

## JOINT MEDIA STATEMENT OF THE 27<sup>TH</sup> MEETING OF THE ASEAN DIRECTORS-GENERAL OF CUSTOMS

## Langkawi – Malaysia, 2 – 4 May 2018

1. The 27<sup>th</sup> Meeting of the ASEAN Customs Directors-General was held from 2 to 4 May 2018 in Langkawi, Malaysia. The Meeting was chaired by Dato' Sri Subromaniam Tholasy, Director General of the Royal Malaysian Customs Department. The Meeting was attended by all 10 ASEAN Member States and the ASEAN Secretariat.

2. The Meeting reviewed the work of the ASEAN Coordinating Committee on Customs (CCC), the Customs Procedures and Trade Facilitation Working Group (CPTFWG), the Customs Enforcement and Compliance Working Group (CECWG), the Customs Capacity Building Working Group (CCBWG) and the ASEAN Single Window Steering Committee (ASWSC).

3. The Meeting noted significant progress in the ASEAN customs integration, particularly in the following areas:

- a. The establishment of the ASEAN Technical Sub-Working Group on Classification (TSWGC) to assume the role of the existing AHTN Task Force, and the election of Indonesia to chair the TSWGC for the period of May 2018 to June 2020. The TSWGC is established with a view to settling amicably all differences between ASEAN Member States (AMS) concerning the classification of goods, procedures of the AHTN review and pertinent matters related to the working scope of the TSWGC. The Meeting also extended its utmost appreciations to Thailand who had successfully chaired the AHTN Task Force for the period of 2014 – 2018.
- b. The development of ASEAN Customs Transit System (ACTS) progressed steadily with the signing of the Protocol 2 (Designation of Frontier Posts) set out in ASEAN Framework Agreement on Facilitation of Goods in Transit (AFAFGIT), by all 10 ASEAN Member States. The other legal instrument, Protocol 7 (ASEAN Customs Transit System) has been ratified by 9 (nine) AMSs. These instruments in combination with other relevant Protocols under AFAFGIT shall provide a solid legal foundation for the operationalization of the ACTS in ASEAN. The ACTS is a computerised customs management system under which the goods will be transported by road under a single customs regime instead of the current complex customs

procedures on goods in transit maintained by national customs administrations of AMSs.

- c. The AMS are intensifying their efforts towards having a national Authorised Economic Operator (AEO) programmes. Six (6) Member States have implemented AEO namely Brunei Darussalam, Indonesia, Malaysia, Singapore, Thailand and Viet Nam. Followed by the Philippines, Lao PDR and Myanmar, all of which are either in the process and/or initial stages of their respective AEO Programmes. Cambodia implemented trade compliance programme entitled *Traders Compliance Programme* since 2013 and is planning to embark on AEO by this year, 2018.
- d. Following the completion of the ratification of the Protocol on the Legal Framework to Implement the ASW (PLF) by all Member States in 2017, the ASEAN Single Window (ASW) live operation had begun on 1 January 2018 among the five (5) exchange-ready Member States (Indonesia, Malaysia, Singapore, Thailand, and Viet Nam). The using of exchanged electronic document of ATIGA Form D to grant preferential tariffs would provide benefits in streamlining trade procedures and documentations, and reduce cost and time of doing business. In addition, some additional documents are being considered to be exchanged under the ASW gateway, such as the ASEAN Customs Declaration Document (ACDD) and e-Phyto Certificate, in accordance with the agreed targeted timelines.
- 4. The Meeting also endorsed the following:
  - a. The Terms of Reference (TOR) of the ASEAN Technical Sub-Working Group on Classification (TSWGC); and
  - b. The "List of Designated Frontier Posts", annexed to the Protocol 2 (Designation of Frontier Posts) of the AFAFGIT;
  - c. The commencement of the Feasibility Study on ASEAN MRA on AEO.
  - d. The establishment of the Study Group on e-Commerce.

5. The Meeting held consultation sessions with the Customs Administrations of Australia, China, Japan and Korea to strengthen Customs-to-Customs cooperation in the region.

6. The Meeting also held consultation sessions with the private sector, namely the ASEAN Business Advisory Council (ASEAN-BAC) with the participation of the Malaysian business community, the EU-ASEAN Business Council (EU-ABC) and the US-ASEAN Business Council (US-ABC) to strengthen Customs-to-Business partnerships in the region.

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Issued on 4 May 2018 At the end of the 27<sup>th</sup> Meeting of ASEAN Directors-General of Customs, in Langkawi, Malaysia