



The Hon Dan Tehan MP
Minister for Trade, Tourism and Investment

Parliament House
CANBERRA ACT 2600

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Our Ref: MC22-000057

23 FEB 2022

Mr Paul Zalai
Director, Freight & Trade Alliance
Secretariat, Australian Peak Shippers Association
Director, Global Shippers Forum
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Dear Mr Zalai

Thank you for your letter of 7 January 2022, regarding contingency planning for the international trade and aviation sector, particularly in relation to the International Freight Assistance Mechanism (IFAM).

I would like to express my appreciation to you, and to those on whose behalf you write, as you continue to operate in an unpredictable environment with great perseverance.

As you are aware, IFAM was established in April 2020 as a temporary, targeted emergency measure to keep global supply links open in the face of an acute crisis. The announcement in August 2021 to extend IFAM provides businesses with additional time to transition to new and more resilient operating models. Airfreight prices are unlikely to return to pre-COVID levels and capacity will remain constrained making adaptation key to remaining competitive.

The Government is aware of the further disruption to freight and aviation services caused by the Omicron variant. I would also note the Prime Minister's recent announcement that Australia will reopen to all fully vaccinated visa holders from 21 February 2022. In light of the evolving situation with international travel and its impact on airfreight, we will continue to closely monitor the situation, including whether there is any need to further extend IFAM beyond its current end date.

I encourage you to maintain contact with the IFAM team, who can work with you to address any immediate concerns, and provide updates about the IFAM program.

I have provided copies of this letter to the Hon Barnaby Joyce MP, Deputy Prime Minister and Minister for Infrastructure, Transport and Regional Development, the Treasurer, the Hon Josh Frydenberg MP, and the Hon David Littleproud MP, Minister for Agriculture and Northern Australia.

Thank you for bringing your concerns to my attention. I trust this information is of assistance.

Yours sincerely

A handwritten signature in blue ink, appearing to be 'Dan Tehan', written over the printed name.

DAN TEHAN