



## **Tax Talk- FRCS celebrates International Customs Day 2019**

*This week in Tax Talk, Fiji Revenue and Customs Service (FRCS) is celebrating, with our Customs stakeholders, the annual International Customs Day. The theme for the 2019 celebration, held on 26<sup>th</sup> January worldwide, is ‘SMART borders for seamless trade, travel and transport’.*

### **Why celebrate International Customs Day?**

This day has been set aside to celebrate and recognise the establishment of the World Customs Organization (WCO) in 1953 in order to support International Customs cooperation.

### **Significance of the 2019 Theme**

According to the Secretary General, World Customs Organization (WCO), Mr. Kunio Mikuriya, 2019 will be devoted to the “swift and smooth cross-border movement of goods, people and means of transport.”

Taking this into consideration, and as the hub of the Pacific, FRCS and its stakeholders are committed towards achieving a SMART border this year.

### **What does SMART mean?**

SMART stands for: Secure; Measurable; Automated; Risk Management-based, and Technology-driven and to achieve this, WCO has stated the following:

#### **Secure:**

Customs, partner government agencies and economic operators are called upon to continue enhancing supply-chain security and efficiency, based on mutual trust and transparency.

#### **Measurable:**

WCO will initiate discussion on developing a robust, comprehensive, and fully scientific methodology for performance measurement that aims to cover all major customs competencies.

#### **Automated:**

WCO urges customs administrations to strengthen measures to exploit cutting-edge technologies to improve its processes, services and overall performance.

#### **Risk management-based:**

An intelligence-driven and data-enabled risk management framework allows customs administrations to be more effective at all levels.

#### **Technology-driven:**

Digital disruption has brought about new opportunities and challenges for customs and partner

government agencies, which triggers the need to explore the use of other information and communication technologies.

### **Gold Card Renewal**

FRCS renewed membership of its Gold Card members during the International Customs Day celebrations. A total of 78 members who have had a consistent history of excellent taxation and Customs compliance were issued with the Gold Card certificates. The Gold Card Initiative is based on high levels of trust and partnership towards voluntary compliance with rewards including priority facilitation, service and associated benefits

Since the establishment of the Gold Card initiative in 2012, the Gold Card Services section with its partners, namely Fiji Airports, Biosecurity Authority of Fiji, Fiji Airways, Fiji Immigration and Land Transport Authority, have been providing privileged services to our Gold Card members.

FRCS congratulates its Gold Card members for the renewal of their membership and their continued support towards the Fijian economy.

### **Other 2019 Initiatives**

FRCS is also geared up to implement a number of initiatives relevant to the 2019 World Customs Day theme, with the single Window Project a major undertaking.

### **Single Window Project**

On a daily basis, traders have to prepare and submit an increasing amount of information to various border control agencies, with each agency often having its own specific, automated systems and format. These requirements can become a significant obstacle to business and can hinder the development of international trade.

The 'Single Window' is an approach to service delivery whereby all regulatory services for import, export and transit clearance are provided 'under one roof', making it convenient for businesses to access and use these services. The Single Window approach helps reduce cost, effort and time, both to the service provider and to the consumer, leading to positive outcomes for both parties.

In the context of cross-border trade, the Single Window concept provides a comprehensive set of services, through a common framework and an agreed set of business processes to those individuals and organisations engaged in international trade and transport transactions. The system allows traders to lodge information with a single body to fulfil all import or export related regulatory requirements.

### **Official launch of Fiji Authorised Economic Operator (AEO)**

Following the pilot launch in June last year of Fiji's Authorised Economic Operator (AEO) programme, FRCS is pleased to announce the official launch of the AEO programme.

Members of the AEO programme are already FRCS Gold Card members and have been granted AEO status based on their excellent level of compliance, proper management of records and internal control, proven financial viability and robust supply chain security. They are:

1. Biscuit Company of Fiji Pte Limited
2. Central Manufacturing Company Pte Limited
3. Hard Rock Café Fiji
4. KIA Motors Pte Limited
5. Natural Waters of Viti Pte Limited
6. Victus Pte Limited T/A Burger King
7. Vodafone (Fiji) Pte Limited

Similar to Gold Card membership, the AEO membership is valid for consecutive years, with the Chief Executive Officer of the Fiji Revenue & Customs Service reserving the right to terminate or renew AEO Membership.

**What is AEO?**

In June 2005, the WCO Council adopted the Standards to Secure and Facilitate Global Trade (SAFE) Framework to act as a deterrent to international terrorism, secure revenue collections and promote trade facilitation worldwide. In 2007, under the WCO's Customs to Business partnership programme, the Authorized Economic Operators (AEO) Programme was introduced.

The AEO Programme is designed for trusted traders who are able to demonstrate consistent quality, compliance and trustworthiness in their supply chain. Under this programme the trusted traders will be accorded benefits by the Customs administrations to assist in the movement of international cargo. Among the WCO members, over 170 countries have submitted letters of intent to implement the AEO system and the programme is currently in operation in many countries across the globe.

Fiji is the 80th country in the World and first in the region to introduce the AEO programme.

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