



# IMPROVING CUSTOM FACILITIES FOR FREIGHT AND PASSENGERS

Pacific Economic Cooperation Council (PECC)

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### Summary



### A. The current situation

1.a particular geography

2. Economics flows

3. Customs

### B. The means used to promote trade

- 1. IT developments with Customs
- 2. new regulations with Customs

### C. The next steps

1. The establishment of a CCS

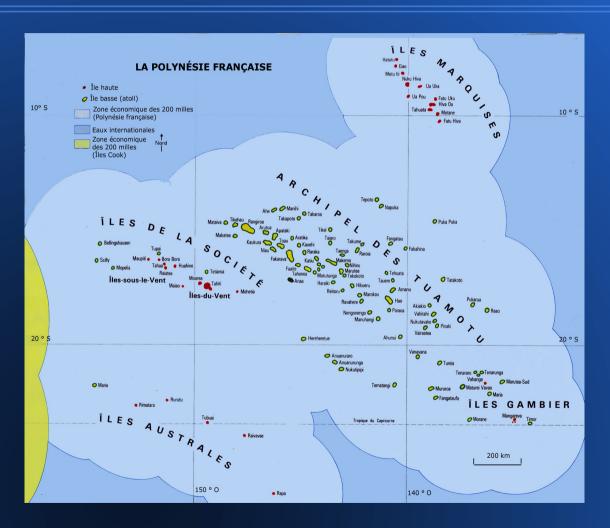
2. Always anticipate the provision of information





### 1.A particular geography





Polynesia extends over a maritime territory 5 millions square kilometers,

Includes 130 islands divided into 5 archipelagos

270 000 people in total,

170 000 people are installed on the island of Tahiti.





### 1.A particular geography





Polynesia is almost as extensive as Europe

The whole of the emerged territories is as big as Long Island in New York

Tahiti island concentrates most of the economic activity

The city port of Papeete has 27,000 inhabitants





### 2. Economics flows Importations and exportations



- 93 % of the goods are imported
- The most important richess: tourism industry
- The first products in value terms at export are the blacks pearls after the fish then coconut oil
- The first products in value terms of importation are oils, pharmacy, cars.
- The first countries of importation are France, New Zealand, Singapore and South Korea
- The first countries of exportation are France, Hong Kong, Japan, USA.





# 2. Economic flows The harbour of Papeete





- •It processed 1.4 million tonnes
- •Including 417,000 tonnes of oil
- •Including 413,000 tonnes per container
- •183 ships movements including 15 oil tankers and 8 LNG tankers
- 5000 tonnes local fishing and 110 tonnes transhipment
- •151 stopovers of passengers ships and 110,000 passengers
- •70 000 containers per year of which 50% in FCL, 50% empty containers





# 2. Economic flows The harbour of Papeete





All imports and exports are processed in customs at Tahiti

It's a hub.

There may also be exceptions.





# 2. Economic flows The airport of Faa'a





In 2015, it registered 33,000 aircraft movements

13,800 tonnes of cargo.

It's the first place to export fish.

It's the first place to import trans-shipment of spare parts to pleasure vessels and cruising yachts





# 2. Economic flows The airport of Faa'a





In 2015, it processed 1,760,000 passengers of which 570,000 international passengers.

Customs covers 33,000 tax refunds for passengers who very often used cruise ships.

Customs offers simplified procedures for trans-shipment from the airport.

The airport and the port work in synergy in customs procedures.

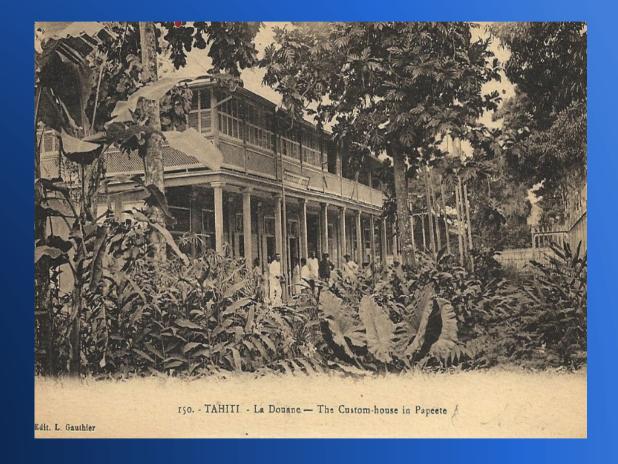




# 3. Customs Some views of the customs in French Polynesia



The first customs officers were installed in Polynesia in 1844, two years after the signing of the Treaty of Protectorate. The two agents taxed certain products such as wines and spirits. In 1857, they are in capacity taxing all the products. An initial customs tariff was established on imports in 1862. Then the customs was abolished on 1 January 1865. Papeete becomes a free port. Customs were restored in 1892.







#### 3. Customs

#### Some views of the customs in French Polynesia beetwen 1950 and 1968 RÉPUBLIQUE FRANÇAISE



The customs 'office in 1966 on the port of Papeete created in 1950. The building was on the warf.

Economic activity will increase from the sixties. The international airport is built in 1960. The port is enlarged between 1964 and 1972.









# 3. Customs Missions, organization and functioning in brief



The main mission is to collect taxes and duties and control the declarations

Customs register 130 000 declarations

- 50% of which contain only one article
- The average number of items per declaration is 5

The customs contribute greatly to the budget of the Territory providing yet in 2002 60% of the revenue of the country against 38% today after the introduction of VAT under the internal system.

Customs contributes to collect the equivalent of 50 billion FCP per year or 635 000 000 NZ\$

The Custom administration is based in Tahiti but was also occasionally in the past to Raiatea (sea freight and postal) and Makatea (phosphates) and Hao (materials for ECP) or temporarily in Rapa in 1998 or recently at Moruroa in 2005.

It counts in 2016 142 jobs.





# 3. Customs Missions, organization and functioning in brief



We create the custom's law

The mission of the Customs
Department At the request of the
Government or on own
propositions As to create the texts
on tax ans customs matters

We do not fall under the Community Customs Code of the European Union

But of a specific customs code of French Polynesia







# Some views of the customs in French Polynesia



Our mission is to fight against fraud on the sea, at the airport, in the port, every where in the Territory

- Drugs
- Counterfeits
- Protected plants and animals species
- Fiscal fraud (tobaccos, alcohols, taxes and duties...)

• ...

680 kilos of cocaine in 2016 Our previous coastguard boat Marquises and Bora Bora











### The means used to promote trade



- 1. IT developments with Customs
- 2. rules developments with Customs





### 1. IT developments with Customs



 We have experimented over 20 years three ways of clearing customs

- 1. The paper declaration
- 2. The computerized declaration
- 3. The dematerialized declaration





## 1. IT developments with Customs Clearance before 2000



- Twenty years ago, all the customs declarations were registered by the Customs
- There was a documentary check on 100 % of the cases
  - There was physical control based on the criteria established by each customs officer in charge of control
  - 10 % of the customs declarations were physically controlled





# 1. IT developments with Customs Clearance beetwen 2000 and 2017



In 2000, a new customs clearance system was introduced on the basis of the French system set up in France in 1976 for the first time

The declarations are made on computer

But the declarations are compiled in paper format always

Selection criteria were established in order to release the largest volume of goods

There are a documentary control (20%)



There are a physical check (from 2 % to 5%)



#### **Customs clearance from 2017**



In 2017, a new customs clearance system will be established on the basis of the French system set up for the first time in 2006.

All flows are completely dematerialized

Selection criteria established centrally for both offices so as to release a greater volume of goods after risk analysis

There is no more documentary control a priori but a posteriori in a targeted way

Accompanying documents are presented only in case of physical or documentary checks

Putting in place a complete risk analysis of the pre-clearance to the control in company

Reduce the physical control rate between 1 and 2%





# 1. IT developments with Customs Customs clearance from 2017



	Good to deliver immediatly after a registration			Good to deliver D+3	Good to deliver D
Before 2000	70 %	77 %	83 %	90 %	99 %
Beetween 2000 and 2017	89 %	95 %	97 %	99 %	
Starting from 2017	95 %	98 %	99 %		





# 1. IT developments with Customs The expected objectives



We want reduce delays for clearance by dematerializing the customs formalities

We want reduce the costs of customs intervention by limiting the cost of employment of customs officers outside legal hours by a new control policy

We use one model of declarations for all the differents customs formalities

We want secure the flows by taking better account of the preclearance by risk analysis

It's will be the end of the customs controls at port exit by using of barcodes to cross the gates of the port





## 1. IT developments with Customs The means to achieve this



- we have implemented of an international call for tenders
- The gouvernement and the customs have chosen the service provider Bull and his IT soultion « e-biscus »
- Software is operational in Ireland, Malta, Cyprus, Kenya
- Cost 400 millions FCP
- Implementation period: 11 months between the launch of the contract and its deployment





### 2. Regulatory developments with Customs for commercial fert



- In parallel, we relax customs regulations whenever possible
  - We have extended the time of stay of pleasure vessels temporarily admitted to 36 months with a simplified procedure for imports of parts for the ship
    - We have extended the warehouse storage period
  - This involves the creation of simplified procedures to encourage exports for all compagnies who can mail up to 450000 FCP without going through a customs office





### 2. Regulatory developments with Customs for passengers



#### In parallel, we relax customs regulations whenever possible

- This goes through the possibility in the medium term for travelers to declare on internet to reduce the time of passage through customs
- and maybe the level of duties and taxes.





### The next steps



### C. The next steps

Set up with port partners a Cargo Community System

Participate to the creation of a one-stop shop at a gouvernemental level







# Thank you for your attention Maururu metai Merci pour votre attention.

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