

SENATE LEGAL AND CONSTITUTIONAL LEGISLATION COMMITTEE  
AUSTRALIAN CUSTOMS SERVICE

**Question No. 114**

**Senator Ludwig asked the following question at the hearing on 17 February 2006:**

- a) How many Customs officers are stationed overseas, and what are their functions?
- b) What is the cost of these postings?
- c) What assistance has Customs given to regional governments on Customs matters eg? Training, consultancy advice?
- d) Provide a breakdown of the funding for these services, showing what parts are funded:
  - i) By Customs
  - ii) By DFAT
  - iii) By AusAid
  - iv) By other sources (specify)

**The answer to the honourable senator's question is as follows:**

**(a) How many Customs officers are stationed overseas and what are their functions ?**

Australian Customs maintains offices at the Australian Embassies in Bangkok, Beijing, Brussels, Jakarta, Tokyo and Washington. The staffing breakdown at the offices is:

	<b>Australian-based Staff</b>
Bangkok	1
Beijing	3
Brussels	1
Jakarta	1
Tokyo	1
Washington	2
TOTAL	9

The functions of the overseas offices cover the broad range of Customs' activities including addressing trade pressures (in China in particular), with an emphasis on anti-dumping measures, a focus on regional border security and counter terrorism activities through Jakarta, enhancing relationships with other Customs administrations and associated departments, effectively dealing with aspects of the illegal drug trade, infringements of intellectual property, facilitating capacity building initiatives in the region and sharing intelligence in matters of mutual assistance in customs cooperation.

**(b) What is the total cost of these postings ?**

The actual cost for the six posts in 2004–05 was \$3.8 million, which is made up of employee and supplier expenses. The budget estimate for 2005–06 is \$7.3 million (increase in costs due to the establishment of two new overseas posts in Beijing and Jakarta).

**(c) What assistance has Customs given to regional governments on Customs matters ?**

Focussing on 2005-06, assistance has been provided to Papua New Guinea, Solomon Islands, the Kingdom of Tonga, the Socialist Republic of Vietnam, the People’s Republic of China, Japan and the Republic of Korea and the Republic of Indonesia. Visits and exchanges have not been included in the response. In addition Customs involvement in regional multilateral forums has provided the opportunity to assist groups through the Oceania Customs Organisation and the Asia Pacific Economic Cooperation and the World Customs Organisation region forums. It is not possible to provide a breakdown of the funding for these arrangements.

For all costings, these are direct costs only and do not include salary of officers involved in delivering the assistance or other indirect costs, unless stated.

Details on the specific assistance provided are as follows:

**Papua New Guinea**

There are three officers stationed in Papua New Guinea (PNG) under the Enhanced Cooperation Program (ECP) who work within the PNG Internal Revenue Commission to achieve agreed revenue, border management and transport security objectives for the Australia—PNG ECP.

**(d) Provide a breakdown of the funding for these services**

(i) by Customs	Nil
(ii) by DFAT	Nil
(ii) by AusAID	\$3.46m estimated financial limit for the period September 2003 to December 2008
(iv) by other sources specify	Nil

**Solomon Islands**

Australian Customs manages the Customs Modernisation Program in Solomon Islands as part of the Regional Assistance Mission to Solomon Islands (RAMSI). Two Australian Customs officers are working as advisers in the Solomon Islands Customs and Excise Division to improve revenue collection and achieve border integrity.

Australian Customs also has one officer working on the Customs Cargo Compliance Improvement Program, which is a separate program funded by AusAID through the Pacific Governance Support Program.

**(d) Provide a breakdown of the funding for these services**

(i) by Customs	RAMSI: \$1.41 million (2005-06 estimate) includes departmental and program costs
(ii) by DFAT	Nil
(ii) by AusAID	Pacific Governance Support Program: \$384 600 (two-year funding received in 2004–05)
(iv) by other sources specify	Nil

**The Kingdom of Tonga**

An Australian Customs officer is the Acting Head of the Tongan Customs Service on secondment for twelve months under a program of interim assistance funded by AusAID. The objective of the program is to restore the operational capacity of the Tongan Customs Service and refurbish essential infrastructure in preparation for a broader Financial and Economic Management Program being developed by AusAID.

**(d) Provide a breakdown of the funding for these services**

(i) by Customs	\$2 600 – administrative costs incurred in the six months ended December 2005
(ii) by DFAT	Nil
(ii) by AusAID	\$990 000 maximum amount payable by AusAID under a memorandum of understanding for the development cooperation program for the period August 2005 to June 2007
(iv) by other sources specify	Additional funding of the development cooperation program provided by the Government of New Zealand and the Government of the Kingdom of Tonga

**Special Travel Security Fund Project with Indonesian Directorate of Customs and Excise – Maritime Security**

Customs is engaged in the delivery of a capacity building project relating to maritime security. Funding was received in the 2004–05 financial year as part of the Government's \$10 million four-year counter terrorism capacity building initiative announced in 2002 and is scheduled to be completed by June 2006.

The project has four major components - ships search training, intelligence analysis training, drug/explosives/radiation technology acquisition and training and extended closed circuit television (CCTV) capability and training.

**(d) Provide a breakdown of the funding for these services**

(i) by Customs	Nil
(ii) by DFAT	Nil
(ii) by AusAID	\$778 000 (received in 2004-05)
(iv) by other sources specify	Nil

**Intelligence**

Customs delivered an Intelligence Analysts Workshop in Japan in early 2006.

**d) Provide a breakdown of the funding for these services**

(i) by Customs	\$23 800 (2005-06 cost rounded)
(ii) by DFAT	Nil
(ii) by AusAID	Nil
(iv) by other sources specify	Nil

**Customs International Executive Management Program (CIEMP)**

CIEMP is an annual executive management program hosted by Australian Customs for officers of customs administrations in the Asia Pacific region. The program is aimed at executives of customs administrations who have the potential to advance to senior ranks within their organisations. CIEMP is a focused program presenting contemporary management theory and practice in a customs context. Management topics are delivered in conjunction with group exercises and an individual project related to an area of reform within the participants' own organisations.

**d) Provide a breakdown of the funding for these services**

(i) by Customs	\$270 000 (2005-06 estimate) includes the cost of a service provider to deliver the academic component of the program, as well as travel and accommodation expenses for most of the program participants
(ii) by DFAT	Nil
(ii) by AusAID	Nil
(iv) by other sources specify	Some overseas customs organisations fund their own travel and travel allowances

### **APEC Sub-Committee on Customs Procedures - Vietnam Assistance Program**

Customs is assisting Vietnam Customs to host and provide secretariat support for the Asia Pacific Economic Cooperation (APEC) Sub-Committee on Customs Procedures during 2006. Assistance delivered under this project includes a planning workshop and provision of two staff during the two 2006 SCCP meetings to assist the Vietnam Customs secretariat.

#### **d) Provide a breakdown of the funding for these services**

(i) by Customs	\$32 000 (2005-06 estimate)
(ii) by DFAT	Nil
(ii) by AusAID	Nil
(iv) by other sources specify	Nil

### **2005 APEC Amity Customs Workshop**

In October 2005, Customs provided a presenter for the 2005 Asia Pacific Economic Cooperation (APEC) Amity Customs Workshop organised by Chinese Taipei.

#### **d) Provide a breakdown of the funding for these services**

(i) by Customs	\$2 300 for airfares (2005-06 estimate)
(ii) by DFAT	Nil
(ii) by AusAID	Nil
(iv) by other sources specify	The Chinese Taipei Ministry of Finance funded the accommodation costs of the Customs presenter

### **Detector Dog Program**

In 2005–06, the Customs Detector Dog Program engaged in several international assistance programs with China, Indonesia, Malaysia, Saipan and the USA. Assistance includes the provision of dogs, assessment of training centres and placements in Australian Customs Detector Dog training programs.

**d) Provide a breakdown of the funding for these services**

(i) by Customs	\$47 000 (2005-06 estimated expenditure year to date)
(ii) by DFAT	Nil
(ii) by AusAID	Nil
(iv) by other sources specify	Nil

**Oceania Customs Organisation (OCO)**

Australian Customs is a major contributor to the OCO, which serves as a vehicle for customs cooperation, information exchange and technical assistance work undertaken in the Pacific region. Australian Customs is the facilitator of the Capacity Building Technical Committee. Through the Committee, Australia is currently providing capacity building assistance on increasing compliance with the World Customs Organisation (WCO) Framework of Standards, Integrity, Customs Asia-Pacific Enforcement System (CAPERS) training, and screening of transited and transhipped cargo.

**d) Provide a breakdown of the funding for these services**

(i) by Customs	\$15 000 annual general contribution fee
(ii) by DFAT	Nil
(ii) by AusAID	Nil
(iv) by other sources specify	The Government of New Zealand funds the Secretariat

**Data Harmonisation**

In 2005, Customs provided technical assistance on the WCO Data Model Version to a delegation of Korean Customs Officers and members from KTNET, Korea's VAN (Value Added Network).

**d) Provide a breakdown of the funding for these services**

(i) by Customs	Nil
(ii) by DFAT	Nil
(ii) by AusAID	Nil
(iv) by other sources specify	Government of the Republic of Korea

## Counter Terrorism

As part of a Department of Foreign Affairs and Trade (DFAT) coordinated cross portfolio package of regional counter terrorism assistance, Customs commenced a program of assistance in 2005–06 focused on enhancing border controls in the Sulu and Celebes Seas area (the Republic of Indonesia, Malaysia and the Philippines). The first six months of the program aimed at establishing key cross-agency relationships in each host country and identifying a specific program of assistance for each country.

The following assistance activities were also completed during this period:

- precursor chemicals (explosives and drugs) training for Indonesian Customs Officers, in Jakarta;
- hosting a visit for senior Indonesian Customs chemists to observe Australian Customs approach to detection, safe handling and forensic analysis of precursor chemicals (explosives and drugs);
- hosting a visit for Indonesian Customs intelligence analysts to observe Australian Customs approach to port intelligence with a focus on community based remote area collection, collation and reporting; and
- establishing agreements for senior level visits from the Philippine Bureau of Customs and Philippine Coast Guard in April 2006 and May 2006 respectively, to observe Australian Customs approach to border management and civil maritime surveillance in a cross-agency environment.

### d) Provide a breakdown of the funding for these services

(i) by Customs	\$4.1 million (funding over four years received in 2005-06 for the Sulu and Celebes Seas regional counter terrorism program)
(ii) by DFAT	Nil
(ii) by AusAID	Nil
(iv) by other sources specify	Nil

### Rules of Origin

As part of the Free Trade Agreement (FTA) negotiations for the Australia-China FTA and the ASEAN-Australia-New Zealand FTA, Customs assisted in the provision of rules of origin workshops in Malaysia, Vietnam, Cambodia and China. The purpose of the workshops was to explain the change in tariff classification method of values of origin. Customs, AusAID, DFAT and the Government of New Zealand contributed to funding the workshops.

### d) Provide a breakdown of the funding for these services

(i) by Customs	\$12 000 (2005-06 estimate)
(ii) by DFAT	Not known by Customs
(ii) by AusAID	Not known by Customs
(iv) by other sources specify	Government of New Zealand