16th Annual Conference of the Oceania Customs Organisation (OCO)

“Communication - Sharing Information for Better Cooperation”

Communiqué

1. The 16th Annual Conference of the Oceania Customs Organisation (OCO) was hosted by the Fiji Revenue & Customs Authority (FRCA) at the FRCA Complex WCO Regional Training Center in Suva from Monday 7th April – 9th April, 2014.

2. Delegates from Australia, Cook Islands, Federated States of Micronesia (FSM), Republic of Kiribati, Nauru, New Caledonia on behalf of the French Territories of French Polynesia and Wallis and Futuna, New Zealand, Niue, Norfolk Island, Northern Mariana, Republic of Palau, Papua New Guinea, Republic of the Marshall Islands (RMI), Republic of Fiji, Samoa, the Kingdom of Tonga, Tuvalu and Vanuatu attended. Solomon Islands was unable to attend due to the flooding in Honiara. Apologies were also received from American Samoa, Democratic Republic of Timor Leste, and Guam. Also, in attendance were the OCO Secretariat Administrator, KPMG, representatives from the Pacific Islands Forum Secretariat, European
Union, Australian High Commission and the New Zealand High Commission.

3. The conference was officially opened by Fiji’s Permanent Secretary for Foreign Affairs and International Co-operation, Mr. Amena Yauvoli. Mr Yauvoli challenged the OCO to take stock of the last 10 years noting its major achievements, challenges and areas of improvement. He also challenged the OCO member countries to work together as a region and reminded the OCO and its members that good governance is never negotiable.

4. Fiji was elected Chair of the conference. Tonga and Palau were elected as Vice Chairs.

5. The outgoing Chair, Mrs. Daphney Stone of Tonga, presented a report on the work carried out in 2013. She emphasized the need for good communication, governance structure, proper oversight and balance in the management of the OCO Secretariat.

6. KPMG, presented a report on the financial position of the OCO Secretariat highlighting important areas that require significant attention and improvement. The Administrator provided recommendations on the way forward. Members discussed these recommendations for a program of reform, and agreed to take them forward as recommended by the Administrator.
7. Members agreed on the Administrator’s recommendation to establish an OCO Board comprising of six members. Members also agreed that the Board membership comprise of Australia and New Zealand in their capacity as major donors. Members agreed that the Board include a representative each, from Melanesia, Polynesia and Micronesia. Members agreed that the OCO conference Chair will also be the Chair of the Board.

8. Members noted the draft Charter and endorsed the document in principle. Members agreed to undertake internal consultation on the draft constitution and to communicate their submissions on any amendments by the end of June 2014.

9. Members noted the Administrator’s recommendation for an Internal Audit function and Board Audit Committee. Members tasked the newly appointed Board to deliberate further on this recommendation.

10. The OCO Secretariat presented the 2013 Annual Report. Members noted that the report did not contain the audited financial statements. Members then agreed that the Administrator would complete the statement of accounts by May, 2014, following the completion of the statement of accounts, the Secretariat would engage an external auditor to undertake an audit of the 2013 consolidated accounts by the end of July 2014. Future Annual Reports of the Secretariat would include audited accounts of both the Project and Core funding.
11. Members considered and discussed a review of Membership Contributions and agreed to adopt the new contribution from 2015 as recommended by the OCO Secretariat.

12. Members noted the presentations by the Pacific Islands Forum Secretariat, the European Union, Australia and New Zealand on the terms and conditions that would need to be fulfilled for consideration of future financial support to the OCO in Core and Project Funding of the Secretariat. Members noted the concerns of the donor agencies and their recommendations and tasked the OCO Board to map the way forward for the Secretariat.

13. The OCO Board met and discussed the concerns of the donor partners. The OCO Board directed the OCO Secretariat to prioritise the location of missing financial documents in the next two weeks, in relation to the EU audit for 2012.

14. The Chair informed the Members of the Board’s commitment to implementing proposed reforms to the OCO Secretariat.

15. The Board recognised the need to reimburse the FJD564,000 drawn from the Trade Facilitation in Customs Cooperation (TFCC) for non-TFCC related expenses. The repayment to be made in installments over two years. The Board requested, Australia and New Zealand to consider contributing FJD140,000 each, subject to the approval of their Governments. Members further agreed on the following payments: PNG
(FJD30,000), Fiji (FJD30,000), Vanuatu (FJD10,000), Tonga (FJD10,000), RMI (FJD10,000), Nauru (FJD5000), Samoa (FJD5000) and Kiribati (FJD5,000). Members agreed that the Tier 4 and 5 members contribute FJD2,000 each subject to respective Government's approvals, the remainder of the balance will be recovered from savings made in the OCO Secretariat. The EU was also requested to consider absorbing the balance of the FJ$140,000.00.

16. Members endorsed the offer of appointment of Mr. Allwyn Netto as the new Head of Secretariat for an initial term of 12 months subject to further extension of 2 years by mutual agreement between the Board, the Conference and the appointee.

17. The Conference noted the presentations made by Fiji and PNG relating to reforms and capacity building within their administrations.

18. Palau confirmed to host the 17th OCO Annual Conference in 2015.

19. New Caledonia offered to host the 18th OCO Annual Conference in 2016 subject to confirmation from the national administration.

20. Members also considered the issue of timing of the Conference to fall within a financial year and agreed that the Board consult with the Host administration to determine an appropriate date for the hosting of the Conference.