



SECURE
EXPORTS
SCHEME

SECURE EXPORTS SCHEME
**SUPPORTING
NZ AIR AND SEA
FREIGHT
EXPORTERS**

APRIL 2021



NEW ZEALAND
CUSTOMS SERVICE
TE MANA ĀRAI O AOTEAROA

**Protecting and promoting
New Zealand across borders**

CUSTOMS AT A GLANCE

- Global recognition as a secure trader
- International recognition of exports via a secure supply chain
- Less documentation checks and inspection interventions
- Lower export transaction fees for lodging export entries
- Customs people based in export destinations that we have Mutual Recognition Arrangements (MRAs) with help our partners solve their clearance problems.



HOW CUSTOMS SUPPORTS NZ TRADE

- Facilitates transactions for more than 11,000 importers, 350 brokers and 16,000 exporters
- Protects NZ by identifying and seizing prohibited goods
- Ensures NZ's low-risk imports and exports flow through borders with minimal intervention
- Helps NZ businesses build and maintain internationally approved secure supply chains
- Works with our peers in key export destinations to sign and maintain Mutual Recognition Arrangements (MRAs)
- Supports Free Trade Agreement negotiations and maintenance
- Manages import/export controls and duty payable via the NZ tariff.

IN 2019/2020, CUSTOMS:

COLLECTED MORE THAN

\$15 BILLION

OF CROWN REVENUE

PROCESSED

19.1 MILLION

IMPORT AND EXPORT
TRANSACTIONS

CLEARED

**99.1% OF TRADE
TRANSACTIONS**

(other than those referred for compliance checks)
WITHIN 30 MINUTES

MANAGED

482,701

IMPORT SEA
CONTAINERS



603,470

EXPORT SEA
CONTAINERS

THROUGH OUR BORDERS



TRUSTED INTERNATIONAL RELATIONSHIPS SUPPORT NZ TRADE

Impact on the international trade environment

Since 2000, global competitors have developed new networks of free trade agreements with each other. At the same time, following the September 11 attacks against the United States, Customs authorities around the world strengthened their security checks and documentation to mitigate the increased security risks at borders and ports.

In 2005, the World Customs Organization (WCO) adopted the SAFE Framework of Standards to Secure and Facilitate Global Trade (WCO SAFE).

Today, the SAFE Framework consists of three pillars for co-operation, partnership and harmonisation.

The World Customs Organization (WCO) set up the Authorized Economic Operator (AEO) programme to help manage and maintain secure supply chains.

We are working hard to ensure NZ exporters aren't disadvantaged.

Customs supports trade negotiations, implementing and maintaining trade agreements, and the development of Mutual Recognition Arrangements (MRAs) that formally recognise NZ exports delivered via a secure supply chain.

In 2004, Customs' Secure Exports Scheme (SES) was set up as an approved AEO programme to help NZ exporters maintain secure supply chains to reduce the cost and time it takes to get products to international markets.



In 2020, SES partners exports to MRA destinations made up just under 50% of all NZ export trade.

NZ has MRAs with nine of NZ's top export destinations – Australia, Canada, China, Hong Kong, Japan, Republic of Korea, Singapore, Taiwan and the United States of America.

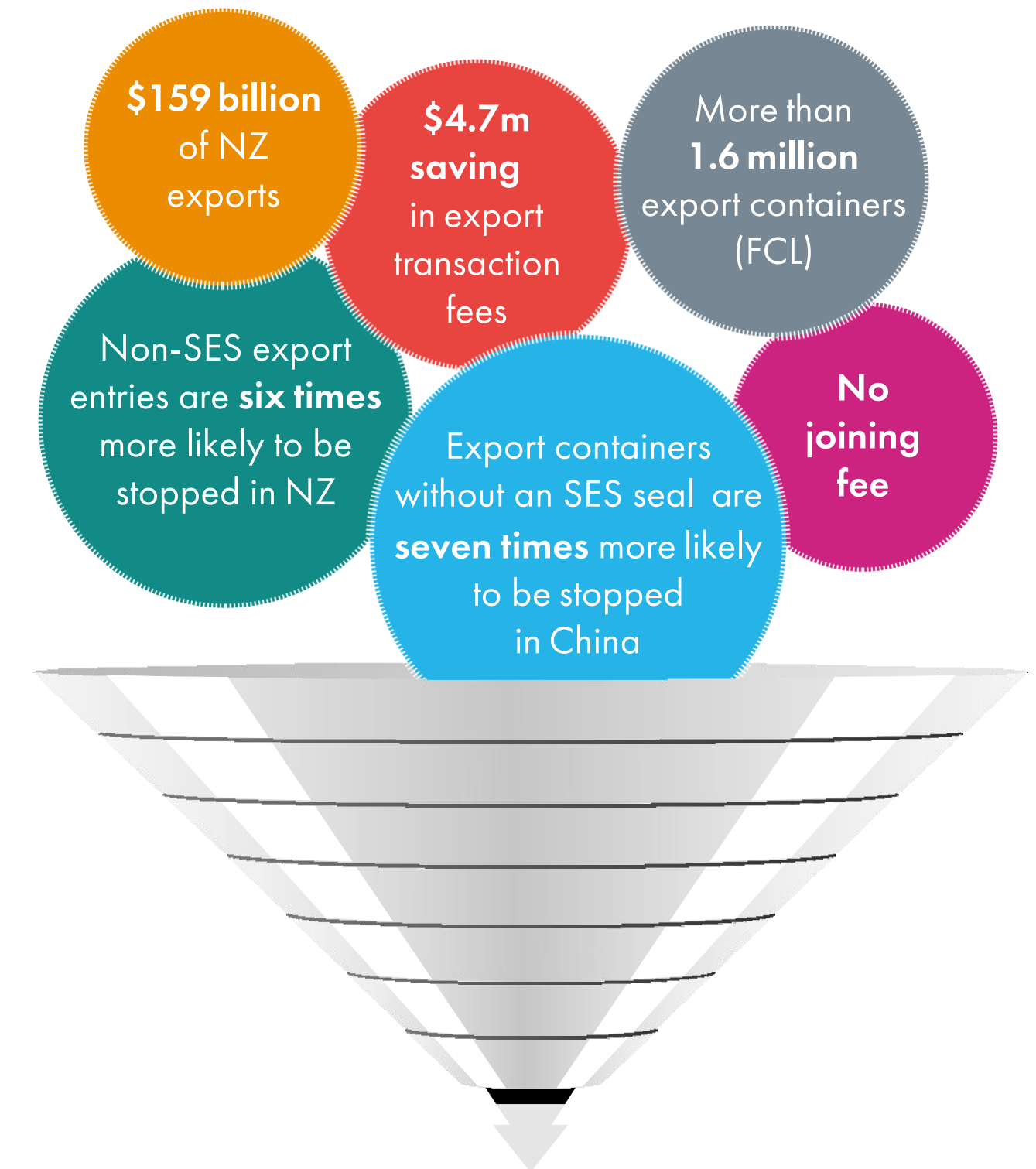
Customs people based in Los Angeles, Washington DC, Virginia (International Targeting Center), Bangkok, Beijing, Hong Kong, Jakarta, Kuala Lumpur, Brussels, London, Canberra (Australian Border Operations Centre) – Canberra and the Pacific, are helping SES members interpret trade agreements, non-tariff barriers and help with clearance issues.



SES BENEFITS FOR NZ AIR AND SEA FREIGHT EXPORTERS

- ✓ **SES partners receive lower export transaction fees for lodging export entries.**
Our members have saved more than \$4.7 million in export transaction fees.
- ✓ **Reduced Customs interventions or inspections**
Exports processed through the scheme are recognised as trade coming through a secure supply chain. Our data shows that non-SES exports are six times more likely to be stopped at NZ borders, and seven times more likely to be stopped in China.
- ✓ **Support with trade disruptions in MRA destinations**
Customs people based in 13 overseas locations help SES members interpret trade agreements, non-tariff barriers and help with clearance issues.
- ✓ **Global recognition as a secure trader**
NZ businesses carry the Customs approved seals to show they have met the AEO/MRA requirements of a secure supply chain including:
 - Physical security of site
 - Document security
 - Container loading security
 - Quality assurance procedures
 - Personnel security
 - Incident reporting.

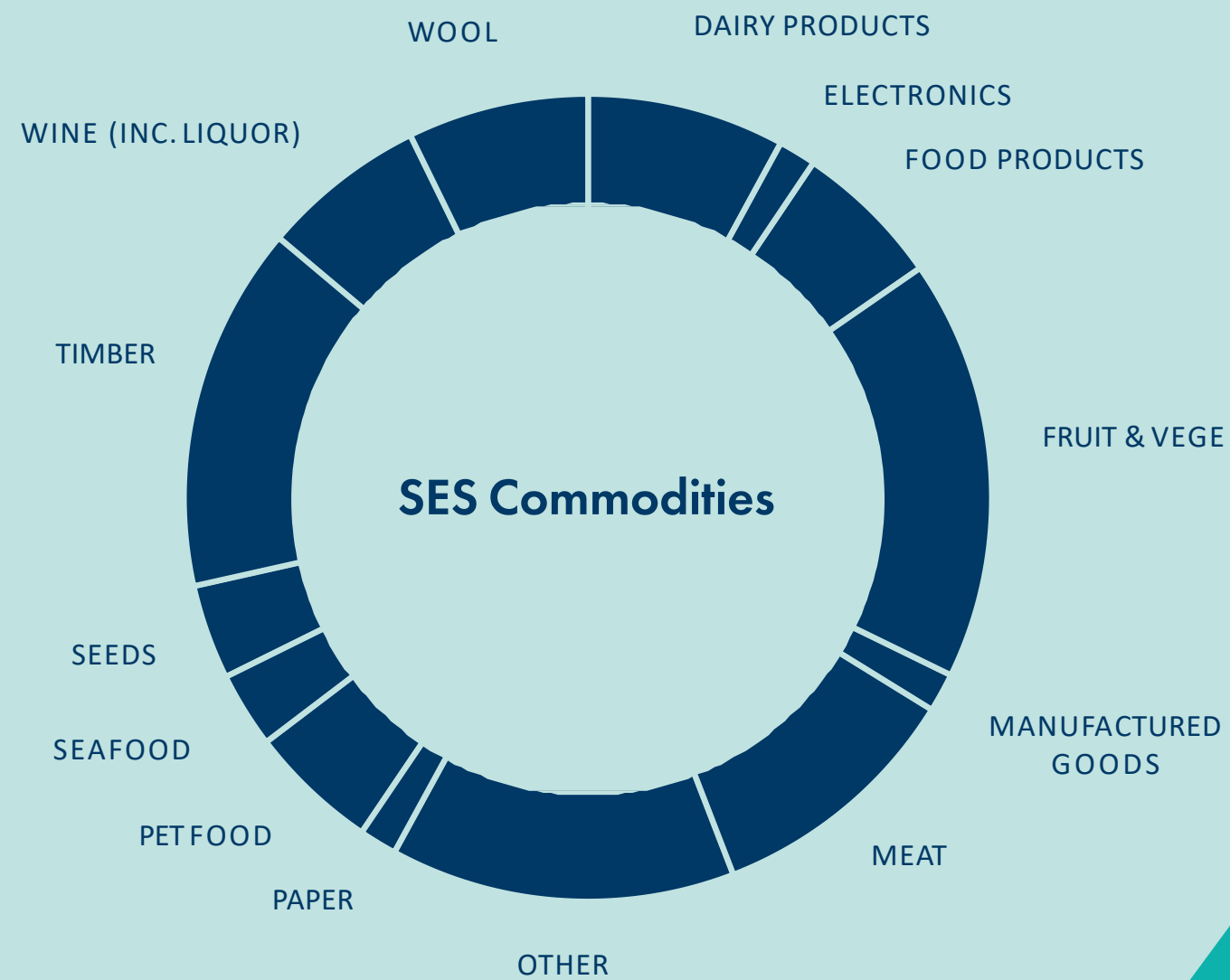
SUPPORT TO SES PARTNERS OVER THE LAST TWO DECADES



SES PARTNERS

The Secure Exports Scheme was set up in October 2004.

As at February 2021, 133 partners, 481 sites and 143 transport operators manage their exports through a secure supply chain approved by SES. This means that these products are exported with the approved SES seal.



SES Engagement by Region



WHAT MAKES A POTENTIAL SES PARTNER?

1 Any NZ registered business that is exporting, or planning to export to any of these nine destinations:

- Australia
- Canada
- China
- Hong Kong
- Japan
- Republic of Korea
- Singapore
- Taiwan
- United States of America



- These destinations have signed Mutual Recognition Arrangements (MRAs) with New Zealand.
- Any NZ export carrying the approved SES seal has fewer interventions and investigations.

2 NZ air and sea freight exporters that place a high importance on the security of their supply chain, particularly their sites, transport operators, people and processes.



- Customs does not charge NZ businesses for joining or being an SES partner.
- Businesses may need to invest in some areas to ensure their people, facilities and processes maintain a secure supply chain.

3 Any NZ exporter that regularly sends product to these destinations in full sea freight container (FCL) and via air freight.



- SES exporters have fewer intervention and investigations, reduced transaction fees, and less documentation.

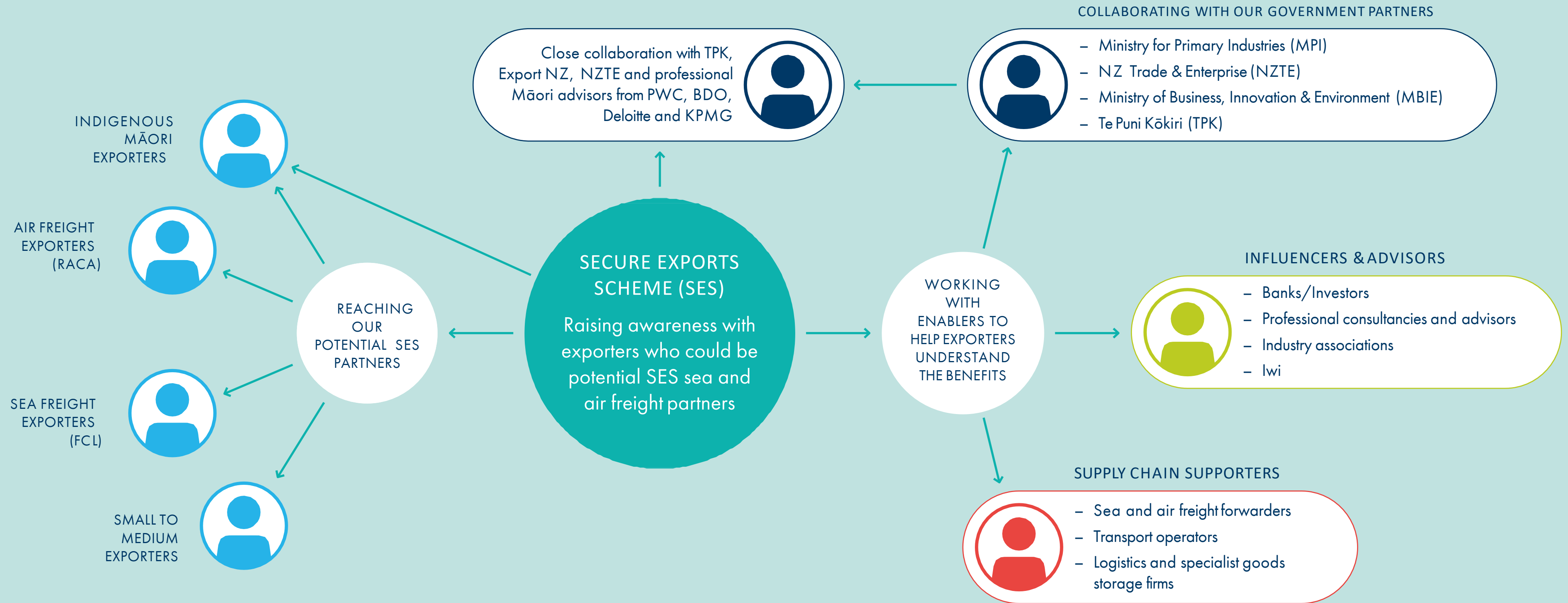
4 Any NZ exporter already operating under an existing supply chain accreditation.



- Any NZ exporter operating through MPI, ISO 280001 and/or in the regulated air cargo agent scheme (RACA), should talk to us.



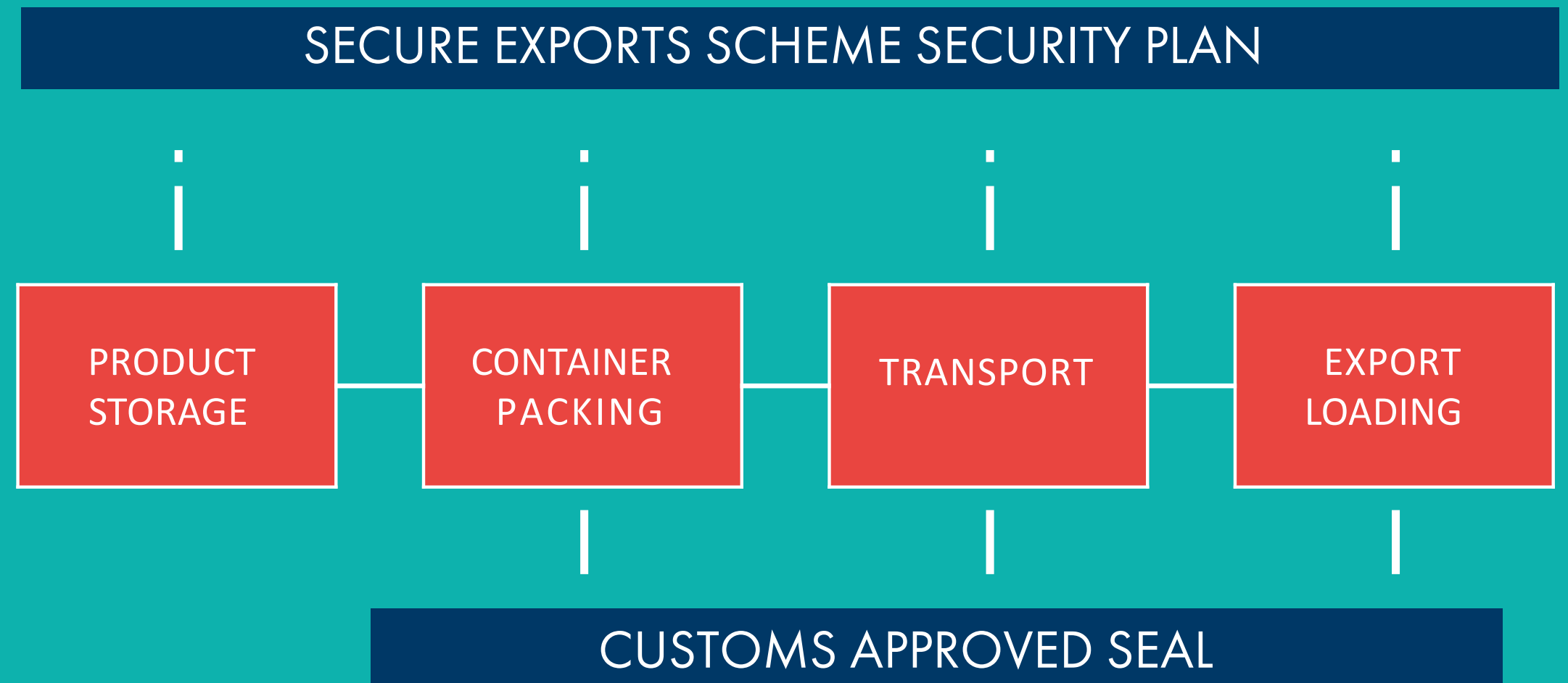
PROMOTING THE SES BENEFITS TO NZ BUSINESSES



WHAT ARE THE CRITICAL POINTS IN A SES SECURE SUPPLY CHAIN?

SECURE EXPORTS SCHEME

CRITICAL CONTROL POINTS



SES ASSESSMENT OF SUPPLY CHAIN CRITICAL POINTS



FREQUENTLY ASKED QUESTIONS

What are the benefits of being a Secure Exports Scheme partner?

- There is no joining fee
- International recognition of exports via a secure supply chain
- Less documentation checks and inspection interventions
- Reduced export entry fees for partners
- Customs people based in Los Angeles, Washington DC, Virginia, Bangkok, Beijing, Hong Kong, Jakarta, Kuala Lumpur, Brussels, London, Canberra (Australian Border Operations Centre), Canberra and the Pacific. They help SES members interpret trade agreements, non-tariff barriers and help with clearance issues.

Is there a joining criteria?

Your export volume, export destinations, and export growth plans will determine whether you are ready to join the scheme now, or in the future.

How do businesses start the SES application process?

Complete our registration of interest form. We will explain the application process and help you decide if you are ready to submit an application to start the joining process.

How will you support businesses through the process?

During application, we help you understand and meet the international secure supply chain requirements. We will work at your pace to develop detailed documentation, such as how you manage your supply chain, logistics and transport operators, and site security. We will then help you maintain this status.



FREQUENTLY ASKED QUESTIONS

How long does it take?

The time it takes to become an SES partner will vary depending on the supply chain complexity. There are four key areas we will assess – product storage, container packaging, transport, and export loading. We appreciate that NZ traders must prioritise the needs of their core business so we work closely with our applicants to match their pace.

How much does it cost?

The cost of joining is free. To meet SES requirements, it may be necessary to invest in some areas in the supply chain. The cost of this will vary and we will help you assess this during the application process.

We are here to support you

- For more information about the Secure Exports Scheme, download and email our completed registration form to SES2021@Customs.govt.nz
- If you have a query about your Import and export transactions, email our Service Delivery team service.delivery@customs.govt.nz with your client code and we will get back to you as soon as we can.
- For our latest news and important notices, sign up here www.customs.govt.nz/cr-subscribe

For more information: Please visit our website www.customs.govt.nz/ses or phone 0800 4 CUSTOMS (0800 428 786)

