

ASYCUDA World

NEWSLETTER

ASYCUDAWorld (AW) Quarterly Newsletter

Issue 1, May 2021



Inside this issue:

Let's start with ASYCUDA World1

New Zealand and Australia Foreword1

National Project Team and ASYCUDA experts.....3

The Manifest, Tariff and Declaration4

Working Environment.....4

The manifest4

The tariff.....4

The declaration5

Challenges.....5

Let's start with ASYCUDA World

The Government of Australia Department of Foreign Affairs and Trade (DFAT) and the Government of New Zealand Ministry of Foreign Affairs and Trade (MFAT) and the United Nations Conference on Trade and Development (UNCTAD) signed a Project Agreement for the Introduction of Automated Customs Processes and the Deployment of ASYCUDA World in the PACER Plus Pacific Island Countries on July 2019. The project is part of the trade agreement's Readiness Package in line with the PACER Plus Development and

Economic Cooperation Work Programme on customs institutional strengthening and modernization.

With the assistance of this project, the Government of the Cook Islands (GCI) seeks to modernize the Cook Islands Customs Service (CICS) to the level required for modern, rapidly expanding economy in the country that is an essential part of Government's plans to reduce poverty and establish an environment for economic growth.

New Zealand and Australia Foreword

The economic impact of COVID-19 in the Pacific is unprecedented and continues to unfold. Australia and New Zealand are committed to supporting economic recovery and resilience in the Pacific through all available means. This includes maximising opportunities for boosting

trade and investment through regional integration initiatives such as the regional trade and development agreement PACER Plus, and its trade related support.

Therefore, we are pleased to be funding partners for roll out of the integrated automated customs system



ASYCUDA World, which will support six PACER Plus Pacific partner countries to access and leverage technology to help mitigate and recover from the impact of COVID-19. This will enable customs authorities, cross-border agencies and traders to electronically submit documents and exchange data as well as computerise procedures to support swift clearance of goods, hence reducing the need for face-to-face interaction in a COVID-19 operating environment.

PACER Plus provisions and related assistance encourages more cooperation between customs authorities, promotes efficient customs procedures and provides transparency and fairness to traders. ASYCUDA World deployment is a foundational part of the PACER Plus regional customs modernisation work program.

ASYCUDA World will reduce manual and cumbersome processes, thereby increasing the efficiency of customs cargo clearance, produce timely and accurate trade statistics, minimise the risk of fraud, maximise revenue collection, and ensure the smooth functioning of cross-border trade, especially for essential products.

Enhanced transparency and simplified procedures for businesses trading in the Pacific will help to lower transaction costs and contribute to competitiveness. Based on global evidence, basic trade facilitation measures such as harmonising and simplifying documents and automating processes and risk management can reduce overall trade costs

by 10% - and considerably more for low and low-middle income economies.

Importantly ASYCUDA World provides a basis for countries to move towards a National Single Window which brings together all relevant agencies' border procedures under the one online platform, as well as add other digitised features which can continue to make the cross-border movement of goods, services and people safe, traceable and efficient.

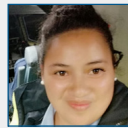
The PACER Plus Agreement commits Australia and New Zealand to support Pacific Island partner countries to become more active partners in and to benefit from regional and global trade. This ASYCUDA World project is an impactful contribution towards Australia's commitment to spend 20 percent of Pacific Official Development Assistance, alongside New Zealand's commitment of 20 percent of Total Official Development Assistance, on aid for trade in the Pacific.

National Project Team and ASYCUDA experts

The National Project Team (NPT) finally gathered on the 3rd of May 2021. Maria MATUA-IOANE (Tariff/ Procedure Specialist), Mii TAKIOA (Automation and Training Specialist) and Walter TANGATA (Project

Manager) were recruited to be part of this ASYCUDA adventure.

Two ASYCUDA experts are assisting NPT, Patricia HAVAN as a Customs expert and Saeid YARANDI as a technical expert.



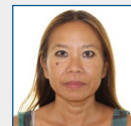
Maria MATUA-IOANE

CICS Senior Customs Officer – Trade and Revenue Assurance 17 years with CICS, user of the CUSPCK system since 2010. CICS Tariff and Customs Procedure Expert Customs Contact person for PACER+ Implementation.



Mii TAKIOA

I joined Customs in 2019 in the role of a client services officer before becoming CICS Trade Assurance/ PCA Auditor.



Patricia HAVAN

French senior Customs officer, I was project manager for ASYCUDA++ when it was implemented in 2005 in New Caledonia.



Walter TANGATA

CICS Senior Customs Officer – Maritime and Cargo. I managed the Cook Islands review, acceptance and passing of Cook Islands legislation 2012 as well as managed the roll out of CUSMOD border management automated system.



Saeid YARANDI

ASYCUDA Expert, I have more than 15 years of experience with ASYCUDA World project implementation in Southeast Asia region.

They have all started to work on ASYCUDA World project and aim to provide Cook Islands with a new, fully automated Customs system.

Coming together is a beginning. Keeping together is progress. Working together is success." Henry Ford



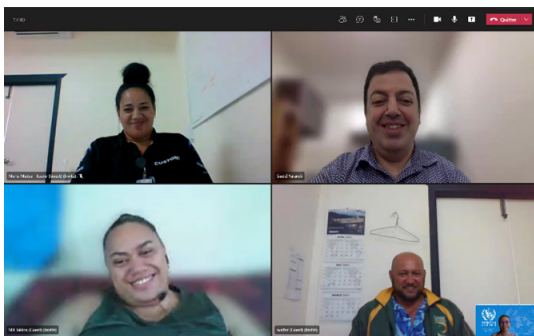
The Manifest, Tariff and Declaration

Working Environment

The NPT team is working out of the Customs House in the center of Avarua the main town of Rarotonga, Cook Islands.

The ASYCUDA project started in April 2021 with the NPT project manager and the rest of the team joining in May 2021.

We have twice weekly meetings with ASYCUDA expert Saeid Yarandi and Customs expert Patricia Havan via MS Teams, and when needed, further meetings are arranged. The team members also have their separate



one on one sessions with experts to discuss specific areas and task to be completed.

Our office is not yet fully equipped due to financial constraints however NPT is making do to what they have at the moment until funding is available.

The manifest

Automation of the manifest is new to Cook Islands. The vessels arriving in the Cook Islands currently provide a manifest to the Customs that is manually processed.

NPT and the AW experts have collected stakeholders' needs and set up a prototype to start testing the manifest process.

The goal: manifest system implemented at the end of quarter 3

Training on manifest in ASYCUDA has also started on the 24th of May for the NPT team.

The tariff

A fundamental part of customs automation is to have the World Customs Organization Harmonized System Tariff uploaded into our new ASYCUDA World system.

HS Tariff and coding system is used for collecting international trade data. This data helps government decisions and policies, for revenue collection, to protect local industries, to negotiate trade agreements, and

the application of rules of origin.

It is a **mandatory** field when submitting **declaration** in which we refer to as **"import or export entries"** in the Cook Islands.

CICS have adopted the Pacific version of the Harmonized System 2017 and are currently using this as the Cook Islands HS 2017.

Working Environment

The NPT team is working out of the Customs House in the center of Avarua the main town of Rarotonga, Cook Islands.

The ASYCUDA project started in April 2021 with the NPT project manager and the rest of the team joining in May 2021.

We have twice weekly meetings with ASYCUDA expert Saeid Yarandi and Customs expert Patricia Havan via MS Teams, and when needed, further meetings are arranged. The team members also have their separate one on one sessions with experts to discuss specific areas and task to be completed.

Our office is not yet fully equipped due to financial constraints however NPT is making do to what they have at the moment until funding is available.

Although the HS changes on the 1st of January 2022 to HS 2022, Cook Islands will use the current HS 2017 for the declaration prototype until we roll over to HS 2022.

NPT and the AW experts have been working closely with NZ Customs system experts to extract HS 2017 data from the current automated system. Once data is received from NZ Customs, the team will work together to assess data and review for further actions.

The goal: to retrieve and assess tariff data from current Cook Islands automated system in the next two weeks

The declaration

The Entry (referred to in AW as Single Administrative Document or SAD) is the key document (manually or electronically submitted) for goods clearance whether imported or exported. ■■■



as majority of information required for revenue collection and border management is in the declaration.

The goal: understand and work through the content of AW SADs by the end of the quarter.

In the last two weeks we have recognized opportunities to improve our current processes. One of the opportunities is to have CICS goods clearance system fully automated.

NPT, the AW experts and NZ Customs have been working on setting up the prototype for declarations.

The manifest

Automation of the manifest is new to Cook Islands. The vessels arriving in the Cook Islands currently provide a manifest to the Customs that is manually processed.

NPT and the AW experts have collected stakeholders' needs and set up a prototype to start testing the manifest process.

Training on manifest in ASYCUDA has also started on the 24th of May for the NPT team.

The tariff

A fundamental part of customs automation is to have the World Customs Organization Harmonized System Tariff uploaded into our new ASYCUDA World system.

HS Tariff and coding system is used for collecting international trade data. This data helps government decisions and policies, for revenue collection, to protect local industries, to negotiate trade agreements, and the application of rules of origin.

It is a mandatory field when submitting declaration in which we refer to as "import or export entries" in the Cook Islands.

CICS have adopted the Pacific version of the Harmonized System 2017 and are currently using this as the Cook Islands HS 2017.

This involved:

- Comparison of terms used in AW and CUSPCK
- Creating of Procedure codes in AW
- List of documents required for each type of declarations (SAD)
- Retrieving a variation of data from CUSPCK system
- Meeting with Tax office around the use of RMD Numbers (referred to as TIN)
- Discussions around the use of Supplier Codes (Supplier referred to as Exporter in AW)

Much of our work in the coming month will revolve around declarations,

Challenges

There have been some challenges since we started on the project, particularly in the terminology used in AW. For example, what we would call an "import entry" is a "declaration" or a 'SAD' in ASYCUDA, however this is something we will overcome in time.

We have also had challenges around online communications. Here in the Cook Islands, we are given a limited internet quota access per month, therefore presents challenges around accessing the AW system as it requires internet access.

Other challenges are understanding how ASYCUDA works. And of course, not having trainers in person to show us how AW works is a huge challenge on its own, so we are hopeful that both experts can join us shortly.



Contact: +682 29510

Website: <https://www.mfem.gov.ck>

E-mail: customs.info@cookislands.gov.ck



Tool for implementing Trade Facilitation without compromising Customs Controls & Border Protection.



Australian Government
Department of Foreign Affairs and Trade



NEW ZEALAND
FOREIGN AFFAIRS & TRADE
Manatū Aorere

