

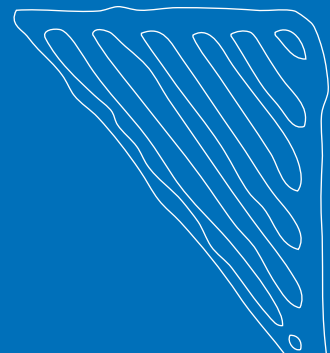
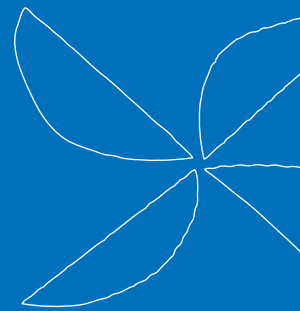
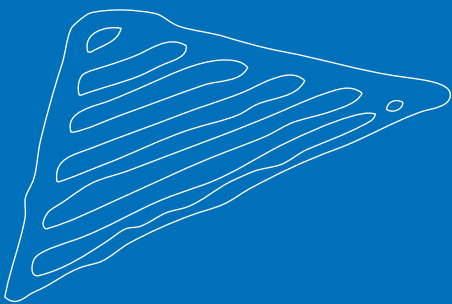
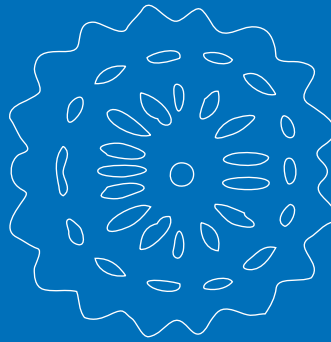


OCEANIA CUSTOMS ORGANISATION

ANNUAL
JULY 2020 – JUNE 2021
REPORT

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Introduction

This report outlines in broad terms a summary of the key activities achievements that have occurred during the period from July 2020 to June 2021, a period covering 12 months. This report is the OCO's primary monitoring and evaluation report for achievements against the Strategic Plan.

The COVID-19 pandemic continues to have an impact on the delivery of the OCO work program. However, over the past six months measures have been taken to allow the Secretariat to continue engaging with members and stakeholders leveraging technologies. The Secretariat has also invested both in technology and in our efforts to deliver remote capacity building activities as per the Approved Work Plan.



Understanding the Oceania Customs Organisation

The Oceania Customs Organisation (OCO) was established in 1986 originally with six member Customs organisations under the Customs Head of Administration Regional Meeting (CHARM) and progressively expanded until in 2011, Timor Leste became the most recent member.

The OCO comprises of twenty-three nations and territories that are independent Customs jurisdictions in the Pacific. The OCO Secretariat plays a pivotal role in providing capacity-building activities to the 23 Member Administration, they are American Samoa, Australia, Cook Islands, Federated States of Micronesia, Fiji, French Polynesia, Guam, Kiribati, Marshall Islands, Nauru, New Caledonia, New Zealand, Niue, Northern Mariana Islands, Palau, Papua New Guinea, Samoa, Solomon Islands, Timor Leste, Tonga, Tuvalu, Vanuatu and Wallis and Futuna.

Mission

OCO's mission is to facilitate and where appropriate help administrations to align with customs international standards and best practice leading to greater economic prosperity and increased border security within the Oceania region.

Vision

To be recognised as a world class regional Customs Organisation that collaborates with regional and global partners to deliver high quality services and sustainable solutions to Member Administrations.

Values

We value our members and are committed to providing targeted assistance and lasting solutions to meet their priority needs.

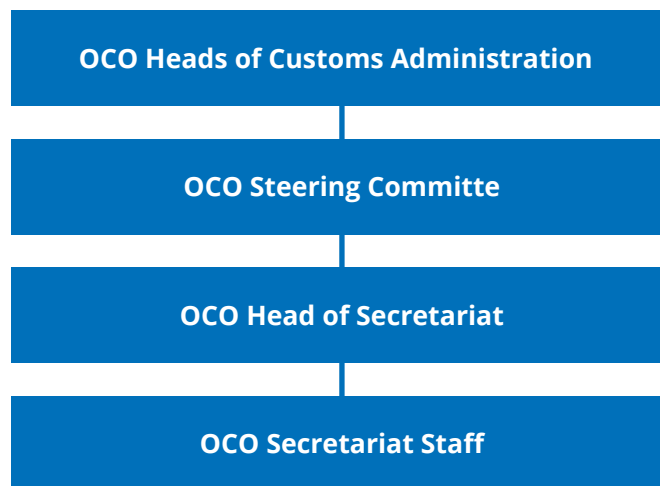
We value our development partners and stakeholders and are committed to transparent dialogue and working closely together to serve regional, global and national interests.

We value governance and credible and inspirational leadership.

Our Strategic Priorities Areas



Our Governance Structure



This Annual Report covers activities the OCO conducted between 1 July 2020 and 30th June 2021.

Our Governance Structure

As at 30th June 2021, nine full-time staff, representing three OCO Member countries were employed by the OCO Secretariat.

Message from the Head of Secretariat



The past year has been one of adapting to the impacts of a worldwide pandemic that did not spare the Pacific with many of our nations affected by this new virus and in some cases taking people away from us. We lost one of our own champions in the late James Bire to this pandemic, it will continue to challenge us as we look at new ways to manage the border with each nation establishing their own measures to keep the Pacific safe. The regional Pacific Humanitarian Pathway has only given a regional political flavour to the border, the real work is done at the national level by your front line staff and it is up to each of you to ensure you continue to keep the medical and humanitarian aid moving at this time in a manner that keeps your front line workers safe, and your nation safe. We have seen only too well what happens when this virus escapes quarantine; it is hard to put it back in!

The pandemic gave us an opportunity to change and we found a landing point in on line training which has proved to be a significant bonus in building capacity at a national level. Where we used to only have one person from each nation attend the face to face workshops, we now present to a number of participants in each country over the internet. The CCES OCO accredited training courses that are core skills required of a customs officer, have proven highly successful. As skill and knowledge embeds itself into your workforce it sows the seeds of capacity building which is what our charter requires us to do, we will be able to monitor that improvement better in the future and we are shaping our secretariat to ensure we deliver accredited training through accredited trainers and when travel opens up once again, we will use mixed modalities to deliver our work program.

In my tenure with the OCO the CCES courses have commenced, the small craft application is now finally active, HS2022 is about to be rolled out, Pacer Plus will become the main trade agreement in the Pacific in the not too distant future, and we do expect that the Asycuda database will materialize into the nations needing it when we can finally engage with UNCTAD. Our partnership with UNODC has enabled us to train more members on the IONICS system to identify movement of regulated materials, and our partnership with the PIDC and PICP and PTCCC has seen the delivery of a multi-agency, multi-nation enforcement exercise materializes into reality which will become a catalyst for future activity in building regional security.

We may be living in uncertain times, but the future of capacity building your customs service has never looked better.

God bless you and your staff and keep safe.

Best regards,
Richard Brennan

22nd OCO Virtual Annual Conference

20 October 2020

Theme: "Working together to build a safer Blue Pacific"



Heads of Customs Administration attending the 22nd OCO Virtual Annual Conference held on 20th October 2020.

The 22nd Annual Conference of the Oceania Customs Organisation (OCO) with the theme "Working together to build a safer Blue Pacific" was convened virtually on 20th October 2020 in view of the restricted travel conditions caused by the COVID-19 pandemic. This was the first time the Annual Conference has been convened virtually.

The meeting was attended by 19 Heads of Customs Administrations of the Governments or their respective nominees from Australia, Commonwealth of the Northern Mariana Islands, Cook Islands, Federated States of Micronesia, Fiji, Guam, Nauru, New Caledonia, New Zealand, Niue, Palau, Papua New Guinea, Republic of the Marshall Islands, Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu and Timor Leste. New Caledonia in attending represented French Polynesia and Wallis & Futuna as members whereas American Samoa and Kiribati were not able to attend.

Key Outcomes

The Chair stated that COVID-19 forcefully teaches us to change our course and our ways rapidly and immediately. It has caused major impacts on our economies and Customs in the Pacific region; it is however still critical that we continue to facilitate trade and earn revenue that is needed now more than ever for our governments.

- Members commended the work program and achievements made by the OCO Secretariat for

the period from July 2019 to June 2020 reflected in the OCO Interim Annual Report. The members acknowledged the support of a large network of partners who helped fund capacity building activities, implemented the work program and offered their knowledge and expertise to support the activities carried out by the OCO.

- Members noted the interim financial results for the fiscal year ended 30 June 2020 that was presented.
- Members approved the two-year work program and budget for the period from 1 July 2020 to 30 June 2022. Members also highlighted and acknowledged the implementation challenges and commended the Secretariat for developing a work plan aimed at addressing members' needs. The work program incorporated core customs training modules based on international customs best practice and learning tools, including, modules developed by the Centre for Customs and Excise Studies in Australia. In addition, members noted that the two-year work program 2020 – 2022 may negatively impact on the fiscal outlook for these years, but remain confident that this could be managed within existing resources. With the significant adverse impact on national and border revenues, member countries highlighted that revenue mobilisation remained a top priority for consideration in the work plan.
- Members agreed to discuss the Review of OCO Administration Policy and a proposed update of OCO Charter out of session given time constraints.
- Members approved to waive the annual membership fee for the Lower Tier Host nations.
- In accordance with article 3 of the Charter of the OCO, the members appointed new representatives of the three sub-regions to the Steering Committee for the next two years; Guam (Micronesia), Papua New Guinea (Melanesia) and Tonga (Polynesia) to support the permanent members Australia, Fiji, and New Zealand. The members also acknowledged the contribution of the outgoing Steering Committee members Kiribati, Samoa and Solomon Islands.

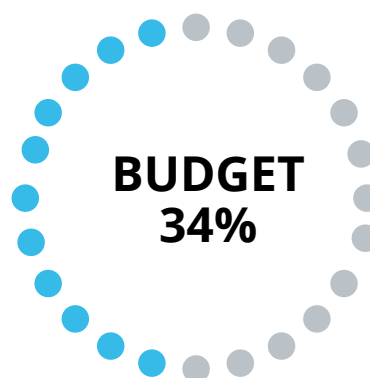
- With the aim to strengthen information sharing between members and stakeholders in the region in support of core customs functions, the members appointed the following member countries, Australia, Fiji, New Zealand, Palau, Solomon Islands and Vanuatu as members of the Information Sharing Working Group (ISWG). New Zealand accepted their nomination to the ISWG under consideration and to reconfirm their position.
- Members approved for the Federated States of Micronesia (FSM) to host the next annual conference in 2021. Members also noted and agreed that in light of Cook Islands being unable to physically host the 2020 conference that they would be offered the opportunity to host the 2022 conference.
- Members noted the invitation from Australia regarding the Joint Heads of Pacific Security meeting to be held in November 2020, and further noted the provision of conferencing systems by Australia to Pacific countries to allow regional leaders to participate in the virtual meeting.
- Members expressed their sincere gratitude to Cook Islands for its contribution as Chair of the OCO, Annual Conference and Steering Committee in the past year, and welcomed Federated States of Micronesia as the new OCO Chair and for the conference in 2020-2021.

372 Customs Officers Trained

53% Male

47% Female

Work Program & Budget Implementation



Overview of Performance



16 OCO Training



8 Online Training



6 Collaborative Workshops



12 Representational Meetings

Timeline of Activity 2020-2021

August 2020

OCO Prepares Countries for PACER Plus

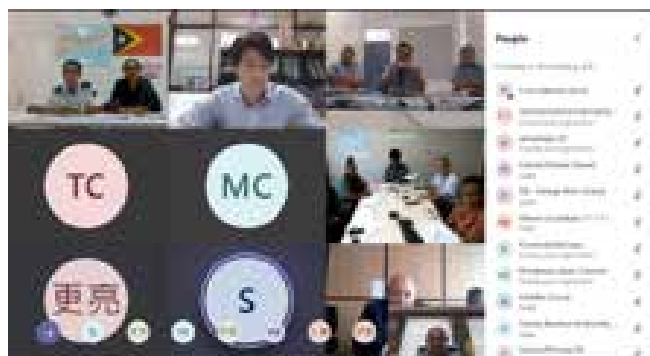
The OCO worked with five signatory countries – Kiribati, Samoa, Tonga, Cook Islands and Tuvalu- to draft Guidelines on Customs Procedures and Rules of Origin, intended to improve customs officials and traders' understanding of the Pacific Agreement on Closer Economic Relations (PACER-Plus) and overall improve trading between the countries. The guidelines focussed on PACER Plus obligations related to Rules of Origin (ROO) and Customs Procedures as well as PACER-Plus is a trade and development agreement that aims to support sustainable economic development through job creation and private sector growth by providing a platform for increasing regional trade, investment and labour flows. Under the PACER Readiness Package, with support from the Australian and New Zealand governments, OCO is assisting in the development of customs guidelines for a number of PACER Plus countries.



Customs Administrations prepare for WCO Master Training Program

Preparatory works have begun for the World Customs Organisation (WCO) Master Training Program (MTP), which is expected to begin mid-2021. The program will initially be rolled out to regional World Customs Organisation members. A virtual meeting was held in August 2020 with the World Customs Organisation Regional Office of Capacity Building, the Oceania Customs Organisation and customs officers from Fiji, Papua New Guinea, Samoa, Timor Leste, Tonga and Vanuatu to discuss the training. The regional training program supported by the Japan International

Cooperation Agency (JICA), Japan Customs, Regional Office for Capacity Building (ROCB), will build the capacity of customs administrations on a variety of key issues necessary for customs modernization. The program includes the development of a pool of well-experienced trainers from customs administrations in the region and the development of tailor-made training materials that take into account the unique needs of OCO members including the smaller island states.

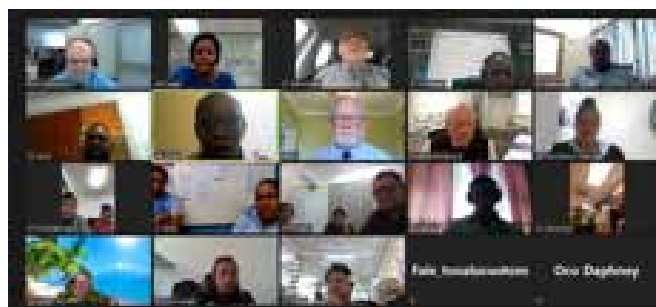


September 2020

Refresher Training on PACER Plus Rules-of-Origin

The OCO conducted a refresher training on PACER Plus Rules of Origin for nine Pacific Island customs administrations to prepare them for when the agreement comes into force. Seven countries have ratified to PACER Plus, which will come into effect 60 days after the eighth country has committed to fulfilling the obligations of the trade agreement. The month-long training, which started on 21 September 2020 is based on a blended training format facilitated in partnership with the Charles Sturt University's Centre for Customs and Excise Studies (CCES). Customs administrations determine duties or impose restrictions on products depending on its country of origin. The criteria of determining the source of goods or the Rules of Origin are therefore important legal instruments for the application of preferential trade agreements. The 22 officers from Cook Islands, Kiribati, Tuvalu, Vanuatu, Tonga, Niue, Nauru, Samoa, Solomon Islands who are participants of the training will receive updated technical information on PACER Plus Rules of Origin and its application. Nine of the current participants were trained and accredited under the PACER Plus

ROO Train the Trainers Program in 2018, which was also facilitated by CCES. This capacity building activity is supported by Australia and New Zealand under the PACER Plus Readiness Package.



October 2020
22nd OCO Virtual Annual Conference 2020

Customs administrations in the region are faced with similar challenges due to COVID-19 but have agreed to work together and collaborate more to ride out the COVID-19 pandemic. At the conclusion of the OCO Heads Annual Conference on October 20, themed “Working together to build a safer Blue Pacific”, leaders of Customs administrations in the region stated the loss in revenue collection for their governments due to the closure of borders as their biggest cost of COVID-19. However, in addition to generating revenue for their governments, Customs administrations are increasingly being presented with other challenges such as the rise of illicit drugs, contraband goods and having to crew quarantine centers. Recognizing that their challenges are similar, but solutions cannot be “one size fits all”, customs leaders decided at the meeting that collaborations with each other and with key agencies was vital. Most of the 23 member countries of OCO reported a drop in their revenue due largely to the closure of borders that has crippled their tourism industries.

The OCO Annual Conference was scheduled to take place in Cook Islands in July 2020 but was cancelled due to COVID-19 and was instead held virtually.

The meeting was attended by 19 Heads of Customs Administrations from member Governments, or their respective nominees, from Australia, Commonwealth of the Northern Mariana Islands, Cook Islands, Federated States of Micronesia, Fiji, Guam, Marshall Islands, Nauru, New Caledonia, New Zealand, Niue, Palau, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu and Timor Leste. New Caledonia in

attending represented French Polynesia and Wallis & Futuna as members whereas American Samoa and Kiribati were not able to attend.



Role of Customs agencies during and post COVID-19

The economic crisis caused by the COVID-19 pandemic will continue longer than the health crisis. The continuation of trade is important for all economies-nations still need to have imports and exports moving across borders during this pandemic. Customs agencies, therefore, play a key role in ensuring that national health task force regulations are implemented and conducted in accordance with safe handling procedures. The challenge customs officers face today is multifaceted. Customs officers must continue to facilitate trade under restrictive quarantine measures designed to ensure nations are COVID-19 free. This includes boarding of vessels under strict health guidelines to enable cargo movement and the safe handling of cargoes and vessels to keep boarding parties and cargo handlers safe. OCO has provided guidance to customs administrations on managing cargo and people movement, which are linked to the Pacific Humanitarian pathway, so that medical supplies and health workers can continue to be sent where they are needed in response to the pandemic. Customs agencies also play a key role in a nation’s security. When that security is threatened by a contagion, customs will follow the advice of the health agency on how it manages both people and cargo movements including postal packets.

In the Pacific, Customs agencies are working together to enable the facilitation of trade and returning nationals to be conducted in a safe manner with much of the Pacific remaining COVID-19 free. However, in this context of a “post pandemic” environment there will be the added aspect of facilitating cross border

movement in a safe “COVID-19 normal” manner to ensure nations remain free of the virus as much as possible. OCO believes there will be continued health checks for arriving passengers for some time until a vaccine has been made available widely throughout the region and that the “new normal” whatever that will be, will be something customs agencies simply have to adapt to in the medium term along with the rest of society.

The Secretariat assisted the Pacific Islands Forum Regional Security Task force in formulating a regional response towards the Pacific Humanitarian Pathway and shared best practice examples from members in the region. We have changed our operation model from face to face workshops into electronic modality using Zoom to deliver webinars or training for members and working with partners such as the Centre for Customs and Excise Studies in Canberra, Australia. OCO also continues to support the Pacer Plus implementation through a suit of training activities and legislative reforms for parties.

November 2020

Pacific Islands discuss Progress on phasing down Hydrofluorocarbons to reduce Greenhouse Effect

Fourteen Pacific Island Countries (PICs) are in various stages of implementing the Kigali Amendment to the Montreal Protocol, which require Parties to gradually phase down the production and use of hydrofluorocarbons (HFCs). HFCs are greenhouse gases commonly used in air conditioning and refrigeration. The Kigali Amendment came into effect in 2019 and countries are required have an HFC licensing system in place by January 2021. In a virtual meeting coordinated by UNEP, Pacific Island countries gave updates on the progress of their national legislations for HFC licensing system as well as share knowledge and ideas on actions countries could take to achieve the requirements of the Kigali Amendment.

The effective enforcement of the HFC licensing system at the borders will be the responsibilities of customs administrations but to do so, they need to have a Harmonized System (HS) code for HFCs and HFC blends. This is where the challenge is in the Pacific, as in the current version HS 2017 all HFCs are contained in a single HS code, which does not allow differentiation of the individual chemicals or of mixtures.



Officers Trained on use of the APAN System to improve exchange on information

Nineteen customs officers and five other law enforcement officers from 13 Pacific Island countries, consisting of six females and eighteen males recently completed the basic All Partners Access Network (APAN) training- A Starter Pack for OCO Intelligence Contact Points, aimed to assist the countries in their gathering and sharing of information on security matters. APAN is a communication tool, which provides a secured medium for exchange of information.

Officers from the Commonwealth of the Northern Mariana Islands (CNMI), Cook Islands, Fiji, Federated States of Micronesia (FSM), Guam, New Caledonia, New Zealand, Palau, Republic of Marshall Islands (RMI), Samoa, Solomon Islands, Papua New Guinea, Tonga, and the Pacific Transnational Crime Coordination Center were part of the training, which was delivered over a series of three one-hour webinars. OCO encourages more usage of APAN, to facilitate wider exchange of intelligence information between members as well as enhance their capacity to stop criminals. The Secretariat plans to hold an advanced level training next year with the assistance of JIATF-W APAN -Hawaii.

December 2020

OCO/PIDC Members trained on Small Craft Information gathering

Customs and Immigration officers in the region were trained by the Australian Border Force (ABF) to use the Pacific Small Craft Application, which has been developed for the Pacific by Australia’s Department of Home Affairs and the ABF. The training was attended by 37 participants from Customs and Immigration Administrations from the Commonwealth of the

Northern Mariana Islands (CNMI), Fiji, Federated States of Micronesia, Guam, Kiribati, Palau, Papua New Guinea and Vanuatu.

Since mid-November 2020, Customs and Immigration officers have been attending the two-hour weekly Virtual Train the Trainer Courses on the Pacific Small Craft Application (the App), which ends mid-December. The App was developed by Australia's Department of Home Affairs and, together with the ABF, is being rolled out to members of border agencies, such as OCO and the Pacific Immigration Development Community (PIDC), who are engaged in entry and departure of small craft. The number of small craft movements across the Pacific is projected to grow over the next five years, making it more difficult and expensive to manage the movement of vessels and crew effectively and safely.

The App is developing innovative, low cost piece of technology that will assist border agencies with information collection and sharing, and leverage the analysis capability on movement of vessels in the Pacific.

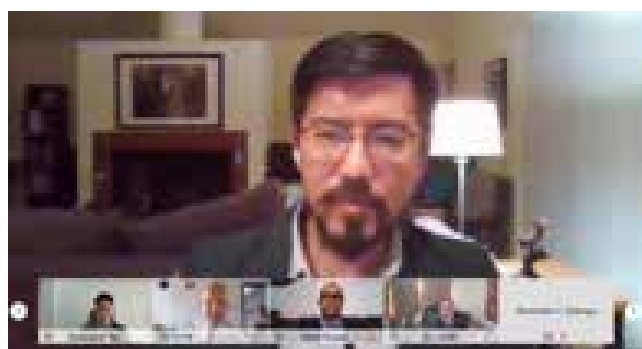
The App will be adding value to intelligence gathering on small crafts and prepares the Pacific to take proactive approaches for any suspicious small craft movement. The course was held virtually and is coordinated by OCO and the ABF's Pacific Engagement and Capacity Building Team.



Customs Officers participate in USPTO/ICHIP Webinars on COVID-19 Enforcement and Trade related IPR Issues

If there is one major change enforced by COVID-19, it has been the increased use of digital technology to continue operations. In the Pacific region and like the world all over, e-commerce is now relevant more than ever. OCO and its members are continuing to benefit from the US Department of Justice (USDOJ)

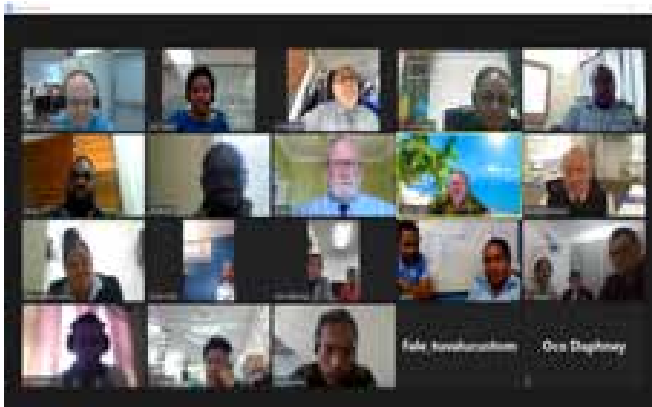
– International Computer Hacking and Intellectual Property (ICHIP) and the US Patent and Trademark Office (USPTO) webinar series on COVID-19 crimes as well as a series on the dark web. The officers were also educated on intellectual property rights, enforcement against COVID-19 related crimes, and enforcement against the trade in counterfeit goods. The first series of webinars were held from May to July followed by another series held from 14 October-18 November 2020 followed by another session running from the 30 November-16 December 2020, with participation from law enforcement officers and relevant stakeholders from across Asia Pacific region. In the Pacific, participants were from the Commonwealth of Northern Mariana Islands, Fiji, Federated States of Micronesia, Guam, Kiribati, Niue, Palau, Papua New Guinea, Tonga, and Vanuatu.



OCO Prepares Customs Officers for PACER Plus

The OCO is confident regional Customs Officers are prepared to facilitate trade under PACER Plus in countries that are parties to the agreement, which came into effect on December 13, 2021.

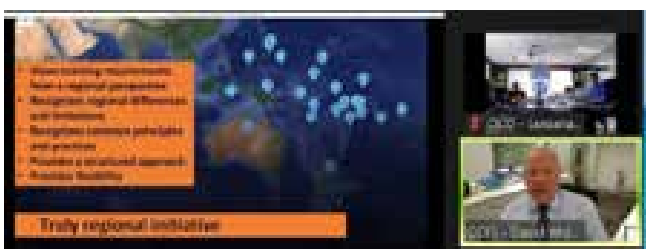
Under the PACER Plus Readiness Package, OCO in collaboration with the Centre for Customs and Excise Studies at Charles Sturt University (CCES) has been training Customs officers on the Rules of Origin (RoO) of PACER Plus and we recently completed a refresher training in anticipation of the agreement coming into effect. The workshop, which had 10 female and 10 male participants from nine PACER Plus parties, focused on how to determine the originating status of products exported to the Pacific claiming preferential tariff treatment under PACER Plus, the origin verification procedures; and the role and responsibilities of the customs authorities on validating the originating status. During the training, participants were also apprised of advance rulings and they had an opportunity to undertake exercises and also discuss how to implement advance rulings in an efficient manner in their administrations.



Keeping OCO Members updated on the new mode of Training for 2020/21

OCO conducted a webinar on December 8, 2020, to sensitize members on the online modality of training to be introduced in 2021. The webinar on “Implementing competency-based training and e-learning for OCO members” provided background information for members to better understand the courses, their objectives, and administration issues. OCO, CCES, and FRCS co-facilitated the webinar on December 8, 2020. Adapting to COVID-19 protective measures and border closures, the annual OCO Heads of Customs annual conference this year approved the use of online facilities to deliver training and build the capacity of OCO members.

The 2020/21 work program incorporated core Customs training modules based on international Customs best practice and learning tools, including, modules developed by the Centre for Customs and Excise Studies (CCES) in Australia. This also links to the OCO Professional Standard Framework (OPSF) which was designed and developed with CCES to enable training provided to members to be consistently applied and to follow a pathway that will be internationally and regionally recognized. The training highlighted members’ cooperation and support is critical for the successful outcome of the program.

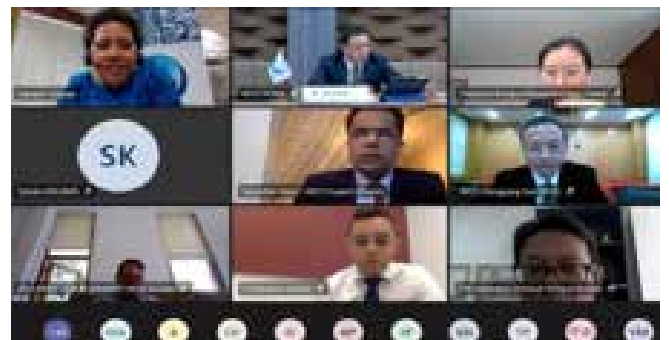


January 2021

Significant challenges remain in E-Commerce for Pacific Customs administrations

The OCO presented on cross border e-commerce in the Pacific at the World Customs Organization (WCO) Regional Workshop for E-Commerce held online from January 12-15, 2021. OCO’s work program on e-commerce has just begun and a survey was done to gauge members’ current practices and procedures on the facilitation of cross-border e-commerce. The result of this survey will assist OCO to formulate a capacity-building response for members. The workshop had more than 70 participants with speakers from the WCO Secretariat, Universal Postal Union Global Express Association, Organisation for Economic Co-operation and Development, Alibaba, and others.

OCO values its ongoing partnership with WCO and the Asia/Pacific Regional Office for Capacity Building, which aims to improve OCO members’ efficiency and effectiveness through capacity-building opportunities, tools, and guidelines.



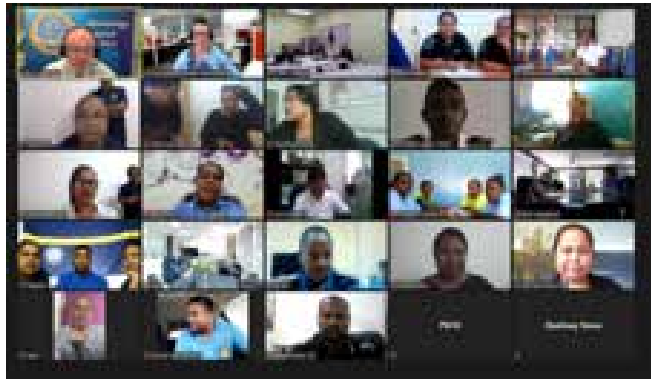
Customs Valuation and HS Classification are Priority Areas for WC Master Training Programme

The WCO, the Regional Office of Capacity Building (ROCB), JICA, Japan Customs and OCO joint Sub-Regional Master Trainer Programme (MTP) preparatory meeting held on Tuesday, January 26 2021 had identified Customs Valuation and the Harmonised System (HS) classification as two priority areas that need capacity building for WCO Accredited Trainers in the Pacific. Customs Officers from Fiji, Papua New Guinea, Samoa, Timor Leste, Tonga and Vanuatu discussed training needs with officials from the WCO, ROCB, Japan International Cooperation Agency (JICA), Japan Customs, and OCO, who are supporting the Master Training Programme to be held later in the year.

During the preparatory meeting, participants learnt of the African countries' successful experience of the Master Training Programme and see no reason why this program to be introduced in the Pacific Region should not be successful. Participants agreed that the priority areas are in the order of Customs Valuation HS classification, Intelligence training and Post Clearance Audit.

February 2021

OCO Online Training Program 2020-21



More than 80 officers from 17 member countries in the region began a 10-month online training program in February 2021 aimed at equipping them with skills to address daily challenges and those brought on by the impacts of the COVID-19 pandemic. The training delivered by the Centre for Customs and Excise Studies, Charles Sturt University, Canberra, and the Oceania Customs Organisation will end in November and leads to a Certificate III in Regional Customs Administrations. The main objectives of the program is to professionalize and improve the proficiency of Customs Officers throughout the Pacific region. There will be eight modules of the training covering risk management, ethics and governance, enforcement and compliance, tariff, valuation and legislations. The virtual training has been divided into two cohorts due to the large number with each module lasting two weeks.

Participants of the course are from American Samoa, Commonwealth of the Northern Mariana Islands, Cook Islands, Fiji, Federated States of Marshall Islands, Guam, Kiribati, Nauru, Niue, Palau, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu, and Vanuatu.

March 2021

OCO Celebrates 'Women in Customs' for International Womens Day 2021

Pacific Islands States have benefited enormously from the contribution of women in Customs administrations, who like their male counterparts, are the unsung heroines in their front lines. In the OCO's efforts to promote gender equality in what is a male-dominated industry and also in recognition of the UN Women theme for International Women's Day 2021, which is "Women in leadership: Achieving an equal future in a COVID-19 world." The OCO released a month-long series, Pacific Women in Customs, which is a collection of stories of women nominated by their Customs administrations as part of its celebration of International Women's Day 2021.

In 2019, the OCO held its inaugural Change Management on Gender Equality workshop, which suggested there should be gender equality in all aspects of OCO's work program. This suggestion was endorsed at the 2020 OCO Annual Conference.



OCO ended its month-long celebration of the achievements of women through the Pacific Women in Customs series, which is a collection of feature stories of women in the profession.

The Pacific Women in Customs series was in collaboration with PACNEWS. The series featured 17 women from 11 OCO member countries and the OCO Secretariat.



Law Enforcement Agencies collaborate to improve campaign against Transnational Crimes



The Australia Pacific Security College (APSC), the region’s law enforcement agencies- Customs, Police and Immigration- are working to improve their communication and networking processes to combat transnational crimes, which continue to increase in the Pacific region. The agencies’ regional bodies, the Pacific Islands Chiefs of Police (PICP), Pacific Immigration Development Community (PIDC), Pacific Transnational Crime Centre (PTCCC) and the Oceania Customs Organisation (OCO) conducted a joint-pilot exercise on operation command with 26 participants from Fiji, Samoa and Solomon Islands.

The exercise looked at how law enforcement agencies cooperate, how they share information, and how they work with other parts of government to deliver security outcomes. This included leadership and collaboration in a multiagency context, the role of, and requirement for, analysis, and Risk management. The exercise was facilitated in person in each of the countries, encouraging cross-agency collaboration and nationally-relevant decision-making. Its design incorporated the expertise of participants, topical issues in the region and reflected realities in the Pacific. The jurisdictional responsibilities of each agency represented were also explored and existing sources of information and data were identified and discussed to help the agencies understand the challenges they all faced individually.

Facilitators were strategically chosen in each site with OCO hosting and facilitating in Fiji, PIDC/PTCCC in Samoa, PICP in the Solomon Islands and APSC providing the oversight. Over two days, all countries worked together, connecting over Zoom, messaging each other and using shared secure systems. The Australia Pacific Security College was delighted to partner with the regional law enforcement agencies to deliver the two-day exercise. It is envisaged that a collaborative approach will ease the efforts and displace the inabilities of the members to counter the threats.

OCO helps Members to remain connected



Ten members of the Oceania Secretariat Organisation have received communication equipment to assist them in accessing and sharing information on security issues. The assistance was targeted for small and medium category members who may have financial constraints to develop their digital communication initiatives.

The 10 members- Cook Islands, CNMI, FSM, Kiribati, Nauru, Niue, Palau, Solomon Islands, Tonga and Vanuatu- responded to OCO’s expression of interest in December all received assistance. The assistance is also to help members access the All Partners Access Network (APAN) system, an information sharing tool for law enforcement agencies and the testing of the Pacific Small Craft Apps (PSCA) that is being developed for OCO through support of the Australian Home Affairs Department in collaboration with the Australian Border Force. The communication equipment is also expected to benefit Customs officers from the 10 countries who are currently enrolled in a 10-month online training by OCO and the CCES.

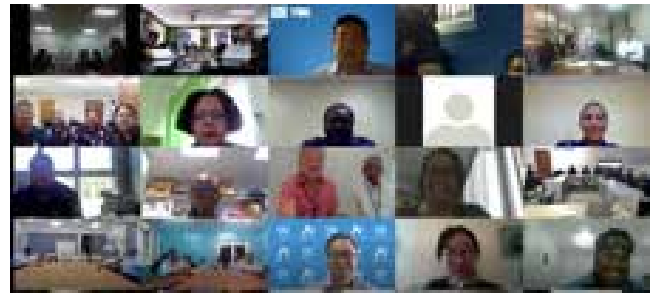
OCO Members prepare to implement HS2022

OCO members are preparing for the implementation of HS 2022, which is the seventh edition of the Harmonized System (HS) nomenclature that will come into force on 1 January 2022. From 23-26 March, 2021, the OCO conducted a three-day virtual training aimed at assisting members interpret and apply HS 2022 and its amendments, as well as discuss members' progress in their preparations to implement the HS 2022 amendments. 51 Customs officers representing 14 OCO members took part in the training facilitated by experts from the OCO Secretariat, Secretariat of the Pacific Community (SPC), United Nations Environment Program (UNEP), United National Conference on Trade & Development (UNCTAD), World Health Organisation (WHO) and New Zealand Customs Service.

During the Workshop, explanation on the HS Convention and HS 2022 amendments were presented, including the WCO tools and instruments developed to assist the members with migration to the new version of the HS. The HS 2022 edition makes some major changes to the HS with a total of 351 sets of amendments covering a wide range of goods moving across borders. The members also considered the work progress on the updating of the Pacific Harmonized Commodity Description and Coding System (PACHS) 2022. The PACHS is an eight-digit nomenclature developed to establish uniformity in the classification of goods amongst Pacific Island countries. The presentation by UNEP highlighted the role of Customs under the Montreal Protocol, and that the adoption of the HS 2022 is important for accurate data reporting it also affirmed that the regional approach through PACHS is an effective mechanism to individualize the HS code for HFCs and blends. WHO provided an overview of new and emerging tobacco products that countries needed to take into account through their classification work. The Customs role in ensuring the accuracy and timely provision of trade statistics was pointed out by SPC and UNCTAD provided guidance on the process of upgrading Customs systems during the transposition work. The participants were also apprised on the linkages between HS updates and free trade agreements by New Zealand Customs.

During the Workshop, three countries shared their national preparatory work on HS 22 and participants had the opportunity to discuss capacity building needs and action plan needed for effective implementation.

OCO members reiterated their commitment to implement HS 2022.



April 2021

Pacific Small Craft App Training for Savusavu front liners

The Oceania Customs Organisation (OCO), supported by the Australia Border Force (ABF) is helping Fijian border law enforcement agencies prepare for the opening of borders by providing training on the use of the Pacific Small Craft App, that will assist in collecting data for small crafts such as yachts.

OCO and ABF are in Savusavu this week preparing border law enforcement agencies such as the Fiji Revenue and Customs Services, Department of Immigration, Biosecurity Authority of Fiji and the Fiji Police Force on the use of the app in anticipation of the sailing season from May to October. The Pacific Small Craft Application (PSCA) was developed by ABF for the OCO members to improve the way small craft information is collected and shared within the Pacific. The 'App' has been gifted to the OCO Secretariat to administer and as part of the handover, Australia has committed to a rollout and sustainment program to assist the OCO, and other Pacific border agencies, in integrating the App across the region. The technology will leverage the analysis capability of movement of yachts in the Pacific, adding value to intelligence gathering on small craft and provide opportunities for proactive approaches for any suspicious craft movement. Fiji's COVID-19 Risk Mitigation Taskforce (CRMT) has approved Savusavu as a designated quarantine anchorage under the Blue Lane initiative of the Fijian COVID Safe Economic Recovery Framework. In November and December last year, ABF conducted special training for Fiji Revenue and Customs Services and Department of Immigration Officers based in the west as well as other OCO members.

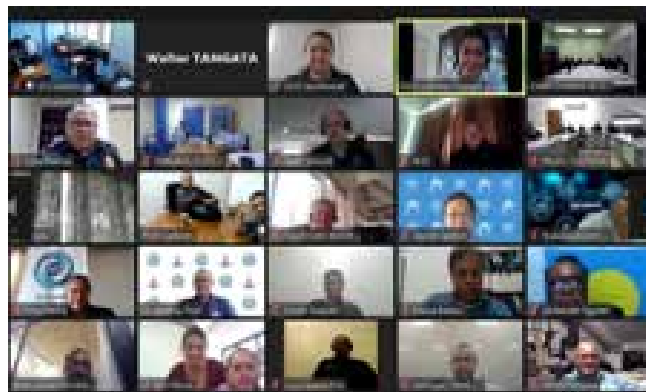
May 2021

OCO Capacity Building on Digital Customs and E-Commerce

The Oceania Customs Organisation organised its first Virtual Workshop on Digital Customs & Ecommerce from 18-21 May, 2021 with 85 Customs officials from 16 countries participating. The objective of the workshop was to support members in the preparation of a coherent application and implementation of automation, single window and processes to facilitate e-commerce. During the three-day workshop, the OCO Secretariat with the Regional Single Window Expert and UNCTAD presented on technical issues relating to Digital Customs, E-commerce and Single Window. UNCTAD is the key agency in the implementation of ASYCUDA World for the Pacific Island countries.

OCO members- Australia, CNMI, Fiji, New Zealand, Palau and Papua New Guinea shared their national experiences on automation, revenue collection and border control strategies on ecommerce consignments. OCO's work on e-commerce began last year with a survey to gauge OCO members' current practices and procedures on the facilitation of cross-border e-commerce. There are still significant challenges in the region on e-commerce with regards to regulatory frameworks and the application of risk management and technologies to facilitate small value consignments. The workshop provided the opportunity to discuss regional approaches to assisting members in this regard.

The OCO Secretariat continues to encourage south-south cooperation through the sharing of best practices to inspire Pacific Island countries to address gaps that would be difficult to tackle individually and find regional solutions that can be adopted and replicated to other customs administrations. Through the discussions, sharing of experiences and interactions, the key takeaways from the workshop for OCO members was the need for political support, and appropriate regulatory framework and processes as enablers to implement digital customs and e-commerce. At the same time provide avenue for, sustainable capacity building to customs officers to respond, adapt and innovate to the changing global trade landscapes.



June 2021

Regional Collaboration against Transnational Crimes

The regional workshop is part of the annual capacity building activities conducted by OCO to create awareness and to better equip members with knowledge on the exploitations that are taking place by organized crime groups (OCGs) in the region, which disrupt legitimate businesses.

During the workshop, participants discussed challenges faced by our Pacific nations in disrupting organized crime groups and transnational criminal networks access into the region. The regional workshop built participants' knowledge and understanding of organised crime groups and criminal networks exploitations in our region and enhance their ability to identify irregularity in border controls and national security. It also aims to strengthen regional information sharing to improve efforts to disrupt and dismantle transnational crime networks.

The workshop is a collaboration with members and development partners- Australia Border Force (ABF), Australian Federal Police – TCU Fiji, Australia Pacific Security College (APSC), APG- Asia Pacific Group for Money Laundering, AUSTRAC- Australia Financial Intelligence arm, Fiji Financial Intelligence Unit (F-FIU), Fiji Revenue and Customs Service (FRCS), International Narcotics Control Board (INCB), Pacific Transnational Crime Coordination Centre (PTCCC), Pacific Transnational Crime Network (PTCN), Pacific Immigration Development Community (PIDC), Pacific Islands Chief of Police (PICP), Joint Interagency Task Force-West (JIATF-W), Pacific Islands Forum Secretariat (PIFS), PSI – Pharmaceutical Society International, Regional Intelligence Liaison Office (RILO-WCO), Transnational Crime Unit (TCU-Fiji).United Nations office on Drugs and Crime (UNODC) Global Smart,

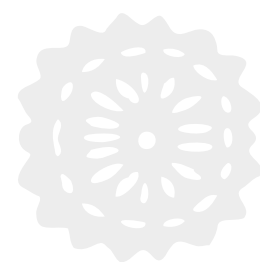
UNODC Fiji Office, US Homeland Security Investigation-HSI, US Department of Justice International Computer Hacking and Intellectual Property (ICHIP) and the United States Patent and Trademark Office (USPTO).



Helping OCO Members combat transnational crimes

Helping OCO members' combat transnational crimes is critical to the regional effort to keep our Pacific borders safe, says OCO Head of Secretariat, Richard Brennan. In June, the OCO and Australian Border Force (ABF) held another training on the use of the Pacific Small Craft Application (PSCA), a mobile app developed by the Australian Department of Home Affairs and ABF for the OCO members to collect data on the movement of small craft vessels in the Pacific. OCO and ABF are also using the opportunity to train officers who will be regional coordinators and members of the PSCA Regional Coordinators Forum. These coordinators will manage the administrative needs of the app as well conduct training on the use of the app in their own administrations.

Small craft remain a high threat to all countries in the Pacific for a number of illicit activities, including the movement of weapons, drugs and people. The PSCA will be adding value to intelligence gathering on small crafts and prepares the Pacific to take proactive approaches for any suspicious craft movement. Since November last year to May 2021 we had trained 64 Customs and Immigration officers and this week we had 37 officers from 15 countries trained.



Donors and Partners 2020-2021

The OCO is a member driven organisation supported by a large network of donor partners who help fund activities required to implement the Work Program, in addition to offering their knowledge and expertise to support our work.

We gratefully acknowledge our Donors.

Fiji Revenue & Customs Service

- Office accommodation, in kind support and host-country obligations under the host country Agreement.
- Fiji Ministry of Foreign Affairs for support of Diplomatic provisions offered to the OCO.

Australian Border Force

- Core budgetary support for the OCO operations.
- The ongoing development of the small craft application for our members.

Australian Department of Foreign Affairs & Trade

- PACER Plus Readiness Package to support the PICs signatory countries to prepare for PACER Plus implementation, and their support towards PIC's improved access to international markets.

New Zealand Ministry of Foreign Affairs & Trade

- Core budget support for the OCO operations.
- PACER Plus Readiness Package to support the PICs signatory countries to prepare for PACER Plus implementation, and their support towards PIC's improved access to international markets.

New Zealand Customs Service

- Additional support for the OCO operations and re-establishing the Inter Sub Working Group.

United States Patent and Trademark Office

- Financial and Policy development support for the Intellectual Property Rights work program.

Partnership Collaborations

The OCO has a broad range of partners it collaborates with which are detailed on page 42.

To implement our 2020-2021 Work Program we collaborated with the following Organisations in shared aims to secure a safer and prosperous region:

- Australian Border Force for the development and training provided to regional customs administrations of the Pacific Small Craft Application.
- New Zealand Customs Service for its continued support in anti-money laundering activity.
- World Customs Organisation and ROCB Asia Pacific for small island economic policies.
- Pacific Islands Forum Secretariat and the Regional Security Task Force in delivering the Pacific Humanitarian Pathway protocols.
- The Australian National University, the Pacific Immigration Development Community Secretariat and Pacific Island Chiefs of Police Secretariat for their continued collaboration in developing sub regional and regional Border Enforcement activities as a means to working towards a more secure Pacific.
- World Health Organisation supporting illicit tobacco trade activity.
- Asia Pacific Group on Money Laundering (APG) for its assistance in capacity building the Anti Money Laundering network.
- United Nations Office on Drugs and Crime (UNODC) International Narcotics Control Board (INCB) with their IONICS program and supporting the emerging container control program in the Pacific.
- United States Joint Interagency Task Force West (JIATFWEST) for assisting with the APAN network.
- United States Trademark and Patent Office, US Department of Justice and US Immigration & Customs Enforcement (USICE) for continued support in improving Intellectual Property Rights enforcement in the Pacific as well as the development of Webinars to assist our membership in their capacity building activities.
- Charles Sturt University-Centre for Customs & Excise Studies for assistance in development of on line training modules for our membership via the OCO Professional Standards Framework including training trainers for regional applications.
- Pacific Financial and Technical Assistance Centre and Pacific Island Tax Authority for collaboration in revenue activities.
- United Nations Conference for Trade and Development (UNCTAD) with its ASYCUDA Implementation program and evolving EDF11 EU trade facilitation measures.
- Pacific Community for their work in the PACHS database.

Oceania Customs Organisation Secretariat

Financial Statements

For the year ended 30 June 2021

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**OCEANIA CUSTOMS ORGANISATION SECRETARIAT
STATEMENT BY THE HEAD OF SECRETARIAT
FOR THE YEAR ENDED 30 JUNE 2021**

As the Head of Oceania Customs Organisation Secretariat (the Organisation), I hereby declare that:

- a) the accompanying statement of financial position of the Organisation is drawn up so as to give a true and fair view of the state of affairs of the Organisation at 30 June 2021;
- b) the accompanying statement of profit or loss and other comprehensive income and retained earnings is drawn up so as to give a true and fair view of the results of the Organisation for the year ended 30 June 2021;
- c) the accompanying statement of cash flows is drawn up so to give a true and fair view of the cash flows of the Organisation for the year ended 30 June 2021;
- d) at the date of this statement there are reasonable grounds to believe the Organisation will be able to pay its debts as and when they fall due; and
- e) all related party transactions have been adequately recorded in the books of the Organisation.

For and on behalf of the Organisation.

Dated this 3rd day of November 2021.



Richard Brennan
Head of Secretariat



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INDEPENDENT AUDITOR'S REPORT

To the Members of Oceania Customs Organisation Secretariat

Opinion

We have audited the accompanying financial statements of Oceania Customs Organisation Secretariat (the Organisation), which comprise the statement of financial position as at 30 June 2021, and the statement of profit and loss and other comprehensive income and retained earnings and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Organisation as at 30 June 2021, and of its financial performance and its cash flows, and financial performance against budget for the year then ended in accordance with International Public Sector Accounting Standards (IPSAS).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Organisation in accordance with the *International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code)* together with the ethical requirements that are relevant to our audit of the financial statements in Fiji and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Steering Committee and management are responsible for the other information. The other information comprises the *Statement by the Head of Secretariat* but does not include the financial statements and the auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated. If, based upon the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Management and Those Charged with Governance for the Financial Statements

The Steering Committee and management are responsible for the preparation and fair presentation of the financial statements in accordance with IPSAS, and for such internal control as the Steering Committee and management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Steering Committee and management are responsible for assessing the Organisation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Steering Committee and management either intend to liquidate the Organisation or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organisation's financial reporting process.

INDEPENDENT AUDITOR'S REPORT *continued*

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud and error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with ISA, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organisation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Steering Committee and management.
- Conclude on the appropriateness of the Steering Committee and management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organisation's ability to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures, are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organisation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

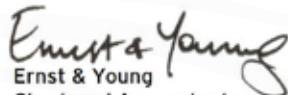
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



INDEPENDENT AUDITOR'S REPORT *continued*

Auditor's Responsibilities for the Audit of the Financial Statements *continued*

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.


Ernst & Young
Chartered Accountants


Sikeli Tuinamuana
Partner
Suva, Fiji

3 November 2021

OCEANIA CUSTOMS ORGANISATION SECRETARIAT

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 30 JUNE 2021

	Notes	2021 \$	2020 \$
Revenue from non-exchange transactions			
Australia grant - core		742,611	733,999
New Zealand grant income - core		881,453	830,000
Members' contribution		632,346	657,445
		<u>2,256,410</u>	<u>2,221,444</u>
Revenue from exchange transactions			
Australia grant income - project funding		-	22,147
Other income	3	379,508	314,385
		<u>379,508</u>	<u>336,532</u>
Total income		<u>2,635,918</u>	<u>2,557,976</u>
Expenditure			
Operating expenses	4	1,999,779	2,689,217
Depreciation and amortisation	6 & 7	48,797	43,317
Doubtful debts		42,452	2,688
Total expenditure		<u>2,091,028</u>	<u>2,735,222</u>
Surplus/(deficit) of income over expenditure		<u>544,890</u>	<u>(177,246)</u>
Total comprehensive income/(loss) for the year		<u>544,890</u>	<u>(177,246)</u>
Accumulated funds at 1 July		2,730,442	2,907,688
Accumulated funds at 30 June		<u><u>3,275,332</u></u>	<u><u>2,730,442</u></u>

The accompanying notes form an integral part of this Statement of Profit or Loss and Other Comprehensive Income and Retained Earnings.

OCEANIA CUSTOMS ORGANISATION SECRETARIAT
 STATEMENT OF FINANCIAL POSITION
 AS AT 30 JUNE 2021

	Notes	2021 \$	2020 \$
Current assets			
Cash and cash equivalents	10	1,523,155	1,781,752
Receivables and prepayments	5	1,175,161	384,640
Held-to-maturity investments	11	650,251	613,396
Total current assets		3,348,567	2,779,788
Non-current assets			
Property, plant and equipment	6	103,184	19,672
Intangible assets	7	-	28,511
Total non-current assets		103,184	48,183
Total assets		3,451,751	2,827,971
Current liabilities			
Trade and other payables	8	94,198	46,158
Employee benefit liability	9	81,522	49,291
Total current liabilities		175,720	95,449
Non-current liabilities			
Deferred income	12	699	2,080
Total non-current liabilities		699	2,080
Total liabilities		176,419	97,529
Net assets		3,275,332	2,730,442
Represented by:			
Accumulated funds			
General reserve fund		3,275,332	2,609,040
PACER plus specified fund		-	121,402
Total accumulated funds		3,275,332	2,730,442

The accompanying notes form an integral part of this Statement of Financial Position.

OCEANIA CUSTOMS ORGANISATION SECRETARIAT
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021 \$	2020 \$
Operating activities			
Receipts from donors		1,413,161	1,557,545
Receipts from members		363,422	440,783
Payments to suppliers and employees		(1,919,508)	(2,807,639)
Interest received		24,981	23,236
Net cash used in operating activities		(117,944)	(786,075)
Investing activities			
Acquisition of fixed assets		(103,798)	(8,500)
Placement of term deposits		(36,855)	(7,660)
Net cash flow used in investing activities		(140,653)	(16,160)
Net decrease in cash and cash equivalents		(258,597)	(802,235)
Cash and cash equivalents at 1 July		1,781,752	2,583,987
Cash and cash equivalents at 30 June	10	1,523,155	1,781,752

The accompanying notes forms an integral part of this Statement of Cash Flows.

OCEANIA CUSTOMS ORGANISATION SECRETARIAT
 STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS
 FOR THE YEAR ENDED 30 JUNE 2021

	Final Budgeted	Actual Comparable Basis	Performance Difference (under)/over
	2021	2021	2021
	\$	\$	\$
Income			
Australia	744,647	742,611	(2,036)
New Zealand	807,870	881,453	73,583
Member subscriptions	628,530	632,346	3,816
Other donor	247,293	10,103	(237,190)
Other income	114,480	369,405	254,925
Total income	2,542,820	2,635,918	93,098
Expenses			
Salaries and benefits	1,438,420	1,267,517	(170,903)
Travel costs	18,300	423	(17,877)
Meeting costs	187,900	62	(187,838)
Occupancy costs	95,160	80,436	(14,724)
Computer and office equipment	17,000	16,817	(183)
Communications	53,100	43,231	(9,869)
Publicity	24,400	2,159	(22,241)
Professional fees	78,400	79,875	1,475
Finance charges	12,120	8,395	(3,725)
General and administration	70,260	74,828	4,568
Depreciation	69,360	48,797	(20,563)
Work program	1,375,346	468,488	(906,858)
Total expenses	3,439,766	2,091,028	(1,348,738)
(Deficit)/surplus of income over expenditure	(896,946)	544,890	(352,056)

**OCEANIA CUSTOMS ORGANISATION SECRETARIAT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

1. General information

The financial statements of the Oceania Customs Organisation Secretariat (OCOS or the Organisation) for the year ended 30 June 2021 were authorised for issue by the Head of Secretariat on the 3rd November 2021. The OCOS was established in Fiji under a Memorandum of Understanding between OCOS and the Government of Fiji on 15 March 2006. The principal activities of the Secretariat are detailed in Note 16.

2.1. Basis of preparation and accounting policies

The financial statements have been prepared primarily on the basis of historical costs, unless specifically stated otherwise, do not take into account current valuations of non-current assets. The financial statements are presented in Fijian dollars and are rounded to the nearest dollar except when otherwise indicated.

Statement of compliance

The financial statements of the Organisation have been prepared in accordance with and comply with the International Public Sector Accounting Standards (IPSAS) issued by the International Public Sector Accounting Standards Board (IPSASB).

Going concern

The financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

2.2. Significant accounting judgements, estimates and assumptions

Judgements

In the process of applying the Organisation's accounting policies, management has made the following judgements, apart from those involving estimations, which has the most significant effect on the amounts recognised in the financial statements.

Estimations and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the statement of financial position date, that have a significant task of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

Provision for doubtful debts

The Organisation maintains a provision for estimated losses expected to arise from members and other debtors being unable to make required payments. In assessing the provision, factors such as past collection history, the age of receivable balances, the level of activity in the member accounts, are taken into account.

2.3. Statement of significant accounting policies

A summary of the significant accounting policies adopted by the Organisation is set out in this note. The policies adopted are in accordance with accounting principles generally accepted in Fiji and, unless stated otherwise, are consistent with those applied in the prior year.

2.3. Statement of significant accounting policies *continued*

(a) Revenue recognition

Revenue from non-exchange transactions

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognised on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the Organisation and can be measured reliably.

Assessed contributions

Contributions from member countries are recognised on an accrual basis and made from reference to assessed computations approved at annual conferences.

Revenue from exchange transactions

Extra-budgetary funds

Funds received from governments and aid agencies under extra-budgetary work programmes are usually for specified purposes. These funds are separately identified in the accounting system and expenditure recorded against each fund. Revenue is generally recognised at the time of receipt of funds to comply with the fund reporting required by the donor.

Contribution in kind

Contribution in kind is recognised as income in the year of receipt. Contribution in kind provided by the Fiji Revenue & Customs Service represents the Fiji Government contribution towards the Secretariat. The grant includes the provision of office space and essential utilities free of charge.

(b) Income tax

The Secretariat is exempted from income tax under the Fiji Diplomatic Privileges and Immunities Act.

(c) Property, plant and equipment

Items of furniture and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The following annual rates are used for the depreciation of property, plant and equipment:

<u>Asset</u>	<u>Rate</u>
Furniture and fittings	20%
IT equipment	40%
Office equipment	20%
Motor vehicle	20%

If there is an indication that there has been a significant change in the depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

2.3. Statement of significant accounting policies *continued*

(d) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in the statement of profit or loss and other comprehensive income in the year in which the expenditure is incurred.

(e) Impairment of assets

At each reporting date, furniture and equipment, and intangible assets are reviewed to determine whether there is any indication that those assets have suffered impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the statement of profit or loss and other comprehensive income.

(f) Employee entitlements

Employee entitlements relating to wages, salaries and annual leave represent the amount which the Secretariat has a present obligation to pay resulting from the employees' services provided up to balance date.

Wages and salaries and annual leave

Liabilities for wages, salaries and annual leave are recognised, and are measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date.

(g) Trade payables

Trade payables are obligations on the basis of normal credit terms and do not bear interest. Trade payables denominated in the foreign currency are translated into Fijian dollars using the exchange rate at the reporting date. Foreign exchange gains or losses are included in other income or other expenses.

(h) Bank overdrafts

Interest expense is recognised on the basis of the effective interest method and is included in finance costs.

(i) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

(j) Held-to-maturity investments

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held-to-maturity when the organisation has the positive intention and ability to hold it to maturity. After initial measurement, held-to-maturity investments are measured at amortised cost using the effective interest method (EIR), less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss and other comprehensive income. The losses arising from impairment are recognised in the statement of profit or loss and other comprehensive income in finance costs.

OCEANIA CUSTOMS ORGANISATION SECRETARIAT
 NOTES TO THE FINANCIAL STATEMENTS *continued*
 FOR THE YEAR ENDED 30 JUNE 2021

2.3. Statement of significant accounting policies *continued*

(k) Deferred income

Grants received for specific end purpose is recognised as revenue when the conditions attached to the grants have been met. Until those conditions are met, receipt of grant funds in advance is accounted for as deferred income and recognised as a liability.

Property, plant and equipment acquired with the aid of specific grants or through donations are capitalised and depreciated with the related grant being credited to deferred income (for donated assets). Deferred income is released to the statement of income and expenditure over the expected useful economic life of the related property, plant and equipment. The exception to this is when the acquisition of property, plant and equipment is financed either through the Organisation's own funds or a loan or finance lease when no revenue is deferred.

(l) Release of deferred income

Release of deferred income is recognised when the donated asset is depreciated over its useful life.

(m) Foreign currencies

Foreign currencies transactions are translated to Fijian dollars at rates of exchange ruling at the dates of the transactions. Amounts receivable and payable in foreign currencies are converted to Fijian currency at the rates of exchange ruling at the balance date. All exchange gains and losses whether realised or unrealised are reflected in profit or loss.

(n) Comparatives

Where necessary comparative figures have been adjusted to conform with changes in presentation in the current year.

(o) Reserves

The general reserve fund contains balances of membership subscriptions and recurrent donor funding received for operation of the OCOS, and Specified Funds, which include specific project funds. The PACER plus specified fund contains the balance of funding received from Australia and New Zealand for implementation of the Capacity Development project for Forum Island Countries for the implementation of Harmonised System 2017.

3. Other income	2021 \$	2020 \$
Contribution in kind (FRCS)	78,487	78,487
Interest income	24,981	23,236
Other donors	10,103	172,137
Other income	-	23,477
Doubtful debts recovered	-	14,763
Gain on sale of asset	101,449	750
Release of deferred income	1,381	1,387
Realised exchange gain	16,673	-
Unrealised exchange gain	146,434	148
	379,508	314,385

OCEANIA CUSTOMS ORGANISATION SECRETARIAT
 NOTES TO THE FINANCIAL STATEMENTS *continued*
 FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
4. Operating expenses		
Advertisement	7,441	5,199
Auditor's remuneration	10,015	10,015
Annual conference	62	46,097
Assets - not capitalised	5,396	3,167
Bank charges and interest	8,395	12,084
Occupancy costs	80,436	80,977
Entertainment	2,949	4,993
Insurance (motor vehicle and general)	7,681	3,280
Legal fees	334	691
Motor vehicle expenses	1,860	4,767
Other administrative expenses	133	1,626
Office equipment expenses	3,155	1,606
Other professional fees	69,860	34,869
Postage and stationery	4,166	4,976
Publicity and public relation	2,159	2,560
Realised exchange loss	-	10,668
Repair and maintenance	2,783	1,132
Salaries and other benefits	1,267,517	1,255,044
Software maintenance	10,879	16,179
Staff amenities	2,416	1,564
Telecommunication and facsimile	43,231	30,957
Travel and accommodation	423	13,769
Work program	468,488	1,142,997
	<u>1,999,779</u>	<u>2,689,217</u>
5. Receivables and prepayments	\$	\$
Members' contributions	1,173,768	216,662
Less: provision for doubtful debts	(45,899)	(10,447)
	<u>1,127,869</u>	<u>206,215</u>
Prepayments	40,146	6,905
Other receivables	7,146	171,520
	<u>1,175,161</u>	<u>384,640</u>

OCEANIA CUSTOMS ORGANISATION SECRETARIAT
 NOTES TO THE FINANCIAL STATEMENTS *continued*
 FOR THE YEAR ENDED 30 JUNE 2021

6. Property, plant and equipment

	Furniture and fittings	Office equipment	IT equipment	Motor vehicles	Total
	\$	\$	\$	\$	\$
Cost					
At 1 July 2019	28,166	103,427	281,235	201,007	613,835
Additions	-	-	8,500	-	8,500
Disposals	-	-	(4,682)	-	(4,682)
At 30 June 2020	28,166	103,427	285,053	201,007	617,653
Additions	-	3,798	-	100,000	103,798
Disposals	-	-	-	(127,386)	(127,386)
At 30 June 2021	28,166	107,225	285,053	173,621	594,065
Depreciation					
At 1 July 2019	22,383	92,086	276,692	201,007	592,168
Depreciation charge for the year	2,751	4,716	3,028	-	10,495
Disposals	-	-	(4,682)	-	(4,682)
At 30 June 2020	25,134	96,802	275,038	201,007	597,981
Depreciation charge for the year	3,032	8,097	4,434	4,723	20,286
Disposals	-	-	-	(127,386)	(127,386)
At 30 June 2021	28,166	104,899	279,472	78,344	490,881
Net book value:					
At 30 June 2021	-	2,326	5,581	95,277	103,184
At 30 June 2020	3,032	6,625	10,015	-	19,672

OCEANIA CUSTOMS ORGANISATION SECRETARIAT
 NOTES TO THE FINANCIAL STATEMENTS *continued*
 FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
7. Intangible assets		
<i>Software costs</i>		
Cost:		
At 1 July	82,055	82,055
At 30 June	82,055	82,055
<i>Amortisation and impairment:</i>		
At 1 July	53,544	20,722
Amortisation	28,511	32,822
At 30 June	82,055	53,544
Net book value as at 30 June	-	28,511
8. Trade and other payables	\$	\$
Trade creditors	76,049	37,456
Accruals	18,149	8,702
	94,198	46,158
9. Employee liability	\$	\$
At 1 July	49,291	72,250
Net movement during the year	32,231	(22,959)
At 30 June	81,522	49,291
10. Cash and cash equivalents	\$	\$
Cash on hand	300	300
Cash at bank	694,752	994,960
Short-term deposits	828,103	786,492
	1,523,155	1,781,752
11. Held-to-maturity investments	\$	\$
Term deposits - ANZ	650,251	613,396
The term of the investment is 6 months at an interest rate of 1.77%.		
12. Deferred income	\$	\$
At 1 July	2,080	3,467
Less: release of deferred income	(1,381)	(1,387)
At 30 June	699	2,080

OCEANIA CUSTOMS ORGANISATION SECRETARIAT
 NOTES TO THE FINANCIAL STATEMENTS *continued*
 FOR THE YEAR ENDED 30 JUNE 2021

	2021 \$	2020 \$
13. Unexpended funds		
At 1 July	-	830,000
Utilised during the year	-	(830,000)
At 30 June	-	-

14. Financial instruments - financial risk management

Exposure to currency, interest rate, liquidity and credit risk arises in the normal course of the Organisation's operations. This note presents information about the Organisation's exposure to each of the above risks, policies and processes for measuring and managing risk. Further quantitative disclosures are included throughout these financial statements.

Credit risk

Credit risk is the risk of financial loss to the Organisation if members or counterparties to financial instruments fail to meet their contractual obligations. This risk arises principally from the Organisation's investments, receivables, and cash and cash equivalents. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk as at 30 June 2021 and 2020 respectively was:

	2021 \$	2020 \$
Investments	650,251	613,396
Trade and other receivables	1,175,161	384,640
Cash and cash equivalents	1,523,155	1,781,752
Maximum exposure to credit risk	3,348,567	2,779,788

Credit quality

Credit quality is assessed risk of default attached to counterparties to which the Organisation extends credit and also those parties with whom the Organisation invests. As such, the credit quality assessed extends to the members, investments and banks of the Organisation.

For financial statement purposes, the investments and balances with banks are limited to the investments, and cash and cash equivalents line items in the statement of financial position. The Organisation determines credit quality of the investments and banks using information obtained from external rating agencies when available.

Investments

The Organisation limits its exposure to credit risk by investing with only reputable financial institutions that have a sound credit rating, which are within the specific guidelines set in accordance with the management's approved investment policy. Consequently, the Organisation does not consider there to be any significant exposure to credit risk.

OCEANIA CUSTOMS ORGANISATION SECRETARIAT
 NOTES TO THE FINANCIAL STATEMENTS *continued*
 FOR THE YEAR ENDED 30 JUNE 2021

14. Financial instruments - financial risk management *continued*

Cash and cash equivalents

The Organisation limits its exposure to credit risk by investing cash and cash equivalents with only reputable financial institutions that have a sound credit rating, and within specific guidelines set in accordance with the Steering Committee's approved investment policy. Consequently, the Organisation does not consider there to be any significant exposure to credit risk.

Liquidity risk

Liquidity risk is the risk of the Organisation not being able to meet its obligations as they fall due. The Organisation's approach to managing liquidity risk is to ensure that sufficient liquidity is available to meet its liabilities when due, without incurring unacceptable losses or risking damage to the Organisation's reputation.

The Organisation ensures that it has sufficient cash on demand to meet expected operating expenses through the use of cash flow forecasts. On average, 69.02% (2020: 66%) of receivables are settled within 30 days after the due date and payables are settled within 30 days of invoice.

The following are contractual liabilities in payables:

	On demand	More than 3 months	3 - 12 months	1 - 5 years	Total
	\$	\$	\$	\$	\$
2021					
Liabilities					
Payables	60,832	12,161	1,170	1,886	76,049
Total	60,832	12,161	1,170	1,886	76,049
	On demand	More than 3 months	3 - 12 months	1 - 5 years	Total
	\$	\$	\$	\$	\$
2020					
Liabilities					
Payables	34,005	-	-	3,451	37,456
Total	34,005	-	-	3,451	37,456

OCEANIA CUSTOMS ORGANISATION SECRETARIAT
 NOTES TO THE FINANCIAL STATEMENTS *continued*
 FOR THE YEAR ENDED 30 JUNE 2021

14. Financial instruments - financial risk management *continued*

Market risk

Market risk is the risk of changes in market prices, such as foreign exchange rates and interest rates, affecting the Organisation's income or the value of its financial instrument holdings. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on the risk. The weighted average interest rates and maturity profile on financial instruments as at 30 June 2021 are, as follows:

	Weighted average interest rate	1 year or less \$	Total \$
Financial assets			
Investments	1.77%	650,251	650,251
Cash and cash equivalents	0.86%	<u>1,523,155</u>	<u>1,523,155</u>
Total financial assets		<u><u>2,173,406</u></u>	<u><u>2,173,406</u></u>

Financial assets

If the weighted average interest rate as at 30 June 2021 had been 100 basis points higher or lower the interest income and interest expense would have been affected, as follows:

	Increase (+) or decrease (-) in basis points	Effect on surplus or deficit \$
2021		
Financial assets		
Investment	+100bp	6,560
	-100bp	(6,445)
Cash and cash equivalents	+100bp	1,874
	-100bp	(12,701)
2020		
Financial assets		
Investment	+100bp	6,520
	-100bp	(5,748)
Cash and cash equivalents	+100bp	2,912
	-100bp	(11,979)

15. Commitments and contingent liabilities

Capital expenditure commitments at balance date amounted to \$Nil (2020: \$Nil).

16. Principal activities

The OCOS facilitates and where appropriate helps member customs administrations align with customs international standards and best practice leading to greater economic prosperity and increased border security within the Oceania region. There were no changes to this principal activities during the year.

17. Secretariat details

Registered office

84 Harris Road
Suva
Fiji.

Number of employees

As at balance date, 10 full time employees were employed by the Secretariat (2020: 8 employees).

18. Significant event during the year

COVID-19 Lockdown

On 25 April 2021, in response to the COVID-19 pandemic, the Government announced a number of measures including lockdown of certain containment areas within Viti Levu. Under the lockdown restrictions, all non-essential businesses were required to be closed unless the workplace was deemed part of a permitted industry as set out by the Government.

Impact of COVID-19 pandemic on the Organisation

The coronavirus disease (COVID-19) outbreak has developed rapidly, bringing a significant health impact globally. Measures taken to contain the virus are already having a significant impact on global markets and economic activity. Fiji is also feeling the impact with business disruption and levels of activity already reducing in several market sectors.

The Organisation has remained operational and continues to engage in its principal activity. We have not seen a significant impact on our business to date. The Head of Secretariat and management are carefully considering the impact of the COVID-19 outbreak on the Organisation and assessing future operational options. The future financial impacts, however, cannot be reasonably estimated at this time, as they will be largely the product of matters the Organisation cannot control.

The Head of Secretariat and management believe the Organisation has sufficient financial resources together with arrangements with their customers and suppliers at this time to be able to successfully manage their business risks despite the current uncertain economic outlook due to the COVID-19 outbreak.

19. Subsequent events

COVID-19 Pandemic

In July 2021 the Fijian Government ramped up its vaccination drive with a national target of 80 percent of the target population to be fully vaccinated by 31 October 2021. The Government was able to obtain 80 percent target in October 2021, the current containment measures are easing with restrictions expected to ease as the fully vaccinated percentage increases. The duration and extent of the pandemic and related financial, social and public health impacts of the COVID-19 pandemic are uncertain.

Other than the matters described above, no other matter or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Organisation, the results or cash flows of those operations, or the state of affairs of the Organisation in future financial years.

**OCEANIA CUSTOMS ORGANISATION SECRETARIAT
DISCLAIMER ON ADDITIONAL FINANCIAL INFORMATION
FOR THE YEAR ENDED 30 JUNE 2021**

Disclaimer on Additional Financial Information

The additional financial information, being the attached Detailed Income Statement has been compiled by management of Oceania Customs Organisation Secretariat.

To the extent permitted by law, Ernst & Young do not accept liability for any loss or damage which any person, other than Oceania Customs Organisation Secretariat may suffer arising from any negligence on our part. No person should rely on the additional financial information without having an audit or review conducted.

**OCEANIA CUSTOMS ORGANISATION SECRETARIAT
DETAILED INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2021**

	2021 \$	2020 \$
Income		
Australia grant income	742,611	756,146
Contribution in kind (FRCS)	78,487	78,487
Interest income	24,981	23,236
Membership fee	632,346	657,445
New Zealand grant income	881,453	830,000
Other donors	10,103	172,137
Other income	-	23,477
Doubtful debts recovered	-	14,763
Gain on sale of asset	101,449	750
Release of deferred income	1,381	1,387
Realised exchange gain	16,673	-
Unrealised exchange gain	146,434	148
Total income	2,635,918	2,557,976
Expenditure		
Audit fee	10,015	10,015
Assets - not capitalised	5,396	3,167
Advertisement	7,441	5,199
Annual conference	62	46,097
Bank and finance charges	8,395	12,084
Depreciation	48,797	43,317
Doubtful debts	42,452	2,688
Entertainment	2,949	4,993
Insurance	7,681	3,280
Legal fees	334	691
Motor vehicle expenses	1,860	4,767
Occupancy costs	80,436	80,977
Office equipment expenses	3,155	1,606
Other administrative expenses	133	1,626
Other professional fees	69,860	34,869
Postage and stationery	4,166	4,976
Publicity and public relation	2,159	2,560
Realised exchange loss	-	10,668
Repair and maintenance	2,783	1,132
Staff amenities	2,416	1,564
Software maintenance	10,879	16,179
Salaries and other benefits	1,267,517	1,255,044
Telecommunication	43,231	30,957
Travel and accommodation	423	13,769
Work program	468,488	1,142,997
Total expenditure	2,091,028	2,735,222
Surplus/(deficit) for the year	544,890	(177,246)

The Detailed Income Statement is to be read in conjunction with the disclaimer on page 42.

OCO Partners and Supporters

In addition to the members, the OCO would like to acknowledge the valuable contribution and on-going support of the following organisations to the work of the organisation.

1. Australian Border Force
2. Asian Development Bank
3. Asia Pacific Group on Money Laundering
4. European Union through the European Union Delegation for the Pacific
5. Government of Australia through the Department of Foreign Affairs and Trade
6. Government of New Zealand through the Ministry of Foreign Affairs and Trade
7. Government of Republic of Fiji through the Ministry of Foreign Affairs and International Cooperation
8. Government of Japan through Japan Customs and Tariff Bureau
9. Government of Korea through Korea Customs Service
10. International Narcotics Control Board
11. Joint Agency Task Force-West
12. Melanesian Spearhead Group Secretariat
13. Ministry for Primary Industry, New Zealand
14. New Zealand Customs Services
15. New Zealand Statistics
16. Pacific Financial and Technical Assistance Centre
17. Pacific Immigration Development Community
18. Pacific Islands Chiefs of Police
19. Pacific Islands Forum Secretariat
20. Pacific Islands Law Officers Network
21. Pacific Transnational Crime Coordination Centre
22. Pacific Community
23. United Nations Conference for Trade and Development
24. United Nations Economic & Social Commission for the Asia Pacific
25. United Nations Environment Programme
26. United Nations Office on Drugs and Crime
27. United States Trademark and Patent Office
28. United States Department of Justice
29. World Bank
30. World Customs Organisation (WCO)
31. World Health Organization (WHO)
32. WCO Regional Office for Capacity Building for Asia Pacific
33. WCO Regional Intelligence Liaison Office for Asia Pacific
34. World Trade Organisation

Acronyms

ABF	Australian Border Force	PICTA	Pacific Island Countries Trade Agreement
APG	Asia Pacific Group on Money Laundering	PIDC	Pacific Immigration Development Community
AUSTRAC	Australian Transaction Reports and Analysis Centre	PIFS	Pacific Islands Forum Secretariat
CENComm	Customs Enforcement Network Communications	PITAA	Pacific Islands Tax Administrators Association
CIAT	Center for Tropical Agriculture	PMDP	Pacific Management Development Program
CNMI	Commonwealth of the Northern Mariana Islands	PNG	Papua New Guinea
DEPA	Document Examination Principles and Application	PTCCC	Pacific Transnational Crime Coordination Center
ESCAP	United Nations Economic and Social Commission for Asia and the Pacific	RA-FIT	Revenue Administration's Fiscal Information Tool
FRCS	Fiji Revenue & Customs Service	RMI	Republic of Marshall Islands
FSM	Federated States of Micronesia	ROCB AP	WCO Regional Office on Capacity Building, Asia Pacific
Guam CQA	Guam Customs and Quarantine Agency	RILO AP	WCO Regional Intelligence and Liaison Office, Asia Pacific
HS	Harmonised System	RKC	Revised Kyoto Convention
IMF	International Monetary Fund	SMA	Small Member Administration
INCB	International Narcotics Control Board	SPC	Secretariat of the Pacific Community
IOTA	Distributed ledger to record and execute transactions between machines in the Internet of Things (IoT) ecosystem	TA	Trade Agreement
ISORA	International Survey on Revenue Administration	TFA	Trade Facilitation Agreement
ISOCA	International Survey on Customs Administration	TFCC	Trade Facilitation in Customs Cooperation
JIATF	Joint Interagency Task Force	UNCTAD	United Nations Conference for Trade and Development
LMD	Leadership and Management Development	UNODC	United Nations Office on Drugs and Crime
MFAT	Ministry of Foreign Affairs and Trade	US ICE	United States Immigration and Customs Enforcement
MOU	Memorandum of Understanding	USPTO	United States Patent and Trade Mark Office
MSG	Melanesian Spearhead Group	VAT	Value Added Tax
NZCS	New Zealand Customs Service	WCO	World Customs Organisation
NZP	New Zealand Police	WHO	World Health Organisation
OCO	Oceania Customs Organisation	WTO	World Trade Organization
OECD	Organisation for Economic Co-operation and Development		
PACER	The Pacific Agreement on Closer Economic Relations		
PACHS	Pacific Harmonised Commodity Description and Coding System		
PCA	Post Clearance Audit		
PFTAC	Pacific Financial Technical Assistance Centre		
PICP	Pacific Islands Chiefs of Police		
PICS	Pacific Island Countries		







