



**PAPUA NEW GUINEA CUSTOMS
ANNUAL REPORT 2013**



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Ministers Statement - Hon. Don Pomb Polye Ministry for Treasury



It gives me great pleasure to sincerely thank and congratulate PNG Customs Management and Staff including all stakeholders for the milestone performance and achievement in the financial year 2011.

The functions of borders security, international trade and travel facilitation, community protection and revenue collection performed by PNG Customs are immensely strategic to the Government and the people of Papua New Guinea.

I am pleased to learn that PNG Customs has again performed well in the financial year 2011 with a revenue collection that exceeded the budget forecast by K219.25 million. I also note with contentment the increase in the border security enforcement activities that underpinned legitimate trade and movement of people and goods across our borders.

At the same time, I am conscious of the challenges posed by the boom in the mineral, oil and gas sector with ripple effect in the other economic sectors. The volume of trade had greatly increased and the consequential challenges are not only enormous but phenomenal for PNG Customs.

The Government had funded the procurement and installation of the Container X-Ray Scanning Equipments in the two major ports of Port Moresby and Lae to arrest this situation. I am confident the use of this equipment will substantially assist PNG Customs meet these challenges and perform its mandated functions with expected efficacy.

The Government is mindful of PNG Customs' strategic role as the lead agency in border security. Together with the Government, I stand committed to support PNG Customs implement its programs and functions to meet Government targets with satisfactory results.

Despite challenges and setback which are always inevitable in our part, the remarkable performance by PNG Customs is a testament of the relentless efforts and prudent management of its staff and management. I take this time to highly commend the Customs Management and staff for this satisfactory performance and achievements.

With these remarks, I urge all Customs Officers and stakeholders to maintain the good work and continue to deliver with satisfactory results.

I wish you all good health and the best in year 2012.

HON. DON POMB POLYE, MP
Minister for Treasury

Commissioner's Remark



I am overwhelmed with satisfaction that our tireless efforts had again seen the year 2011 fraught with success and achievements. Customs had done well in the financial year 2011 with a collection of K2.31billion which exceeded budget forecast by K219.25 million.

Other mandated core functions of Border Security, Trade & Travel Facilitation, and Community & Industry Protection were performed well above expected results.

It gives me great pleasure to present these performances and achievements as detailed in this 2011 Annual Report. I am proud that this Report that encapsulates the exemplary performances and achievements of PNG Customs will serve as a testament to the relentless efforts of the hardworking PNG Customs management and staff.

With the immense increase in volume of trade owing to boom in the mineral, gas and oil sector, PNG Customs had been exposed to enormous challenges. Notwithstanding these challenges, PNG Customs was able to perform well in its core mandated functions. Such was attributed to the prudent management and tireless efforts of the Customs Management and Officers.



I stand proud to highly thank each and every Customs Officers for their tireless invaluable efforts resulting in PNG Customs' success and achievements as outlined in this Annual Report.

I am equally thankful to the Minister for Finance & Treasury and the Government of Papua New Guinea for their continuous valuable support to PNG Customs. With the funding and installation of Container X-Ray Examination Facilities by the Government at the major ports of Lae and Port Moresby, efficiency in trade facilitation is anticipated to immensely increase thus restoring investment confidence in the country. At the same time, it is set to entail effectiveness in protection against infiltration of contrabands and illicit goods.

Last but not the least, I convey my sincere gratitude to the industry and all stakeholders for making 2011 a successful year for PNG Customs in terms of its performances and achievements.

Once again, my heartfelt gratitude and high commendations to each and every one of my Officers and my senior managers for making year 2011 a success fraught with remarkable performances and achievements.

May the year to come brings with it blessings rich with wisdom and knowledge to you all that you may not falter in continuing your loyal services to PNG Customs, the Government and the people of Papua New Guinea.

With that I wish you all good health and success in the forthcoming year.

RAY PAUL
Commissioner of Customs





Foreword

PNG Customs Service again proved its worth through marked achievements and success in its second year of evolvement as a separate government agency. The separation of Customs from IRC enabled Customs to re-establish itself as the PNG Customs Service and re-assert its role as the lead agency of the State responsible for protecting and securing Papua New Guinea's border.



The separation has also enabled PNG Customs to re-define its focus and priorities to concentrate on all its core functions of Border Security, International Trade & Travel Facilitation, Community Protection and Revenue Collection for the State. It has adopted policies and strategies conducive to foster effective performance of these core mandated functions. PNG Customs' remarkable achievements and successes captured in this 2011 Annual Report is testament to this and the relentless efforts of the hardworking Customs Management and Staff.

This does not go without admitting that the 2011 had been a very challenging year for PNG Customs Service. Whilst still undergoing transition and establishment, it was exposed to enormous challenges that come with the increasing volume of international trade and travel owing to the boom in the oil and mineral sector of the country. These challenges were intensified by shortage of manpower, lack of adequate resources and facilities. However, PNG Customs Management's prudent planning and effective management with the support

of Australian counter-parts through Strongim Gavman Program had seen PNG Customs continue to thrive in its service delivery to the Government and people of Papua New Guinea. PNG Customs recognized the importance of building its institutional capacity and capability to ensure and sustain effective performance of its mandated core functions. This saw the meticulous development of its Organizational Structure and Customs Service Plan. The approved Organizational Structure caters for 483 fully funded Customs Officers which is an increase from 282 officers under the previous structure. This has enabled PNG Customs to increase its presence and roles throughout the ports and border posts in the country. The Service Plan was tailored to guide Customs effectively perform its mandated core functions and thus meet the Government's targets and projections, and ultimately implement Government MTDP (2010-2015). Observance and implementation of the Service Plan had enabled PNG Customs to continue to yield its projected outcomes with success in all areas of its core functions in 2011, thus implementing MTDP (2010-2015).

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The Government had through 2011 Public Infrastructure Project (PIP) funding released to PNG Customs K35 million to construct and install Container X-Ray Examining Facilities at the Port Moresby port and Lae port to address the increasing volume of goods (containers) coming through these major ports. It is expected to ease congestion and assist ensure efficiency in facilitation of trade, and thus expand trade whilst at the same time sustaining growing investment confidence and business industries. Preparatory work had commenced with land acquisition/lease with Morobe Provincial Government. The tender process in respect of it had been concluded and the Project will be fully implemented and completed in 2012.

Office accommodation for PNG Customs has been a major concern in 2011. PNG Customs' efforts in securing office space was stalled and prolonged by cumbersome government procurement process in terms of approval of Authority to Pre-Commit Expenditure and clearance of Lease Agreement by State Solicitor's Office plus the conclusion of Central Supply & Tenders Board process. Lack of office space has affected recruitment of staff and placed existing staff under immense stress in terms of work pressure. The recruitment to the organizational structure is anticipated to continue and completed in early 2012.

PNG Customs has nurtured and instil in its officers good work ethics. It continues to seek, train and encourage its officers to be at all times diligent and disciplined to deliver with high level of professionalism to its clients, the State and the people of Papua New Guinea. PNG Customs continues to warn its officers never to allow any forms of corruption and evil deeds that would inhibit, impair and fetter their performances and delivery of services they are designated to provide. It encourages them not to succumb to the weaknesses of corruption but uphold the laws and do what is right and stand by the people and serve with distinction,

honour and pride. And importantly, PNG Customs challenges its officers to continue to embrace discipline, integrity, principles of Christianity, honour and professionalism in the discharge of their designated duties as Customs Officers in fulfilling PNG Customs' mandates, objectives and visions.

PNG Customs has performed well for the year of 2011 in all areas of its mandated core functions. Border Security activities have increased with enhanced facilitation of international trade and travel. These have resulted in better community protection and increased revenue collections exceeding the 2011 budget forecast. This was notwithstanding the shortfalls and constraints encountered. PNG Customs is committed to delivering its mandates and projected outcomes and will sustain its exemplary performances and outputs throughout and into year 2012.

Thus, PNG Customs 2011 Annual Report provides in detail PNG Customs' performances, achievements and successes in the areas of its mandated core functions, institutional capacity and capability building initiatives and corporate functionalities.



Performances Highlight for 2011

PNG Customs Service has achieved a great deal of success in 2011. It collected revenues (K2.31 billion) for the State exceeding Government projection of K2.09 billion for financial year 2011. This was due to effective trade facilitation and border enforcement activities by PNG Customs.



These achievements are attributed to the relentless efforts of the hard working Customs Officers and prudent planning and management of the PNG Customs Management.

Some highlights of these achievements are shown below:-

- < Seizure of four (4) vessels including all goods on board them sold through public tender by Customs thus realizing more than K6 million as proceeds.
- < Imposition of administrative penalties which include the admin penalty of K15, 437.00 imposed against a foreign vessel that failed to declare goods on board it as ship stores.
- < Establishment of Customs User-Pay Service Trust Account (CUSTA), implementation of which netted over K3 million in collection of service fees.
- < Implementation of the Customs Service Plan that aligns with MTDP (2010-2015)
- < Commencement of preparatory work for Container X-Ray Examining Facility in Lae
- < Hosted Oceania Customs Organization's (OCO) 13th Annual Conference in Port Moresby. It was a huge success with many international delegates commending it "the best so far"
- < Launching of Customs Strategic Risk Management Plan.
- < Operation "Xmas Gift" resulted in detection of substantial breach of Customs Act and evasion of duties, which were met with substantial seizure and hefty administrative penalties.



Section 1

Overview of Papua New Guinea Customs Administrative Role

1.1 Papua New Guinea Customs Service's National Responsibility

PNG Customs' mandated responsibilities stems from the five National Goals and Directive Principles enshrined in the country's National Constitution. These goals emphasize and require proper strategic national planning and objectives to maintain national sovereignty, economic self-reliance, preservation of the country's natural resources and its environment. To achieve these, PNG Customs has articulated a strategic management plan with a new vision, mission and strategies focused on securing the country's border with the aim of protecting the community, ensuring efficiency in facilitating legitimate international travel and trade and collecting revenues for the Government.

1.2 Customs Legislative Authority

PNG Customs derives its powers from the Customs Act 1951 to control, supervise and authorize inward and outward entry of all forms of conveyances, persons and goods. It is also empowered to impose and collect duties for all goods imported and exported subject

to exemptions granted in accordance with Customs Laws. Similarly, it authorizes the PNG Customs to deal with breaches of the principal Act itself or other allied Acts and regulations.

Too PNG Customs is empowered under the Excise Tariff Acts to charge and collect excise duties and taxes. The Goods and Services Act authorizes PNG Customs to collect Goods and Services Tax ("GST") on all goods imported. Collection of these duties and taxes are subject to exemptions and reductions granted in accordance with and under the Customs Laws.

1.3 Corporate Profile

PNG Customs management and staff have resolved to build and administer PNG Customs, as an organization, based on the principles of good governance that entails commitment in service delivery to our people, business industries and the Government of Papua New Guinea through our vision, mission and values. Our values are Commitment, Professionalism, Service and Integrity.



Customs' Vision

Spirited and committed to be a regional leader in securing our national border to enhance the security and socioeconomic development of Papua New Guinea.

Customs' Mission

Protect Papua New Guinea's border, communities and industries; enhance facilitation of international trade and travel; and protect and collect revenue for the Government.

Customs Values

Commitment

We are committed to maintaining the Customs long standing tradition of protecting the community and contributing to the development and prosperity of Papua New Guineans.

Professionalism

We will develop our human capital to be professionally trained and to embrace international best practices.

Service

We will render high standard of service to the Government, community, local industry and external stakeholders, whilst being mindful of the need to reduce impediments to trade and investment.

Integrity

We maintain high Christian principles and are honest, transparent and accountable in our actions and decisions we make, for a fair and equitable outcome for the Government, community, local industries and investors.





1.4 Expected Outcomes

PNG Customs has four (4) mandated core functions supported and strengthened by the enabling corporate service functionalities. The execution of these functions support implement and achieve the Government's medium and long term development goals for ensuring Border Security, Community and Industry Protection, International Trade and Travel Facilitation and Revenue Collection. These are:

1. Border Security	Facilitate legitimate movement of people and goods across our border while maintaining the integrity and security of the border, ensuring supply chain security and protecting the health and safety of our people.
2. Community Protection	Prevent and detect illicit and counterfeit goods harmful to the community.
3. Trade Facilitation	Facilitate legitimate trade with minimum delay and costs.
4. Revenue Collection	Collect Government revenues and provide reliable trade statistics and economic data.
5. Enabling	Efficient Communication, Corporate Governance and Support Services.
(A) Improved System of Communication	Effective Communication Structure and efficient Management of Information and Data flow.
(B) Improved Governance and Accountability	Internal Audit and Assurance, Internal Investigations into Staff Misconduct.
(C) Efficient Corporate Support Services	Improved Strategic Planning, Public Affairs and International Liaison, Budget & Finance Services, Legal Services, and Information Communication Technology Support.

1.5 Executive Management

The Executive Management of PNG Customs comprises of the Commissioner of Customs (who reports to the Treasurer and Minister for Finance), three Deputy Commissioners and eight Assistant Commissioners as illustrated below:



Garry Juffa
Commissioner of Customs
(until 27th October 2011)



Ray Paul
Acting Commissioner of Customs
27th October 2011 - current



John Pomoso
Deputy Commissioner,
Regional Operations



Kessy Sawang
Deputy Commissioner,
Commercial & Corporate



Waliya Abilo
Deputy Commissioner,
Border Security



John Nakiria
Assistant Commissioner,
Modernization Management



James Bire
Assistant Commissioner,
Commercial Trade & Compliance



Cynthia Kenny
Assistant Commissioner
Enforcement



Karo Kila
Assistant Commissioner, Border
Management



Steven Korea
Assistant Commissioner,
Southern Region

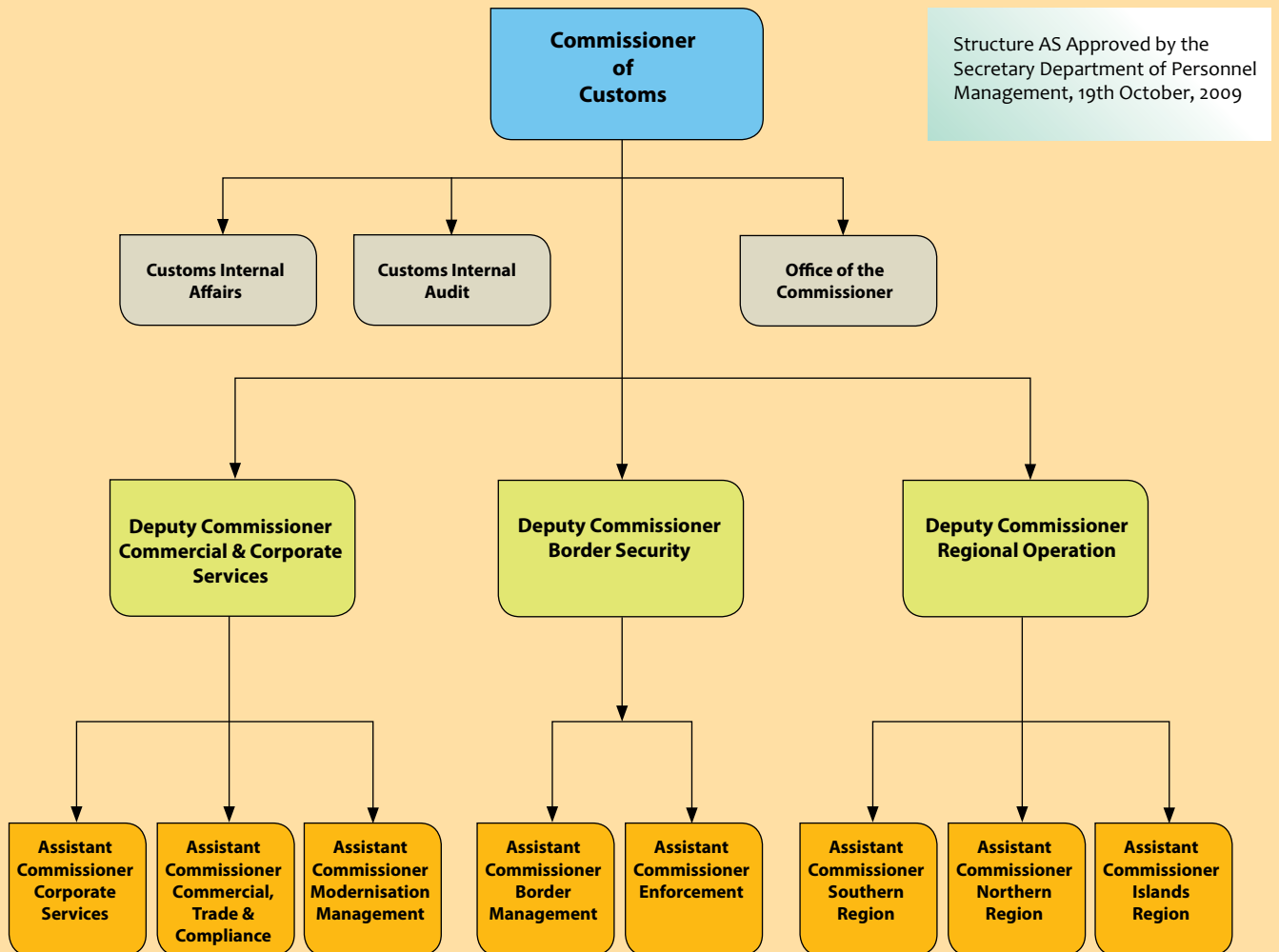


Francis Nipuru
Assistant Commissioner,
Northern Region



Lydia Wartovo
Assistant Commissioner,
Island Region

APPROVED ORGANISATION STRUCTURE



1.6 Staff

As at the end of 31 December 2011, PNG Customs employed 300 national Customs Officers (staff) to serve at the ports around PNG.

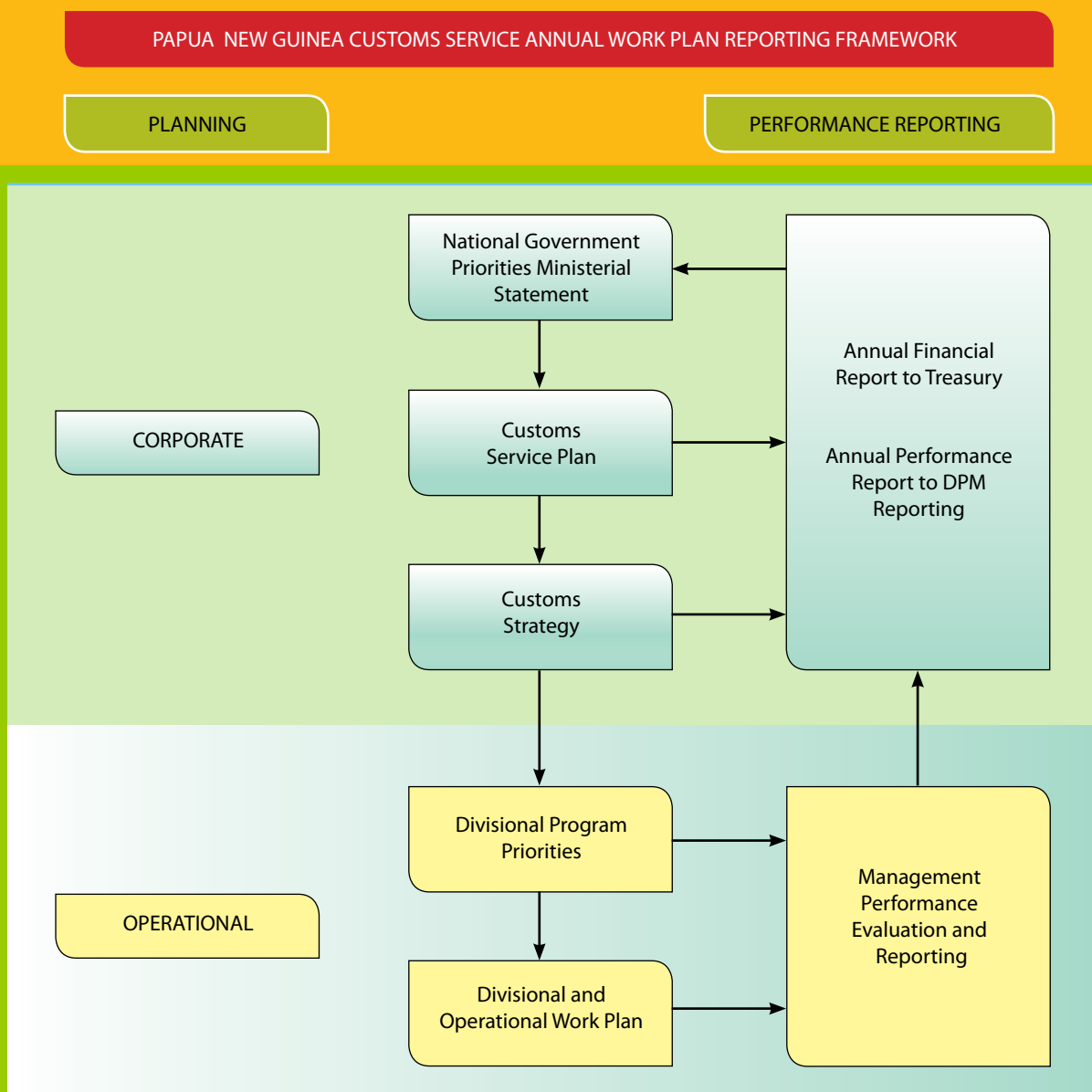
1.7 Budget

The initial recurrent budget allocation for the PNG Customs for the financial year 2011 was K18, 827.4 million. This amount was increased with additional allocation of K5, 699.9 million from the Department of Treasury bringing the annual total to K24, 527.3 million. This budget allocation was supplemented by collection of Customs User pay Service Fees.

1.8 Monitoring and Reporting

Managing the business of PNG Customs has been based on a management plan and corresponding annual work plans. Monthly and quarterly performance reporting has been used to track work progress, achievements and constraints thus culminating in compilation of the annual report for the FY2011.

The diagram below depicts the performance reporting framework for the PNG Customs Service:
Planning Performance Reporting





Australian
**CUSTOMS AND
BORDER PROTECTION**

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Section 2

Performance against Outcomes and Strategies

2.1 Outcome: Border Security

Strategy: Establishing strategic alliances, increased resources, use of technology, risk management techniques and improved communication



2011 - Performance

Increased domestic economic activities presented significant challenges to facilitate legitimate international trade and travel while at the same time preventing and detecting unauthorized movements of conveyances, persons and illicit goods. Notwithstanding these challenges and constraints, PNG Customs Officers' relentless efforts have resulted in remarkable achievements that saw effective border protection, efficient facilitation of legitimate international trade and travel, enhanced community protection and increased revenue collection for the State.

PNG Customs marked the early 2011 with the launching of its Strategic Risk Management Plan. This Plan guide PNG Customs and immensely assisted it to effectively assess and manage its risks by employing risk assessment at the operational level that involved pre-screening procedures, gathering of information and intelligence, and inspection and detection of illicit movement of goods and persons. The observance of the Strategic Risk Management Plan underpins successful implementation and achievement of PNG Customs mandated functions.

A number of operations were conducted by PNG Customs assisted by Police and other lined agencies. Of these, three (3) major seizures were executed by PNG Customs in 2011 in Madang, New Ireland & Wewak. Sale of these seized goods through Public tender resulted in collection of more than K6 million as additional revenue. In whole, these operations conducted detected smugglings, contrabands, evasion of duties, bribes and undervaluation which were met with imposition of administrative penalties and recoveries of evaded duties resulting in collection of hundreds of thousands and millions of kina.

Joint Agency Operations

A number of joint agency operations were conducted throughout the ports in PNG with other law enforcement agencies such as Police, Labour, Immigration, National Intelligence Organization and Defence.



The table below illustrates the major joint operations conducted in the three Regions of Customs Operation.

Regional Operations	Name of Major Joint Operations	Particulars & Customs Breaches	Results
Southern Region	Operation Cyclone Gubon	A joint operation by Customs & Police into logging industries in Oro Province. Detected contrabands, smuggling & evasion of duties.	Successful investigation, audit and imposition of admin penalties and recoveries of evaded duties amounting to millions of kina
Northern Region	Operation Sunset Merona	A major NEC sanctioned joint operation by Defence, Police, Customs, Labour and Immigration conducted along the border provinces of West Sepik & Western. Detected smuggling, evasion of duties and illicit trade of goods and contrabands along the borders of PNG-Indonesia	Successful investigations & prosecution of offenders resulted in collection of penalties, admin penalties and recoveries of evaded duties amounting to tens and hundreds of thousand kina.
Islands Region	Operation Quartermaster	A joint operation led by Customs & Police assisted by Fisheries. Detected undeclaration of goods (smuggling), undervaluation, bribery in respect of vessels Kismet 18 & 19 in Kavieng.	Investigation & Seizure of vessels Kismet 18 & 19 with all goods laden on them resulting in realization of millions of kina thru public tender sale of seized goods.

NB* There were also other major joint operations conducted in these three Regions resulting in imposition of administrative penalties and recovery of evaded duties and seizure of goods amounting to millions and hundreds of thousands of kina.

Joint Cross Border Patrol

The Australia-PNG Joint Cross Border Patrol has provided a regular opportunity for both Australia and PNG to manage strategic border risks to both countries in the Torres Strait area by working together across each other's maritime borders to gather intelligence, build remote area community relationships, and conducted joint border patrols.

Joint border patrols in the areas were sensitive and logistically difficult. Australian Customs provided a patrol boat and crew, with other assets to support joint operations. PNG provided two Customs officers and two police from the Royal PNG Constabulary to provide intelligence and operational support for the joint border patrols.

Memorandum of Understanding

A good number of MOUs were signed with domestic and international partners in 2011. Posed with capacity and capability shortfalls and its subscription to regional and world customs organizations, it was necessary to

enter into MOUs that allow for mutual cooperation, assistance, and systematic exchange of information and intelligence, which foster enhanced performance and support PNG Customs meet both national and international obligations.

Domestic MOUs

MOU was signed between PNG Customs and British American Tobacco. Under this MOU both organizations will work together to combat and contain illicit import and trade of tobacco in PNG. PNG Customs officers joined officers from the National Agriculture and Quarantine Inspection Authority (NAQIA), Department of Environment and Conservation and Police in May undertook intensive training on how to detect and prevent wildlife and endangered species (flora and fauna) from being smuggled out of Papua New Guinea. This was regarded with commendation as first of its kind in PNG. The training was witnessed by PNG Customs, the Wildlife Enforcement Group (WEG) of New Zealand and International Fund for Animal Welfare (IFAW).





International MOUs (Bilateral agreements)

As part of its border security strategy, PNG Customs continues to pursue and maintain strategic alliances with Australian Customs Administrations. A Memorandum of Understanding (MOU) between PNG Customs and the Australian Customs and Border Protection Service was signed in Canberra by the Commissioner of Customs and the CEO of Australian Customs.

Despite existing MOUs between both Customs organization, they were required to sign the new MOU in order to reflect the changes in the names of both organizations and maintain their relationship. The MOU provides for mutual cooperation, assistance and exchange of information and intelligence between the two agencies. Of these are captured the notable Joint Cross Border Patrols and the PNG-Australia Twinning Scheme. It replaces previous MOUs which go back into the early 1990s.

Similarly, it has progressed discussions with its other two border counter parts, Indonesian Customs and Solomon Islands Customs culminating in the drafting phase of the respective MOUs, which once finalized would be signed to strengthen border security issues of mutual and regional concerns.

Intelligence Database

There has been a considerable improvement in data and information collection. This is attributed to an increase in general community awareness of PNG Customs role in securing the country's border and also the implementation of an electronic information database, Case Management Information System (CMIS). This is an initiative of the Strongim Gavman Program (SGP) and PNG Customs. CMIS connects frontline officers and their Intelligence unit.

Investigation Cases

A number of breaches were reported to PNG Customs Investigations Section. These offences were investigated and dealt with under the administrative provisions of the Customs Act or prosecuted. They include:

1. Detention of thirty-seven (37) units of imported vehicles at Port Moresby wharf for three (3) months, due to misclassification of three vehicles. The entire vehicles were seized as forfeited goods and the perpetrator was met with hefty penalty of K45,747.84 which he paid.
2. Undeclaration of ship stores by the Captain of overseas vessel FV Crystal 106 resulting in evasion of duty was investigated and was penalized with fines.
3. Madang Lighthouse Operation in Madang involved investigation into alleged breaches of Customs Act that saw successful seizure of Tug Marugawa II and Barge 5 with all machineries and goods laden on them. These seized goods were sold through public tender thus realizing K3million. Investigation had concluded with completion of the Prosecution Brief against importer/owner Peter Lau on attempted bribery, smuggling and evasion of duty in breach of the Customs Act and is pending prosecution in Court.



4. Operation Quartermaster in Kavieng involved investigations into alleged breached of Customs Act thus resulting in seizure of Tug Kismet 18 & Barge Kismet 19 with all machineries and goods on board them. These seized goods were disposed of through public tender sale realizing K3 million as proceeds. Investigation had concluded with completion of Prosecution Brief against Mr. David Hii for bribery, evasion of duty and other breaches of the Customs Act pending prosecution.
5. UBT Fjord Case - Investigation into alleged illegal removal of heavy fuel oil from Loloho Port in Bougainville saw the capture and detention of fuel tanker UBT Fjord. This vessel escaped whilst under Customs detention with heavy fuel oil illegally removed from Loloho Port. Matter was briefed out by State through Attorney General's Office to Namani Lawyers to have carriage of it. Namani Lawyers to initiate civil proceedings both here and in Singapore to recoup proceeds of stolen oil and consequential damages and costs.
6. Operation Rausim Giaman Brus was conducted following investigations and intelligence information into alleged trade of illicit cigarettes. This operation resulted in two (2) Asians charged for possession of pornographic materials and live ammunitions.

Customs Wasman Program

PNG Customs developed the Wasman Program, a community awareness initiative aimed at informing the public and industry about PNG Customs border security role. The Wasman Program is developed to purposely encourage the general public to provide any information on breaches of the Customs Act including illegal activities at the PNG border.

Container Examination Facility

PNG Customs will build a state-of-the-art container x-ray examining and storage facility in Lae and Port Moresby. The ground-breaking ceremony took place in Lae in May 2011 and was officiated by Morobe Governor and PNG Customs Commissioner. The construction and installation of the facilities will cost about K32 million. These facilities are expected to enhance timely facilitation of international trade in light of the increasing volume of trade and goods at the major ports. Too they will open up and expand trade in Port Moresby, Lae and into others parts of PNG, especially the Highlands Region.

Necessary documents that include Heads of Agreement were signed in Lae to effect the project after Customs made presentations to the Morobe Provincial Government and Administration and Morobe Physical Planning. The meeting with Morobe Administration and Government was to fast-track the project into construction phase because of the increasing volume of containers that come through the Lae Port on daily basis.

Central Supply and Tender Board has provided to PNG Customs all Tender documents on Container X-Ray Equipment. Evaluation is currently in progress which will be completed in 2012. Tender documents for the Construction of facility in Lae has been closed and evaluation of Tender done for the appointment of a successful builder.



2.2 Outcome: Community Protection

Strategy: Effective use of risk assessment, pre-screening procedures and improve information and intelligence base and inspection on detecting and containing movement of illicit and contraband goods.



2011 - Performance

Customs has stepped up its efforts in detecting and containing illicit trade of goods and contrabands. This involved inspection of notorious outlets where illicit trade of contrabands were taking place and the perpetrators were charged and penalized with hefty fines.



Papua New Guinea Customs and police have discovered several contrabands and illegal imports in shops in various locations within the major ports. They were seized by Customs and the perpetrators prosecuted for importation and possession of restricted imports under the legislations.

PNG Customs has also successfully investigated and prosecuted breaches of Customs Act and related laws that involved possession and trade of illicit goods and contrabands.



Pictures below depict the vessels, machineries and goods seized by PNG Customs in Madang, New Ireland & Wewak. Sale of these seized goods through public tender resulted in an estimated collection of more than K6 million in additional revenue.



Fake/counterfeit products openly sold in major towns. Tasks to cramp down on such imports are huge and require more intelligence base workforce.

Attempted Bribe for Customs officers

K3,000.00 cash was offered to Customs officers who refused to accept while conducting inspection and investigation into breaches of Customs Act that led to seizure of Kismet 18 and Kismet 19 with machineries and goods laden on them.

K2,700.00 cash placed under the seat cover of one of the vehicles that were part of the cargo that was impounded by Customs in Madang in April 2011. This was intended to entice Customs officers but that tactic did not work.

Public Awareness on Customs Law Enforcement Activities

Public awareness is strategic to effective enforcement and compliance of the Customs Laws as understanding of PNG Customs roles and functions by people and industries will assist enhance the performance of its border protection and other mandated roles. Thus, PNG Customs has released relevant information and reports for TV, radio and the print media on their activities and functions.

The Joint Cross Border Patrol (JCBP) and various other maritime patrols are another way the PNG Customs utilises the opportunity to inform the public of the functions and objectives of the organisation.

During the month of February, officers from PNG Customs and the RPNGC travelled to Daru and joined colleagues from the Australian Customs and Border Protection Service and the Australian Federal Police, to participate in the first Joint Cross Border Patrol for 2011. The patrol was conducted in the Torres Strait and adjacent areas of Western Province over the course of one week.

Training

PNG Customs had conducted several training in liaison with interested stakeholders as part of its capacity and capability development. These trainings equipped and prepared Customs Officers with required skills and knowledge to effectively perform their designated roles to meet PNG Customs mandates, objective and projections. From late February through to mid March, an Australian Customs and Border Protection Service training officer delivered leadership training in Lae and Port Moresby. The training was aimed at reinforcing the leadership skills of junior managers and team leaders from PNG Customs.

Industry Partnership

PNG Customs recognises the importance of industry partnerships that assist improve its enforcement activities by providing information and intelligence. In past years, information provided by industry has resulted in successful operations.



Targeted Imports and Exports

PNG Customs has taken action against non-compliant importers & exporters due to information being provided voluntarily by industry and the community. This shows that there is a growing confidence in PNG Customs responsibility to secure its borders and community against incursion of illicit and contraband goods, as well as illegal movement of people across the border.



Intelligence

The general increase in collection of information provided to PNG Customs from all concerned stakeholders both internally and externally, has resulted in effective dissemination of alert notices and profiles. Intelligence created from the collected information has led to increasing inspection and detection of breaches of Customs Laws, particularly smuggling, undeclaration of goods, evasion of duty, and importation and exportation of prohibited goods. These offences were dealt with under the Customs Laws resulting in imposition of hefty fines and administrative penalties in addition to recovery of evaded duties.



2.3 Outcome: Trade Facilitation

Strategy: Efficient use of ASYCUDA cargo clearance system, implement Authorised Economic Operators and Advanced Rulings Schemes.



2011 - Performance

- › Initiatives undertaken so far towards improving trade facilitation included a combination of policy and practical measures.
- › Efficient use of ASYCUDA cargo clearance system with the introduction of the cargo manifest module continues to be the major achievement in trade facilitation.
- › PNG Customs has also introduced the Advanced Ruling system commencing

January 2011

- Facilitation of imports for major impact resource projects such as the PNG LNG Project under express service model and regular stakeholder meetings have seen timely movement of these imports to designated sites.
- There has also been an increase in the number of international travelling passengers which Customs has processed through our international airports.

Advanced Ruling

The initiatives undertaken during 2010 has rolled over to 2011 towards improving trade facilitation included a combination of policy and practical measures.

Introduction of policy initiatives involved establishing awareness among PNG Customs senior management at Headquarters, as well as operational managers, their staff and industry representatives at regional centres in Port Moresby, Lae and Kokopo for the introduction of advanced ruling scheme.

The advanced tariff ruling scheme enabled industry stakeholders to apply for tariff classification on certain commodities that, once a decision is made and notified by the Commissioner of Customs, becomes binding and lasts for 3 years. This provides an environment of certainty and predictability for local importers and investors to operate in the country.



ASYCUDA Developments

Initiatives undertaken to improve trade facilitation included the development and effective use of the automated system of cargo clearance called the ASYCUDA. Efficient use of ASYCUDA cargo clearance system with the introduction of the cargo manifest module continues to be the major achievement in trade facilitation.

- Facilitation of imports for major-impact resource projects such as the PNG LNG Project under express service model and regular stakeholder meetings have seen timely movement of these imports to designated sites.
- There has also been an increase in the number of international travelling passengers which Customs has processed through our international airports.



PNG Customs' ASYCUDA has featured prominently since 2008 for the processing of import and export transactions, collection and accounting of state revenue and trade data essential for monitoring internal and external trade.

During 2011, regular maintenance technical missions have been undertaken by PNG Customs ICT Division to provide ongoing technical support for users in both the organisation and the Customs Brokerage Industry. The introduction of the cargo manifest module further enhanced the ability of PNG Customs to have better control over the reporting and accounting of all cargo destined for Port Moresby.

Service Delivery

As part of PNG Customs responsibility to improve and manage import clearance, it has removed random selection of import consignments and employed a risk based targeting of cargo.

Regular consultation is maintained with the importing community through the Customs Brokers Association by way of quarterly meetings. Issues addressed include impediments to clearance processes, standards for performance and regulatory requirements involving the Customs Brokerage industry.

Facilitating PNG LNG Project Imports

Throughout 2011, regular meetings have been held between PNG Customs and ESSO Highlands Limited (EHL) the operator of the PNG LNG Project. Administrative issues affecting the project's imports as governed under the PNG LNG GAS Agreement are monitored and discussed. Any issues affecting or likely to impact on the project are addressed.



2.4 Outcome: Revenue Collection

Strategy: Increase general compliance, improve collections and reporting of revenue and ensure timely transfer of revenue and trade statistics.

2011 - Performance

This section features the financial performance of PNG Customs in terms of revenue collection, PNG Customs income and expenditure for 2011.

The main sources of revenue are from imports (import duty, import GST, import excise), exports (export duty) and local taxes (inland excise, sundry collections).

- Just in its second year of operation, PNG Customs exceeded the forecasted revenue figures by K 493 million in 2010 and 2011.
- Increase in revenue collection is attributed to increase in international trade, enhanced compliance strategies and successful investigations and prosecutions into breach of Customs Laws.
- Total revenue collection during the 24 months transition period is K 4.25 billion, which is K 493 million above the revenue target, set by the government.

PNG Customs collected aggregate revenue of K2.31 billion for the year ending 2011. This revenue was K219.25 million (11%) more than the 2011 Budget estimate of K2.086 billion. In comparison with the 2010 collections of K1.977 billion, this is an increase of K328 million (17%).

PNG Customs also collects other revenue on behalf of a number of government agencies. This revenue of K205, 733 is not recorded in PNG Customs revenue figures although it is credited to consolidated revenue. This was an increase of K147, 101 or 25% from 2010 (K58, 632.00) collections.

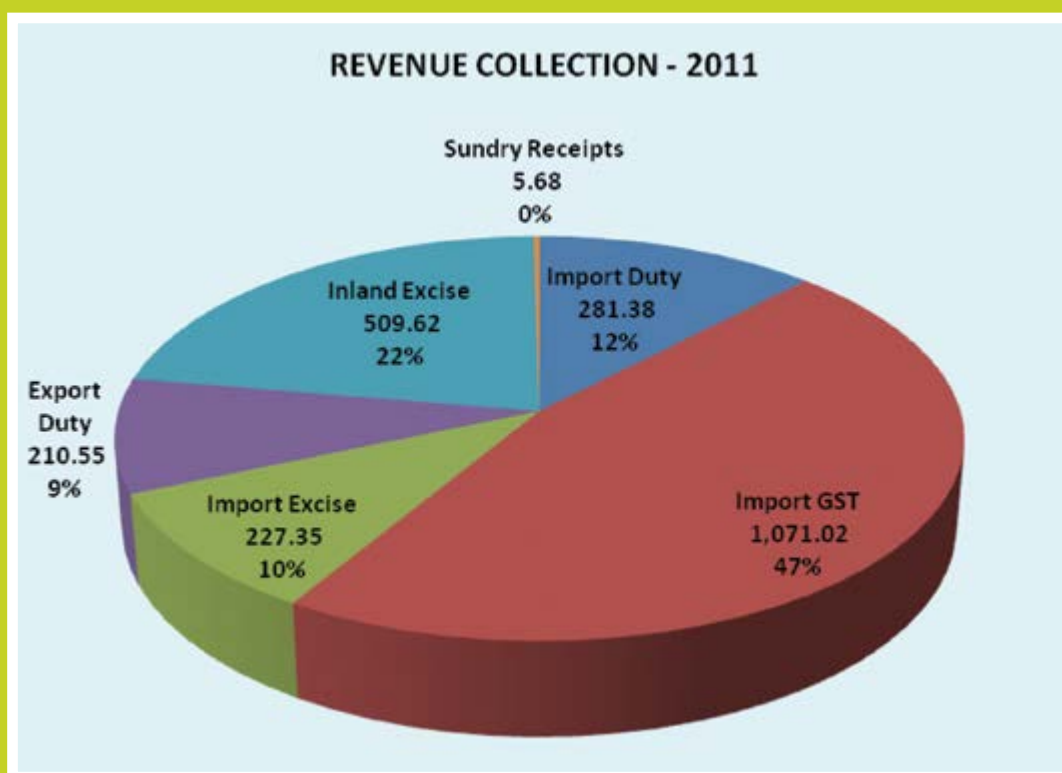
The increase in revenue collection is primarily related to the increase in international trade volume, and enhanced enforcements and compliance strategies employed by PNG Customs. The appreciation of Kina in the last ending months had impacted on the import duty collections. However, the comparative value of the aggregate revenue is equivalent to or more than the total revenues collected in 2010. Overall the surplus in the aggregate collection is mainly attributed to increases in the collection of export duty, import GST and local excise.

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Actual against Projections

Customs	Actual	Expected	Surplus	Surplus
Duties	Collections	Collections	in Collections	(%)
Import Duty	281.38	280.45	0.93	0%
Import GST	1,071.02	933.20	137.82	15%
Import Excise	227.35	218.90	8.45	4%
Export Duty	210.55	172.19	38.36	22%
Inland Excise	509.62	476.01	33.61	7%
Sundry Receipts	5.68	5.61	0.07	1%
Total	2,305.61	2,086.36	219.25	11%





Export duty collections were well above estimates by K38.36 million and this rise was due to increase in the volume of log exports. Vanimo port collected over 24% of the total export duty.

The logging ports that generated export duty for 2011 in descending order were:

- Vanimo collected K52.94 million, or 24% of total export duties,
- Rabaul collected K34.29 million or 16% of total export duties,
- Kimbe collected K30.09 million, 14% of total export duties,
- Daru collected K18.19 million, 8% of total export duties, while
- Other ports collected K82.77 million, or the remaining 38%.

Import GST collection for 2011 was K1, 071.02 million. This was K137.82 million higher than budget estimates. This again reflects the general increase in imports.

An import excise collection in 2011 was also higher than budget estimates by K8.45 million. This rise was due to an overall increase in imports of vehicles, petroleum products and other electronic goods.

Another notable increase was seen in inland excise with K33.61 million surpluses. The actual collection was K509.62 from the K476.01 estimate.

Government Sanctioned - Revenue Foregone

In 2011, a substantial amount of revenue was forgone through various duty exemptions and concessions.

REVENUE FOREGONE THROUGH CONCESSIONS 2011				
Customs Duty	Actual	Foregone	Nominal	
	Collections	Revenue	Revenue	Projections
Import Duty	282,009,393	54,555,729	336,565,122	280,450,000
Import GST	1,010,619,586	473,507,027	1,484,126,613	899,390,000
Import Excise	223,407,044	68,683,495	292,090,539	217,970,000
Export Duty	217,331,472	-	217,331,472	233,130,000
Inland Excise	499,202,179	-	499,202,179	458,330,000
Sundry Receipts	14,683,798	-	14,683,798	5,610,000
Total	2,247,253,473	596,746,251	2,843,999,724	2,094,880,000

A sum of K596.74 million was foregone under the state sanctioned exemptions which could have been part of the aggregate revenue collections for the year. This is K59.38 million less than the 2010 figure. The three components that were most impacted under the exemptions were import GST (K473.51 million), import duty (K54.56 million) and import excise (K68.68 million).

Exemptions on import GST include concessions granted on imports by charity organizations, religious organizations, community organizations, medical supplies, educational institutions and mining, petroleum, gas and oil resource companies. Exemptions and reduced rates on import duty apply in respect to petroleum, gas and oil industries.

Revenue Recovery

A sum of K32.046 million was recouped through auction sales from seizures. Customs offences include duty evasions, attempted bribes to officers, undervaluation, smugglings and intentional abuse of Customs procedure codes amongst others.

Recovery of K29.3 million currently in process to be recouped from unpaid import GST in addition to K14.65 million penalty fines from Inter Oil Refinery Company. This results from Customs Audit activities.

CUSTA ACCOUNT

Customs User pay Service Trust Account (CUSTA) was approved by Minister on 7th Oct 2010. It was effectively implemented on 3rd January 2011

Fees collected includes

- i > Entry processing fees
- ii > Advance ruling fees
- iii > Merchant overtime
- iv > Collected up to K1.15 and used to subsidise operational shortfalls.





2.5 Outcome: Enabling Corporate Service Functionalities

Strategy: Adopting an organisational structure that supports Customs Service Plan, communication framework, human resource plan, governance and corporate services that effectively support Customs operational activities.



2011 - Performance

Customs Service New Corporate Plan

The PNG Customs Service Plan 2010 – 2012 was launched in March, 2010 and will expire in December 2012. As such, PNG Customs had, with assistance from Departments of Personnel Management, Treasury and other agencies completed key tasks intended to form the basis of the development of new Corporate Plan. These include completion of new organisational structure design, amending Customs legislation to reflect the new organisational structure, securing budget for the new organisational structure, setting the corporate plans, objectives, missions and guidelines thus aligning it with MTDP (2010-2015). This new Service Plan will be designed to drive the PNG Customs implement and achieve its mandated roles and function plus its corporate objectives. Further, it will be useful in the monitoring work performances and reporting of outcomes during the earmarked period.

Launchings

- › Early in 2011, PNG Customs launched the Customs Strategic Risk Management Plan. Effective use of risk assessment at the operational level, pre-screening procedures and improved information base on detecting movement of illegal goods are strategies used to protect the community.
- › Other launching includes the Annual Report, Risk Management Plan and Customs Website

The implementation of the Service Plan and the organisational structure were major challenges for Customs Executive and staff at all levels.

- › The main setbacks had been the prolonged delay with the establishment of suitable office accommodation to house the Customs Headquarters and Southern Regional Operations. This has affected the recruitment of staff as there were no office space to accommodate more officers.
- › PNG Customs is currently operating at only 60% of its approved full staff capacity. This alone has placed the staff under considerable stress.

Notwithstanding these setbacks, PNG Customs has performed remarkably well in 2011.

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Recruitment

The recruitment process under the restructures to transfer customs personnel from the former Customs Operations of the Internal Revenue Commission and the filling of a number of newly created positions continued during 2011.

- < Staff ceiling 483.
- < 300 positions selection completed in December 2011.
- < delays in recruitment were due to inadequate manpower and office space (HQ).

Human Resource Development

Reviving training for PNG Customs has been a major area of concern for the PNG Customs management. Only a handful of trainings in critical areas of operations were conducted in 2011 due to manpower shortages including lack of proper training section to pursue personal development trainings.

Given the need to strengthen management capacity in the organisation, senior management officers were given priority. This saw the conclusion of consultation and MOUs with the University of Technology (UNITECH), the University of Papua New Guinea (UPNG) and the Divine Word University (DWU) to offer business management and leadership courses to senior management Customs Officer.

Capacity Building Program Initiatives

Funding requested under PIP submission to the Department of National Planning & Monitoring was considered in the positive with additional funding bestowed. The funding is to be spread over a period of five years under the MTDP (Medium Term Development Plan)

Capacity Building Program include the following:

- > Institutional Housing Project
- > Second Phase Container X-ray
- > Examining Facility Project
- > Surveillance Tracking Devices Project.
- > Offices Complex Project
- > Customs Academy Project
- > Review of Customs Act
- > Regional Warehousing

Plan for Customs Training Academy Consultation was held with UPNG with the objective of establishing a Customs Training Academy. With the concurrence of UPNG Senior Management, PNG Customs has submitted a proposal to the Pro- Vice Chancellor for the Customs Academy to form part of the School of Law.



Recurrent Budget & Expenditure



Operating Income

Total operating income for 2011 was K24.53 m. This operating income consisted of:

- › Annual Budget Allocation from Government of K18.83m
- › Additional funding from Department of Treasury K5.70m
- › Supplemented by K1.15 million collected as Customs User-Pay Service Fees

Operating Expenses

Total operating expenses for 2011 were K24.53m. Operating expense consisted of:

- Personal Emolument of K11.87m
- Goods and services of K12.65m



Description	2011 (K000)
Income	K24.53m
Expenditure	K24.53m
Personnel Emolument	K11.87m
Goods & Services	K12.65m

Recurrent Budget: K24.53m

Development Budget: k35m

Recurrent Budget –	Initial allocation (K18, 827.4)
Divisions	Allocation
Executive Unit	K1, 954.1m
Office of Commissioner	K499.5M
Corporate Services	K4, 305.4m
Corporate Services	K4, 305.4m
Border Management	K372.6m
Commercial Trade & Compliance	K784.1m
Enforcement	K1, 319.5m
Southern Region	K2,940.6m
Northern Region	K2, 662m
Islands Region	K1, 965.9m
Information & Communication Technology	K769.7m
Modernization Management	K264.4m
Internal Audits	K467.4m
Internal Affairs	K522.3m
Development Budget	(K35m)
Container Examination Facility	K35m

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2.7 Return on Investment

The return on investment is a comparable analysis of income and resources used to derive the organisational outcomes.

From the government allocation of K24.53m, PNG Customs collected K2, 305.61m. This represents a return on government investment of K93.99 per K1.00 allocated.

On average each Customs officer collected K7.69m for the government in 2011.

Programme	Quantity	Return	
		Input	Output
Total Expenditure	K24.53m expenditure	K2,305.61m revenue collected	K93.99 revenue collected per Kina of expenditure
Total staff	300 officers	K2,305.61m revenue collected	K7.69m collected per officer
International Passengers	24 Passenger processing officers	437,257 Passengers processed	18,219 passengers per officer
Trade entries	34 Invoice examining officers	132,992 import, export, local excise entries	3,911 entries per officer
Sea Vessel (ship)	20 boarding officers	1,954 vessels cleared	98 vessels per officer
Aircraft	10 boarding officers	4,801 aircraft cleared	480 aircraft per officer

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total
Import Entry	30,351	27,146	37,624	30,113	125,234
Export Entry	2372	2449	2264	673	7,758
Local Entry	263	276	338	326	1,203
Trade Trend	32,986	29,871	40,226	31,112	134,195





2.8 Inter-agency Cooperation

PNG Customs is committed to be a regional leader in securing PNG's national border to enhance the security and socio economic development of Papua New Guinea. In achieving this, it has gained the support and cooperation of the stakeholders both in public and private sectors.



It has also sought the support and cooperation from other border agencies plus regional and international organizations. To strengthen its capacity and capability to effectively implement and achieve its mandated role in the areas of border security, international trade and travel facilitation, community protection and revenue collections, It has signed a number of MOUs, bi-literal and multi-literal agreements and maintained memberships to World Customs Organisation, Asia Pacific Economic Cooperation and Oceania Customs Organization.

On the same note, it also signed a number of MOUs with other border and law enforcement agencies, and stakeholders which include Police, Defence, NIO, Immigration, IRC, BAT, BDA, DWU, NAQIA and our closest international partner Australia.



2.9 International & Regional Relations

Oceania Customs Organization Conference (OCO)

PNG Customs became host to OCO 13th Annual Conference held in Port Moresby from May 2-6th 2011. It was commendably accredited by visiting participants as “the best so far”.



2.10 Organisational Management and Accountability

Customs Management Committee

To ensure PNG Customs has a vibrant and sound management framework, the Customs Management Committee's (CMC) performance was reviewed in order to enhance senior management capacity. Following this review, a new CMC Charter was adopted to provide a constructive forum to facilitate collective management decisions among senior executives. The CMC comprises the Commissioner of Customs, three Deputy Commissioners and eight Assistant Commissioners that meet quarterly to address the organization's strategic issues and guide ongoing developments and work.

Internal Audit and Integrity Functions

The Customs Management acknowledged the necessity to have in place Customs Internal Audit Unit and an Internal Affairs Unit to ensure accountability and integrity. These units were set up in 2011 to function independently and report directly to the Commissioner of Customs. A new Charter and a specific Code of Conduct for the Customs Internal Auditors was completed and approved by the CMC for implementation.

Office Space.

PNG Customs HQ and Southern Region are yet without their own office space thus operating from the IRC Building. The cumbersome government procurement process in clearing the Lease Agreement for new office space and thus payment of rentals had been stalled. The Authority to Pre-Commit Expenditure (APC) for both the rentals and office fit out contract are pending approval by APC Committee.

Code of Conduct

The Code of Conduct for all PNG Customs was updated to ensure that all officers continue to conform to both the public service and the PNG Customs own code of ethics and conduct.



Section 3

'Strongim Gavman Program' (SGP) or 'Strengthening Government Program'

Originally established as the Australia-PNG Enhanced Cooperation Program (ECP) in 2004, a comprehensive joint Australia-PNG review was carried out in late 2007. The program was renamed 'Strongim Gavman Program' (SGP) at the 18th Meeting of the Australia-PNG Ministerial Forum in Madang on 23 April 2008. Under the SGP, around forty senior Australian officials are working closely with their PNG counterparts to progress reform in the areas of economic and public sector governance, border management and transport safety and security, and law and justice. AusAid funds and supports the SGP with officials drawn from a wide range of Australian agencies.

Australian officials are focused on providing strategic and policy advice and on building capacity in the PNG public service, including mentoring to improve the knowledge and skills of PNG staff. The renewed focus on SGP has also seen an increased emphasis on whole-of-government joint monitoring and evaluation for participating agencies and partnership contracts between Australian and PNG officials directly involved in the SGP to ensure both institutional and individual capacity are developed.

Australian Customs has a team of four SGP officials working within PNG Customs as advisers. Based on the original 2004 gap analysis, Australian Customs officials initially focused on building capacity in areas including Passenger Processing, Revenue, Post Clearance Audit, and Intelligence and Executive Management. Currently the Customs SGP Team includes the Senior Customs Advisor (SGP) –Executive Management, and three Customs Advisers covering Border Security, Investigations, and Cargo Management.

In addition to these core responsibilities, the Customs SGP team, in partnership with PNG Customs colleagues, provides direct in-country support to facilitate the delivery of several Australian-PNG Customs bilateral programs that complement both the CMMT and SGP reform work. These programs include the PNG-Australian Customs Twinning Scheme (PACTS), the Australia-PNG Border Security Project (BSP – NB this project concluded on 30 June 2011), and the Australia-PNG Joint Cross Border Patrols (JCBP). Each of these programs is described in more detail below.



PNG-Australian Customs Twinning Scheme (PACTS)

While the SGP generally operates at the strategic and policy level, the PACTS is designed to enhance this work at the operational level and is based on targeted exchanges of personnel between both Australian Customs and PNG Customs. PACTS is managed by Australian Customs, is funded by AusAID, and is used in several other PNG agencies to complement the policy, legislative and procedural reforms generally supported through the SGP. In Customs, the exchanges can either be used to develop individual staff skills or officers to build their capacity and, later, to transfer these skills to others, or as an opportunity to provide operational training and awareness in specific areas of Customs.

To date, PACTS placements have included exchanges of officers in areas such as: intelligence, post clearance audit, international relations, ship search, cargo control and accounting, risk assessed boarding, leadership, mobile x-ray usage, train the trainer, operational command and control principles, and passenger processing. Both Australian and PNG Customs gain benefit from these exchanges and agree that the SGP/PACTS approach provides a very effective platform for the delivery of assistance.

Australia-PNG Joint Cross Border Patrols (JCBP)
The focus for the JCBP is to provide a regular opportunity for both Australia and PNG to manage strategic border risks to both countries in the Torres Strait area by working together across each other's maritime borders to gather intelligence, build remote area community relationships, and to conduct joint operations where appropriate. The Torres Strait is characterised by Australia's close proximity to the PNG mainland, regular and authorised traditional movement of people between both sides of the border, remoteness, lack of accurate navigational data, and relatively close proximity to Indonesia. Joint operations in this area are sensitive and logistically difficult, and require close cooperation to be effective.

Australian Customs provides a patrol boat and crew, and may use other assets to support joint operations. PNG provides two Customs officers and two police from the Royal PNG Constabulary to provide intelligence and operational support for each of the anticipated three annual patrols.



PNG Customs will focus on a number of issues for 2012.

These include;

- › Completing the recruitment by confirming existing staff to acting positions and employing new staff against vacancies including the position of Commissioner of Customs.
- › Relocating PNG Customs headquarters and Southern Regional to new office space.
- › Building institutional capacity by establishing and staffing corporate service areas and the professional development of Customs officers in strategic management and specialist Customs training.
- › Implementing construction and Installation of Container X-ray Examining Facilities at Lae port and Port Moresby port.
- › Implementing Institutional Housing for PNG Customs staff.
- › Establishing PNG Customs Training Academy
- › Optimizing use of Information and Communication Technology throughout all ports and areas of Customs functions.
- › Progressing and completing external job advertisements to accomplish organisational structure staffing capacity.
- › Reviewing of Customs Service Plan and developing of new Customs Service Plan.



Location of Ports Locations of PNG Customs Ports



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protecting our border
securing our future



Directory of Customs Address and contact numbers of all Customs Ports

CUSTOMS HEADQUARTERS	NORTHERN REGION	ISLANDS REGION	SOUTHERN REGION
Office of the Commissioner Ph: 322 6793 Fax: 320 0571 P.O. Box 923, Port Moresby National Capital District	Lae Madang Mt. Hagen P.O. Box 421, Lae Morobe Province Ph: 472 2105 Fax: 472 3989	Kokopo Kavieng Lihir P.O. Box 422, Kokopo East New Britain Province Ph: 982 9674 Fax: 982 9329	Port Moresby Jacksons International Airport P.O. Box 1830, Port Moresby National Capital District Ph: 322 6802 Fax: 321 2892 Ph: 311 2391 Fax: 311 2392
HEADQUARTER DIVISIONS Border Management Ph: 322 6889 Fax: 322 6981 P.O. Box 923, Port Moresby Customs Enforcement Ph: 322 6889 Fax: 321 2169 Customs Modernisation Management Ph: 322 6857 Fax: 320 3442 Commercial & Corporate Services Ph: 322 6882 Fax: 320 3442 Commercial, Trade & Compliance Ph: 322 6857 Ph: 322 6928 Fax: 320 3442	P.O. Box 215 Madang, Madang Province Ph: 852 1559 Fax: 852 2253 P.O. Box 135, Mt. Hagen Western Highlands Province Ph: 542 0057 Fax: 542 1314 Vanimo Wewak Wutung P.O. Box 66, Vanimo Sandaun Province Ph: 857 1192 Fax: 857 1270 P.O. Box 101, Wewak East Sepik Province Ph: 856 2270 Fax: 856 2591 P.O. Box 66, Vanimo Sandaun Province Ph: 275 8401 Fax: 857 1270	P.O. Box 137, Kavieng New Ireland Province Ph: 984 2163 Fax: 984 2163 P.O. Box 51, Lihir New Ireland Province Ph: 986 4225 Fax: 986 5401 Kimbe Lorengau Buka/Arawa/Kieta P.O. Box 370, Kimbe Western New Britain Province Ph: 983 5056 Fax: 983 5056 P.O. Box 1101, Lorengau Manus Province Ph: 470 9195 Fax: 470 9034 P.O. Box 791, Buka Autonomous Region of Bougainville Ph: 973 9242 Fax: 973 9243	Alotau Samarai Popondetta P.O. Box 222 Alotau Milne Bay Province Ph: 641 0181 Fax: 641 1034 P.O. Box 78, Samarai Milne Bay Province Ph: 642 1155 Fax: 642 1155 P.O. Box 243, Popondetta Oro Province Ph: 329 7092 Fax: 329 7332 Tabubil Kiunga Daru P.O. Box 132, Tabubil Western Province Ph: 548 9004 Fax: 548 9004 P.O. Box 24 Kiunga Western Bay Province Ph: 548 3743 Fax: 548 1301 P.O. Box 73, Daru Western Province Ph: 645 9114 Fax: 645 9114



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