



**ARRANGEMENT BETWEEN THE CUSTOMS
ADMINISTRATIONS OF THE MEMBER STATES OF THE
ASSOCIATION OF SOUTHEAST ASIAN NATIONS
REGARDING THE MUTUAL RECOGNITION OF THEIR
RESPECTIVE AUTHORISED ECONOMIC OPERATOR
PROGRAMMES**

The Customs Administrations of Brunei Darussalam, the Kingdom of Cambodia, the Republic of Indonesia, the Lao People's Democratic Republic, Malaysia, the Republic of the Union of Myanmar, the Republic of the Philippines, the Republic of Singapore, the Kingdom of Thailand, and the Socialist Republic of Viet Nam, Member States of the Association of Southeast Asian Nation (ASEAN) (hereinafter referred to individually as "Participant" and collectively as "Participants");

RECALLING Article 59 of the ASEAN Trade in Goods Agreement signed in Cha-am, Thailand on 26 February 2009 and the decisions of the customs administrations of the ASEAN Member States to implement an arrangement on the mutual recognition of the ASEAN Authorised Economic Operators (AEO) Programmes (hereinafter referred to as "this Arrangement") on a pathfinder basis in accordance with the endorsed Strategic Plan of Customs Development 07 on AEO 2021 – 2025 Phase;

RECALLING the Joint Action Plan on the Mutual Recognition Arrangement of Authorised Economic Operators Programme of ASEAN Member States adopted at the 31st Meeting of the ASEAN Customs Directors-General held on 7 – 9 June 2022 in Singapore which states that Participants will endeavour to conclude this Arrangement at the earliest opportunity;

CONSIDERING that a joint evaluation by the Participants has confirmed that their national Authorised Economic Operator Programmes (hereinafter referred to as “Programmes”) are security and compliance initiatives that strengthen the security of the supply chain and enhance trade facilitation of the Participants;

RECOGNISING that the Programmes of the Participants apply security requirements in accordance with the respective domestic laws of the Participants and the internationally recognised security standards set forth in the World Customs Organization SAFE Framework of Standards to Secure and Facilitate Global Trade (hereinafter referred to as “SAFE Framework”); and

ACKNOWLEDGING the specialised nature of border management processes, procedures, mechanisms, and the legislations adopted by the Participants in administering their respective Programmes,

HAVE REACHED THE FOLLOWING UNDERSTANDING:

Section I Scope

1. This Arrangement will exclusively concern the mutual recognition of the respective Programmes administered by the Participants that are participating in this Arrangement pursuant to paragraph 2 of Section VIII (Commencement and Implementation) (hereinafter referred to as “Participating Parties”).
2. In this Arrangement, “Members” refer to the companies authorised under the respective Programmes administered by the Participating Parties.

Section II Compatibility

The Participating Parties will ensure that:

- (a) the standards applied to the respective Programmes will continue to be compatible in the following aspects:
 - (i) accreditation criteria;
 - (ii) application procedures;
 - (iii) validation processes;
 - (iv) authorisation processes; and
 - (v) monitoring and evaluation mechanisms.
- (b) their respective Programmes will continue to operate in accordance with the principles and standards of the SAFE Framework.

Section III Mutual Recognition and Trade Facilitation Measures

1. Each Participating Party will accept the validation and authorisation status granted to Members of the other Participating Parties' Programmes.
2. After the Participating Parties have established the compatibility of their Programmes, each Participating Party will treat Members of the other Participating Parties' Programmes in a manner comparable to those of its own Programme, and endeavour to provide the Members, to the extent practicable, with the following trade facilitation measures:

- (a) provide expedited clearance by reducing documentary checks and/or physical cargo inspection, for cargoes exported from or imported by a Member of the other Participating Parties' Programmes, subject to assessment of security alert levels;
 - (b) grant priority checks for cargoes exported from or imported by a Member of the other Participating Parties' Programmes that have been selected for physical inspection; and
 - (c) in the event of a disruption to international trade, endeavour to provide priority expedited clearance to the cargoes exported from or imported by a Member of the other Participating Parties' Programmes.
- 3. Each Participating Party will take into consideration the authorisation status of Members accorded by the other Participating Parties under their respective Programmes when conducting risk assessment on importing goods from those Members.
- 4. Each Participating Party may, under reasonable circumstances, suspend any or all of the facilitation measures given to one or more Members of the other Participating Parties' Programmes, provided that the other Participating Parties have been promptly notified of this decision and the underlying reasons in writing (including via electronic mail), or via customs-customs electronic platform if such a platform is established.
- 5. Participating Parties intend to maintain the ability to revoke membership in their respective Programme procedures. The fact of the revocation by a Participating Party of a Member whose status has been accepted by the other Participating Parties will be promptly notified to the other Participating Parties.

Section IV

Information Exchange and Communication

1. The Participating Parties will set up an information exchange mechanism to effectively implement the following measures:
 - (a) regularly exchanging up-to-date information on Members under their respective Programmes, including the name, address, unique identifier/AEO reference number, authorisation status, and any other relevant information through an agreed communication channel in a secure manner; and when available and as applicable, Participating Parties will exchange the agreed information in a real time manner, to the extent practicable;
 - (b) providing updates on changes to their respective Programmes, including operational and administrative procedures or changes to the name of their respective Programmes; and
 - (c) exchanging mutually agreed beneficial information, such as information and statistics relating to the usage of the Programmes by Members of the Participating Parties, the trade facilitation impact or benefits observed, or other information regarding supply chain security.

2. The Participating Parties:
 - (a) will each appoint a liaison officer and inform the other Participating Parties of the appointment and relevant details of the liaison officer;
 - (b) will ensure that the information exchanged under this Arrangement will be kept confidential and will be used by Participating Parties and respective

government agencies solely for the purpose of implementing this Arrangement, unless such information is already in the public domain. If any Participating Party needs to use the information for the purposes not covered in this Arrangement, or to disclose the information to a third party, the requesting Participating Party will seek prior written consent from the Participating Party who had provided the information; and

- (c) will ensure that information exchanged or disclosed under this Arrangement, is in accordance with the respective domestic laws, regulations, and policies applicable to each Participating Party.

Section V Future Endeavours

The Participating Parties will:

- (a) actively implement this Arrangement with a view to strengthening supply chain security and enhancing the Participating Parties' common interests in trade facilitation;
- (b) each strive to provide Members of the other Participating Parties' Programmes with further benefits in accordance with this Arrangement;
- (c) engage in dialogues to discuss opportunities to allow trade resumption following disruption in emergency situations. Such situations include heightened security alert levels, border closures, or natural disasters;
- (d) establish channels of communication to pursue possible improvements or enhancements to this

Arrangement such as further trade facilitation measures, in accordance with the SAFE Framework and its guidelines; and

- (e) endeavour to make available an electronic system to facilitate real time information exchange and communication for the purpose of this Arrangement.

Section VI Consultations and Amendments

1. All issues relating to the interpretation or implementation of this Arrangement will be resolved through mutual consultation and written consent by the Participants.
2. Amendment of this Arrangement will be subject to mutual consultation and written agreement by the Participants.
3. The Participants will review this Arrangement as necessary.

Section VII Status of Arrangement

1. This Arrangement is not legally binding on the Participants and does not give rise to any rights and obligations under international law or the law of any other jurisdiction, nor does it confer or create any rights, privileges, or benefits on any third person, company or entity, private or public.
2. The Participants will implement the measures under this Arrangement in accordance with their respective domestic laws, regulations and practices, and the applicable international instruments.

3. No provision in this Arrangement will restrict any Participant from acting in accordance with its domestic laws, regulations and practices, and the applicable international instruments.
4. This Arrangement will be without prejudice to any other mutual recognition arrangement of the Programmes between the Participants.

Section VIII Commencement and Implementation

1. This Arrangement will come into effect upon signature by the Participants.
2. After this Arrangement comes into effect pursuant to paragraph 1, any Participant which wishes to participate in this Arrangement upon satisfactory completion of the joint validation of its AEO programme by other Participants, will notify the ASEAN Secretariat in writing of its effective date of participation, and the ASEAN Secretariat will thereafter notify the rest of the Participants of the same.
3. Upon the submission of the notifications pursuant to paragraph 2, the first group of at least three Participating Parties will commence a pilot phase for a period of six months or as mutually agreed by the Participating Parties.
4. While the pilot phase in paragraph 3 is ongoing, the following Participating Parties will automatically join therein for the remaining period or as mutually agreed by the Participating Parties.
5. Should there be no on-going pilot phase, each of the remaining Participant will commence a pilot phase with the existing Participating Parties upon its submission of

notification pursuant to paragraph 2 for a period of time as mutually agreed.

6. The Participating Parties will finalise the implementation arrangements on operational procedures upon completion of each of the pilot phase and implement this Arrangement on a date mutually agreed by the Participating Parties.

Section IX Termination and Withdrawal

1. Any of the Participants wishing to withdraw its participation under this Arrangement will submit a written notification to the ASEAN Secretariat at least 60 days prior to the date of its effective date of withdrawal. The ASEAN Secretariat will thereafter notify the rest of the Participants of such withdrawal.
2. This Arrangement may be terminated upon a written agreement of the Participants or the rest of the Participants as the case may be.
3. The commitments set out in Section IV (Information Exchange and Communication) regarding confidentiality and security of the information obtained pursuant to this Arrangement will remain in effect after the termination of this Arrangement as long as the Participants retain the information.

SIGNED on the *Nineteenth* Day of *September* in the Year of *Two Thousand and Twenty-Three* at Bandar Seri Begawan, Brunei Darussalam; Phnom Penh, Cambodia; Jakarta, Indonesia; Vientiane, Lao PDR; Putrajaya, Malaysia; Yangon, Myanmar; Manila, Philippines; Singapore; Bangkok, Thailand; and Ha Noi, Viet Nam, in a single original copy in the English Language.

For the Royal Customs and Excise Department of Brunei Darussalam:

A handwritten signature in blue ink, consisting of a large, sweeping loop at the top, followed by a smaller loop and a horizontal line extending to the right.

ZUL-FAISAL HAJI SAHERIN
Acting Controller of Customs and Excise

For the General Department of Customs and Excise of Cambodia:

A handwritten signature in blue ink, consisting of stylized initials and a long horizontal stroke extending to the right.

Dr. KUN NHEM
Minister Attached to the Prime Minister
Director General

For the Directorate General of Customs and Excise of the Republic of
Indonesia:

A handwritten signature in blue ink, consisting of a stylized letter 'A' with a horizontal crossbar and two vertical strokes, followed by a short horizontal line.

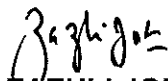
ASKOLANI
Director General

For the Lao Customs Department of the Lao People's Democratic
Republic:

A handwritten signature in blue ink, consisting of a series of loops and a long, sweeping underline that extends to the right.

PHOUKHAOKHAM VANNAVONGXAY
Director General

For the Government of Malaysia as represented by the Royal
Malaysian Customs Department of Malaysia:



DATO' ZAZULI JOHAN
Director General of Customs

For the Customs Department of the Republic of the Union of Myanmar:

A handwritten signature in black ink, consisting of stylized, cursive letters, positioned above a horizontal line.

THEIN SWE
Director General

For the government of the Republic of the Philippines as represented
by the Philippine Bureau of Customs:


BIENVENIDO Y. RUBIO
Commissioner

For the Singapore Customs of the Republic of Singapore:

A handwritten signature in black ink, consisting of stylized cursive letters that appear to read 'THH'.

TAN HUNG HOOI
Director General

For the Customs Department of the Kingdom of Thailand:



PATCHARA ANUNTASILPA
Director General

For the Ministry of Finance as represented by General Department of
Viet Nam Customs of the Socialist Republic of Viet Nam:

A handwritten signature in blue ink, consisting of a large initial 'C' followed by several loops and a long horizontal stroke extending to the right.

NGUYEN VAN CAN
Director General