



## Communiqué

The Papua New Guinea Internal Revenue Commission hosted the 6th Annual Conference of Customs Heads of the Oceania Customs Organisation (OCO) from 22 to 26 March 2004. Mr David Sode, the Commissioner General, chaired the meeting.

This Conference was attended by twenty one of the twenty-three member administrations. There were thirty six delegates from Australia, the Cook Islands, the Fiji Islands, French Polynesia, Guam, Kiribati, the Republic of Marshall Islands, the Federated States of Micronesia, New Caledonia, New Zealand, Niue, Norfolk Island, Commonwealth of the Northern Mariana Islands, Republic of Palau, Papua New Guinea, Samoa, Solomon Islands, the Kingdom of Tonga, Tuvalu, Vanuatu and Wallis & Futuna.

Two staff from the OCO Secretariat attended the Conference along with 13 representatives of the invited observer organisations, being the Australian Federal Police (AFP), the Pacific Islands Forum Secretariat (PIFS), the Pacific Immigration Directors Conference (PIDC), the Pacific Plant Protection Organisation (PPPO), the South Pacific Chiefs of Police Conference (SPCPC), ICPO-Interpol, the Pacific Financial Technical Assistance Centre (PFTAC), Statistics New Zealand and the United Nations Conference on Trade and Development (UNCTAD).

The Minister of Finance and Treasury, the Hon. Bart Philemon MP, formally opened the conference and welcomed the delegates and observers to PNG and to the Conference, noting the impact of Customs particularly in combating terrorism and transnational crime activities. He also noted that this was the 6<sup>th</sup> conference of OCO and coincidentally that PNG had also hosted the 6<sup>th</sup> conference of CHARM.

Delegates and observers at the Conference stood for one minute's silence in recognition of the recent death of the Comptroller of the New Zealand Customs Service, Mr Robin Dare. The Conference lamented the loss of a close friend and colleague and reflected on the outstanding leadership role adopted by Robin Dare during his time as Comptroller.

The Conference agreed to re-examine its strategic planning process to develop a clear strategic direction for OCO. Members welcomed the support offered by Australia, New Zealand, New Caledonia and OCO Secretariat in redefining the work plan.

The key issues discussed and progressed by OCO 2004 included:

### **1. Trade Facilitation / Revenue Collection**

The Conference noted the report and the recommended funding for the Customs component of the Regional Trade Facilitation Program (RTFP) set up under Pacific Agreement on Closer Economic Relations (PACER). Strong reliance on the OCO strategic plan/work plan was used in the development of the RTFP work program which was endorsed by Forum Ministers in June 2003. At the Donors and Trade Officials Meeting in December 2003, available funding was clarified requiring a reassessment of the Work program to take account of available funding.

Member countries were strongly encouraged to support the formation of National Trade Facilitation Committees and to promote support for the regional trade agreements of Pacific Islands Countries Trade Agreement (PICTA) and PACER.

OCO members noted the value of the World Customs Organization (WCO) Convention on the simplification and harmonisation of customs procedures (the revised Kyoto Convention) as providing a framework for the modernising of customs administrations. Integrity and Risk Management issues were strongly supported. OCO members also reaffirmed support for the regional implementation of international trade instruments such as the World Trade Organization (WTO) Valuation Agreement, the Harmonized System for the classification of goods and Rules of Origin.

On the issue of Customs automation, members noted the UNCTAD paper on "Computerisation of Customs Import/Export Clearance and External Trade Statistics" strategy paper. UNCTAD also reported on reduced costs for ASYCUDA++ brought about by amongst other things the increased involvement of Fiji Islands, Samoa and Vanuatu in the management and operation of the ASYCUDA Support Mechanism for the Pacific (ASMP). The meeting further noted UNCTAD's presentation of the online modernisation/automation self-assessment tool and its potential for use in Pacific Island countries.

Conference members also noted the successful introduction of the revised version of PCTrade in the Federated States of Micronesia and the assistance provided by PFTAC and Statistics New Zealand in reforming Customs administrations wishing to implement PCTrade.

The Conference noted that a working group is to be established to study and report on the regional requirements and guidelines needed for Pacific Island countries to implement trade security initiatives. The group will consist of members of regional and international organisations as well as representatives from individual governments.

## **2. Law Enforcement**

Throughout the conference, several delegates and observers highlighted the increased security threats posed to the OCO region from transnational criminal activities. Issues discussed included terrorism, identity fraud, intellectual property rights, financial intelligence, illegal trade in endangered species, drug trafficking, firearms, money laundering, tobacco smuggling, and the regional issues associated with people smuggling, trafficking and illegal migration.

The Conference noted with concern the emergence of amphetamine type substances (ATS) and increasing likelihood of clandestine laboratories in the region and the associated illicit trade in precursor chemicals. A recently prepared assessment for the OCO on precursor chemicals provided a good basis for Customs administrations to begin targeting areas of risk and to establish relationships with legitimate chemical importers and pharmaceutical industry groups.

OCO members again reinforced the need for communication and cooperation between law enforcement agencies and regional groups and were pleased to note that a number of countries now have joint law enforcement agency Transnational Crime Units established.

OCO members agreed to intensify their contribution to information held on regional databases and communication networks. This included ongoing support for Customs Asia Pacific Enforcement Reporting System (CAPERS) and the supply of information to the Customs Regional Intelligence Network (CRIN).

The Conference noted the proposal to establish a cooperative arrangement between the OCO and ICPO Interpol and the UNEP OzonAction Program and agreed that the Secretariat should research the mutual benefits of such arrangements.

## **3. Modernisation and Capacity Building**

The Conference was pleased to note from several member countries that capacity building and institutional strengthening projects were underway in conjunction with a move to Customs automation.

The meeting was informed of a number of sources of quality training material including the availability of computer based training packages and e-learning modules from the United Nations Office on Drugs and Crime (UNODC) and the WCO.

Further consideration will be given to a Pacific Islands Forum proposal to establish a multi agency law enforcement training programme in the region that would provide accredited qualifications. The Conference noted that the WCO regional meeting is to consider the setting up of regional training centres in the Asia Pacific region, which will specialise in training on Customs matters.

The Conference welcomed the completion of the OCO Capacity Building Guidelines, which will serve as a useful framework for technical assistance, capacity building and donor projects in the region.

The Conference noted the work of the OCO Integrity Committee and acknowledged the opportunities for further development of integrity issues under the Regional Trade Facilitation Programme. The completion of a suite of manuals and guidelines by the WCO was also noted as being an extremely useful resource for member administrations.

#### **4. Communication / Representation**

The Head of Secretariat addressed the OCO's work in promoting the achievements of the OCO and its members since the last Conference. He highlighted the steps undertaken to ensure effective communication to Conference members of the work of the OCO Secretariat in discharging its assigned tasks and in ensuring all members are fully briefed on the outcomes of all activities. He urged those members who do not have websites to make use of the OCO website to promote their administrations.

#### **5. OCO Strategic Plan and Annual Work Plan**

Members agreed to an updated OCO Strategic Plan for 2004 – 2006 to reflect the outcomes of the Conference. They also agreed to the preparation of a Work Plan reflecting the RTFP commitments, which will be completed in the near future. This will be done in conjunction with a rationalisation of the OCO Secretariat in response to increased work volumes and responsibilities.

#### **6. Closing**

The Conference accepted the offer of Guam to host the 7<sup>th</sup> OCO Annual Conference from 7 to 11 March 2005.

Delegates expressed their gratitude to the people of PNG and the staff of PNG Internal Revenue Commission, who had all been instrumental in making this a most successful and culturally enjoyable Conference.

**Chairman  
PNG  
26 March 2004**