The Capacity Development for Forum Island Countries for the implementation of Harmonised System 2017 Project managed by the OCO through funding assistance under the Australia and New Zealand PACER Plus Readiness Package aims at assisting PACER Plus signatory countries to implement that Customs Harmonised System (HS) 2017 and provide other related capacity building activities.

The project is a two-year program of technical assistance that commenced in November, 2017.

Customs administrations in the OCO region will play a critical role in the implementation of PACER Plus when it comes to force and, in particular, the Trade in Goods, Customs Procedures and Rules of Origin provisions.

The uniform application of the Harmonised (HS) 2017 across the PICs to the six-digit level is very important to ensure the correct identification of the products exported/imported under the PACER Plus.

The Project Newsletter is aimed at providing OCO members with the progress of project activities on a quarterly basis.

Engagement of Customs Expert

As part of the Project, the OCO have engaged Customs Expert, Mr. Viliame Raikuna to assist PACER Plus signatories to implement HS 2017. Bill as he is commonly known in the region comes with over 28 years of experience in customs management roles in Fiji and is a regional expert on HS and Valuation having assisted a number of members in the implementation of HS 2012.

The OCO this year will also be engaging a Legal Expert and a consultant to undertake the assessment of PC Trade.

HS Tools

To facilitate the effective implementation of HS 2017, members will need the necessary guides including the HS Nomenclature 2017 edition and the Correlation Tables and, where appropriate, those in relation to earlier versions of the HS.

As part of the HS 2017 transposition work, OCO is providing to members the WCO HS 2017 Legal text. Furthermore, OCO have purchased for a number of members (Samoa, Tonga and Vanuatu) subscriptions to the online Harmonized System Database. The tools will assist members in implementation and more importantly on HS use at the national level.
The OCO undertook a one day briefing session on PACER Plus for OCO members who are signatory parties to the PACER Plus on Monday, 27 November, 2017.

The objective of the briefing was to update Heads of Customs of the Project Implementation Plan and leverage their support and commitment on the proposed national work to ensure that key outputs are delivered. Some of the key outputs from this Project is the implementation of the HS 2017, training and capacity building on HS and the PACER Plus Rules of Origin and strengthening of legislative capacity of member administrations.

The PACER Plus signatories indicated their full support for the implementation of project activities.

**Kiribati HS 2017 Mission**

From 4-22 December, 2017, Mr. Bill Raikuna & Mr. Tevita Tupou of OCO Secretariat visited Kiribati Customs to undertake the HS 2017 transposition.

The overall purpose of the Mission was assist Kiribati Customs with the update from HS 2012 to HS 2017.

The major work undertaken was:
- Review and update of the present (HS In country) which entail the migration process to 2017 HS including incorporating PAHS17
- Review and insert local subdivisions and review and update the quality of HS classification of products.
- Consultation with private sector and government agencies on Pacer Plus emphasizing the commitment expected of them.
- Bilateral consultation with government ministry's representatives identifying issues of common interest under the Pacer Plus
- Training of Customs Officials and private sector on changes to the HS Examine, identify and assess the training needs requirements of the National Administration in further developing their capacity on the implementation of HS 2017.

Kiribati Customs is currently editing the draft HS 2017 and once completed will be subjected to the legislative process aiming to be implemented by March 2018.
In our bid to strengthen engagements with members, the Head of Secretariat as part of the PACER Plus work will be visiting members to discuss policy issues with relevant stakeholders at the national level issues pertaining to PACER Plus and regional customs cooperation matters.

The country visits are critical to consolidate support for customs modernization and implementation of key deliverables of the PACER Plus project and as part of the OCO communication and engagement strategy. The HOS visited Kiribati from 4 - 6 December, 2017.

While in Kiribati, the HoS conducted individual meetings with Kiribati Customs, Permanent Secretaries for Ministries of Justice, Commerce Trade & Industry, Foreign Affairs, Attorney General and two separate stakeholder briefing sessions with relevant government entities and the private sector. The discussions with key senior government officials were extremely useful providing the platform for promoting greater awareness of the OCO PACER Plus Project and OCO work in general.

Kiribati indicated its full support and commitment to the Project activities.

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
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<tbody>
<tr>
<td>4-26 January</td>
<td>Cook Islands Country Mission - HS 2017</td>
</tr>
<tr>
<td>29 Jan-16 Feb</td>
<td>Niue Country Mission - HS 2017</td>
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<tr>
<td>25 January</td>
<td>PC Trade Assessments commences</td>
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<td>5-7 Feb</td>
<td>HOS country visit to Cook Islands</td>
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<tr>
<td>12-14 Feb</td>
<td>HOS country visit to Niue</td>
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<td>26 Feb - 9 Mar</td>
<td>Solomon Islands Country Mission - HS 2017</td>
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<td>12-16 March</td>
<td>Tuvalu Country Mission - HS 2017</td>
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<td>19-23 March</td>
<td>Nauru Country Mission - HS 2017</td>
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