Feature areas include; accommodation, bakery, catering equipment, hospitality equipment and packaging.

Fine Wine and Spirits

Established 2004
Melbourne Exhibition & Convention
Centre
Melbourne, Australia
September 11-13, 2006
Annual



Australia's only truly international wine, beer and spirits exhibition which runs alongside the largest food and hospitality event, Fine Food Australia.

Designbuild Australia

Established 1986
Melbourne Exhibition & Convention
Centre
Melbourne, Australia
May 28-31, 2006
Annual



Designbuild Australia is Australia's largest building exhibition. Being a "trade only" event, it is attended by thousands of buyers and key decision makers who come to discover the latest in building products and technology for residential, commercial and industrial construction. Designbuild incorporates a series of industry specific features providing a focus for key industry sectors.

Gift & Homeware International
Established 2000
Melbourne Exhibition & Convention Centre
Melbourne, Australia
June 6-8, 2006
Annual



Gift & Homeware International provides manufacturers and suppliers of giftware with an opportunity to establish profitable and effective distribution arrangements for the A\$5 billion giftware market in Australia.

TCF International
Established 1996
Melbourne Exhibition & Convention Centre
Melbourne, Australia
June 6-8, 2006
Annual



TCF International was established in 1996 and is Australia's largest international exhibition for the textile, clothing, footwear & fashion accessory industries.

Source: *Australia Exhibition Services* (<http://www.austexhibit.com>)

There are many internet pages offering possibility to meet buyers of your production or services. If you can try and visit <http://www.trade.com.au/> for making useful contacts with potential buyers in Australia.

Corporate regulations in Australia

There are three major government agencies involved in regulation of corporations in Australia:

1. the Australian Securities & Investments Commission (ASIC) administers the national *Corporations Act* and enforces company and financial services laws to protect consumers, investors and creditors;
2. the Australian Competition & Consumer Commission (ACCC) administers the National *Trade Practices Act* and seeks to restrict business activities that interfere with competition in trade and commerce;
3. the Australian Prudential Regulation Authority (APRA) regulates prudent management of deposit taking institutions, insurance companies, and larger superannuation funds.

Operating a company in Australia

Lithuanian businesses considering registering a company in Australia or wishing to make research on corporate regulation should visit the Australian government's initiative - business portal <http://business.gov.au>. This web page is definitely a good place to start Your research. Web page provides information about registering the company, corporate taxes and regulations, importing-exporting, insurance and etc. Another webpage worth visiting is business portal for businesses operating in the State of Victoria <http://www.business.vic.gov.au>.

Below are listed some of the major issues you will need to consider.

Registering a foreign company

A foreign company conducting business in Australia, other than through an Australian subsidiary, must register as a foreign company with ASIC. In order to gain registration a foreign company must:

- ensure the company name is available and have it reserved;
- lodge an application form and fee with ASIC along with certain company documents;
- ensure that any documents that are not written in English are translated and properly certified;
- appoint a local agent to represent the company in Australia.

Post-registration obligations for a foreign Company

Once registered, a company is required to comply with the *Corporations Act*. Some of the obligations involve the company:

- displaying the registered name in its offices;
- displaying the company name, liability of its members and registration number on certain documents;
- lodging financial statements with ASIC;
- lodging written notice with ASIC about changes to the company constitution, directors, local agents and the address of the registered office.

Corporate taxes

If you are running a business, various taxes and rates can apply depending on your size and location. These can be part of government regulations at the local, state or Commonwealth level. To find out what taxes and rates apply to you, visit the sites below.

State taxes

State taxes applying to businesses can include pay-roll tax, land tax, duties and debits tax. These taxes are administered by the State Revenue Office (SRO). To find out more about them and how they may apply to your business, visit the SRO website: www.sro.vic.gov.au.

Commonwealth taxes

A number of Commonwealth taxes apply to businesses, including income tax and goods and services tax (GST). The Australian Tax Office (ATO) has detailed information about Commonwealth taxes and how they apply to businesses. Visit the ATO website www.ato.gov.au for more information.

Local council rates

Rates vary from council to council throughout Victoria. To find out about the rates in your area, contact your local council or visit its website. To find your local council online, use the Department of Infrastructure's Victorian Local Governments Info Page: www.doi.vic.gov.au/doi/internet/localgov.nsf.

Importing goods

All goods imported into Australia must be cleared by Customs. Importers are responsible for obtaining a formal Customs clearance for goods above set value limits (currently \$250 for goods imported by sea and air cargo and \$1000 for goods imported through the postal system).

Consignments valued at or below these amounts may be cleared through use of an approved Informal Clearance Document (ICD), available at Customs offices.

Customs applies cost-recovery charges for the processing of entries by Customs. These costs depend on whether the entry is submitted as an electronic entry or as a documentary (manual) entry.

Goods entering Australia can attract Customs duty and/or GST and other taxes and charges. Customs duty rates vary and depend on a number of factors, such as type of goods and country of origin.

Before importing goods to Australia importers should check issues related to the taxation, import requirements, rules of origin, commerce trade descriptions. Namely:

- import documentation
- import requirements and restrictions for particular product
- rates of customs duty
- application of indirect taxes: Goods and Services Tax (GST), Wine Equalisation Tax (WET) and Luxury Car Tax (LCT) issues, as they relate to imports and exports.
- goods subject to quarantine
- commerce trade descriptions

Import documentation

Customs does not require companies or individuals to hold import licenses. But, depending on the nature of the commodity, and regardless of value, owners may need to obtain permits to clear the goods.

The minimum amount of documentation required for Customs clearance comprises a completed Customs Entry or Informal Clearance Document (ICD), an air waybill (AWB) or bill of lading (BLAD) as well as invoices and other documents relating to the importation.

Customs does not require the completion of a special form of invoice. Normal commercial invoices, bills of lading and receipts are acceptable. These documents should contain certain information like invoice terms, names and addresses of buyer and seller, quantity of goods, selling price, complete descriptions of goods and etc. Full list of requirements can be found at Australian Custom Services webpage www.customs.gov.au .

Importers are legally required to retain commercial documents relating to a transaction for five years from the date of entry. These documents might be required for Customs audit purposes. Failure to meet this requirement may incur a financial penalty.

Clearance of commercial consignments

Charges apply to cargo reporting and the processing of import entries for goods arriving by sea, air or post. Commercial Customs clearances can be arranged by the owner or a customs broker, who will usually charge a fee for the service.

Customs Duty and Indirect taxes

Rates of duty payable by an importer are determined by the classification of goods within the *Customs Tariff Act 1995* (the Tariff).

For general information on Tariff matters, enquiries can be made through Customs Information Centres. However, it should be noted that general advice will be limited primarily to an indication of the applicable duty rate which, though based on the best information available, is not binding.

Imported goods might be subject to one or more indirect taxes. These indirect taxes comprise the Goods and Service Tax (GST), the Wine Equalisation Tax (WET) and the Luxury Car Tax (LCT).

Taxation example:

	AUS\$	
Customs value	<u>1,000.00</u>	
Customs duty @ 5 per cent x \$1,000	50.00	(Payable)
International transport and insurance	150.00	
Wine tax (if applicable - see following section)	0.00	
VoTI	<u>1,200.00</u>	
GST @ 10 per cent x \$1,200	120.00	(Payable)
 Total payable (customs duty + GST)	 170.00	

Commerce trade descriptions

Goods imported into Australia must comply with the labelling requirements set down in the *Commerce (Trade Descriptions) Act 1905* and the *Commerce (Imports) Regulations 1940*. Trade descriptions markings must follow certain standards. More information on this may be obtained in Australian Customs services webpage www.customs.gov.au .

Temporary import/export of commercial goods

Goods may be brought into Australia temporarily without the payment of customs duty or taxes for a period of up to 12 months. These goods are referred to as temporary Imports. Goods can also be brought into Australia temporarily under the cover of a 'carnet' which is an international 'passport' for goods. All temporary imports must be re-exported within the approved period. The nature of the goods, what they will be used for while in Australia and who is importing them determine which provisions the goods might be eligible for.

Rules of origin

Some goods imported from certain countries attract a lower (preferential) rate of duty. Rules of origin (ROO) are applied to determine, for international trade purposes, the country of origin. An importer claiming a preferential rate of duty must have a declaration from the manufacturer that states that the goods satisfy the requirements for preference.

Lithuanian Communities and other links

Approximately one third of all Lithuanian immigrants from Lithuania to Australia after World War II settled in and around Melbourne. Today, Melbourne is home to the largest, most active and well organized Lithuanian community in Australia. Only 75 kilometers south of Melbourne is the regional city of Geelong with a population of nearly 200,000 and home to a smaller, yet active Lithuanian community.

Since 1990 (Lithuania's independence) the local Lithuanian communities in Australia, and particularly Melbourne, have seen an influx of Lithuanian families. The post-WWII and post-1990 waves of Lithuanian immigration to Australia are a further reason for Lithuanian businesses to regard Australia, and particularly Melbourne, as an accessible market for their products.

Two Melbourne universities have entered into student and academic exchange agreements with two Lithuanian universities. Vilnius University has an agreement with Melbourne University and Kaunas University of Technology has an agreement with Victoria University. All four of these universities have seen the value of their agreements and are committed to their on-going success. There is a small but steadily increasing flow of students and academics passing between these universities.

Although precise figures are not known it is estimated that there are up to 50,000 Lithuanians, Latvians and Estonians and their Australian born descendents now living in Australia. For Lithuanian businesses looking to export their products to a new market this resident Baltic population may represent a key means of testing the Australian market.

Australian Baltic Chamber of Commerce

In ABCC was created in 1997 in Melbourne. Its objectives are to foster international trade between the Baltic countries and Australia and to encourage business-to-business activity amongst the Baltic communities in Australia.

The ABCC has, in co-operation with Lithuania's Honorary Consul-General in Melbourne, broadened its activities to include fund-raising functions to financially assist Lithuanian (and also Latvian and Estonian) students and academics coming on exchange to one of the Melbourne universities.

Contacts of Australian Baltic Chamber of Commerce may be found in useful contacts section.

Market research and legal advice

As was stated at the outset the above is intended to a general overview of relevant information for Lithuanian companies intending to trade with and in particular export to Australia.

If you require specific and detailed market research or legal advice and representation, then you should contact local lawyers in Australia. Of advantage to Lithuanian businesses is the presence of a firm of Lithuanian speaking lawyers in Melbourne. Lukaitis Partners. Solicitors & Notary may be contacted for all business related matters.

Promoting your products and services

If your products are primarily targeted towards consumers of Lithuanian decent, you might consider promoting them through Lithuanian community periodicals in Australia.

“Mūsų pastogė”

P.O. Box 550, Bankstown, NSW. 1885

Tel. +61 2 9790 2319

Fax. +61 2 9790 3233

mpastoge@bigpond.com

www.users.bigpond.com/mpastoge

“Tėviškės aidai”

18 Henry St., Kensington, Vic. 3031

Tel. +61 3 9376 7355

mgestautas@hotmail.com

If your products and services are targeted to specific industries you should try promoting them through industry related publications. List of such publications may be found by contacting particular industry association.

Useful contacts

Consulate-General of the Republic of Lithuania in Melbourne, Australia

Jurisdiction throughout Victoria and Tasmania

Mr Andrius Žilinskas - Honorary Consul-General

56 Somers Street
Burwood, Vic 3125

Tel: +61 3 9808 8300
Fax: +61 3 9808 8300
Email: litconmelb@bigpond.com

Lukaitis Partners, Lawyers & Notary

123 Church Street, Hawthorn, Victoria 3122
Ph: +61 3 9819 5515
Fax: +61 3 9819 6078
E-mail: lukaitispartners@bigpond.com

Australian Baltic Chamber of Commerce

Mr Linas Žalkauskas
President

61 Malin Street
KEW VIC 3101
AUSTRALIA
ph: +61 3 94196355
fax: +61 3 9818 7388
e-mail: zalk@bigpond.net.au

Lithuanian community contacts in Victoria

Mr Andrius Vaitiekūnas
President
Lithuanian Community in Melbourne
Lithuanian House
44 Errol Street, North Melbourne, Victoria 3051
E-mail: andrew.vaitiekunas@rmit.edu.au

Mr Stasys Šutas
President
Lithuanian Community in Geelong
P.O. Box 45
North Geelong, Victoria 3215
Ph: +61 3 5250 2192
Mobile: +61 419 432 736

Mr Juozas Paškevičius
President
Lithuanian Community in Hobart
59 Sixth Street, Tasmania 7009
Ph: +61 3 6272 6360

Useful information sources and links

Australian Exhibition Services. Exhibitions in Australia by city, industry, date
<http://www.austexhibit.com>

Exhibitions and Events Association of Australia internet page provides an on-line directory of Australian events, conferences and exhibitions
<http://www.eeaa.com.au>

Australian Exhibitions provides information about exhibitions in Australia
<http://www.onlineevents.com.au>

Trade Events Australia provides tourism and trade events in Australia
<http://www.tradeevents.australia.com>

ExpoBase is a German based website listing 17,000 exhibitions from around the world. This site has a very good search engine for Australian trade events.
<http://www.expodatabase.com>

Portal for finding business contacts in Australia
<http://www.trade.com.au/>

Australian Business Entry Point
<http://www.business.gov.au>

Victorian Business Entry Point
<http://www.business.vic.gov.au>

Australian Department of Foreign Affairs and Trade internet page is very useful for finding trade statistics, country information, and specific information about international trade
<http://www.dfat.gov.au>

Department of Foreign Affairs & Trade (Melbourne)
<http://www.dfatmelb.gov.au>

Australian Customs service provides information for importing, exporting, customs regulations and compliance with Australian law
<http://www.customs.gov.au>

Australian Taxation Office provides all information related to taxation
<http://www.ato.gov.au>

IP Australia provides information about intellectual property concerning Australian trademarks, patents and designs
<http://www.ipaustralia.gov.au>

Australian Suppliers Database. Search for thousands of Australian companies, their products and services. You can either browse by selecting an industry category or simply enter a keyword into the window below. Search for upcoming trade events.
<http://www.austrade.gov.au/>

Australian Bureau of Statistics page provides up to date statistical information on macro and micro economical situation, trade statistics, data necessary for market research and analysis
<http://www.abs.gov.au/>

Australian Competition & Consumer Commission
<http://www.accc.gov.au>

Australian Securities & Investments Commission
<http://www.asic.gov.au>

Australian legislation database
<http://www.austlii.edu.au>

State of Victoria homepage

<http://www.vic.gov.au>

Melbourne homepage. Everything about Melbourne city

<http://www.melbourne.vic.gov.au>

Melbourne homepage. Melbourne events, cultural life.

<http://www.thatsmelbourne.com.au/>

Google.com.au - search engine that provides possibility to search for local Australian Information

<http://google.com.au>

Yahoo.com - local web portal and search for Australia and New Zealand

<http://au.yahoo.com/>

Appendix A: Information about editors, explanatory notes, copyright information

This publication was prepared using various Australian and Lithuanian information sources and online publications for the Consulate-General of Lithuania in Melbourne, Australia by Mr. Andrius Žilinskas - Honorary Consul-General, litconmelb@bigpond.com and Mr. Algis Akstinas, responsible for trade promotion project, algis@akstinas.lt.

The data on merchandise trade between Australia and Lithuania and Australia and EU countries in this publication are measured on a recorded trade basis, based upon quantities and values of goods measured as they cross the Australian Customs frontier. They can differ from data presented under the balance of payments basis in terms of coverage, valuation and timing. Yearly statistics represent calendar year from Jan-1 to Dec-31.

In this publication, trade is disaggregated by two classifications: the merchandise Trade Exports Classification (TREC); and the Standard International Trade Classification, Revision 3 (SITC R3).

Merchandise trade statistics are valued as:

Exports (from Australia): Valued at the free-on-board (f.o.b.) at the Australian port-of-shipment. Charges for distributive services provided beyond the customs frontier are not included (e.g. international freight and insurance charges).

Imports (to Australia): Valued at the Australian Customs Value for Australian data. This is based on the price actually paid, provided the buyer and seller are independent, on an f.o.b. basis, i.e. charges and expenses involved in delivering the goods from the place of exportation to Australia are excluded.

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