“Transnational Issues and Border Management in Digital and Technology Age”

PNG NRI COUNCIL SEMINAR SERIES

“POPULATION and MOVEMENT, ENERGY, FOOD and BIODIVERSITY and TRANSNATIONAL ISSUES AFFECTING NATIONAL SECURITY”

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Presentation outline

- Customs Vision, Mission, Values
- The Operating Environment
- A Balancing Act – Control and Facilitation
- Risk-Based Intelligence Led operations
- Strategic priorities and interventions
- International best practices for border integrity
- Some early wins and results
- Way forward – reforms
### Our Vision
We aspire to be a modernised Customs administration to secure our border and support sustainable economic growth in Papua New Guinea.

### Our Mission
We are PNG’s premier border agency, mandated to:
- Secure our border
- Protect our community
- Facilitate legitimate trade and travel;
- Collect revenue.

### Our Values
- Integrity
- Commitment,
- Professionalism,
- Service and
- Teamwork.

### Border Security & Trade
Facilitate Legitimate Movement of people, goods and trade across our border whilst protecting its integrity.

### Revenue Collection
Promote fair, efficient and effective revenue collection.

### Community Protection
Protect Society, public Health and safety and contribute to combating transitional crimes and terrorism.

### Enabling and Implementation
Strengthen capacity building and implementation to support achievements of the core mandated outcomes and deliverables envisaged in the Service Plan.
KEY OVERVIEW OF PNG CUSTOMS SERVICE

01 Land and Maritime Borders
SECURE PNG'S LAND of 820KM AND MARITIME BORDER OF 5152KM

02 Customs Operations
PRESENT AT 23 MAIN PORTS THROUGHOUT PNG

03 Resource/Manpower Capacity
552 / 1134 STAFF ESTABLISHMENT

04 VISION
BE A REGIONAL LEADER IN CUSTOMS INTERNATIONAL BEST PRACTICES AND STANDARDS
The operating environment

- 552 / 1134 – Staff on strength
- 23 Locations and Ports of operations
- Coastline – 5152 km
- Porous Land Border – 820 km
- Budget – G&S
- G&S
- Personnel emoluments
- Development
Customs Ports AW network
A balancing act – Facilitation vs Control

Facilitation/Control

The means of achieving the desired balance between trade facilitation and regulatory control is through the use of risk management.
Risk-based Intelligence-Led Operations

Maintaining the Balance: **Facilitation and Control**

- Facilitation of international trade and travel
- Limiting the cost to business
- Enhance and drive a strong compliance culture
- Law Enforcement and strong controls at the border
- Too much control – affects facilitation and increases cost to business
- Too much facilitation – loss of control and increase in non-compliant activity
Strategic priorities and interventions

1. Secure supply chain security and integrity of the border

2. Facilitate seamless flow of legitimate international trade and travel

3. Reduce cost of trade across the border

4. Promote sustainable trade and investment in PNG
HARNESSING CUSTOMS INTERNATIONAL BEST PRACTICES FOR BORDER INTEGRITY

TRUSTED TRADERS' PROGRAMS
Effective Management of Temporary Imports

INTERNAL LAWS AND POLICIES
Laws and Policies In Line with global best practices for Effective and Efficient Trade Facilitation

MAXIMUM USE OF NON-INTRUSIVE TECHNOLOGY
Deployment Of Non-intrusive Technologies at the Border.

RISK BASED APPROACH
Intelligence-led Risked Based Interventions

DIGITALIZED TRADE
Digitalized Trade Facilitation Process Using ASYCUDA World System – Web Based Portal For Trade Facilitation

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Protecting our Border
Securing our Future
Some initial wins and results: Increased revenue collections in 2021 and 2022

- Exceed budget projections by K54m
- Revenue growth by 12.4% or K350m from 2020
- Budget projection – K3,141 million
- Total collections in 2021 – K3,174 million
- Total collections in 2022 – K3,625 million
- Exceed projections by K552 million in 2022 or 18% increase
Increased penalties and fines imposed for non-compliance

- Over K80million revenue recovered
- >K20m in penalties for non-compliance in 2021
- >K40m in penalties for non-compliance in 2022
- Result in compliance improvements in future
Protecting our Border
Securing our Future

Tax Evasion: 40 ft Container of Imported Alcohol

- False declaration / attempted tax evasion
- K1.2m taxes recovered
- K1.8m fines and penalties paid to the state
Significant reduction in illicit tobacco

- GD and Double Happiness cigarettes
- Goldenbridge cigarettes
Vendor Markets are filled with genuine cigarettes

- Kamkumung Market
- China Town Market
Major non-compliance at manufacturing facility
Way Forward - Reforms

- Establishment of robust enforcement and prosecution
- Continue the legislative reforms and modernization
- Strengthen post clearance audit process
- Establish a stringent compliance management strategy
- Standard industry practice instructions and audit mechanisms
- Authorized Economic Operators
- Enhance the Targeting and Profiling framework
- Develop our people at the middle management levels
- Develop the Strategic Plan 2023 – 2028
- Develop a Single Window Platform