



ANNUAL REPORT 2010

**Protecting our Border
Securing our Future**



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protecting our border
securing our future

OFFICE OF THE COMMISSIONER OF CUSTOMS



PO BOX 923, PORT MORESBY
NATIONAL CAPITAL DISTRICT
PAPUA NEW GUINEA
p: +675 322 6793
f: +675 320 0571
w: www.customs.gov.pg

Ms. Margaret Elias
The Chief Secretary to the Government
Department of Prime Minister and NEC
Morauta House
P. O. Box 639
WAIGANI 131
National Capital District

25 March, 2011

My dear Secretary,

RE : PAPUA NEW GUINEA CUSTOMS SERVICE ANNUAL FINANCIAL REPORT

I am pleased to present you the Annual Report of the Papua New Guinea Customs Service for the financial year ended 31st December 2010, as required under Section 32 (1) (a) of the Public Service (Management) Act 1995.

The report also conforms to your Circular Instruction No. 01/2011 and in consistence with annual report requirements.

This report details performance of PNG Customs for 2010 with the annual activity plans for 2011.

Yours sincerely,

GARY JUFFA
Commissioner of Customs



Commissioner's Review

On 11 March, 2010 the Minister for Treasury and Finance, who is also the Minister for Customs, when launching the PNG Customs Service (PNG Customs) Plan 2010 – 2012 stated that the National Executive Council decided to separate Customs from the Internal Revenue Commission for enabling the organization to re-establish and re-assert its role to be the lead agency of Government responsible for protecting and securing Papua New Guinea's border.

In direct response to the Government's desire to improve border security, PNG Customs has, from the outset, re-defined its focus and priorities of its core functions immediately following its separation from the Internal Revenue Commission.

PNG Customs draws powers from the Customs Act 1951 to continue the administration of the Customs Act and related laws. The demerger had necessitated amendments to the Act which were made to reflect the independence of the PNG Customs following the separation from the IRC. Therefore, it was necessary only to incorporate appropriate strategies for developing the organisation's capability and increased presence at regional levels and at key border port locations that ensures a balanced approach to secure the country's border and better facilitate legitimate travel and trade.

These initiatives, together with measures to re-build institution capacity, including human resource development, technical and operational capability have featured prominently in the activity plans and the organization's structural arrangements for the implementation of the Customs Service plan beginning early January, 2010.

The implementation of the Service Plan and the organizational structure were major challenges in themselves for the Customs Executive and staff at all levels. The organizational structure approved by the Department of Personnel Management in October, 2009 had increased the staff ceiling by 201 from 282 to 483 with funding and recruitment to be phased over three years.



Garry Juffa

review

commissioner's



Although some progress was made in the recruitment process for confirming existing staff and recruitment against new positions advertised in 2010, the actual process had stalled to the disappointment of the Customs Executive for reasons beyond Customs control. The regrettable effect from this was additional responsibilities and work load carried by existing staff and the uncertainties affecting much of the work force.

Office accommodation for the newly established PNG Customs also became a significant concern given the delay in both the approval and allocation of adequate funding for securing the critically important office requirements for the organisation.

Despite the constraints and initial setbacks PNG Customs has performed remarkably under such conditions and the results, including the highlights and the significant outcomes for the year ending 31 December, 2010 is reported hereunder in this first annual report for the organization.





performance highlights customs pix



Performance Highlights for 2010

The significant factor heralding the return of PNG Customs has been the sense of pride returning among the Customs Management and staff. This has been due to the management and staff being recognized as belonging to an organisation charged with appropriate powers and responsibility to administer the Customs Laws and Regulations in the country.

Although challenged by difficult working conditions and disadvantaged by lack of progress with implementing the structure and funding needed to build institutional capacity, the management and staff had achieved a great deal of success out of which the following have been the main highlights of the current reporting year.

First and foremost, there has been immediate impact from the shift in focus to border security with swift action to intercept and prosecute the Master of an oil tanker in the Autonomous Region of Bougainville in June 2010 and the Master and crew of a fishing vessel in the Manus waters in September, 2010.

A number of other significant highlights include the following;

- Increased joint border patrols undertaken had resulted in the detention and prosecution of the Master and crew of two vessels for serious breaches under the Customs Act and the PNG Criminal Code,
- Increased cargo compliance checks from boarding and cargo examination resulted in the recovery of K21.74 million,
- A total of 406,857 inbound and outbound passengers processed during the year at all international airports,
- Live implementation of the ASYCUDA cargo manifest module in Port Moresby February, 2010,
- Aggregate revenue collection totaling K1.97 billion that represent an increase of K273.11million from the 2010 estimates for Customs, and
- Execution of the Customs User-Pay Service Trust instrument by the Minister for Treasury and Finance on 7 October 2010.



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performance





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highlight

performance





plane search

highlight

performance

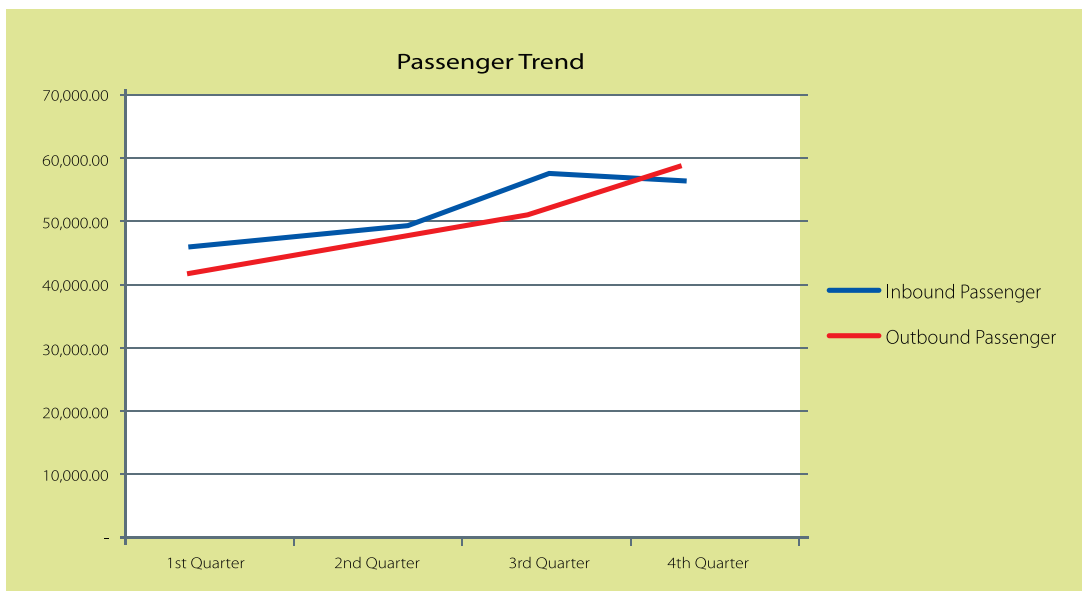


Figure 1. Inbound and Outbound Passenger Trend





highlight
activities

Section 1

Overview of Papua New Guinea Customs Administrative Role

1.1 Papua New Guinea Customs Service's National Responsibility

PNG Customs' responsibility for Papua New Guinea and its community is based on the five national goals and directive principles enshrined in the country's National Constitution. These goals emphasise, inter alia, key national objectives and requisite planning approach for ensuring national sovereignty, economic self-reliance, preservation of the country's natural resources and its environment. To achieve this 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, efficiency in facilitating legitimate travel and trade and collecting revenue for the Government.

1.2 Customs Legislative Authority

PNG Customs draws its powers from the Customs Act 1951 to control, supervise and authorise inward and outward entry of all forms of conveyances, persons and cargo and to deal with breaches of the principle Act itself or other allied Acts and regulations.

PNG Customs also has jurisdiction under the Customs and Excise Tariff Acts to charge and collect duties, taxes and facilitate the entry of capital goods exempted from duties and taxes or reduced rates of duty authorised under regulations or special agreements to facilitate economic development.

1.3 Corporate Profile

As an organisation we have reached a common understanding to adopt as the basis of our corporate profile to be committed to our service to the people, local businesses and Government of Papua New Guinea through our;

- Vision
- Mission
- Values
 - Commitment
 - Professionalism
 - Service
 - 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 adopted four major outcomes to contribute meaningfully towards the Government's medium and long term goals for ensuring Border Security, Community and Industry Protection, Trade Facilitation and Revenue Collection. These include:

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 revenue 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.

Figure 2. Expected Outcomes



1.5 Operational Setting

The Executive Management of PNG Customs is made up of the Commissioner of Customs, who is responsible to the Treasurer and Minister for Finance, three Deputy Commissioners and eight Assistant Commissioners as illustrated below:

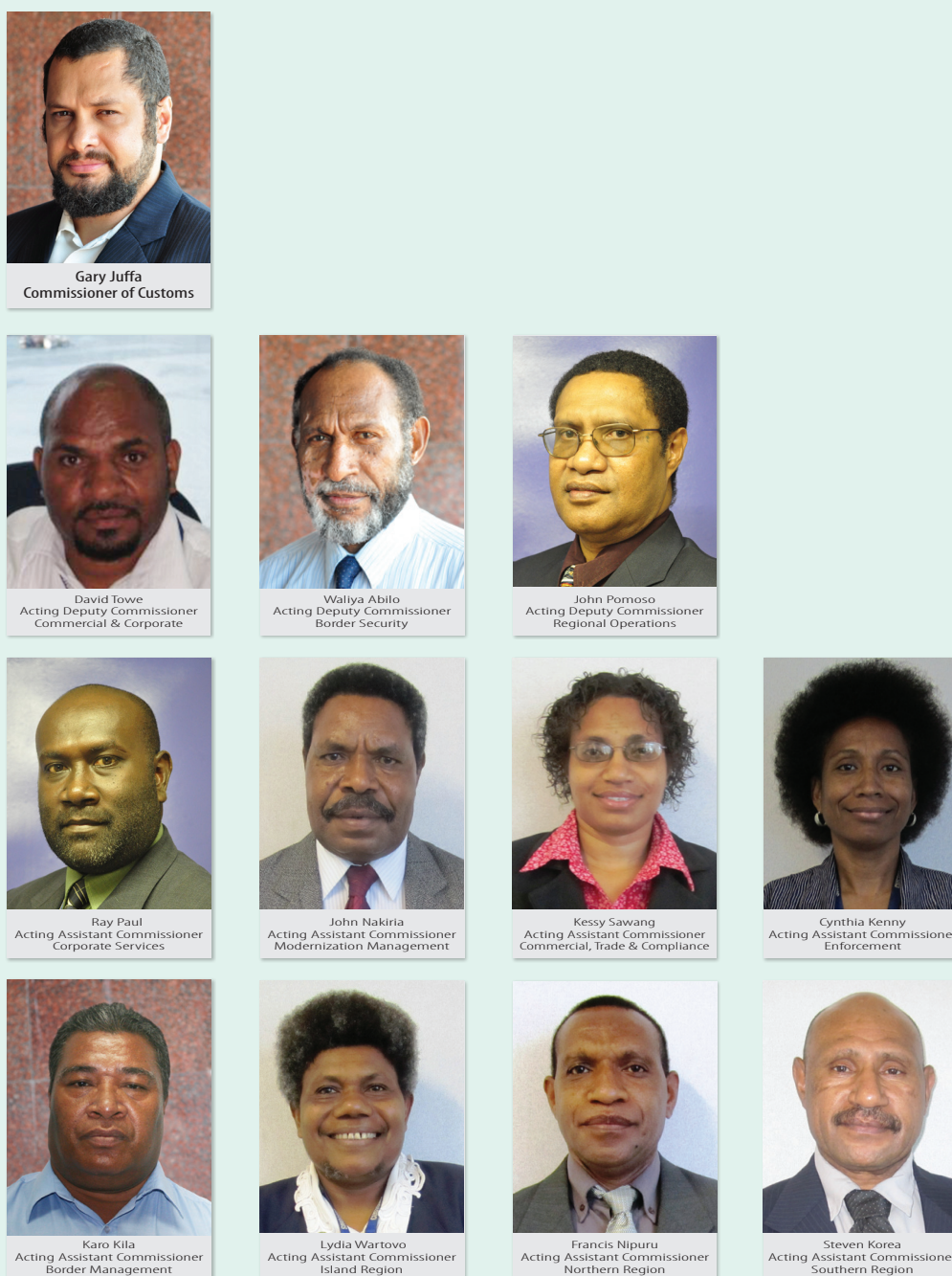
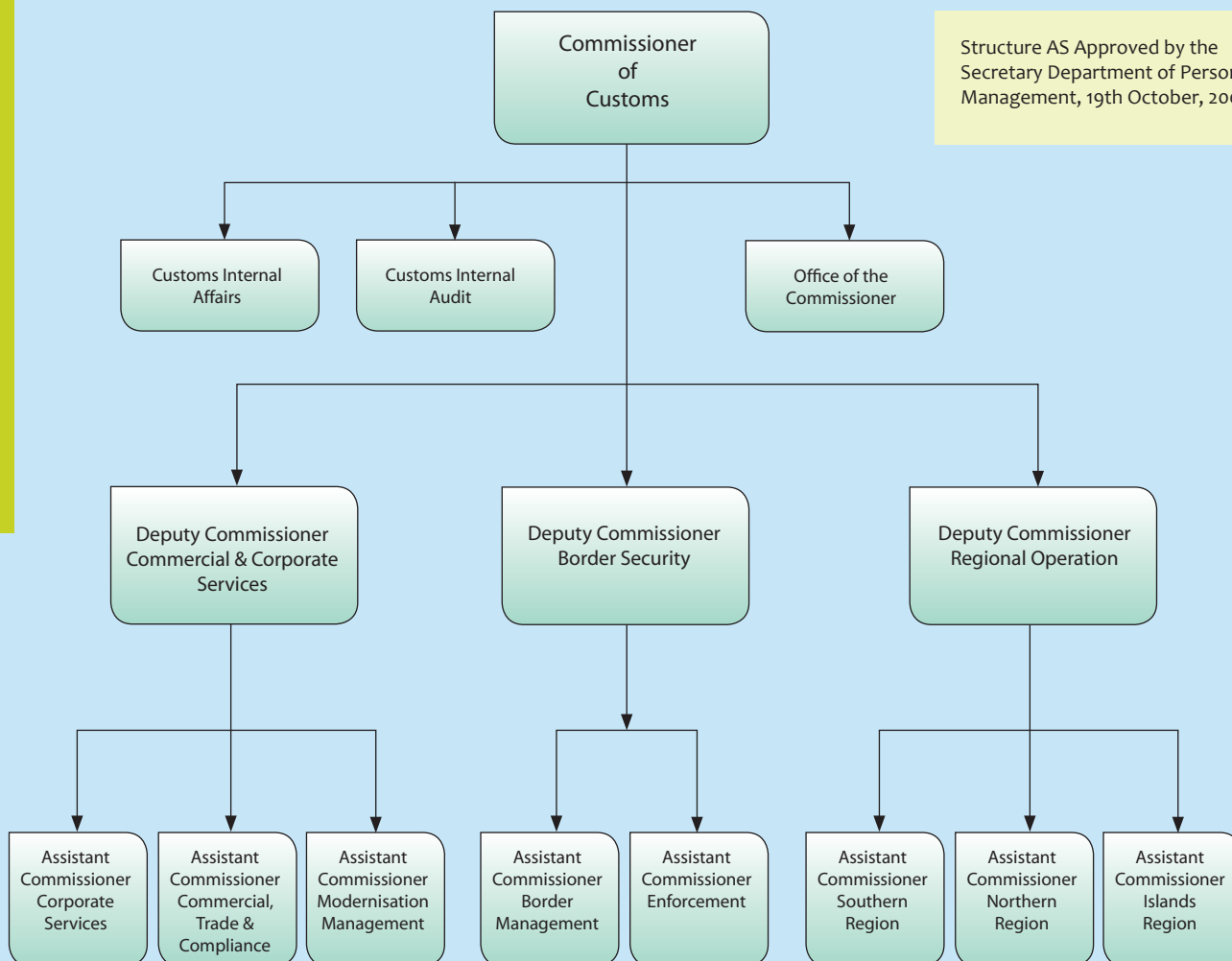


Figure 3 . Executive Management

Figure 4. Executive Management Structure

APPROVED ORGANISATION STRUCTURE

Structure AS Approved by the Secretary Department of Personnel Management, 19th October, 2009



1.6 Staff

At the end of 31 December 2010, the PNG Customs employed all Papua New Guinean personnel totaling 255 at offices around PNG.

1.7 Budget

The initial budget allocation for the PNG Customs for the financial year 2010 was K12.39 million. This amount was increased with additional allocation of K4.00 million from the Department of Treasury bringing the annual total to K16.39 million.

The number reflects actual occupancy (head count derived from acting appointment made by the Commissioner, January 2010).



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, resource needs and any constraints, the culmination of which has been the compilation of the annual report for the FY2010.

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

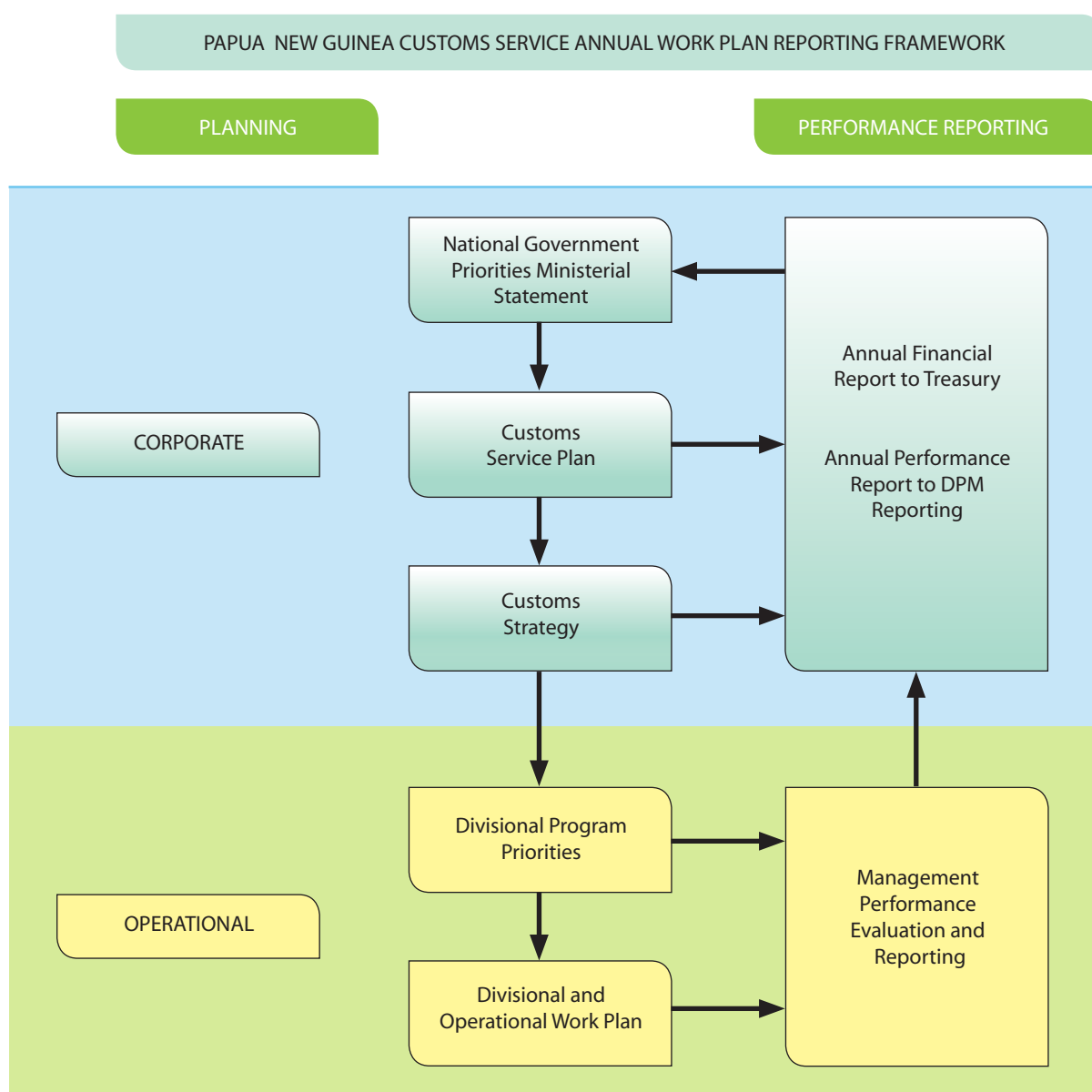


Figure 5. Annual Work Plan



Section 2

Performance against Outcomes and Strategies

2.1 Outcome: Border Security

Strategy: Establishing strategic alliances, increased resources, use of appropriate technology, risk management techniques, red, yellow and green lane systems and improved communication.

2010 - Performance

Joint Agency Operations

A number of successful joint agency operations were conducted, involving Customs, Police, Defence and Immigration and other enforcement agencies, both local and international.

In addition, two marine patrols were conducted in PNG waters by PNG Customs, Police, Defence and Immigration. Concerned agencies have agreed to ensure this is an annual event. The results have been prosecutions and deportation of illegal persons.

A further three Joint Cross Border Patrols (JCBP's), involving Australian Customs and Border Protection Service, Queensland State Police and the Australian Federal Police working with Papua New Guinean counterparts from the PNG Customs and Police to monitor and collect intelligence on illegal activities in the border area between the Northern part of Australia and the Western Province of PNG. This is an annual patrol which has aided both Customs and Police investigations and intelligence collection on entities involved in trans-national crime.

The success of PNG Customs involvement in joint agency operations has encouraged other agencies such as the National Maritime Safety Authority and National Fisheries Authority to include PNG Customs in its local patrols. September 2010 was the first such operation which also involved the newly established marine element of the Police.

Memorandum of Understanding with Regional Administrations

As part of its border security strategy, PNG Customs continues to pursue strategic alliances with other regional Customs Administrations in Australia, Indonesia and the Solomon Islands.

There existed a Memorandum of Understanding between the Australian Customs Service and the previous Customs Division of the Internal Revenue Commission. In 2010 this MOU was reviewed and updated to reflect the restructured agencies both in Australia and PNG.



The MOU with Indonesian Customs is still in its negotiation stage and we are keen on completing this at the earliest possible time.

A draft MOU has been forwarded by PNG Customs to the Solomon Islands customs administration for their consideration. Further discussions will be pursued in 2011.

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. However, due to the delay in the certification of the amendments to the Customs Act, some breaches of the Act could not be fully investigated or prosecuted.

Despite this difficulty, there were a number of successful cases including;

- A resource developer issued with an administrative penalty of K1.5 million for smuggling,
- Prosecution of the Captain and crew of an oil tanker for failing to report and for having in possession pornographic items, and
- Apprehension of a foreigner attempting to smuggle AU\$19,000 out of the country.



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 also encourages the general public to provide any information on breaches of the Customs Act including illegal activities at the PNG border.



2.2 Outcome: Community Protection

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

2010 - Performance

Public Awareness on Customs Law Enforcement Activities

As one of its public awareness strategies, the 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.

Co-ordination Industry Partnership

PNG Customs recognises the importance of industry partnerships which specifically improve our enforcement information holdings. 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 and its overall aim of border protection.

Advanced Technology

In 2010, under the “Strongim Gavman Program (SGP)”, two Ion Scans were provided to the PNG Customs by the Australian Customs and Border Protection Services. These scans are used to detect minute particles of illicit drugs and firearms/explosives. Training in the use of the equipment was also delivered during that time. These Ion scans are now being used at Jacksons International airport.

Intelligence

The general increase in collection of information provided to PNG Customs from all concerned stakeholders both internally and externally, has resulted in the dissemination of alert notices and profiles. Intelligence created from the collected information has led to duty collection and penalties from duty evasion, smuggling, importation or exportation of prohibited goods.



2.3 Outcome: Trade Facilitation

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

2010 - Performance

Advanced Ruling

The initiatives undertaken during 2010 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 centers in Port Moresby, Lae and Kokopo in preparation for the introduction of advanced ruling scheme commencing January, 2011.



The advanced tariff ruling scheme enables 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

PNG Customs' ASYCUDA automated system has featured prominently since 2005 for the processing of import and export transactions, collection and accounting of state revenue and trade data, essential for monitoring external trade.

During 2010, 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.

A further significant development has been the piloting and introduction of the cargo manifest module at the port of Port Moresby in February, 2010. The introduction of the cargo manifest module further enhances 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 2010, 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.

2010 - Performance

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

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

PNG Customs collected administered revenue of K1.977 billion. This revenue was K273.11 million (16%) more than the 2010 Budget estimate of K1.706 billion. In comparison with the 2009 collections of K1.560 billion, this is an increase of K416.85 million (27%).

PNG Customs also collects other revenue on behalf of a number of government agencies. This revenue of K58, 632.00 is not recorded in PNG Customs revenue figures although it is credited to consolidated revenue.

The increase in revenue collection is primarily related to the increase in international trade volume, and enhanced compliance strategies employed by PNG Customs. This revenue growth was mainly attributed to increases in the collection of export duty, import GST and import excise.

Actual against Projections

Customs Duties	Actual Collections	Expected Collections	Surplus Shortfall in Collection	Surplus Shortfall
Import Duty	190.97	167.10	23.87	14%
Import GST	923.02	838.20	84.82	10%
Import Excise	213.68	156.30	57.38	37%
Export Duty	208.12	122.00	86.12	71%
Inland Excise	406.80	416.69	- 9.89	-2%
Sundry Receipts	15.76	6.10	9.66	158%
Total	1,958.35	1,706.39	251.96	15%

Figure 6. Revenue Projection and Revenue Collection

revenue collection



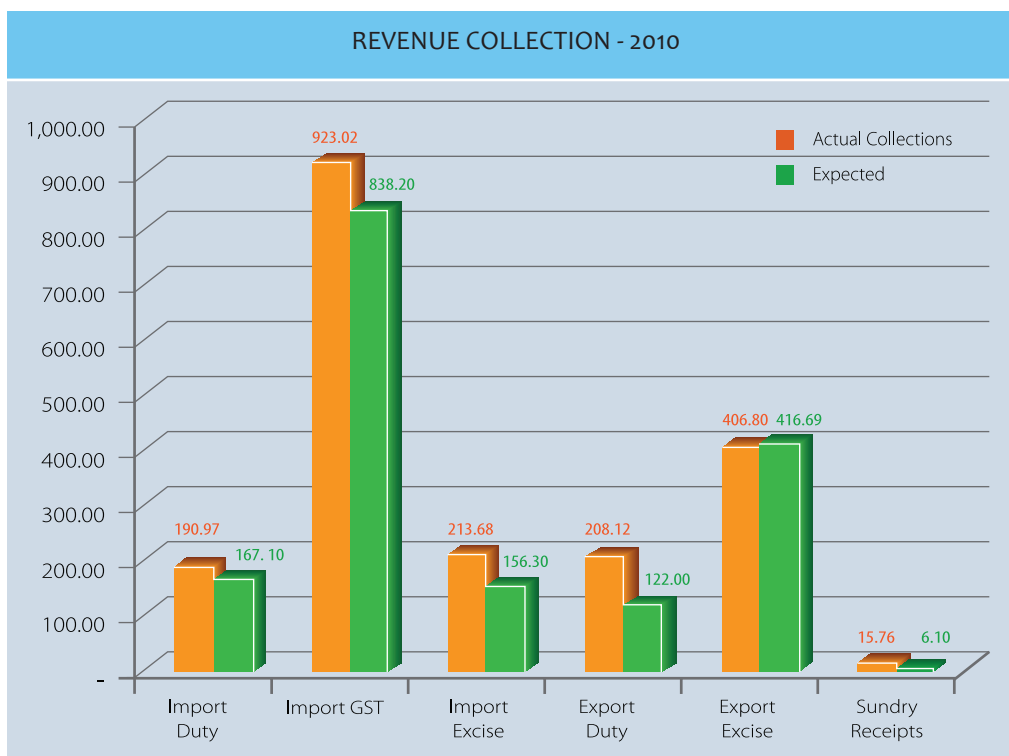


Figure 7.
Revenue Collection

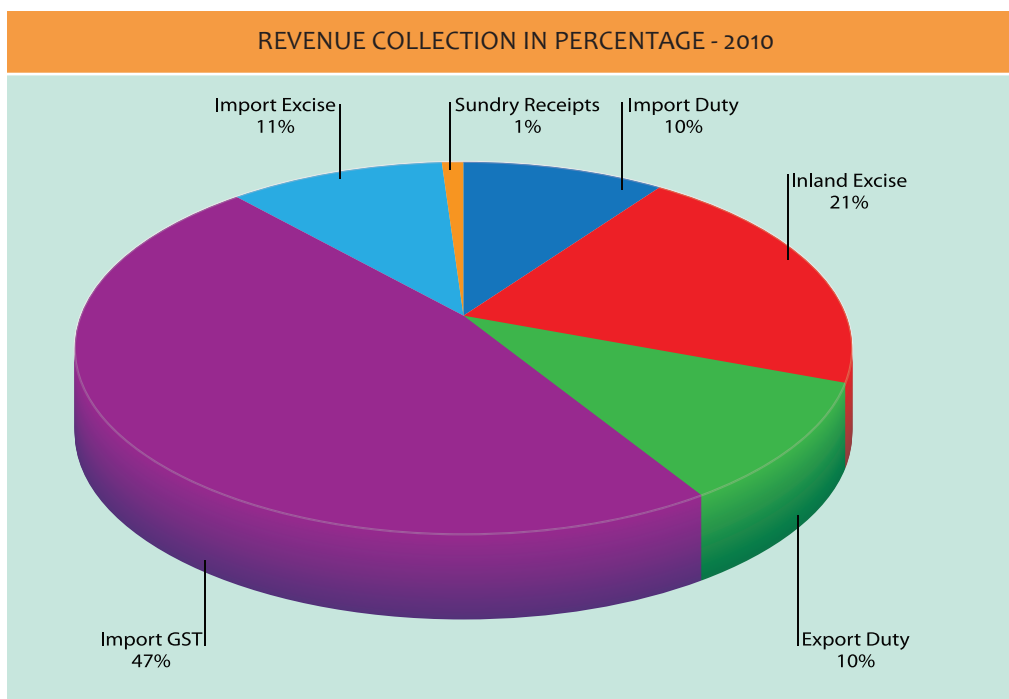


Figure 8. Revenue
Collection in Percentage

Export duty collections were well above estimates and this rise was due to increase in the volume of log exports. In particular, Vanimo port collected 28% of the total export duty.



The logging ports that generated export duty for 2010 in descending order were:

- Vanimo collected K56.59 million, or 28% of total export duties,
- Kavieng collected K29.35 million or 14% of total export duties,
- Rabaul collected K26.88 million, 13% of total export duties,
- Kimbe collected K20.60 million, 10% of total export duties, while
- Other ports collected K69.92 million, or the remaining 35%.

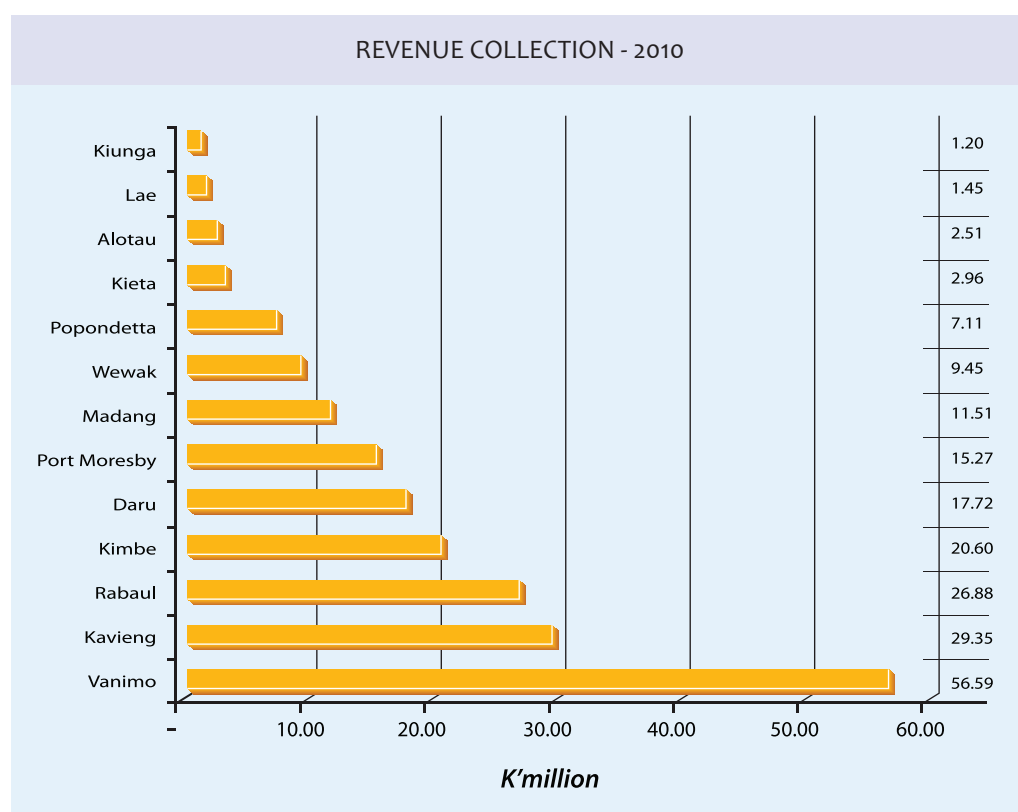


Figure 9. Log Export Collection by Port

Import GST collection for 2010 was K926.51 million. This was K88.31 million higher than budget estimates. This again reflects the general increase in imports.

Import excise collections in 2010 was also higher than budget estimates. This rise was due to an overall increase in imports of vehicles, petroleum products and other electronic goods.

Government Sanctioned - Revenue Foregone

In 2010, a substantial amount of revenue was forgone through various duty exemptions and concessions.



REVENUE FOREGONE THROUGH CONCESSIONS 2010				
Customs Duty	Actual Collections	Foregone Revenue	Nominal Revenue	Projections
Import Duty	190,970,000	101,764,365	292,734,765	167,1000,000
Import GST	923,020,000	510,745,738	1,433,765,738	838,200,000
Import Excise	213,680,000	43,644,738	257,324,738	156,300,000
Export Duty	208,120,000	-	208,120,000	122,000,000
Inland Excise	406,800,000	-	406,800,000	416,690,000
Sundry Receipts	15,760,000	-	15,760,000	610,000
Total	1,958,350,000	656,154,840	2,614,504,840	1,700,900,00

Figure 10. Foregone Revenue

A sum of K656.15 million was foregone under the state sanctioned exemptions which could have been part of the aggregate revenue collections for the year. This is K76.16 million more than the 2009 figure. The three components that were most impacted under the exemptions were import GST (K510, 74 million), import duty (K101.76 million) and import excise (K43.64 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 K20.236 million was recouped from post clearance audit activities. Detected errors include tariff misclassifications, undervaluation, and intentional abuse of Customs procedure codes.



2.5 Outcome: Enabling

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.

2010 - Performance

Customs Service Plan 2010 – 2012



The inaugural Service Plan for the newly established PNG Customs was officially launched by the Hon. Patrick Pruaitch on 11 March, 2010. The launch of the Service Plan was also the occasion for PNG Customs management to introduce a new logo and branding for the organisation to give it a fresh look and identity.

Upon the launch of the Service Plan the PNG Customs interim management conducted workshops for senior managers to map out an outline and guide for standard work plan and reporting format. This format has been useful in the monitoring of work performances and reporting of outcomes during the year.

Organisational Setting

The organisational structure proposed by the PNG Customs executive to support the implementation of the PNG Customs Service Plan 2010 – 2012 was approved by the Secretary of the Department of Personnel Management (DPM) in mid October, 2009. This structure was partially funded and approved for a 3-year phased implementation beginning January, 2010.



The recruitment process 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 2010.

Human Resource Development

Reviving training for PNG Customs has been a major consideration for the new executive of the organisation. However, given the initial lack of capacity within the service area in PNG Customs including the training section, the option to pursue personnel development had to be prioritized.

With the assistance of the Strongim Gavman Program (SGP), sixteen basic training modules were designed for new officers. These will also be used to train a significant number of officers who received little or no basic customs training during the period of merger.

In realisation of the need to strengthen the management capacity in the organisation, immediate attention was given to the training needs for senior executive managers.



Appropriate consultations with the University of Technology (UNITECH) and the University of Papua New Guinea (UPNG) were concluded. The UPNG offered to conduct a business management programme for senior customs management beginning early 2011 upon signing of a MOU.

Plan for Customs Training Academy

Separate 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 an expression of interest to the Pro-Vice Chancellor for the Academy to be part of the School of Law.

2.6 Financial Performance

Recurrent Expenditure

- Operating Income
Total operating income for 2010 was K16.39 m.
This operating income consisted of:
 - Allocation from Government of K12.39m
 - Additional funding from Department of Treasury K4.00m
- Operating Expenses
Total operating expenses for 2010 were K16.39m.
Operating expense consisted of:
 - Personal Emolument of K6.47m
 - Goods and services of K9.92m

	2010 (K000)
Income	K16.39m
Expenditure	K16.39m
Personnel Emolument	K6.47m
Goods & Services	K9.92m

Figure 11: Department income and expenditure

2.7 Return on Investment

The return on investment is a comparative analysis of income and resources used to derived the organizational outcomes.



From the government allocation of K16.39m, PNG Customs collected K1, 958.35m. This represents a return on government investment of K119.50 per K1.00 allocated.

On average each Customs officer collected K7. 680m for the government in 2010.

Programme	Quantity	Return	
		Input	Output
Total Expenditure	K16.39m expenditure	K1,958.35m revenue collected	K119.50 revenue collected per Kina of expenditure
Total staff	255 officers	K1,958.35m revenue collected	K7.680m collected per officer
International Passengers	22 Passenger processing officers	406,857 Passengers processed	18,494 passengers per officer
Trade entries	32 Invoice examining officers	127,578 import, export, local excise entries	3,987 entries per officer
Sea Vessel (ship)	20 boarding officers	2,366 vessels cleared	118 vessels per officer
Aircraft	8 boarding officers	3,769 aircraft cleared	471 aircraft per officer

Figure 12. Summary of the Returns for 2010

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total
Import Entry	25,800	27,221	31,380	30,749	115,150
Export Entry	558	1,265	3,547	1,788	7,158
Local Entry	2,311	1,497	172	293	4,273
Trade Trend	28,669	29,983	35,099	32,830	126,581

Figure 13. Trade Entries (imports, exports, local excise)



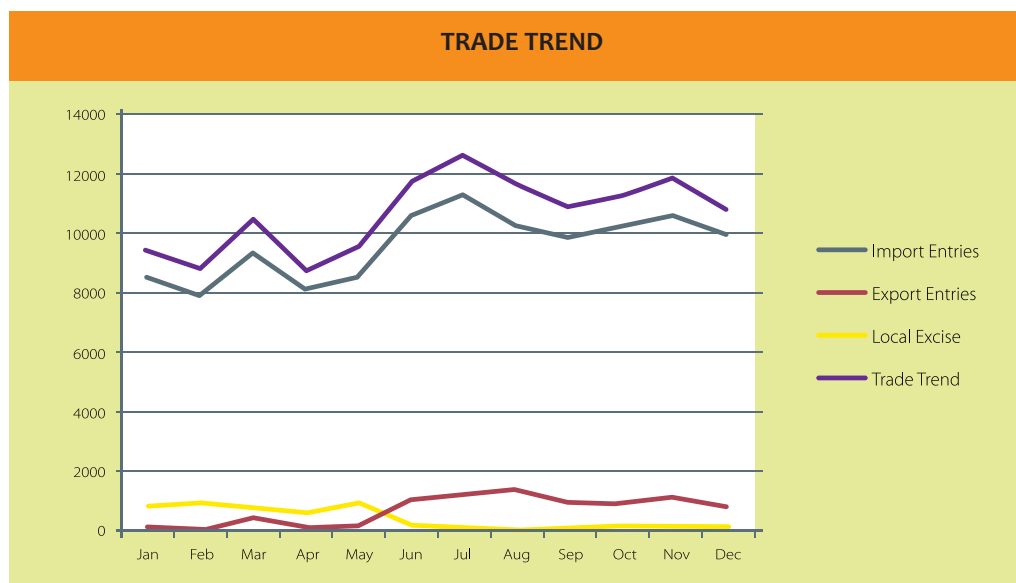


Figure 14. Trade Trend

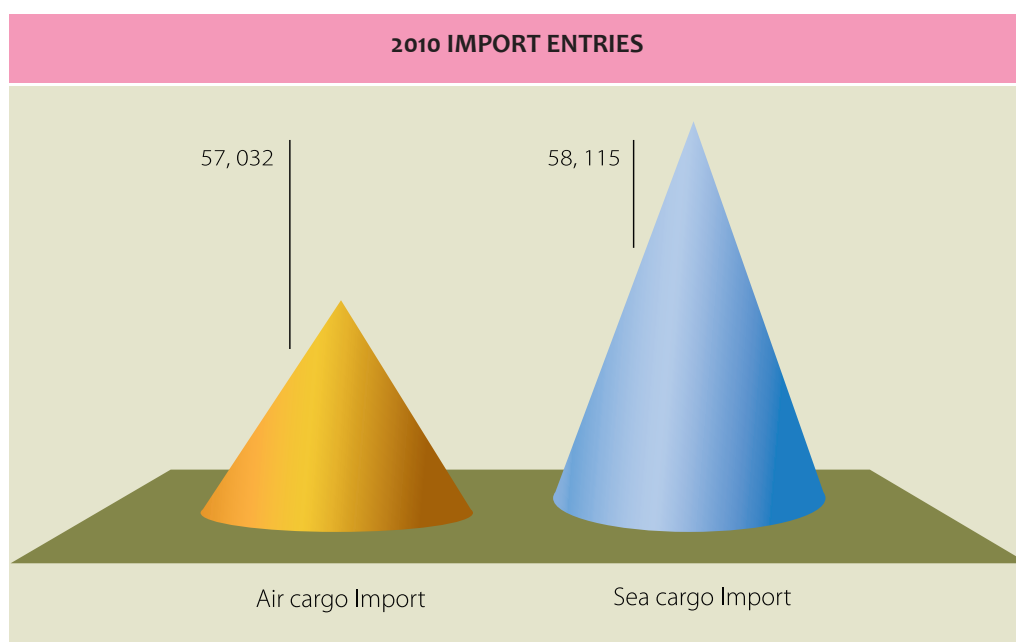


Figure 15. Import Entries

2.8 Interagency Cooperation

PNG Customs is committed to be a regional leader in securing our national border to enhance the security and socio economic development of Papua New Guinea. In achieving this we have pursued and gained this support and cooperation of the private sector.



We have also sought the support and cooperation from other border agencies as well as regional and international organizations. To achieve this we have signed a number of MOUs, bi-literal and multi-literal agreements and maintained memberships of the World Customs Organisation, Asia Pacific Economic Cooperation and Oceania Customs Organization.

In 2010 a number of MOUs were under consideration with other border and law enforcement agencies including Police, Defence, Fisheries, IPO, NAQIA and relevant international partners.

2.9 Organisational Management and Accountability

Customs Management Committee

To ensure that the 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 improvements.

Internal Audit and Integrity Functions

The executive has also identified the need for a Customs Internal Audit Unit and an Internal Affairs Unit to be set up and each unit 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 were approved by the CMC.

Code of Conduct

A Code of Conduct for all PNG Customs staff already exists and this will ensure that all officers conform to both the public service and the PNG Customs own code of ethics and conduct.



Section 3.0

Focus for the Year Ahead

PNG Customs will focus on a number of issues for 2011. These include;

- Completing the recruitment by confirming existing staff to acting positions and employing new staff against vacancies.
- Relocating PNG Customs headquarters and Southern Regional Operations to new office accommodation during the first quarter of 2011.
- Building institutional capacity by establishing and staffing corporate service areas and the professional development of Customs officers in strategic management and specialist Customs training.
- Installation of container x-ray technology at the two busiest ports, Port Moresby and Lae. This technology will greatly reduce the time spent in inspections and reduce risk of importation of prohibited goods.
- Optimizing the use of Information and Communication Technology in all areas of Customs functions.
- Introduction of a range of customs user-pay service fees in accordance with the CUSTA Trust Instrument.



Location of Ports

Locations of PNG Customs Ports



Directory of Customs

Address and contact numbers of all Customs Ports

CUSTOMS HEADQUARTERS

Office of the Commissioner

Ph: 322 6793 | Fax: 320 0571
P.O. Box 923, Port Moresby
National Capital District

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

SOUTHERN REGION

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

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

NORTHERN REGION

Lae | Madang | Mt. Hagen

P.O. Box 421, Lae
Morobe Province
Ph: 472 2105 | Fax: 472 3989

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

ISLANDS REGION

Kokopo | Kavieng | Lihir

P.O. Box 422, Kokopo
East New Britain Province
Ph: 982 9674 | Fax: 982 9329

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



