



19th OCO ANNUAL CONFERENCE 2017

Communique

1. The 19th Annual Conference of the Oceania Customs Organisation (OCO) was hosted in Guam from 2 – 5 May 2017 and was attended by Heads of Customs Administrations of the Governments of Australia, Cook Islands, Federated States of Micronesia, Fiji, Guam, Kiribati, Republic of the Marshall Islands, Nauru, New Caledonia, New Zealand, Niue, Commonwealth of the Northern Mariana Islands, Palau, Papua New Guinea, Samoa, Solomon Islands, Tuvalu, and Vanuatu. Apologies were received from American Samoa, French Polynesia, Timor Leste, Tonga, and Wallis and Futuna.

2. In attendance were invited representatives from the Australian Federal Police, IMF Pacific Financial and Technical Assistance Center (PFTAC), Japan Customs & Tariff Bureau, Korea Customs Service, Pacific Immigration Directors' Conference (PIDC), Pacific Islands Chiefs of Police (PICP), Pacific Islands Forum Secretariat (PIFS), Pacific Transnational Crime Coordination Centre (PTCCC), Secretariat of the Pacific Community (SPC), United Nations Conference on Trade and Development (UNCTAD), United Nations Office on Drugs and Crime (UNODC), United States Coast Guard (USCG), United States Homeland Security Investigations, World Bank, and World Customs Organisation.

3. The Conference was officially opened by the Lieutenant Governor of Guam, Honourable Ray S Tenorio. Customs Heads expressed their deep gratitude to the Government and people of Guam for the excellent

arrangements in hosting the 2017 Annual Conference, and for the kind hospitality extended to them during their stay in Guam.

4. The Members thanked Tuvalu for its contribution as Chair of the OCO Annual Conference and Steering Committee in the past year, and welcomed Mr James McDonald, Director, Guam Customs and Quarantine Agency, as the new Chair for the conference. The Members also welcomed the appointment of Australia and Tuvalu as Vice-Chair of the Conference.

5. The Members welcomed the good progress and achievements made by OCO Secretariat over the 10 months from July 2016 to April 2017, as noted in the OCO Interim Annual Report, and noted the complete OCO Annual Report for July 2016 to June 2017 will be put to the OCO Steering Committee for consideration for approval in October 2017, and disseminated out-of-session for the information of Members. Members noted in particular the benefits experienced at the national level from regional capacity building activities that the OCO has been involved in providing for Member administration staff, and expressed gratitude to the OCO for its efforts in this regard.

6. The Conference supported and endorsed the new OCO Strategic Plan for 2017 – 2022, and commended the consultants and the OCO on the excellent work on producing the strategic plan. Members considered two proposed changes to the Charter of the OCO Steering Committee, resulting from the review of the current strategic plan. The Conference decided not to pursue the appointment of an independent member to the OCO Steering Committee. Rather than the hosting Administration Chair being elected by Members at the commencement of the Annual Conference, Members agreed that the Administration expected to host the next forthcoming Annual Conference be

the OCO Chair elected by Members at the preceding Annual Conference. The Chair's term will therefore be for the one year preceding the Conference to which his or her Administration would host.

7. The Members considered and discussed in detail the OCO Long-term Sustainable Funding Strategy and reaffirmed their commitment to the long-term sustainability of the OCO. The Members also discussed the proposed revised membership structure and fees, and supported in principle the proposal, while noting that Members would require time to socialise the proposed fee increases through their respective national budgeting processes. French Territories in particular would require consultation with national authorities before being in a position to confirm the proposed increase in their assessed fee contribution. Members were requested to make these consultations a priority, for OCO to support this process with appropriate correspondence, and for the final financial position of Members to be reported by the end of December 2017. The Members decided to defer consideration of the abolition of the travel support fund until the 2018 Annual Conference, allowing Members the opportunity to consider the proposed changes. Members also endorsed the convening of a donor round-table meeting annexed to the OCO Annual Conference as a resource mobilisation mechanism, the levying of project management fees on extra-budget funded projects of between 5% and 15%, and the provision of information in the OCO Annual Report to show the value of services delivered to each Member by the OCO. Members also supported the co-financing option for funding of OCO work activities, while tasking the Head of Secretariat to provide details of the mechanics of this funding option to the next annual conference.

8. The Members discussed in detail and endorsed the proposed budget and work program for 2017-18, and supported the ongoing effort by OCO to explore cost-reduction and cost-effective measures for delivering service to Members. The Conference also considered the level of outstanding membership arrears, and agreed for the OCO and Steering Committee to develop strategies to incrementally manage outstanding arrears. Furthermore, the Conference recognised the write-off of Cook Islands and CNMI debts, and noted the intention to achieve the minimum General Reserve Fund levels as part of the OCO Long Term Sustainable Funding Strategy.

9. The Members received the updated and approved OCO Financial Policies and Procedures Manual, and acknowledged the Steering Committee and the OCO for the effort in producing the revised manual.

10. The Members acknowledged and supported ongoing OCO efforts to enable non-WCO members to benefit from the various WCO services and programs, and encouraged individual non-WCO members to consider the cost-benefit for direct WCO membership accession. Members noted that should the benefits of attaining WCO membership clearly outweigh the cost, then consideration could be given toward pursuing a possible regional OCO membership approach.

11. The Members acknowledged and commended the Working Group on Information Sharing for the work and results achieved thus far, and acknowledged Australia for the progress on the development of the smartphone application initiative for small craft movement reporting. The Conference also supported New Zealand on its offer to develop a common Pacific notebook template. Members endorsed further work to pursue a

multilateral arrangement in the form of a less than treaty status Memorandum of Understanding and/or appropriate mechanism that will enable information sharing across the region. In this regard, the Conference acknowledged the offer by Australia to support the OCO to progress this initiative with Member administrations. The Members endorsed extending the tenure of the OCO Working Group on Information Sharing until the 2018 Annual Conference to pursue the development and obtain consensus on the multilateral information sharing arrangement. Members tasked the Head of Secretariat to review and propose for the approval of the OCO Steering Committee the OCO assuming the administration functions for the smartphone application, CENCom, and information publications, taking into account the OCO capacity and funding constraints.

12. The Conference noted the update on progress of the OCO Working Group on Harmonised System, and approved the Pacific Tariff Framework and Action Plan for implementation of HS 2017. The Conference also supported the focus on addressing the long-term capacity development needs of OCO Members related to the Harmonised System.

13. The Conference considered the issues that were discussed during the TFCC Project Component Steering Committee Meeting, and acknowledged the project narrative and financial reports provided for 2016. The Members also received and noted a status update on the former Head of Secretariat case.

14. Following the informal workshop sessions, the Conference welcomed the key priority areas discussed by Members and:

- (a) noted the WCO products and tools available for data analysis, and the importance of sharing information to achieve Members objectives;

- (b) supported the UNODC Global Container Control Programme for expansion of the programme to the Pacific;
- (c) welcomed the offer of technical assistance from Homeland Security Investigations to provide computer forensic services; and
- (d) supported the OCO Capacity Development Framework, including an evaluation of the PCMP Programme aimed at strengthening institutional governance and succession planning.

15. The Conference welcomed the presentations provided by Member administrations and partner organisations sharing experiences linked to implementing data management and information sharing initiatives for managing risk, and trade facilitation measures.

16. Apart from the permanent members of Australia and New Zealand, the Conference elected Solomon Islands (Melanesia), Kiribati (Micronesia) and Samoa (Polynesia) to serve on the OCO Steering Committee for a two-year term from July 2017 to June 2019.

17. The Conference accepted Australia's offer to host the next annual conference in 2018 and to fully-fund the conference, and that the corresponding OCO budget be set aside for the General Reserve Fund. The Members also accepted the offer by CNMI to host the 2019 conference, and for Cook Islands to host the 2020 conference.

18. The Conference was officially closed by Mr James McDonald, Director, Guam Customs and Quarantine Agency.