



ASIA/PACIFIC CUSTOMS NEWS

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WCO Asia/Pacific
Regional Vice-Chair

GREEN CUSTOMS

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- Operation TENTACLE II
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SPOTLIGHT

- Enhancing Customs Capability across the Pacific

**33rd Session of the
Asia/Pacific Regional
Contact Points 2024**
Melbourne, Australia

GREEN CUSTOMS

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ASIA/PACIFIC CUSTOMS NEWS

Volume #70 January / February 2024

GREEN CUSTOMS

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Message from the Secretariat Office of the WCO Asia/Pacific Regional Vice-Chair

Ms Kimberlee Stamatis

Assistant Secretary, Customs and Trade Policy Branch, Customs Division Australian Border Force (ABF)

Dear WCO Asia/Pacific Colleagues,



*Kimberlee Stamatis,
Assistant Secretary,
Customs and Trade Policy
Australian Border Force (ABF)
**WCO Asia/Pacific Regional
Vice-Chair Secretariat
for 2022-2024***

Welcome to Volume #70 of the World Customs Organization (WCO) Asia/Pacific Customs News, highlighting the key events across the Region from September 2023 to February 2024. The last few months have certainly been a very busy time for our Region, with a number of key developments, including the second Regional consultation for WCO Modernization, the 33rd Regional Contact Points Meeting, and the 89th session of Policy Commission. We also bid farewell to our former Secretary General (SG) Dr Kunio Mikuriya after more than two decades of dedicated service, and welcomed Mr Ian Saunders as our SG. And most recently, on International Customs Day, the WCO theme for 2024 “Customs Engaging Traditional and New Partners with Purpose” was set.

This issue of the Asia/Pacific Customs News is dedicated to our Region’s commitment to Green Customs and environmental preservation. We should all be proud of the work our Region is doing for a greener, healthier planet. We are at the forefront of making a change towards a more sustainable and resilient future.

The WCO’s Green Customs Action Plan defines Green Customs as “the measures that Customs administrations can take or develop to reduce their own environmental footprint (“being”), to protect the environment and facilitate green trade (“doing”), and to test transformative ideas towards sustainability excellence (“innovating”) and by doing so, drive progress on the related United Nations Sustainable Development Goals”.

It is heartening to read about the progress we are making as a Region to adhere to the call for greener Customs. Last year, at the conclusion of the 24th Regional Heads of Customs Administrations (RHCA) Conference in Perth, Australia, we hosted the closing workshop of the Asia/Pacific Plastic Waste (APPW) Project. The APPW Project focused on strengthening the capacity of Customs administrations in the Asia/Pacific Region to prevent illegal trade in plastic waste and promote sustainable waste management practices. At the conclusion of the APPW Project, RHCA endorsed the APPW Regional Action Plan and our Asia/Pacific Regional Vice-Chair, Commissioner Michael Outram APM committed to place the Regional Action Plan as a standing item for all future RHCA Conferences.

On behalf of my office, thank you for your contributions, as always, it was our pleasure to put this magazine together. Please continue to engage with my office (via email at apvc-wco@abf.gov.au) and allow us to showcase your work and the many achievements our Region achieves. It is a dynamic Region, one that each one of us should be proud of.

If you are attending the 25th WCO Asia/Pacific RHCA Conference in April 2024, my team and I are looking forward to welcoming you one last time in Australia as your Asia/Pacific Vice-Chair Secretariat Office.

Message from the WCO Asia/Pacific Regional Vice-Chair

Mr Michael Outram APM

Australian Border Force (ABF) Commissioner and Comptroller-General of Customs

Dear Colleagues,

It is with great pleasure I present the latest edition of the WCO Asia/Pacific Customs News, issue #70, focusing on Green Customs. This issue shines light in our Region's collective efforts towards fostering sustainability and environmental stewardship across the region.

As we heard at last year's Asia Pacific Plastic Waste Project closing workshop, the concept of Green Customs embodies the intersection of environmental conservation and customs enforcement, illustrating the pivotal role that customs authorities play in safeguarding our natural resources. By integrating green practices into our customs processes, we not only mitigate the illicit trade of environmentally sensitive goods but also promote sustainable trade practices that uphold the principles of conservation and preservation.

The Asia/Pacific Region, is a leader in biodiversity and economic dynamism and stands at the forefront of this endeavour. It is a Region of immense potential, where the implementation of Green Customs initiatives can yield profound and far-reaching impacts. By leveraging our collective expertise, resources, and partnerships, we can chart a course towards a greener, more resilient future for generations to come.

It was a pleasure to read through the articles that were submitted for this issue of the Asia/Pacific News. I felt a sense of immense pride knowing that we have heeded the call to action. We have risen to address environmental challenges that threaten the delicate balance of our ecosystems. From climate change to biodiversity loss, the stakes have never been higher. Yet, amidst these challenges, we in the Asia/Pacific Region took the opportunity for enhanced collaboration, innovation, and concerted action. The articles you submitted showcased a profound understanding of the building blocks of Green Customs: Being, Doing, and Innovating

It is encouraging to see that our Region is engaged in meaningful dialogue, is involved in exchanging and sharing best practices, and continues to forge partnerships that will create positive change. Let us move to seize this opportunity to inspire action, drive innovation, and pave the way for a sustainable tomorrow.

I wish to extend my sincere gratitude to all contributors of this issue. Your unwavering commitment to advancing the cause of Green Customs is evident and showcases how far our Region has come in supporting this cause. We must continue to lead and support efforts to mainstream Green Customs practices with determination, passion, and a shared sense of purpose. Our enduring efforts will ensure a sustainable and resilient future to be enjoyed by generations to come and will ensure that Customs remains positioned and relevant in achieving necessary change.



*ABF Commissioner and
Comptroller-General Customs,
Michael Outram APM,
**WCO Asia/Pacific Regional
Vice-Chair for 2022-2024***

MESSAGE FROM THE WCO ENVIRONMENT PROGRAMME MANAGER

GREEN CUSTOMS:

Discover how the World Customs Organization (WCO) Environment Programme and Green Customs Action Plan activities implemented with the WCO Members empower Customs to protect the environment

Ms Anna Kobylecka joined the WCO in October 2021, bringing with her over 22 years of experience in Poland Tax and Customs Service (PTCS). Prior to her role as WCO Environment Programme Manager, she dealt with policy and Customs enforcement related to prohibitions and restrictions aimed at safeguarding human health, life, and the environment.



The WCO Green Customs Action Plan (GCAP) defines ‘Green Customs’ as measures that Customs administrations can adopt or develop to reduce their environmental footprint (‘being’), to protect the environment and facilitate green trade (‘doing’), and to explore transformative approaches towards achieving sustainability excellence (‘innovating’). Through these actions, Customs administrations drive progress on the related United Nations (UN) Sustainable Development Goals (SDGs). Central to this effort is the enforcement of trade-related measures included in Multilateral Environmental Agreements (MEAs), which is critical to Green Customs and relies on the active involvement of the global Customs community.

Partnership and Impact

Since its establishment in March 2012, the WCO Environment Programme (EP) has supported WCO Members in fighting illegal trade in wildlife and environmentally sensitive commodities. Supported by Green Customs Initiative (GCI) partners - Secretariats of MEAs, INTERPOL and the UN Office on Drugs and Crime (UNODC), the EP implements projects and global enforcement operations to combat the illegal trade in wildlife and in waste, including ozone depleting substances (ODS) and potent greenhouse gases such as Hydrofluorocarbons (HFCs).

In 2023, the EP, in partnership with Customs administrations, achieved significant milestones. This includes the WCO Asia-Pacific Plastic Waste (APPW) Project, funded by the Government of Japan, and four wildlife-related projects, funded by the US Department of State (INAMA Project), the Swedish International Development Cooperation Agency (Sida), and the European Union (EU) and the United Kingdom (UK) Department for

Driving Environmental Progress Through Action

Environment Food and Rural Affairs (International Consortium on Combating Wildlife Crimes - ICCWC), together which yielded significant results. Operational efforts, including Operation THUNDER 2023, supported by ICCWC, and Operation DEMETER IX, supported by Customs Cooperation Fund (CCF) China, led to substantial seizures of illegal wildlife, wastes and controlled substances.

Capacity building activities significantly strengthened Customs' enforcement capabilities, reflected in the outcomes of the flagship WCO operations. Operation THUNDER 2023 yielded 2,114 seizures of illegal wildlife and timber, while Operation DEMETER IX saw 278 waste seizures (experiencing a 120 percent increase compared with the previous iteration) and 46 seizures of ODS, HFCs and pre-charged equipment (with a surge of nearly 254 percent). In particular, the quantities seized under Operation DEMETER IX are commendable for the 106 participating Customs administrations: waste seizures increased by 385 percent, while seizures of ODS and HFCs experienced an increase of nearly 422 percent.

Tools for Future Challenges

While some of the achievements cannot be currently measured quantitatively, they are nonetheless significant. Examples include the development of tools supporting the implementation of the Basel Convention and its Plastic Waste Amendments, and the presentation of the Regional Joint Action Plan (RAP) on border management of recyclable plastic materials and plastic waste at the 24th Asia/Pacific Regional Heads of Customs Administrations (RHCA) Conference in May 2023, as a recommendation stemming from the APPW Project. Despite the inability to quantify these accomplishments, they

call for ongoing attention. With the upcoming E-waste Amendments to the Basel Convention regarding transboundary movements of electrical and electronic waste, the utility of tools, such as the Self-Assessment Tool designed to conduct a detailed assessment of Customs' readiness to monitor and verify compliance with the Basel Convention, becomes increasingly apparent. Such tools support aiding in Customs administrations ability to make arrangements and prepare appropriately prior to the amendments coming into force on 1 January 2025.

Looking Ahead

The future will undoubtedly present enforcement challenges concerning environmentally sensitive commodities, alongside opportunities for enhancing capacities and engaging in global and regional enforcement operations. The WCO EP encourages Members and stakeholders to remain closely engaged for any updates on ongoing initiatives and forthcoming tools aimed at bolstering Customs administrations' efforts. Notably, the Guidelines for developing Standard Operating Procedures for controls of waste shipments are slated for presentation and discussion at the WCO Council sessions in June 2024, with the aim to endorse these guidelines as a living document.

*Written by Ms Anna Kobylecka
WCO Environment Programme
Manager*

*/ Edited by Marivi Martin
ABF Assistant Director*

*Image overleaf: WCO
Environment Programme
Manager Ms Anna Kobylecka
delivers a report on
Green Customs and WCO
environmental initiatives*

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The WCO Asia/Pacific Plastic Waste Project: A Malaysia Success Story

Since joining the WCO Asia/Pacific Plastic Waste (APPW) Project, the Royal Malaysian Customs Department has demonstrated strong commitment and has been actively involved in related capacity building activities



*Submitted by
The Royal Malaysian Customs
Department (RMCD)*

*/ Edited by Marivi Martin
ABF Assistant Director*

*Image: The APPW Project
Workshop held in the WCO
Headquarters in Brussels,
Belgium*

Malaysia became a beneficiary of the WCO Asia/Pacific Plastic Waste (APPW) Project during the 2022 WCO Council sessions in June. The project sought to enhance the capabilities of Customs administrations in the Asia/Pacific Region to effectively address and manage environmental risks. The project also focused on the implementation of the Basel Convention, specifically addressing concerns related to plastic waste and its illegal transboundary movement. The APPW Project team hosted capacity building sessions both online and in person, with one taking place at the WCO headquarters in Brussels from 26 - 28 April 2023. The Royal Malaysian Customs Department (RMCD) also participated in a concluding session of the 24th WCO Asia/Pacific Regional Heads of Customs Administrations (RHCA) Conference, which took place in Perth, Australia, from 28 - 31 May 2023. The APPW Project, with support of the Government of Japan, was conducted under the WCO Secretariat's Compliance and Facilitation Directorate, as a component of the WCO Environment Programme.

Work in Progress

Malaysia remains dedicated to addressing the issue of illegal waste, particularly when it comes to plastic waste and its illegal transboundary movement. Starting

from 2021, the Malaysian government has implemented strict regulations on the importation of plastic waste. These regulations prohibit the importation of plastic waste that is dirty, non-homogeneous, or improperly packaged. Malaysia has been actively involved in and has fully complied with the Basel Convention since 2021. The country is committed to repatriating any imported plastic waste that does not adhere to the strict laws and regulations enforced by the RMCD itself, Department of Environment (DOE), and National Solid Waste Management Department of Malaysia (NSWMD). All plastic waste under HS Code 3915 that are suspected to be illegal must undergo simultaneous checks by RMCD, DOE, and NSWMD as part of the Single Inspection Programme. These checks are necessary to verify the accuracy of Customs declarations, ensure that the containers are free from hazardous goods, and confirm the presence of an Approval Permit.

Malaysia formed two committees in 2018 to address the issue of plastic waste being dumped into the country. The Main Committee of Imported Plastic Scrap and the Technical Committee of Imported Plastic Scrap were established to tackle this problem, which arose after the People's Republic of China announced a ban on the importation of most plastic waste in 2018. The committee is comprised of representatives from various government agencies, such as RMCD, DOE, NSWMD, Ministry of Finance (MOF), and Ministry of Investment, Trade and Industry (MITI).

In order to import plastic waste into Malaysia, it is necessary to obtain an Approval Permit from the NSWMD. This permit must be obtained before any ships carrying plastic waste can depart from the exporting countries for Malaysia. The Malaysia delegation discussed these mechanisms during two workshops of APPW Project held in Brussels and Perth.

Our Success Stories

In 2023, the DOE detained a total of 46 containers. Out of these, 34 containers were repatriated to the exporting countries in accordance with the Basel Convention. In addition, there are currently 12 containers still under investigation.

The authorities of exporting countries and exporters are gaining a better understanding of Malaysia's policies, laws, and regulations regarding the importation of plastic waste. This understanding has been facilitated by Malaysian delegations participating in international seminars or conventions such as the WCO APPW Project.

Malaysia benefits from adhering to the Basel Convention by successfully apprehending illegal plastic waste containers and returning them to the countries that exported them. Through this initiative, we aim to ensure that Malaysian ports are free from abandoned containers filled with illicit plastic waste transshipments.

The Project's Takeaway

The WCO APPW Project workshops provided valuable insights into how different countries are addressing the issue of illegal plastic waste, helping participants gain a deeper understanding of effective strategies and avoid becoming a dumping ground for such waste products. Understanding the regulations and guidelines set by different countries regarding the importation of plastic waste is crucial for a comprehensive learning experience. This event provides a valuable platform for participants to exchange best practices with subject matter experts, policy makers, port authorities, Customs officers, environment officers, and environmentalists from Members of the European Union and Asia/Pacific countries.

Simultaneously, these workshops facilitate the promotion of a regional approach to cross-border trade in plastic waste and recyclables among Customs officers, while also enhancing cooperation between Customs authorities.

Effective cooperation and communication among government agencies are crucial for the success of any government in combating illegal waste. This ensures a unified direction and clear policies for frontline officers to effectively detain any unlawful importation of waste.



The Way Forward

Malaysia is optimistic that the WCO will extend its efforts to include other types of waste, such as metal scrap, e-waste, and textile waste. The growing global population and improved living standards have led to a significant surge in the production and consumption of goods, consequently generating larger amounts of waste.

Malaysia intends for exporters and counterpart Customs authorities to gain an understanding of its policies and procedures regarding all aspects of the plastic waste trade, including Approval Permit requirements, waste inspection, container release, and capacity building assistance, by sharing its experiences.

Malaysia is looking at how to apply its successful plastic waste management strategy to other types of waste, including e-waste and metal scrap, through the implementation of a Single Inspection Programme in which a subset of government agencies simultaneously inspects high-risk containers. This approach would also prioritise effective cooperation and communication among government agencies.

Top image: Two of the RMCD Participants with WCO Environment Programme Manager Ms Anna Kobylecka at WCO Headquarters in Brussels, Belgium

Bottom image: The APPW Project Closing Workshop at the 24th Asia/Pacific RHCA Conference in Perth, Australia

New Zealand Customs Service: Taking a Stewardship Role in Promoting Sustainable Development

Customs has a key role to play in the development and implementation of policies to achieve broader environmental objectives in helping to manage the impacts of climate change, including better understanding emission sources



*Submitted by the New Zealand
Customs Service (NZCS)*

*/ Edited by Marivi Martin
ABF Assistant Director*

*Image: Queenstown Airport,
New Zealand*

The New Zealand Customs Service (NZCS) is committed to helping New Zealand manage the impacts of climate change. It is working with domestic partner agencies to reduce greenhouse gas (GHG) emissions and address the environmental impact of product disposal.

This includes collaborating with New Zealand's Ministry for the Environment on a joint review of current waste minimisation legislation, changes to levies on synthetic greenhouse gases, and the introduction of product stewardship fees to discourage the import of certain products, such as tyres, and to provide for their appropriate end-of-life disposal.

This reflects Custom's key role in the development and implementation of policies to achieve broader environmental objectives set by respective governments.

Measuring Emissions

NZCS has set up systems to capture and report on emissions and certify emissions data against the international standards set out in ISO14064-1:2018.

The agency accounts for all GHG emissions and removal of waste products from facilities where it has operational or financial control. This includes emissions generated from activities at New Zealand international airports and marine ports. Most of NZCS' emissions come from fleet vehicles, air travel, and the electricity used for office spaces.

Three years of emissions records have been audited, which presents the main emissions sources and key trends. This has provided a strong basis to support more detailed planning to meet long-term targets.

Emission Reduction Targets

NZCS also has set targets to reduce gross emissions by 21 percent by 2025, and 42 percent by 2030.



Image: Port of Otago, New Zealand

It has a programme of work underway towards meeting those targets. This includes a commitment to reducing air travel, replacing petrol vehicles with electric, hybrid or plug-in hybrid electric (PHEV) vehicles, an ongoing commitment to energy efficiency in office spaces, and waste-to-landfill minimisation.

Work to reduce emissions is already delivering results. In the 2022/23 financial year (FY), NZCS emitted 2,518 tCO₂-e (tonnes of carbon dioxide equivalent), a 6.94 percent reduction on our FY 2019/20 base year (2,705 tCO₂-e).

Looking Forward

NZCS is committed to ongoing improvement and better understanding emission sources. This will inform strategic decisions about how to best progress further emission reduction plans and activities.

The agency will also be improving data quality by working with rental car providers

to obtain kilometres driven and working with taxi providers to provide kilometres travelled per transaction.

NZCS has created a Green Customs technical group made up of experts from across the organisation, which coordinates current and emerging sustainability initiatives that directly impact on its work.

The group is currently looking at developing a Green Customs Strategy to systematise the organisational approach to reducing carbon emissions and waste, contributing to environmental stewardship initiatives, as well as exploring options to help traders and transport operators reduce their carbon footprints.

Ultimately, this work will support sustainable businesses and promote the transition to a circular economy.

The Philippines' Bureau Of Customs (BOC): Expanding its Role in Protecting the Environment

The BOC remains committed to devising and implementing measures that harmonise with environmental preservation and ensure its support in steering a course towards a more environmentally conscious future



*Submitted by the
Philippines Bureau of Customs
(BOC) People Operations Branch*

*/ Edited by Marivi Martin
ABF Assistant Director*

*Image: BOC Commissioner
Bienvenido Y. Rubio delivers
an address to BOC staff on the
BOC's environmental initiatives*

Amidst the escalating threats to the global environment, the Philippines' Bureau of Customs (BOC) seeks to uphold environmental stewardship, underlining its dedication in developing sustainable and green trade. This commitment is deeply ingrained in the collective responsibility of the BOC workforce to support its strategic policies aimed at preserving the earth. Here, the BOC highlights the significance of key initiatives that underscore its role in the pursuit of Green Customs.

Combating Wildlife Trafficking: A Vital Environmental Safeguard

In 2022, the BOC participated in the Illegal Wildlife Trade Diagnostic Mission, which was conducted under the World Customs Organization (WCO) INAMA Project. The Mission focused on ways to improve and harness enforcement capacity. With support from WCO experts, BOC officials looked into vital aspects in safeguarding the environment such as training methodologies, risk management, legal frameworks, and institutional arrangements that can bolster the BOC's enforcement capabilities.

Putting theory into practice, various ports successfully intercepted six shipments of exotic wildlife in 2023, with an aggregate estimated value of PhP 513,486.50 (USD \$9,173). These operations were made possible through reinforced cooperation among the ports, the Enforcement and Security Service-Environmental Protection and Compliance Division – the BOC's environmental protection arm – and operatives from the Philippines' Department of Environment and Natural Resources (DENR).

These efforts to curb wildlife trafficking contribute to the preservation of biodiversity and the protection of precious wildlife and endangered species, which is not only a prominent aspect of Green Customs but also highlights the importance of its principles

Conserving Earth's Resources: Forging Cooperation Towards Sustainability

In an innovative response to environment issues, the BOC established a Technical Working Group (TWG) responsible for drafting an Administrative Order on Recovered Paper/Wastepaper. The BOC, in collaboration DENR and the Department of Trade and Industry-Bureau of Products Standards, worked to ensure that the Administrative Order aligned with existing Customs laws. By addressing the concerns related to recovered paper/wastepaper importation, the BOC is seeking to actively contribute to and support global efforts to reduce adverse environmental impacts.

Moreover, a series of trainings courses are regularly conducted to enhance the knowledge and capability of BOC enforcement officers on handling environmental matters and concerns. For example, the Programs of Instruction course covers commodities regulated

under Multilateral Environmental Agreements, such as but not limited to the Basel Convention, Stockholm Convention, Rotterdam Convention, Kigali Agreement, and the Convention on International Trade in Endangered Species of Wild Fauna and Flora. The capacity building and training activities encompass the identification, handling, monitoring, and discussions on permit requirements for the clearance of regulated goods.

In addition to these measures, staff are instructed to conserve energy and reduce activities to a necessary minimum that contribute to wastage or excessive natural resource consumption. This was emphasised in a BOC directive on water conservation and reduction of electricity consumption across all offices.

The BOC's commitment to conserve the earth's resources through these initiatives emphasises the importance of environmental awareness in international trade and demonstrates efforts to address the core objective of Green Customs.

Tree Planting: Nurturing a Greener Tomorrow

As part of the BOC's Customs Social Responsibility Program, employees from the Central Office and 17 Collection Districts participated in the simultaneous nationwide "Puno ng Kinabukasan" (Tree of the Future) Tree Planting Activity, which was held on 26 November 2022. Approximately 4,500 seedlings were planted during the event.

Beyond symbolic gestures, the Tree Planting Activity signifies the BOC's tangible contribution to reforestation and carbon sequestration. Through this activity, the BOC was able to demonstrate its life-long commitment to nurture an ecologically-balanced environment.

Greening the Future: A Commitment to Long-term Environmental Harmony

Looking ahead, the BOC remains committed to devising and implementing measures that harmonise with environmental preservation. Staff are encouraged to observe eco-friendly policies, ensuring that they are instrumental in averting environmental crises.

The commitment to the green economy underscores the BOC's dedication to sustainability. By carrying out



environmental initiatives, enhancing enforcement capabilities to curb wildlife trafficking, collaborating on policies for recovered paper/wastepaper, and implementing energy conservation measures, the BOC not only meets its regulatory obligations and but also sets a benchmark for other government agencies to embrace the Green Customs Initiative.

This commitment to a clean and green planet is a collective responsibility and a duty embraced by the BOC and its dedicated staff. In a world grappling with increasing environmental challenges, the BOC, under the leadership of Commissioner Bienvenido Y. Rubio, will remain steadfast in holding a central role in the broader landscape of Green Customs and steering a course towards a more environmentally conscious future.

Image: BOC staff participate in the simultaneous nationwide "Puno ng Kinabukasan" (Tree of the Future) Tree Planting Activity 26 November 2022

CASE STUDIES

Navigating Plastic Excise for a Sustainable Future

Plastic waste is becoming an issue of increasing global concern, and governments around the world are taking steps to combat its negative impacts

*Written by Arief Hartanto
Controlling and Servicing Office
Type C of Bengkulu
Indonesia Customs and Excise*

*/ Edited by Marivi Martin
ABF Assistant Director*

Data from the Indonesian Plastic Industry Association (INAPLAS) and the Central Statistics Agency (BPS) shows that Indonesia produces an estimated 64 million tonnes of plastic waste annually. Regrettably, 3.2 million tonnes of this waste ends up in the sea. As an archipelagic nation, Indonesia is the world's second-largest producer of marine plastic waste, with an estimated annual production of 187.2 million tonnes of marine litter.

In response, the Indonesian government has implemented several initiatives to reduce plastic waste, including a campaign to restrict single-use plastics, such as bans on free plastic bags in retail stores. Additionally, a practice of waste sorting has been introduced, including plastic waste, food waste, and other waste. Furthermore, the implementation of a plastic excise tax is considered an important step towards addressing this issue.

Currently, Indonesia only regulates three excisable goods: tobacco products, alcoholic beverages, and ethyl alcohol. The Indonesian government has proposed introducing a new excisable good covering plastics, which was approved by the House of Representatives (DPR) in February 2019. It was predicted that the implementation of this excise tax on plastics would commence from 2020. However, the implementation of the plastic excise tax had been postponed for several years due to COVID-19.

The implementation of a plastic excise tax is a progressive development but not without economic impacts. A plastic excise tax can help reduce the use of plastics, especially single-use plastics, which in turn will reduce the amounts of plastic waste. This is promising news for the growing issue of plastic waste in Indonesia, which is already at an alarming stage.

On the other hand, it will inevitably impact economic growth and burden those industries that rely heavily on plastics manufacturing. Moreover, if excise tax is applied, products that use plastics will need to make price adjustments or switch to paper packaging, which will increase the costs to the individual. More broadly, introduction of the new excise tax will affect the Indonesian economy to a degree.

In 2024, the Indonesian government set a plastic excise revenue target of IDR 1.84 trillion (US \$116.9 million), indicating its willingness to implement a plastic excise. As per Article 4 of the Indonesian Excise Law, the addition of excisable goods can be accommodated by a government regulation (PP) without requiring an amendment to the excise law. The Customs and Excise team, along with the Ministry of Finance, has worked on a detailed plan for introducing the plastic excise. The government has had thorough discussions with the House of Representatives, leading to the finalisation of the Draft of Government Regulation (RPP) on plastic excise. Currently, the government is actively figuring out the details of its plan to implement a plastic excise tax. The goal is to set an amount that increases state revenue without causing too much burden for businesses and address the growing concerns of plastic waste.

However, the implementation plan of plastic excise is still being calibrated with considerations of the condition of the Indonesian economy and society in 2024. It is important to carefully manage the obstacles that may arise with its implementation. The role of Customs (and excise) in enforcing regulations, preventing smuggling and promoting cooperation involving businesses and the public is another crucial factor for the successful implementation of the plastic excise.

Driving Sustainable Trade – Embracing Green Customs

In the ever-evolving landscape of Customs practices, the concept of 'Green Customs' has emerged as a transformative force, aligning with the United Nations Sustainable Development Goals

In the process of achieving the objectives of 'Green Customs', the Consumer & Environment Protection Unit of Sri Lanka Customs – the dedicated unit for environmental matters – took decisive actions to address a number of environmental concerns in 2023.

In one case involving a consignment illegally imported via Malaysia in August 2023, a cargo container was found containing the Ozone Depleting Substances with 3060 cylinders of R410A Refrigerant gas and 600 cylinders of R407A Refrigerant gas, in violation of the Montreal Protocol. This container was immediately repatriated.

Another significant case highlighted that a container, originally directed to Sri Lanka as a transshipment from Abidjan in the Côte d'Ivoire (Ivory Coast) to the destination indicated for Kolkata in India, was suspected of attempting to dump used lead acid batteries as abandoned cargo in Sri Lanka. This action constitutes a serious violation of the Basel Convention on Transboundary Waste Movement and was promptly repatriated to the shipper, emphasising adherence to Basel Convention regulations on hazardous waste movement.

Furthermore, Sri Lanka Customs has actively contributed to the ban of nine types of Single-use plastic products, effective from October 2023. This initiative has been recognised as the one of the best initial steps taken by Customs in promoting Green Customs. This proactive measure, prompted by growing concerns about the detrimental effects of single-use plastics on the environment, aims to encourage responsible consumption and minimise plastic production and waste.



On a parallel note, Sri Lanka Customs demonstrated its commitment to environmental sustainability by organizing an e-waste collection week. Collaborating with a reputable private waste management and environmental solutions provider, the initiative focused on the proper disposal and recycling of electronic waste. This strategic partnership not only addresses the environmental impact of electronic waste but also contributes to responsible waste management practices. It is essential to recognise the complexities involved in executing Green Customs practices and the need for education, training, and cultural change within Customs and the trade community.

In conclusion, Green Customs has become a beacon of change in Sri Lanka, resonating with the shared goals of Customs administrations in the Asia/Pacific Region. The collaborative efforts showcased in these initiatives exemplify the potential for positive change and reinforce the pivotal role Sri Lanka Customs plays in shaping a sustainable and responsible future for its country's social and economic wellbeing.



Written by Mr A. Jaleel
Deputy Director of Customs
Consumer and Environment
Protection Unit
Sri Lanka Customs (SLC)

/ Edited by Marivi Martin
ABF Assistant Director

*Image above left: A Container
of Used Lead Acid Batteries
intercepted at Port*

*Image above right: A Container
of Ozone Depleting Substances
intercepted at Port*

WCO Green Customs Workshop

The global effort to address the cross-cutting issues of climate change has seen the role of Customs evolve to include how Customs administrations can take steps to mitigate and adapt to climate change and its impacts



Written by
Ms Allanah O'Hanlon,
ABF Inspector
Customs Division, ABF

/ Edited by Marivi Martin
ABF Assistant Director

*Image: Participants join former
Secretary General Dr Kunio
Mikuriya at the inaugural
Climate Change and Customs
Workshop at WCO Headquarters
in Brussels, Belgium in
September 2023*

International trade is a key driver of economic prosperity, however; it's unregulated expansion and limitless growth presents a significant threat to climate change. Customs administrations intersect at the nexus between trade and economic prosperity. Customs works every day to support global economic prosperity through the regulation and facilitation of trade and transport while helping to ensure the security of our countries' borders. However, the threats to our borders are no longer solely from contraband, illicit trade, illegal movement of people and goods. With the global effort to address the cross-cutting issues of climate change, the role of Customs has evolved to include how Customs administrations can take steps to mitigate and adapt to climate change and its impact. This new global responsibility brings significant challenges and new opportunities for Customs.

As an Inspector within the Australian Border Force (ABF) Customs Division, I have been very fortunate to engage directly with research relating to Customs and climate

change, and be provided the opportunity to help advance the ABF's engagement with the World Customs Organization (WCO). This includes Customs administrations' efforts in capability building initiatives and understanding of the position of Customs in addressing climate threats.

In September 2023, the WCO held its inaugural Climate Change and Customs Workshop. The intention of the workshop was to bring together key stakeholders from administrations, universities, and the private sector to explore the crucial role of Customs in addressing climate change through focused climate action. I was lucky to be part of this workshop, which considered the WCO Green Customs Action Plan (GCAP) and concluded with the new recommendations built off the foundation of three pillars: "Being, Doing, Innovating." Hosted at the WCO headquarters in Brussels, Belgium, the Workshop sought to address the role of Customs and the WCO in climate change with the aim to promote collaboration and to develop tangible, interdisciplinary, and actionable strategies to enhance engagement and understanding



of Customs and climate change issues. The Workshop highlighted the scope of work still to be done, but also that Customs administrations play a very essential part in helping to respond to this global challenge.

A highlight from the workshop was the opportunity to connect with Customs officers and academics in-person and to discuss the issues with them in depth. This allowed attendees to work through many of the ideas on the role Customs can and should play. The idea on how to incentivise green trade through Authorized Economic Operator programs was explored in detail, with Australia currently considering how to leverage this program to promote green trade best practices among Australian Trusted Trader businesses. The collaboration between Customs and business to respond to environmental concerns is critical to any success Customs may achieve. The workshop had the full support of the then WCO Secretary General, Dr Kunio Mikuriya, who took the time to meet attendance to discuss the issues in person.

Following my return to Australia, I have joined an exciting leadership program led by the Australian Public Service Academy, the Department of Foreign Affairs and Trade and Asialink, focusing on Climate Change and Energy Transition in the Indo-Pacific. This program has supported me to continue to make a meaningful contribution on behalf of the ABF and its efforts to combat climate change by integrating 'Green Customs' into core policies and functions.

Australia is in a unique position to assist in this global challenge, and like many of our close neighbours, we experience the significant impacts of climate change, and the threat it poses to our way of life will only increase. It is increasingly necessary for Customs to adapt to non-traditional threats including climate change to ensure we are part of the solution.

Image: Participants are welcomed by former Secretary General Dr Kunio Mikuriya to the inaugural Climate Change and Customs Workshop at WCO Headquarters in Brussels, Belgium in September 2023

The 33rd Session of the WCO Asia/Pacific Regional Contact Points in Melbourne, Australia, 30 October - 3 November 2023

The 33rd session of the WCO Asia/Pacific Regional Contact Points was hosted in Australia by the Office of the WCO Asia/Pacific Regional Vice-Chair in the city of Melbourne from 31 October - 3 November 2023



*Submitted by
the Secretariat Office of
the WCO Asia/Pacific
Regional Vice-Chair (APVC)*

Image: World Customs Organization (WCO) Asia/Pacific Regional Vice-Chair (APVC) welcomed more than 73 delegates and representatives from 26 Asia/Pacific (A/P) WCO Member Customs Administrations, along with the respective Heads of the Regional Intelligence Liaison Office (RILO A/P), the Regional Office of Capacity Building (ROCB A/P), the Regional Private Sector Group (RPSG A/P) the WCO as represented by the Regional Development Manager, Mr Tetsuo Mizunuma, and their delegations to the 33rd session of the WCO Asia/Pacific Regional Contact Points (RCP) during his welcome on 30 October 2023 at the Ritz-Carlton in the city of Melbourne, Australia.

The first day of proceedings of the 33rd RCP included presentations of the regional reports delivered by the APVC, the RILO A/P, the ROCB A/P and the RPSG A/P,

along with discussions on development of the 2024-2026 WCO Asia/Pacific Regional Strategic Plan (RSP) and its draft Terms of Reference and other updates from ongoing work programs. Day Two included Member presentations on the themes of 'nurturing the next generation' and 'gender diversity and equality' along with cultural activities across Melbourne. On Day Three delegates visited the newly accredited WCO Regional Dog Training Centre (RDTC) at the ABF National Detector Dog Program Facility, followed by additional discussions on regional initiatives. Delegates then attended the official closing dinner at Eureka 89. The final day saw the adoption of the Report of Outcomes and closing remarks.

You can read more about the 33rd RCP and its outcomes along with the ability to view a larger collection of images capturing the event online at www.wcoasiapacific.org.



Image: Attending delegates of Asia/Pacific WCO Member Customs administrations and Regional Entities pose for the official group photograph of the 33rd session of the WCO Asia/Pacific Regional Contact Points (RCP) on 31 October 2023 in Melbourne, Australia



Image: WCO Asia/Pacific Regional Vice-Chair (APVC) Michael Outram APM (ABF Commissioner and Comptroller-General of Customs) delivers his report to Members at the 33rd RCP on 31 October 2023 in Melbourne, Australia



Image: Attendees and representatives of Asia/Pacific WCO Customs administrations and Regional Entities pose for a group photo with ABF staff and canine Members of the ABF Detector Dog Program at the main training facility which was recently accredited as a WCO Regional Dog Training Centre (RDTC) at WCO Council sessions in June 2023



Image: Assistant Commissioner Customs Division, Tony Smith welcomes Members in his capacity as Chair to the Official Closing Dinner of the 33rd RCP at Eureka 89 Restaurant on 2 November 2023 in Melbourne, Australia

REGIONAL SNAPSHOT

WCO Operation TENTACLE Asia/Pacific II

The global movement of illicit proceeds and terrorist financing is a pervasive and growing threat to national security as well as to the integrity of the international financial and commercial sectors



Submitted by the
Australian Border Force (ABF),
Customs Division

/ Edited by Marivi Martin
ABF Assistant Director

*Image: Opening keynote video
message by the WCO Asia/
Pacific Regional Vice-Chair,
Michael Outram APM*



Customs agencies are a first line of defence at international borders and play a significant role in national security.

The World Customs Organization (WCO) Anti-Money Laundering and Counter-Terrorism Financing (AML-CTF) Programme was established in 2018. The WCO Secretariat subsequently established Operation TENTACLE as the primary operational effort of the AML/CTF Programme. The project is a joint effort with the Egmont Group of Financial Intelligence Units and INTERPOL, designed as a capacity building, enforcement and intelligence enhancing effort in order to better tackle money laundering and terrorism financing in the Customs arena.

Operation TENTACLE Asia/Pacific II was a proactive multinational initiative to target, interdict, seize and forfeit currency, currency equivalents, precious metals and gemstones smuggled across international borders. The operation contributed to better understanding the smuggling methodologies of cash and precious metals

in the Region. Customs administrations developed communications and information sharing arrangements which enhanced collaboration and achieved a more robust target-hardened environment on the trade and traveller routes related to currency smuggling and trade-based money laundering (TBML).

Pre-operation workshop on AML/CTF

The WCO AML-CTF Program hosted the Operation TENTACLE Asia/Pacific III regional workshop from 27 February - 3 March 2023 in Brisbane, Australia. A total of 63 delegates representing Customs administrations and Financial Intelligence Units (FIU) from 22 countries, alongside representatives from international partner organisations including INTERPOL and the WCO Asia/Pacific Regional Intelligence Liaison Office (RILO A/P), came together for a five-day workshop.

In his capacity as the WCO Asia/Pacific Regional Vice-Chair (APVC), Australian Border Force (ABF) Commissioner and Comptroller-General of Customs, Michael Outram APM opened the workshop with a keynote video message highlighting the prolific global threat of money laundering and terrorism financing and the crucial role Customs administrations play in implementing national and global counter-threat finance strategies.

Throughout the week, participants delved into complex subjects such as TBML, bulk-cash smuggling, digital and electronic-based money laundering, terrorism financing techniques, contemporary case studies and interactive practical exercises.

The workshop culminated in a strong collective commitment to enhance better inter-agency collaboration, ensuring a united front against organised criminals exploiting the complexities of the international trade and traveller systems.

Operation TENTACLE Asia/Pacific II – operational phase

Following the workshop, 14 participants registered for the Operation via the WCO centralised reporting platform CENcomm, completing their respective state-based risk assessment and operational plans. The ABF, Border Related Financial Crimes Unit (BRFCU), completed the role of Operational Coordination Unit (OCU) throughout the operational phase. This involved facilitating regular engagement with participants via CENcomm to promote operational participation, multi-lateral information sharing, discussion on contemporary methodologies and dissemination of weekly newsletters.

The operational activity occurred over a nine week period from 2 April - 4 June 2023. During this period participants reported 274 detections of undeclared cash, precious metals, precious stones, bearer negotiable instruments and tax/duty evasion offences with equivalent value of USD \$20 million.

The operational outcomes were achieved through the application of a variety of border control measures including risk profiling, routine controls, intelligence and ongoing investigations. These measures were typically supplemented by technologies and technical aids including backscatter scanners, baggage x-ray machines and detector dogs.

Overall, detector dog technical aids accounted for the largest percentage of cash detections, with 41 percent attributed to detector dog indications. These results highlight the advantages of deploying cash detection dogs at international airports as part of a multi-layered screening process. Their keen sense of smell combined with their ability to cover large areas quickly without discrimination, highlights the importance and usefulness of cash detection dogs with many countries now routinely using them to facilitate the selection of passengers and cargo for inspection at ports and airports.

Post-operation workshop

The WCO and India Central Board of Indirect Taxes and Customs hosted the post-operational workshop from 5 - 6 September 2023 in Mumbai, India. The workshop was attended by officials and representatives from Australia,



Bangladesh, Bhutan, India and Indonesia. The meeting provided participants an opportunity to present their operational results, discuss emerging illicit financial flow (IFF) patterns and concealment methods and refine tactical intervention and post-detection investigation strategies.

The operation has surpassed the achievements of previous WCO operations in terms of quantity and value of seizures related to money laundering and terrorism financing and the Operation showcased the scale of criminal networks laundering money in the Customs arena as well as the diligent efforts of planning and execution by the participating Customs agencies.

The success of Operation TENTACLE highlights the effectiveness of multiagency targeted operations and international engagement through bilateral and multilateral partnerships to advance the shared operational priorities of WCO jurisdictions. Continued collaboration in response to IFF at the border will drive detection and disruption rates and impede transnational organised criminal activities at a regional level.

Top image: Workshop participants visit the Container Examination Facility (CEF) in Brisbane, Australia

Image above: ABF detector dog program demonstration of currency detection capability

‘Trade-based money laundering is the process of disguising the proceeds of crime and moving value through the use of trade transactions in an attempt to legitimise illicit origins’

(FATF, June 2006)

Misuse of ATA Carnets: Overview of Operation JUBILARIAN II

In 2017, the Australian Border Force (ABF) conducted a project that identified a group of overseas jewellery merchants whose business model involved suspected repeated exploitation of the ATA carnet



*Submitted by the
Australian Border Force (ABF),
Customs Division*

*/ Edited by Marivi Martin
ABF Assistant Director*

*Image: Confiscated diamonds
suspected of illegal
importation in contravention of
the ATA Carnet System*

The ATA carnet is an international Customs document that permits duty-free and tax-free temporary admission of certain goods to countries that are part of the ATA carnet system for up to one year, including: commercial samples; trade fair or exhibition goods; and professional equipment.

This project became a catalyst for the WCO-endorsed Operation JUBILARIAN, first conducted in FY 2019 – 2020. The objective was for participants to identify the misuse of ATA carnets for the importation of jewellery and precious gemstones and to share experiences and lessons learnt. A total of 39 Customs administrations joined the ABF-led Operation. It uncovered vulnerabilities in the carnet system: four of the five high-risk entities identified by the ABF (regular users of ATA carnets to import jewellery and gemstones into Australia) were found to have misused the carnet system to evade revenue collections.

Following the conclusion of JUBILARIAN, the ABF continued to monitor and disrupt the misuse of ATA carnets for the importation of jewellery into Australia and to identify the potential extent of revenue evasion through the carnet system.

In 2022, the ABF proposed another operation to combat the misuse of ATA carnets to the WCO. This proposal was welcomed, and endorsed at the 43rd Enforcement Committee in March 2023. A cohort of 46 WCO Members participated in JUBILARIAN II from July to October 2023. The Operation had an expanded scope of intent, including to:

- identify revenue fraud and trade-based money laundering (TBML) involving the importation of jewellery and precious gemstones through the ATA carnet system;
- contribute to the global conversation on 'revenue leakage'; and

- formulate a strategy to enable an appropriate enforcement response through operational activity.

Commencing in October 2022, the ABF conducted rigorous assessments on more than 100 high-risk jewellery carnets, resulting in the selection of 13 high-risk entities for targeting during the Operation.

Preliminary findings

Operation JUBILARIAN II identified a number of methodologies employed by criminal groups utilising ATA carnets to evade revenue, including:

- 'phoenix activity' occurs when a director creates a new company to continue the business of a company that has been liquidated, or otherwise abandoned, to avoid paying outstanding debts;
- possible false declaration of origin noted on the carnet at the time of issue;
- significant funds being transferred out of Australia electronically by foreign representatives with established Australian bank accounts in their personal names, prior to their departure, possibly in an attempt to avoid detection and declaration under Australia's Anti-Money Laundering and Counter-Terrorism Financing Act 2006;
- ATA carnet holders sending consignments of jewellery items through the cargo stream and making false declarations regarding value and goods description to avoid payment of revenue collections; and
- undeclared jewellery carried by representatives on their person when entering Australia, attempting to avoid payment of revenue, and potentially selling the merchandise in breach of conditions.

During the Operation, the ABF progressed three claims through the National Guarantee Organisation to recover short paid import duties and taxes to the amount

of AUD \$130,000 (USD \$85,000). These claims are indicative of widespread misuse, and highlight the difficulty Customs authorities have in detecting such fraudulent use, particularly in the airport environment.

Enforcement challenges

Operation JUBILARIAN II highlighted that carnet exploitation is almost certainly enabled by high-tempo operating environments such as airports, defined by increasing passenger numbers and the challenges in conducting thorough examinations within compressed timeframes and competing priorities.

Conducting in-depth examinations of passengers and their luggage is difficult in such high-tempo, high-volume, and high-velocity operational environments. Customs officers must match and verify carnet consignments on a line-by-line level. When Customs officers are presented with carnet jewellery items, their role is to confirm that the goods being presented are those described on the carnet general list. Without adequate professional jewellery expertise or technology, it is difficult for Customs officials to verify authenticity of jewellery before endorsing the import voucher and counterfoil. The same challenge occurs when goods are presented for export endorsement. It is difficult for Customs officials to verify the authenticity of the jewellery, or to confirm that the goods being presented for export are the same goods that were presented at the time of importation, prior to endorsing the export voucher and counterfoil.

Moreover, most authorised representatives of ATA jewellery carnets generally have more than 500 different lines of itemised jewellery. Controls place an additional burden on operational resources, particularly when a non-compliant carnet contains insufficient detail to distinguish one item from another and in such quantity that, taken as a whole, they no longer constitute samples as per the definition of 'samples' in the International Convention to Facilitate the Importation of Commercial Samples and Advertising Material (Geneva, 7 November 1952).

Many Customs officers are further challenged by their limited exposure to ATA carnets and the system's vulnerability to abuse. When a traveller declares their carnet goods on arrival, Customs officers may not be familiar with the carnet document or the examination procedures to establish elements of non-compliance.

Lastly, carnet legislation is not only complex, but also varies from one country to another. Issuing authorities in each country have different criteria for eligibility, despite specific guidance in the relevant conventions. This proves a challenge when it comes to eligibility of carnet goods in other countries and territories. During Operation JUBILARIAN II, the question of what quantity constituted a 'sample' of jewellery items was raised amongst participants. As an example, although an ATA carnet may be issued for 900 pieces of jewellery articles as samples, the Customs authority of the importing country may consider that number of items too many to be considered a sample, and maintain that a reasonable sample size should consist of no more than 150 articles. Another country may only accept a maximum of 25 articles as a reasonable sample size, while yet another may consider only five articles as an adequate quantity for a sample.

Knowledge sharing is invaluable

In response to WCO Members' requests to enhance their capacity to combat the problem of commercial fraud and TBML, the WCO has produced a number of technical materials and guidance documents.

In addition, a group was established on the CENcomm, the WCO web-based communication system, with the aim of enabling Members to share experiences, best practices and case studies on national and international operational cases. This approach enhances the global conversation relating to revenue leakage and enables administrations to have access to current information, promoting swift action where necessary on emerging fraudulent activities and methodologies.

The CENcomm group called GTEN – JUBILARIAN II was the primary means of facilitation for the Operations, and enabled global information sharing among participants. Members that participated in the Operations can continue to directly exchange information using the CENcomm group while it remains available.

Effective risk management ensures that Customs administrations deploy resources cost-effectively. Cooperation among partner agencies will increase the effectiveness of trade enforcement by ensuring all administrations involved are identifying and collecting all legally due revenue.



Images: Examples of confiscated jewellery suspected of illegal importation in contravention of the ATA Carnet System

For more information, or carnet enquiries and referrals, please contact the ABF National Temporary Imports and Securities Team via email at ntis@abf.gov.au

REGIONAL NEWS, EVENTS & CAPACITY BUILDING



Sub-Regional Workshop on Customs Laboratories for ASEAN Members

“The workshop highlighted the potential to strengthen regional cooperation among ASEAN countries in addressing challenges related to chemical analysis in Customs.” Director Anita Iskandar, International Affairs

From 4 - 8 December 2023, the World Customs Organization (WCO), the Asia/Pacific Regional Office for Capacity Building (ROCB A/P), and the Indonesian Directorate General of Customs and Excise (DGCE) organised the Sub-Regional Workshop on Customs Laboratories for ASEAN Members, funded by the China Customs Cooperation Fund (CCF China). This event took place in Jakarta, Indonesia, and was attended by 19 participants from Cambodia, Indonesia, Malaysia, Myanmar, Thailand, and Vietnam. The workshop aimed to provide opportunities for Customs chemists to expand and update their knowledge of chemical analysis and classifications related to chemical analyses.

During the official ceremony, DGCE Director of International Affairs, Mrs Anita Iskandar delivered an opening address expressing the hope that workshop participants could apply their new knowledge and skills to bring positive changes to daily Customs operations. She also highlighted the workshop's potential to strengthen regional cooperation among ASEAN countries in addressing challenges related to chemical analysis in Customs.

The workshop included a variety of activities, combining classical sessions with hands-on experiences and cultural exploration. The classical sessions were facilitated by two WCO experts, Mr Daniel Cardozo and Mr Kazuhiro Tonai. The workshop covered topics such as introductions to WCO, ROCB A/P, and comprehensive explanations on identifying and classifying goods based on the Harmonized System. Participants were also invited to visit Customs laboratories and observe on-site laboratory testing. A dedicated session allowed participants to discuss potential collaboration among ASEAN Members regarding Customs laboratories.



The enthusiasm of the participants was evident through their active participation in all workshop activities. They engaged in discussions on case studies provided by WCO experts and those presented by fellow participants. Topics of interest included organic chemicals, food and pharmaceutical products, and non-proliferation purposes (NPP) chemical analyses.

In the series of workshop activities, a cultural exploration was also conducted with the aim of acquainting participants with Indonesian culture. This objective was accomplished through a visit to Taman Mini Indonesia Indah (TMII), providing participants with a glimpse of Indonesia's diverse and rich cultural heritage.

At the conclusion of the event, ROCB A/P Program Manager, Ms Grace Ye expressed her hope that the workshop would serve as an initial step in connecting Customs chemists and paving the way for future collaboration among Customs laboratories in the ASEAN Region.

Submitted by Indonesia Customs and Excise Laboratory (ICEL) of Surabaya Office

*/ Edited by Marivi Martin
ABF Assistant Director*

Image: Participants at the Sub-Regional Workshop on Customs Laboratories in Jakarta, Indonesia

Image (overleaf): Participants listen to a demonstration at the Sub-Regional Workshop on Customs Laboratories in Jakarta, Indonesia

SPOTLIGHT

Enhancing Customs Capability across the Pacific

The New Zealand Customs Service (NZCS) is a strong advocate for enhancing both regional security and economic growth in the Pacific through regular engagement and capacity building with counterpart agencies in the Region

Development Programme in the Pacific, which is funded by New Zealand's Ministry of Foreign Affairs and Trade (MFAT).

"New Zealand's location, people-to-people connections and strong trade and travel links means that it is vulnerable to risks arising from and through the Region. Illicit drug seizures at the New Zealand border show that volumes are increasing, and criminals are using increasingly sophisticated techniques to smuggle harmful drugs into communities for profit.

Our goal is to assist Pacific administrations develop effective border management systems that will enhance the ability to detect and disrupt organised crime activities, while facilitating legitimate trade and travel. We can help to disrupt drug smuggling closer to the source, which ultimately also reduces harm from reaching New Zealand's communities.

This programme has forged enduring partnerships with Customs administrations in the Cook Islands, Samoa, Fiji, and Vanuatu, as well as other countries which we provide support to through our regional assistance programme such as Niue, and Tonga. The programme builds on other work we support in the Region including the Pacific Dog Detector Programme and Pacific Transnational Crime Network.

Training opportunities, knowledge-sharing and capability building help Customs agencies to learn and gain experience and expertise, enhancing our collective ability to stay one step ahead of transnational organised crime groups. By helping to protect each other's borders, we are strengthening our own border too," says Mr Cannon.



Submitted by New Zealand Customs Service (NZCS)

/ Edited by Marivi Martin
ABF Assistant Director

Image: Pasifika attendees of the Oceania Customs Organisation welcomed to New Zealand at Te Manukanuka o Hoturoa Marae, Auckland, December 2023

The Pacific region has become a significant transit point for drugs, driven by the growing threat of transnational organised crime and the rising demand and high prices for drugs in New Zealand and Australia.

NZCS Director International, Joe Cannon, says that since 2011, the agency has managed the Customs Sector

RECENT HIGHLIGHTS

Drug identification training

NZCS is a Member of the regional Customs body, Oceania Customs Organisation (OCO), and supports the capacity building initiatives of New Zealand's Pacific partners.

In December 2023, frontline Customs officers and officials from 18 Pacific nations were welcomed to New Zealand for a week-long training and visit focused on illicit drug smuggling. The training was co-hosted with the OCO.

The aim of the training was to provide participants with enhanced skillsets in detecting, identifying and handling drugs, as well as training on relevant legislation and further insight into NZCS operations.

Developing Pacific leaders

The Pacific Leadership Programme is a nine-month programme, which aims to increase leadership and management capability in Pacific border agencies through a combination of practical and interactive learning initiatives. The most recent cohort graduated in December 2023, which included 14 staff from Vanuatu Customs and Inland Revenue, and 11 staff from the Fiji Revenue and Customs Service.

Canine capability

The Pacific Detector Dog Programme is an important partnership between New Zealand Police, NZCS and Pacific border and enforcement agencies. It helps build the Pacific intelligence picture through detector dog operations and deployments in key border environments across the Region, including Tonga, Samoa, French Polynesia and Fiji.

Top Image: Fiji Revenue and Customs Service (FRCS) graduates from the Pacific Leadership Programme, December 2023.

Middle Image: Vanuatu Department of Customs and Inland Revenue graduates from the Pacific Leadership Programme, December 2023.

Bottom Image: Left to right: Chief Customs Officer Dave Huff (NZCS) with Senior Customs Officer Roko Volau (FRCS), detector dog Ike, and Group Manager Investigations, Intelligence and Enforcement Terry Brown (NZCS), pictured at the Pacific Detector Dog Programme graduation at the New Zealand Police Dog training centre in Trentham, November 2023.

“Customs Engaging Traditional and New Partners with Purpose”

(WCO Customs Theme 2024)



AEO Expert Mission and Symposium: for enhancing Safety and Prosperity

Hong Kong Customs and Excise hosted the Authorized Economic Operator Expert Mission and Symposium in Hong Kong, China from 29 - 30 November 2023, with the theme “We Connect for Safety and Prosperity”



Submitted by Hong Kong Customs and Excise (HKCE)

*/ Edited by Marivi Martin
ABF Assistant Director*

Image: Principal guests officiate at the official opening ceremony of the AEO Symposium in Hong Kong, China

Hong Kong Customs and Excise (HKCE), with the support of ASEAN, hosted the **Authorized Economic Operator (AEO) Expert Mission and Symposium** between Hong Kong, China and ASEAN in Hong Kong, China from 29 - 30 November 2023. Under the theme “We Connect for Safety and Prosperity,” the event sought to forge closer and stronger connections among Customs administrations, the business sector and relevant stakeholders with the aim of safeguarding global supply chain security and promoting economic prosperity.

AEO Expert Mission – Sharing of expertise

The **AEO Expert Mission** portion of the event was held on the first day, in which approximately 50 AEO experts from Customs administrations across ASEAN Member States, China (PRC), Hong Kong, China and Macao, China took part to share expertise and best practices on implementation of AEO Programmes and development of Mutual Recognition Arrangements (MRAs) through a range of activities including keynote speeches, national presentations and interactive workshops. HKCE also arranged for a visit to the Palace Museum and an official dinner at a heritage building to allow the

participants to immerse with the unique local culture, history and heritage of Hong Kong, China.

AEO Symposium – Stronger connections with Customs administrations and Stakeholders

On Day Two of the event, attendance at the **AEO Symposium** comprised approximately 200 participants, including Customs and AEO experts from ASEAN Member States, the People’s Republic of China (PRC), Hong Kong and Macao, along with government officials, representatives from the business sector and trade associations. The event began with an opening ceremony officiated by: the Secretary for Commerce and Economic Development of the Government of the Hong Kong Special Administrative Region of the People’s Republic of China (PRC), Mr Algernon Yau; the Commissioner of HKCE, Ms Louise Ho; the Head of Trade Facilitation Division of the ASEAN Secretariat, Mr Cuong Ba Tran; the Director General of Macao Customs Service, Mr Vong Man-Chong; the Deputy Director General of the Department of Enterprise Management and Audit-based Control of the General Administration of Customs of China (PRC), Mr Zhu Fang; and representatives of the 10 ASEAN Member States.



HKCE progressed a number of major developments in the AEO Programme with Members of ASEAN and China (PRC) at the Symposium. HKCE signed Action Plans for AEO MRAs with the Customs administrations of Cambodia and the Philippines, laying a solid foundation for ratifications of further MRAs in the ASEAN Region. In addition, a Memorandum of Understanding (MoU) on Enhancing AEO Cooperation within the Greater Bay Area (GBA) between Customs administrations of China (PRC), Hong Kong and Macao was also successfully concluded, thereby bringing more synergy and benefits to the AEOs and fostering further development in the Region.

The Symposium continued with formal presentations of accreditation certificates and Partnership Awards to a number of Hong Kong AEOs in recognition of their excellent performance and support to the Hong Kong AEO Programme. Panel sessions were also held in which representatives from the government and business sectors discussed opportunities and challenges of extending business in the markets of ASEAN and China (PRC).

Manifestation of the 3-Pillar Collaboration under the SAFE Framework

The two-day **AEO Expert Mission and Symposium** was organised to align with the three-pillar collaboration under the SAFE Framework of the World Customs Organization (WCO), i.e. Pillar One – Customs-to-Customs Network Arrangements; Pillar Two – Customs-to-Business Partnerships; and Pillar Three Customs-to-Other Government Agencies Co-operation. Overall, the event was warmly received by participants and marked an important step for further collaborations among multiple stakeholders in the Regions of ASEAN and the GBA.

Looking ahead, HKCE will continue its best efforts in promoting the AEO Programme under WCO's advocacy, connecting various stakeholders to safeguard global supply chain security and foster economic prosperity.

Image: Keynote Address by the Commissioner of Hong Kong Customs (HKCE), Ms Louise Ho at the AEO Symposium in Hong Kong, China

Regional Drug Enforcement Capacity Building Workshop

To strengthen the drug enforcement capacity of law enforcement agencies in the Asia/Pacific, Hong Kong Customs and Excise hosted a Regional Drug Enforcement Capacity Building Workshop from 18 - 22 September 2023

Submitted by Hong Kong Customs and Excise (HKCE)

*/ Edited by Marivi Martin
ABF Assistant Director*

Image: Participants of the Regional Drug Enforcement Capacity Building Workshop gather for the official group photograph during the opening ceremony in Hong Kong, China.



To strengthen the drug enforcement capacity of law enforcement agencies in the Asia/Pacific Region, Hong Kong Customs and Excise (HKCE) held the Regional Drug Enforcement Capacity Building Workshop in Hong Kong, China from 18 - 22 September 2023. The Workshop brought together 44 representatives from 24 law enforcement agencies from China, Asia/Pacific countries, overseas offices stationed in the Asia/Pacific Region, along with international organisations, including the International Narcotics Control Board and the World Customs Organization (WCO).

Sharing Latest Drug Trafficking Trends and Exchanging Practical Investigation Skills

Key topics of the Workshop included sharing the latest trends in drug trafficking methods, exchange of practical investigation skills and visits to training facilities of Hong Kong Customs College. HKCE took this opportunity to foster cooperation with overseas and regional law enforcement agencies, enhance the understanding of cross-boundary drug trafficking trends and boost the effectiveness of suppressing cross-boundary drug crime. The Workshop provided a great platform for participants

to share their insights and exchange views on how to better work together to combat cross-boundary drug trafficking.

Fostering Cooperation with Overseas and Regional Law Enforcement Agencies

HKCE proactively maintains extensive ties with different countries and law enforcement agencies to strengthen enforcement cooperation. Several forums and meetings were hosted by HKCE since February 2023, including the 6th Three-Country-Five-Party (3C5P) Talks and the Regional Customs High-level Drug Enforcement Forum, which attracted more than 100 participants – mainly from some 40 law enforcement agencies and international organisations in the Asia/Pacific Region – to review the enforcement actions taken during the COVID-19 pandemic and formulate better anti-narcotics strategies.

HKCE continues to strengthen international intelligence exchange and law enforcement collaboration with overseas and regional law enforcement agencies and organisations, and fully leverage Hong Kong's unique advantages, partnerships and global networks and connections to combat transnational drug trafficking activities.

Hong Kong Customs and Excise: Enhancing Public Services with AI

The application of Artificial Intelligence (AI) is becoming increasingly prevalent in society and the public sector. Hong Kong Customs and Excise officially launched the newly developed Smart Customs Interactive Response System



Submitted by Hong Kong
Customs and Excise (HKCE)

/ Edited by Marivi Martin
ABF Assistant Director

*Image: The Virtual Customs
Ambassador (VCA) at a HKCE
international traveller control
point interacting with the AI
assistant on Customs enquiries
and information*

In ongoing efforts towards modernisation and transformation into a 'Smart Customs' organisation – one that continues to provide an effective value proposition and quality public services – HKCE developed and launched the Smart Customs Interactive Response System (SIRS) in December 2023. SIRS includes two interactive Artificial Intelligence (AI) assistants to help alleviate heavy workloads in handling Customs enquiries. The first is an online chatbot on the Departmental Homepage for handling public enquiries. The second is the Virtual Customs Ambassador (VCA) deployed at various control points to handle travellers' Customs enquiries.

The first AI assistant – the online chatbot on the Departmental Homepage – is designed to enhance customer user experience by offering instantaneous and accurate replies in response to customer Customs enquiries. Supported by a knowledgebase containing extensive Customs information on Import/Export regulations, trade facilitation and Customs procedures, the online chatbot is able to provide complete textual responses, and prompts users with further options for additional information to guide users and help them navigate to relevant sections of the Homepage. Through the adoption of

emerging technologies including AI, natural language processing and machine reading comprehension, the system analyses the substance of the questions asked to help improve the accuracy of responses.

HKCE has implemented the second AI assistant at several Customs control points, including at the Hong Kong International Airport. The AI-powered VCA is designed to answer travellers' Customs-related questions and provide relevant information instantaneously at those Customs control points. The VCA is currently optimised for three languages, including Cantonese, English, and Putonghua and makes use of machine learning to enhance the comprehension capability when answering customer enquiries, thereby saving Customs manpower efforts in handling traveller enquiries.

Together, the AI assistants not only demonstrate the benefits from innovation and technology in people's daily lives, but also promote the image of HKCE as an innovative agency that helps to contribute to and support the Hong Kong Government in propelling the development of Hong Kong as a 'Smart City'.

RECENT AND UPCOMING WCO EVENTS

January 2024 *Asia/Pacific 2024-2026 Regional Strategic Plan Working Group Meeting Four (Hybrid 25 January)*

31st Global RILO Meeting (Brussels, Belgium 30-31 January)

February 2024 ***WCO Asia/Pacific Regional Intelligence Liaison Office (RILO) Opening Ceremony and Roundtable (Tokyo, Japan 6-8 February)***

18th Audit Committee (Brussels, Belgium 5-6 February)

19th Global Meeting of Regional Entities (Hybrid 19-20 February)

15th Capacity Building Committee (Brussels, Belgium 21-23 February)

March 2024 ***WCO Global Canine Forum – Hong Kong, China 5-7 March***

Third Asia/Pacific WCO Modernization Consultation (14 March)

44th Enforcement Committee (Brussels, Belgium 18-22 March)

109th Finance Committee (Brussels, Belgium 25-27 March)

April 2024 *33rd Revised Kyoto Convention Management Committee Meeting (Brussels, Belgium 8-12 April)*

25th WCO Asia/Pacific Regional Heads of Customs Administration (RHCA) Conference - Sydney, Australia 14-18 April

58th Technical Committee on Customs Valuation (Brussels, Belgium 15-19 April)

243rd/244th Permanent Technical Committee (Brussels, Belgium 23-25 April)

May 2024 ***6th AEO Global Conference (Shenzhen, China 8-10 May)***

Asia/Pacific Regional Caucus ahead of 90th Policy Commission (TBD)

June 2024 ***90th Policy Commission (Brussels, Belgium 24-25 June)***

143rd/144th Sessions of WCO COUNCIL (Brussels, Belgium 27-29 June)

MESSAGE FROM THE SECRETARIAT OFFICE: **Newsletter Article Submissions**

We hope you have enjoyed reading Volume #70 of the Asia/Pacific Customs News on '**Green Customs**' and we look forward to the next issue, Volume #71 on '**Customs Detector Dogs**' in March/April 2024



Thank you to all the many contributors from Asia/Pacific Customs administrations and local commands that submitted articles and pictures for the Jan/Feb 2024 issue of the Asia/Pacific Customs News, including:

Australian Border Force
Bureau of Customs of the Philippines
Directorate General of Customs and Excise of Indonesia
Hong Kong Customs and Excise
Royal Malaysian Customs Department
New Zealand Customs Service
Sri Lanka Customs

The WCO APVC Secretariat Office was again very grateful to all contributors and was delighted to feature the topic of '**Green Customs**'.

We would also like to extend our **gratitude to Ms Anna Kobylecka** who has supported the Region as the WCO Environment Programme Manager and thank them for having kindly provided the Foreword for this issue on '**Green Customs**'

We would like to take this opportunity to invite WCO Asia/Pacific Customs administrations to consider submitting an article for the next (March/April 2024) issue, **Volume #71**, the theme of which will focus on all aspects encompassing '**Customs Detector Dogs**'. This forthcoming issue was timed to cover the 2024 Global Canine Forum in Hong Kong, China. Please email your submissions, including photos, to the APVC Secretariat Office group mailbox at apvc-wco@abf.gov.au.

Image: An ABF Officer on duty in Northern Australia

NOTES



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GREEN CUSTOMS

Growth | Unity | Security | Prosperity