



INFORMATION SHEET

CUSTOMS

REVISED KYOTO CONVENTION

What is the Revised Kyoto Convention?

The Revised Kyoto Convention (RKC) is a legal instrument of the World Customs Organization (WCO) that aims to simplify and harmonize existing international customs procedures around the world.

The APEC CAP item on the RKC is to assist member economies of APEC who are members of the WCO to accede to the Convention through a phased program of Pathfinder Initiative.

PNG became a member of the WCO in March 2002 and is set to accede to the Revised Kyoto Convention by June 2007 following completion of the necessary legislative changes to implement practices and procedures based on global standards approved by the World Customs Organization.

What exactly has PNG accepted?

The revised Kyoto Convention includes a General Annex that includes measures necessary for a modern customs administration. The General Annex is a new addition to the Kyoto Convention and includes approximately 120 binding provisions that have general application across a number of Customs procedures.

As well as provisions on traditional customs matters such as duties and taxes and customs control, the General Annex includes provisions on the use of

information technology, risk management and audit techniques, pre-arrival processing, transparency of customs regulations, partnership approach between customs and trade co-ordinated interventions and much more.

Parties who accept the amended version of the Kyoto Convention must accept the General Annex without reservation. In other words, a contracting party must agree to implement all of the provisions included in the General Annex.

Why should we do this?

The standards and practices contained in the General Annex to the Convention are important because of the fact that Customs Services play an integral role in world commerce. Customs have an essential task of enforcing the law, collecting duties and taxes, providing prompt clearance of goods and ensuring that there is compliance.

How Customs carry out these functions have an impact on the smooth movement of people and goods in international trade. Customs administrations must work towards reducing the various barriers to the smooth flow of goods in trade.

Accession to the Revised Kyoto Convention will ensure that PNG adopts these standards through comprehensive and transparent Customs laws to improve

the effectiveness and efficiency of our compliance with the laws and regulations

The revised Convention also includes 10 Specific Annexes which each deal with a single procedure or a number of closely related procedures. There are 25 chapters in the specific annexes.

What does it mean for PNG Industry?

RKC aims to provide international trade with faster, predictable and efficient customs clearances, transparent procedures, and greater facilities for compliant traders and clear information concerning rights and obligations.

However, these changes will not happen overnight and considerable effort on the part of Government, industry and Customs will be required before the benefits will become apparent.

What happens next?

Before the revised convention could come into force, almost two-thirds (40) of the existing 63 contracting parties first had to accept the revised text. This occurred on 3 February 2006, when the 41 country Acceded to the revised Convention.

Now the revision has come into force, it will be important to ensure that it continues to be up to date and relevant. This includes ensuring that the implementation guidelines and provisions in the convention continue to suit international trade-especially from a PNG viewpoint. Customs will continue to provide input into the on-going convention revision process and is happy to put forward an industry perspective.

How does this work with APEC?

The objectives of the APEC sub-committee on Customs Procedures and

the WCO Revised Kyoto Convention complement each other.

In the Asia Pacific region APEC aims to assist member States to achieve the goals of RKC. Please see the Information Sheet on APEC for further information.

Further Information about RKC

The full text of the revised Kyoto Convention, in either English or French, can be viewed at and/or down-loaded from the WCO Home Page at <http://www.wcoomd.org/>

This information is provided as a guide only.

For more information please contact your nearest Customs office or write to The Chief Commissioner of Customs, PO Box 923, Port Moresby, or call +675 321 750.

Legislative References:

Customs Act Sections 131A to 131O; 132, 133 and 134