ASEAN CUSTOMS TRANSIT SYSTEM (ACTS)
Customs Procedures Manual

“Towards greater connectivity, efficiency, integration, safety and sustainability of ASEAN transport to strengthen ASEAN’s competitiveness and foster regional inclusive growth and development”
ASEAN Customs Transit System (ACTS)

Customs Procedures Manual

"Towards greater connectivity, efficiency, integration, safety and sustainability of ASEAN transport to strengthen ASEAN’s competitiveness and foster regional inclusive growth and development"
Preface

This manual provides the guidelines and procedures for the ASEAN Customs Transit System as set out in the legal and technical provisions contained within Protocol 7 of ASEAN Framework Agreement on the Facilitation of Goods in Transit and its supporting appendices.

It has been developed for ASEAN Customs Officers to enable uniform interpretation and application of the ACTS, and serves both as an operational instrument and training tool.

The manual is periodically reviewed and updated to ensure that it is consistent with any changes to Customs transit procedures, both at regional and international level.

This manual may be used in conjunction with the ACTS User Guide, which will be provided by the ACTS Implementation Team and gives detailed guidance on the operations of the ACTS from a system point of view.
# Table of Content

Section 1: ASEAN Customs Transit and ACTS ................................................................. 1.5  
1. The Movement of Goods in International Transit .................................................... 1.5  
1.2 Main Functions of Transit ...................................................................................... 1.5  
1.3 ACTS Transit in Participating Asean Member States ........................................... 1.5  
1.4 Customs’ View of Transit Risk .............................................................................. 1.5  
1.5 Transport Operators Opportunities and Responsibilities with ACTS .................. 1.6  
2. ACTS Operations and Procedures ....................................................................... 1.9  
2.1 The Core Processes of ACTS ............................................................................. 1.9  
2.2 Procedural Features of ACTS ............................................................................ 1.10  
2.3 Overview Of ACTS ............................................................................................ 1.11  
Section 1 Annexes ....................................................................................................... 1.12  
   Annex 1A Background To The ACTS ....................................................................... 1.12  
   Annex 1B Definition Of Words And Terms Used In This Manual ......................... 1.13  
Section 2: ACTS Client Trader User ......................................................................... 2.1  
1. Using ACTS as a Transport Operator (Principal) ............................................... 2.1  
   1.1 ACTS Basic Prerequisites ................................................................................ 2.1  
   1.2 Preparing for ACTS Transit Movement ........................................................... 2.2  
2. Making a Transit Declaration .............................................................................. 2.3  
   2.1 Lodgment and Initial Check .......................................................................... 2.3  
   2.2 ACTS Processes ............................................................................................. 2.4  
3. The Transit Movement ......................................................................................... 2.5  
   3.1 Diversions En Route ..................................................................................... 2.5  
   3.2 Other Incidents En Route ............................................................................. 2.6  
   3.3 Termination or Write-Off of Transit Movement .............................................. 2.6  
4. Fallback Procedure ............................................................................................. 2.7  
Section 2 Annexes ....................................................................................................... 2.8  
   Annex 2A Prohibited and Restricted Goods ......................................................... 2.8  
   Annex 2B ACTS Trader Registrations and User Access ...................................... 2.9  
      Annex 2B (1) ACTS Trader Application ............................................................. 2.11  
      Annex 2B (2) ACTS Trader Relationship Authorisation Letter – Principal and Broker .............................................................................. 2.12  
      Annex 2B (3) Trader Authorisation For Employees To Submit ACTS Declarations ................................................................. 2.13  
Section 3: Authorised Traders And Simplifications .................................................. 3.1  
1. Aims Of Simplifications ....................................................................................... 3.1  
2. Basis For Authorised Transit Trader (ATT) Eligibility ........................................ 3.2
3. Applications For ATT Status ...................................................................................................................3.2
4. Simplified Procedures ...........................................................................................................................3.4
  4.1 Exemption From Presentation Of Goods at The Customs Office Of Departure .................................3.4
  4.2 Use of Approved Special Seals ........................................................................................................3.4
  4.3 Multiple Journey Guarantee ..........................................................................................................3.5
  4.4 Authorisation to End a Procedure at a Trader’s Premises .............................................................3.5
  4.5 Authorised Locations ....................................................................................................................3.6
Section 3 Annexes ........................................................................................................................................3.7
  Annex 3 Authorised Transit Trader Status and Authorisations ............................................................3.7
  Annex 3A Authorised Transit Trader Application ..............................................................................3.8
Section 4: Office of Guarantee ..................................................................................................................4.1
  1. Guarantees ........................................................................................................................................4.1
    1.1 Single Journey Guarantees ........................................................................................................4.1
    1.2 Multiple Journey Guarantees – Reference Amounts ..................................................................4.1
  2. ACTS Management of Guarantee .....................................................................................................4.2
    2.1 Registration and Validation ........................................................................................................4.2
    2.2 Validate Guarantee Usage ........................................................................................................4.2
    2.3 Usage Of Guarantee ...................................................................................................................4.2
    2.4 Guarantee Usage Release ..........................................................................................................4.2
Section 4 Annexes ....................................................................................................................................4.4
  Annex 4A And 4B Guarantee Documents ............................................................................................4.4
Section 5: ACTS System Processes ...........................................................................................................5.1
  1. At Office of Departure .......................................................................................................................5.1
    1.1 Actions by The Principal ...........................................................................................................5.1
    1.2 Customs Actions .......................................................................................................................5.2
  2. At Customs Offices of Transit ...........................................................................................................5.3
  3. At Customs Office of Destination .....................................................................................................5.3
Section 5 Annexes ....................................................................................................................................5.5
  Annex 5A Process Overview Flow Chart ............................................................................................5.5
  Annex 5B Security Seals .......................................................................................................................5.6
    1. The Purpose of Seals ..................................................................................................................5.6
    2. Essential Characteristics .............................................................................................................5.6
    3. Technical Specifications ..............................................................................................................5.7
    4. Methods of Sealing ....................................................................................................................5.7
  Annex 5C Transit Accompanying Document (TAD) ............................................................................5.8
    5C (1) TAD List of Items ................................................................................................................5.9
Section 1: Pre-Arrival Screening .................................................................................................................. 7.1
1. Normal Control at Office of Departure ................................................................................................. 7.1
2. Movement Recognition and Status ........................................................................................................... 7.2
3. Movement Control Decision ................................................................................................................... 7.1
Section 8: Customs Office of Destination .................................................................................................... 8.1
1. Pre-Arrival Screening ............................................................................................................................. 8.1
2. Normal Arrival Procedure ....................................................................................................................... 8.1
3. Simplified Arrival Procedure ................................................................................................................... 8.3
Section 9: Diversion or Non-Delivery ........................................................................................................... 9.1
1. Diversion to an Office of Transit or Destination Other Than Declared ..................................................... 9.1
2. Different Offices of Transit .................................................................................................................... 9.1
3. Cancellation of Transit Declarations ....................................................................................................... 9.2
Section 10: Fallback Procedure .................................................................................................................. 10.1
1. When Fallback Procedures Apply ........................................................................................................... 10.1
2. Fallback Action at The Customs Office of Departure .............................................................................. 10.1
3. Fallback Action at The Customs Office of Transit .................................................................................. 10.1
4. Fallback Action at The Customs Office of Destination .......................................................................... 10.1
5. Actions Once ACTS is Available Again .................................................................................................. 10.3
6. Fallback Procedure Flow Chart ............................................................................................................ 10.4
Section 11: Enquiry and Recovery .............................................................................................................. 11.1
1. ACTS Enquiry Procedure ...................................................................................................................... 11.1
2. ACTS Recovery Procedure .................................................................................................................... 11.2
Section 11 Annexes

Annex 11A Enquiry Recovery and Claims Procedures
Annex 11B Transit Termination Enquiry
Annex 11C Mutual Assistance for the Recovery of Claims
Annex 11D Transit Termination Enquiry (to Customs)
Annex 11E Transit Termination Enquiry (to Guarantor)
Annex 11F Claim for Recovery of Customs Debt

Section 12: Customs Procedures – Explained in Process Flow Chart Format

ACTS Processes
Shapes Used in These Flowcharts
An Overview Of The Main Processing Path
ACTS Declaration Acceptance Procedure
ACTS Declaration Control – Normal Procedure
ACTS Declaration Control – Simplified Procedure
ACTS Departure Process – Release To Transit
ACTS Guarantee Registration
ACTS Process at Offices of Transit
ACTS Arrival Process – Normal Procedure
ACTS Arrival Process – Simplified Procedure
ACTS Management of Guarantee – Usage Release
ACTS Enquiry Procedure
ACTS Recovery Procedure
Section 1: ASEAN Customs Transit and ACTS

1. The Movement of Goods in International Transit

When goods enter a country, Customs will demand payment of import duties and other charges and may apply other national policy measures. This is the case even where the goods are only meant to pass through (to transit) that country on their way to another. Under certain conditions the taxes and charges paid may be reimbursed when the goods leave that country. In the next country this procedure may have to be repeated. The goods may have to undergo a series of administrative procedures at border crossings before reaching their final destination.

1.2 Main Functions of Transit

Transit is a Customs facility available to operators who move goods across borders without paying the charges otherwise due when the goods enter (or leave) the country thus requiring only one (final) Customs formality. It offers an administratively simple and cost advantageous procedure to carry goods across customs territories.

1.3 ACTS Transit in Participating Asean Member States

The ASEAN Customs Transit System (ACTS) is a control system designed to facilitate the transit process within participating ASEAN Member States (AMS). It offers the possibility of lower transport costs for business, through reduced delays at borders and fewer physical inspections of goods en-route, plus providing incentives to reliable traders for further efficiencies through procedural simplifications.

ACTS also gives to Customs authorities the means to effectively monitor and control transit movements.

1.4 Customs’ View of Transit Risk

The approval of any transit movement is determined by an assessment of risk, whether because of the nature of the goods in transit, the known reliability or otherwise or the applicant, or even the transit route nominated. Examples include dangerous or hazardous goods, loss of goods in transit and so loss of potential national revenue.

1.4.1 A Transit System Needs to Manage Obvious Risks by:-

- Having knowledge of the applicant/transit operator;
- An ability to recover any duty/taxes due because of loss or diversion of goods;
- Identifying any goods presenting an unacceptable risk;
- Assuring that goods cannot be easily accessed or interfered with in transit; and
- Having the capability to monitor a transit movement from start to finish.
1.4.2 ACTS Manages Transit Risks by:-

a) Having an identified applicant (called within ACTS the ‘Principal’) who under the Customs Laws of the Member State takes responsibility for the transit movement;

b) The applicant (Principal) providing an appropriate guarantee, covering the maximum potential tax/duty liability (Customs debt), acceptable to and enforceable in each country of transit;

c) The listing and reliable identification of goods specifically excluded from transit using ACTS;

d) Goods usually being moved within secure vehicles or containers, with approved ‘non-tamper’ seals; and

e) Electronic messaging, to monitor the transit movement at each way point between departure and arrival at destination.

These are the main components of the ASEAN Customs Transit System and the principles behind the procedures described in this manual.

1.5 Transport Operators Opportunities and Responsibilities with ACTS

The person responsible for the transit operation is ‘The Principal’ for ACTS, and may be the owner of the goods, or more often, the owner’s representative (such as the carrier).

1.5.1 ACTS Transit Procedure

The Principal (or the agent representing the Principal) must be registered with ACTS and:-

- Initiates the transit operation and is responsible for following the ACTS transit procedure to completion;
- Obtains and gives a guarantee to Customs to cover the risk to revenue of transit operations;
- Submits an electronic Customs transit declaration using ACTS;
- Presents the goods and supporting documents to the intended Customs office of departure, for verification by that office.

On Customs Release into Transit

- The goods are properly secured, and the packages container or vehicle affixed with approved tamper-proof seals;
- The driver departs, taking into account any special instructions on the route to be taken or permitted transit time. The driver has a ‘Transit Accompanying Document’ (TAD) from Customs that gives a ACTS Reference Number (ARN) and a description identifying the goods in transit;
- The Transit Accompanying Document (TAD) and the goods, with the security seals intact, are presented to border Customs offices of transit;
• The driver completes the transit by presenting the goods and documents for verification at the Customs office of destination.

Customs Office of Destination

Customs control at the office of destination either confirms that:-

a) The goods are as described and have been safely received, and the amount of the guarantee held can be released to the Principal; OR

b) Discrepancies were found, or the goods were not delivered; the Principal remains primarily responsible until enquiries resolve any resulting issues.

Opportunities for Further Simplification

Regular transit operators may apply for ‘Authorised Transit Trader’ (ATT) status. This requires an evaluation by Customs as to their experience, proven reliability and financial stability. Authorised Transit Traders have likely advantages such as reductions in the amount of guarantee, reduced routine physical examinations and the option of ‘door to door’ transit, by means of Customs authorised locations.

*(See ‘Section 3: Authorised Traders and Simplifications’ for details)*

1.5.2 The ACTS Transit Declaration

The Principal, in preparing the electronic ACTS declaration, must provide accurate information and in sufficient detail to properly identify the goods intended for transit and their packaging.

The declaration information is used to verify that those goods are eligible for ACTS transit procedures (i.e. not listed as ‘excluded’), and also to calculate the amount of guarantee needed.

*Instructions on preparing the declaration and complete details of the information required for a valid declaration are within the ACTS Users Guide*

1.5.3 Guarantees and Guarantors

The guarantee is an amount held by or available to Customs if the terms of the transit approval are not met, such as the loss or improper diversion of the goods.

The amount of guarantee is a calculation of the highest rates of duty/taxes potentially payable on those goods (with rates based on AHTN commodity code) through the countries of intended transit.

The amount of guarantee for the transit operation is held by Customs (the ‘office of guarantee’) in the
country of departure until released upon notice of discharge (satisfactory termination) of the transit movement.

**Guarantors**

A Guarantor is a legal ‘person’, such as a bank, which undertakes to pay the duties and taxes that will be due if a transit document is not discharged properly and the Principal trader is not able to pay for the duties and taxes due to Customs.

Guarantors must be established in and approved by the Customs office of guarantee in the country where the guarantee is furnished.

For the pilot phase of ACTS, participating Member States will only accept guarantees issued by a bank.

**Categories of Transit Guarantee:**

**Single Journey Guarantee**

Covers only a single transit operation by the Principal concerned, covering the full amount of duties, taxes and other charges for which the goods are liable.

**Multiple Journey Guarantee**

Covers several transit operations up to a given Reference Amount, set to equal 100% of the total amount of duties and other charges that may be incurred for goods under the Principal’s transit operations over a period of at least one week.

*A more detailed explanation of Guarantees and Guarantors, including examples of calculations of guarantees and reference amounts, and reductions to reference amounts available to approved Authorised Transit Traders, is given in Section 4 of this Manual, at page 1.*
2. ACTS Operations and Procedures

2.1 The Core Processes of ACTS

This Operations Manual is structured according to the various areas of responsibility of the users, ACTS registered traders or transit transport operators, and the Officers of the National Customs administrations of the countries of transit. These primary areas of responsibilities and relationships are grouped in this Manual as follows:

- Sections 2 to 4 – that explain for traders and transport operators how ACTS may be used, and the role of the guarantor and guarantees; and
- Sections 5 to 12 – summarize for Customs the transit control processes managed by ACTS and give more detailed instruction on procedures required for system management in the Customs offices of departure, transit and destination.
2.2 Procedural Features of ACTS

- The Principal obtains a guarantee and lodges it with the Customs office of guarantee. Examples of the guarantee undertaking formats are shown in annexes to Section 4 of this manual.

- The guarantee details are electronically recorded and a Guarantee Reference number (GRN) is given by the system.

- The Principal submits the transit declaration electronically to the Customs office of departure using the registered guarantee to cover the transit operation.

- ACTS validates that the guarantee covers the highest duties and taxes at risk in the transit movement.

- Customs affixes seals to the means of transport or if using the Simplified Procedure, the seals are affixed by the Authorised Transit Trader.

- If validation of the declaration and guarantee by ACTS is successful, the transit declaration is given a unique ACTS Reference Number (ARN) to identify the transit movement.

- The transit accompanying document (TAD) is printed out and accompanies the goods from departure to destination. The TAD is shown within Section 5 at Annex 5C to this manual.

- Anticipated Arrival Record (AAR) and Anticipated Transit record (ATR) messages are sent electronically by the office of departure to the declared offices of transit and destination.

- A Notification of Crossing Frontier (NCF) message is sent from the office of transit to the office of departure. Upon receipt of the NCF, the office of departure sends the NCF to other transit offices and office of destination.

- An ‘arrival advice’ message is sent by the office of destination to the office of departure when the goods arrive.

- The office of destination sends the ‘control result’ message to the office of departure after the goods have been checked.

- The system provides for both normal and simplified Customs transit procedures.

- Fallback procedures apply for when the electronic ACTS is unavailable.

The following diagram gives a pictorial view of ACTS procedures.
2.3 Overview Of ACTS

**Normal Procedure**
- Principal
- Bank
- Authorised Transit Trader
- Seal(s) affixed by Customs
- Transit Declaration
- Office of Guarantee
- GRN generated by system
- Office of Transit
- If Consignee not authorised the truck proceeds to Office of Destination
- Office of Departure
- Seal(s) affixed by Customs

**Simplified Procedure**
- Authorised Consignee
- Authorised Consignee notifies Office of Destination of arrival
- Goods Released & Guarantee Discharge
- Office of Departure
- Office of Transit
- NCF

**Abbreviations**
- TAD – Transit Accompanying Document (Printed)
- ATR – Anticipated Transit Record
- AAR – Anticipated Arrival Record
- GRN – Guarantee Reference Number
- NCF – Notification of Crossing Frontier
Section 1 Annexes

Annex 1A Background To The ACTS

The ASEAN Customs Transit System (ACTS) is a harmonised system for the control of the movement of goods in transit through ASEAN Member States. It replaces the traditional paper based controls with electronic processing of data and messages that contain the information required for the transit procedure. This provides for a more efficient transit system; that facilitates trade at the same time reducing the risk of improper use of the transit system, the loss of goods and the prevention of revenue leakage.

Under the ASEAN Framework Agreement on the Facilitation of Goods in Transit (AFAFGIT) signed on 16 December 1998 in Ha Noi, Viet Nam, the Governments 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 South East Asian Nations (ASEAN) agreed, as Protocol 7, to establish the ACTS and to apply the provisions of this Protocol to the transit of goods in their territories.

Protocol 7 to AFAFGIT and its Technical Appendix establish the legal and technical provisions for the operation of ACTS to operate as an effective and efficient Customs transit system within ASEAN Member States.

These provisions are in line with international standards as recommended in the World Customs Organization Revised Kyoto Convention (RKC) and the World Trade Organization Trade Facilitation Agreement (TFA). Chapter 1 of the RKC under Specific Annex E provides the recommended standards for the facilitation of transit goods under Customs control and the requisite security and Customs guarantees. It also includes the standards concerning responsible persons, authorised consignors and consignees, the formalities at the office of departure, Customs seals and the time limit for transit.

The World Trade Organization Trade Facilitation Agreement includes a specific article on freedom of transit, and strengthens the key principle of freedom of transit as defined by Article V of the General Agreement on Tariffs and Trade (GATT). Article 11 introduces transit measures that have minimum documentation requirements and formalities, and the requirements for transit guarantees.

The TFA and the RKC both encourage the development of cooperation agreements that facilitate transit operations. This provides for the harmonization of Customs transit procedures, the exchange of information and common IT transit systems. The RKC recommends that Contracting Parties consider the possibility of acceding to international agreements relating to Customs transit.
Annex 1B Definition Of Words And Terms Used In This Manual

Words and terms used in this Manual have the same meaning as those defined within Article 1 of Protocol 7 of the ASEAN Framework Agreement on the Facilitation of Goods in Transit\(^1\) (AFAFGIT), for the purpose of that Protocol and its Technical Appendix.

(a) “ASEAN Customs Transit System” or “ACTS” means an ASEAN Customs system of transit transport under Customs control to facilitate the movement of goods across the territory of one or more Contracting Parties, as established under Protocol 7,

(b) “ACTS procedure” means the rules and procedures governing the ACTS as specified in this Protocol and its Technical Appendix;

(c) “Competent authorities” means the Customs authority or any other authority responsible for applying the provisions of this Protocol;

(d) “Customs” means Customs authorities of the Contracting Parties;

(e) “Customs debt” means the Customs duties, taxes and charges which may be incurred in respect of goods placed under the ACTS procedure;

(f) “Customs office of departure” means any Customs office at which a transit operation commences;

(g) “Customs office of destination” means any Customs office at which a transit operation is terminated;

(h) “Customs office of transit” means any Customs office at the point of exit from or entry into a Contracting Party in the context of a transit operation;

(i) “Customs transit declaration” means the declaration to be lodged by the Principal to the Customs office of departure to place goods under the ACTS procedure;

(j) “Data-processing techniques” means the introduction of information required for completion of the formalities concerned into the data-processing systems of the competent authorities or the exchange of electronic standard messages with the competent authorities;

(k) “Guarantor” means any legal third person who undertakes in writing to pay any potential Customs debt up to the amount guaranteed in cases where the Principal does not pay;

(l) “Office of guarantee” means the Customs office(s) designated by a Contracting Party to manage arrangements in that country for the authorisation of guarantors and supervision of guarantees covering transit operations;

(m) “Principal” means the person who places goods under the ACTS procedure, even where this is done by an authorised representative;

(n) “Transit operation” means the transport of goods from a Customs office of departure to a Customs office of destination under the ACTS procedure.

\(^1\) Background details, of establishing ACTS as agreed under AFAFGIT, are within Annex 1 at page 15.
Section 2: ACTS Client Trader User

1. Using ACTS as a Transport Operator (Principal)

This Section explains the operation of the ASEAN Customs Transit System (ACTS) for transport operator users.

The person, or authorised representative of that person, who places goods under the ACTS transit procedure is called the ‘Principal’.

The ACTS User Manual gives detailed instructions to a Principal on the workings of ACTS, in how to prepare the electronic transit declaration and to submit the declaration to Customs for validation, acceptance, and release of the movement into the transit regime. Except for properly preparing and submitting the declarations, and any possible need for later amendment, there are no further fixed procedures required of a Principal. However, the Principal may need to respond to ACTS messages to progress the Customs release of the goods into transit; for example, request for presentation of the goods and supporting documents for Customs examination before release.

The parties involved in a transit operation are:

- **Principal trader**: The Name of the party that places goods under the ACTS procedure, even where this is done by an authorised representative
- **Consignor trader**: The name of the party consigning the goods declared
- **Consignee trader**: The name of the Consignee Trader declared for the goods
- **Representative** (optional): The name of the company or person appointed to act as a representative of the Principal trader for this declaration
- **Declarant**: The name of the employee acting on behalf of the representative or principal depending on who is submitting the declaration

The following summarizes ACTS for a transit Principal:

1.1 ACTS Basic Prerequisites

- Have access to suitable ICT equipment
- Register as an ACTS user
- Undertake user training on the ACTS application
- Be aware of the information needed for a valid ACTS transit declaration
  - Declaration data requirements and specifications are within ACTS System User Manual
1.2 Preparing for ACTS Transit Movement

An ACTS transit declaration can be prepared and submitted by a Principal through:

- An authorised employee of that Principal trader (Declarant); or
- An authorised representative of the Principal trader

A Principal obtains a guarantee from an approved financial institution in a form prescribed by Customs for ACTS and presents it to the Customs office of guarantee for acceptance.

- The options are:
  - Single journey guarantee; or
  - Multiple journeys guarantee

- On acceptance of the guarantee, obtain a GRN (Guarantee Reference Number) from the office of guarantee

- Initiate movement, by preparing and lodging on-line the ACTS transit declaration, according to ACTS User Manual instructions.

---

2 Goods prohibited and excluded from ACTS transit are held in the reference Data System in ACTS Central Services.

3 For the pilot phase of ACTS guarantees will initially be accepted only from a bank.
1.2.1 Loading Limitation

ACTS requires that goods are loaded on to a single means of transport, being: -

- a road vehicle that may be accompanied by its trailer or container; and
- dispatched from the office of departure to the office of destination.

If a consignment is split between two means of transport, a separate transit declaration is needed for each means of transport, even though all the goods are transported between the same office of departure and destination.

2. Making a Transit Declaration

2.1 Lodgment and Initial Check

The transit declaration is lodged electronically through ACTS to the Customs office of departure.

- The declaration is checked by ACTS against the data requirements.

*Full details of the transit declaration form and data requirements are given in the ACTS System User Manual.*

The declarant provides a ‘Trader’s Reference Number (TRN)’ that allows the Principal or the office of departure Officer to reference the data in ACTS.

- ACTS checks that the provided TRN is uniquely identified within the departure AMS.

Guarantee Reference Number(s) (GRN) quoted within the declaration are verified with Offices of guarantee to ensure that the guarantee(s) are valid and available.

2.1.1 Check Result

If the declaration is completed correctly and the goods are eligible:

- ACTS will automatically validate it as successful.

If the declaration is incorrect or incomplete:

- ACTS will reject the declaration; and
- The reason(s) for the rejection is notified to the trader, who can make the necessary changes in the declaration or to submit a new declaration.

Procedures for amending and resubmitting a rejected declaration are described in the ACTS System User Manual.

When the transit declaration is accepted, the system sends an electronic message to the trader and allocates an ACTS Reference Number (ARN).
This ARN will identify the transit movement at the Customs offices of the ASEAN Member States involved in the transit movement.

2.2 ACTS Processes

If the declaration is rejected, the reasons can be accepted (and so possible options for transit approval outside of ACTS and in an alternative national transit regime can be pursued), or the declaration corrected and resubmitted to ACTS

- Note: Amendments may be made after a declaration has been accepted by ACTS, but not after Customs have notified that the transit goods have been selected for examination

When the declaration is accepted, wait for a notification of status from the Customs Office of departure:

- If the Customs Office wishes to control the goods, the goods and supporting documents are to be made available for Customs examination

- If the examination is satisfactory, or no control request is made by Customs:
  - ACTS asks for a check of guarantee and if the guarantee is valid ACTS registers the amount of potential Customs debt as guarantee usage and:
    - Security seals are fixed to the goods/container/vehicle
    - A transit Accompanying Document (TAD) is printed; and
    - Goods released to transit
  - If the guarantee check fails, the Principal is notified and given an opportunity to replace/update the guarantee information provided.

- If the control finds minor discrepancies and they may be mutually resolved with Customs:
  - If agreed (‘not opposed’), Customs can allow access to the declaration data so that the declaration can be updated and goods proceed to release, as above.

- If major discrepancies are found and are not satisfactorily resolved, the transit movement may not proceed and sanctions may be applied

* A transit declaration may in certain circumstances be cancelled, either by Customs or by the Principal, on furnishing proof of special circumstances and of acceptance of those reasons by Customs
2.2.1 Route and Travel Time

Customs may set the expected arrival and expected control times.

*For example, when the route and length of time to reach the intended destination is longer than that defaulted by the system due to road closures; otherwise the arrival and control times are set automatically as a default in the system. The system takes into consideration the route and proposes a date of arrival based on this route.*

This is required for monitoring purposes to ensure that any delays are promptly detected by the system and the Customs Officers are informed accordingly in order to start an enquiry procedure, if necessary.

3. The Transit Movement

The goods are dispatched, with the vehicle’s driver given clear instructions by the Principal on the presentation of goods and Transit Accompanying Document (TAD) at Customs offices of transit and Customs office of destination.

This includes any special conditions imposed by Customs, such as time allowed for transit and permitted route.

*The driver should also be instructed on reporting actions to take in the case of unplanned diversions or other incidents en-route.*

- On satisfactory arrival at destination the goods are released from transit with the movement terminated and the guarantee (or amount of guarantee usage) released.

*If the transit movement is not received as expected by the intended Office of destination, (within the permitted time interval), the Principal will first be asked to explain.*

3.1 Diversions En Route

In cases of diversion of the transit movement to an office of destination different than the office originally declared to ACTS, the new office of destination is notified of the arrival of a consignment by the consignee or by the Principal’s representative.

Notification must also be given for diversion to different transit offices to the ones originally declared.

ACTS checks for continuing validity of the transit movement; such as with the nominated offices of transit and destination, the route, and guarantee coverage or restrictions in a new country.

If the check fails, the transit operation must be terminated.
3.2 Other Incidents En Route

In the cases set out below, the carrier shall make the necessary entries in the Transit Accompanying Document – or have supporting evidence in the form of an official report – the Incident Report Form at annex 5 may, optionally, be used for this purpose - and present it for certification with the consignment and any other related transit documents to the competent authorities of the Contracting Party in whose territory the means of transport is located:

(a) if the itinerary prescribed by the competent authorities is changed;
(b) if the seals are broken in the course of a transport operation for reasons beyond the carrier’s control;
(c) if goods are transferred to another similar means of transport for reasons beyond the carrier’s control;
(d) in the event of imminent danger necessitating immediate partial or total unloading of the means of transport; or
(e) in the event of any incident or accident capable of affecting the ability of the Principal or the carrier to comply with his obligations.

In the case of accidents and similar incidents, the carrier should seek a report on the circumstances from a Customs or Police officer or other suitable civil official.

The carrier must report the incident to a Customs office of transit (or destination in the event that the incident has occurred in the destination country) at the first opportunity.

Where it is considered that the transit operation concerned may continue in the normal way, the designated box of the Transit Accompanying Document is endorsed by the competent Customs authority and ACTS updated accordingly.

3.3 Termination or Write-Off of Transit Movement

Any discrepancies found at the Customs office of destination will be followed up with the office of departure, and with the Principal if relevant.

In placing goods under the ACTS procedure, the Principal is first and foremost liable for the payment of any Customs debt that may become due as a result of an irregularity occurring before the termination of the transit operation. This liability applies equally where the goods have been placed under the ACTS procedure by the Principal’s authorised representative.
4. **Fallback Procedure**

The fall-back procedures apply:

a) where the computerised systems of the competent authorities are not functioning;

b) where the computerised systems of the Principal are not functioning; or

c) where the whole or part of the network between the Principal and the competent authorities is not functioning.

In these cases the Principal should contact the national ACTS Helpdesk of the competent Customs Authority and ask for advice.

The national and regional ACTS help desks will give guidance on the expected length of time of system unavailability.
Section 2 Annexes

Annex 2A Prohibited and Restricted Goods

ACTS declarations containing restricted goods will be processed by the Customs office of departure, under normal procedure. See Section 5 for guidance in handling restricted goods.

Goods prohibited in any of the countries included in the transit movement will be rejected by ACTS.

The Reference Data System (RDS) of ACTS Central Services holds a file containing details of all prohibited and restricted goods, corresponding to the ASEAN Harmonised Tariff Nomenclature (AHTN). These prohibitions and restrictions are maintained by ASEAN Member States, with the support of the ACTS Central Management Team.

Some goods are ‘Excluded’; these are goods subject to specific (as opposed to ad-valorem) duty rates, and cannot be processed by ACTS.
Annex 2B ACTS Trader Registrations and User Access

1. Trader Registration

Registration with Customs is required to operate as an ACTS transit trader.

To perform a transit operation as an ACTS ‘Principal’ Transit Trader, or as a Customs Broker, and so take on responsibility for the transit movement, an applicant applies for registration as the ‘Legal Entity’.

An example of the ‘Legal’ application form follows, at Annex 2B (1).

Computer systems, as do legal paper documents, require clear identification of persons making a commitment on behalf of a Legal Entity, usually in the form of a specific authorisation by that Legal Entity for those persons to act on behalf of the Legal Entity in specified matters. For this purpose, applications for registration are required from the ‘physical persons’ who are employees or will act as representatives of the Legal Entity – the ACTS Principal Transit Trader or Customs Broker.

Examples of the Physical person trader application and relationship forms is at Annex 2B (2).

2. Trader Relationships

![Trader Relationships Diagram]


Following successful registration of Trader details with ACTS, persons who will be making transit declarations on behalf of an ACTS Transit Trader Principal can apply on-line to self-register an ACTS User Account.

User Account applications are checked by ACTS Administration to confirm details against the previously registered through the Trader Application process, as above.

On confirmation and approval, the User Account applicant will be forwarded ACTS login-in details and be required as a first step to set their own individual and secure password.

*On access to the ACTS system a person’s user name and password is that person’s signature. All actions taken under that login identification (user name and password) are recorded and the responsibility of that*
Passwords must never be shared.
# Annex 2B (1) ACTS Trader Application

<table>
<thead>
<tr>
<th>TRADER APPLICATION</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>APPLICANT INFORMATION</strong></td>
</tr>
<tr>
<td>Name:</td>
</tr>
</tbody>
</table>

| **ORGANIZATION INFORMATION** |
| Parent:          |
| Organization name: |
| Branch:          |
| Organization name: |
| Addresses        |
| Primary          |
| Street & Number: | Postal Code: |
| City:            | Country:     |
| Secondary        |
| Street & Number: | Postal Code: |
| City:            | Country:     |

| **CONTACT DETAILS** |
| Contact Person: |
| Phone: | Fax: | E-mail: |

| **IDENTIFIERS** |
| GST / VAT number | Previous TIN |
| GST / VAT number | Previous TIN |
| GST / VAT number | Previous TIN |
| GST / VAT number | Previous TIN |
| GST / VAT number | Previous TIN |
| GST / VAT number | Previous TIN |
| GST / VAT number | Previous TIN |
| Addresses        |
| I authorize the verification of the information provided on this form as to my credit. I have received a copy of this application. |

| Signature of applicant: | Date: |
Annex 2B (2) ACTS Trader Relationship Authorisation Letter – Principal and Broker

Heeded notepaper in the name of the Principal

Authorisation letter template from Principal to the Customs Authority authorising Broker to Act as a Representative for the submission of ACTS declarations on behalf of Principal

To: Customs Authority
(Name and address of HQ Department responsible)

Date: dd/mm/yyyy

Dear Sir / Madam,
This is to confirm that (name & address of Principal, VAT/GST number)
Name: …………………………………………………………………………………
Address: ……………………………………………………………………………
………………………………………………………………………………
………………………………………………………………………………
has authorised (name and address of Broker, VAT / GST number)
Name: …………………………………………………………………………………
Address: ……………………………………………………………………………
………………………………………………………………………………
………………………………………………………………………………
to act as our representative for the submission of Customs Transit declarations to the ASEAN Customs Transit System (ACTS).

Yours faithfully,

(Signature)

(Full name and position of signatory)
<table>
<thead>
<tr>
<th>EMPLOYEE/DECLARANT DETAILS AND AUTHORIZATION</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EMPLOYEE INFORMATION</strong></td>
</tr>
<tr>
<td>First Name:</td>
</tr>
<tr>
<td>Personal ID:</td>
</tr>
<tr>
<td>Father Name:</td>
</tr>
<tr>
<td>Addresses</td>
</tr>
<tr>
<td>Primary</td>
</tr>
<tr>
<td>Street &amp; Number:</td>
</tr>
<tr>
<td>City:</td>
</tr>
<tr>
<td>Secondary</td>
</tr>
<tr>
<td>Street &amp; Number:</td>
</tr>
<tr>
<td>City:</td>
</tr>
<tr>
<td><strong>CONTACT DETAILS</strong></td>
</tr>
<tr>
<td>Contact Person:</td>
</tr>
<tr>
<td>Phone:</td>
</tr>
<tr>
<td>Web Address:</td>
</tr>
<tr>
<td><strong>IDENTIFIERS</strong></td>
</tr>
<tr>
<td>Employer Name:</td>
</tr>
<tr>
<td>Employer Address:</td>
</tr>
<tr>
<td>Employee Passport Number:</td>
</tr>
<tr>
<td>Signature of the Employee</td>
</tr>
<tr>
<td>I authorize the verification of the information provided on this form as to my credit. I have received a copy of this application.</td>
</tr>
<tr>
<td>Signature: signed</td>
</tr>
<tr>
<td>Signature of the Employer</td>
</tr>
<tr>
<td>I authorize the above-mentioned employee to submit ACTS declarations on my behalf.</td>
</tr>
<tr>
<td>Signature:</td>
</tr>
</tbody>
</table>
Section 3: Authorised Traders And Simplifications

1. Aims Of Simplifications

1.1. The aim of transit simplifications is to find a balance between customs control and the facilitation of trade, at a level appropriate to traders who have an established record of transit experience and reliability in transit operations.

1.2. Recognition that a trader uses the transit system on a regular basis and has a history of good compliance allows Customs authorities to relax normal controls, proportional to the lower levels of risk that the trader presents to Customs control responsibilities.

This allows Customs to allocate greater resources towards areas of high risk, and the increased facilitation can significantly reduce costs and transit times for traders.

1.3. The prerequisite is approval by Customs of an applicant for ASEAN Authorised Transit Trader (ATT) status. This gives access to concessions including:-

- Reductions in the amount of guarantee (‘reference amount’) required under multiple journey guarantees;
- Nomination and approval of authorised consignors, consignees and locations, e.g., allowing movements warehouse to warehouse, rather than first reporting directly to Customs offices for inspection of goods; and
- Ability to fix your own approved seals to vehicles and containers in transit.

Appointment as an ASEAN Authorised Transit Trader also brings added responsibilities.

Simplified Procedures are authorised under Article 8 of Protocol 7 to the ASEAN Framework Agreement on the Facilitation of Goods in Transit, and details of the simplified procedures and the responsibilities of such authorised traders are set out in the Technical Appendix to Protocol 7.

The following instructions and explanation of simplified procedures is intended for guidance of users, however the formal and legal basis for the authorisations and the conditions applied to Simplified Procedures are found in the Technical Appendix to Protocol 7.
2. Basis For Authorised Transit Trader (ATT) Eligibility

2.1. To be eligible for Authorised Transit Trader status and the use of simplified procedures, the following general conditions must be fulfilled.

2.2. The applicant:

a) shall be established with a registered office, central headquarters or permanent business establishment in the territory of the Contracting Party where the application for authorisation is made; and

b) must regularly use the ACTS procedure or, in the case of a first application for authorisation, demonstrate an intention to do so.

2.3. To ensure proper management of the simplified procedures, authorisations may only be granted where the person concerned keeps records which enable the competent authorities to supervise the procedure and carry out effective controls.

2.4. In considering applications the competent authorities must take account of any convictions under Customs or tax legislation in the past five years.

3. Applications For ATT Status

3.1. An application for Authorised Transit Trader status is made to Customs, as the competent authority, using the forms, and taking account of the explanatory notes for applicants; as in the Annexes to this Section of this Manual, at page 9.

3.2. A person applying for Authorised Transit Trader status and related simplified procedures is responsible for the:

a) accuracy of the information given; and

b) the authenticity of the accompanying documents.

3.3. Authorisations found to have been granted on the basis of false or misrepresented information shall be revoked with immediate effect.

*Applications are lodged with the competent authorities of the Contracting Parties in which the applicant is established. Where an applicant is established in the territories of more than one Contracting Parties, nothing shall prevent him lodging applications in the territories of each of those Contracting Parties if he so wishes.*

3.4. The Scope Of ATT Status

3.4.1. It is important to note that the status of Authorised Transit Trader and the authorisations of any particular procedural simplifications are limited to the territory of the authorising authority.

3.4.2. For example, if the trader, or freight forwarder has an established presence in both the transit country of departure (Country A), and the country of destination (Country C), maximum benefit is
achieved by having ATT status and authorisations given in both countries A and C.

3.4.3. To achieve this:

a) The applicant must have a permanent business presence in both countries, as explained in paragraph 2.2 (a) above; and

b) Separate applications are made to Customs authorities in both Country A and Country C, requesting ATT status and authorisations:

   i. For transit from A to C, requesting Country of departure authorisations within Country A; and
   
   ii. Requesting Country of destination authorisations within Country C; or
   
   iii. With two-way transit traffic, requesting both departure and destination authorisations in applications made to both Countries A and C.

3.5. Approving Authority

3.5.1. On receiving and evaluating an ATT application:

a) The approving authority shall take reasonable steps to verify the accuracy of an application, such as a visit to applicant’s premises to confirm physical security measures and the details of management controls and records kept.

b) Decisions rejecting applications in total, or one or more of the simplified procedures applied for, shall be in writing and state the reasons for the rejection.

c) Decisions on applications, provided such applications contain sufficient information, shall be given within ninety days from the date of receipt by the competent authorities.

d) Decisions shall be communicated to the other Contracting Parties. Such decisions shall be subject to review by the other Contracting Parties, with comments to be received within a period not exceeding thirty days from the date of receipt of the communication, based on which the decisions may be modified or retained.

3.6. On ATT Authorisation

3.6.1. The authorisation is valid from the date of issue and specifies the conditions relating to the use of any granted simplified procedures.

3.6.2. An Authorised Transit Trader shall inform the competent authorities of any factor arising after the authorisation was granted which may influence its validity or content.

3.6.3. The competent authorities shall revoke or amend an authorisation where:

- the holder indicates a wish to relinquish his authorisation;
- one or more of the statements made at the time of issue were not, or are no longer, valid;
• a factor arising after the authorisation was granted influences its continuation or content; or
• the holder fails to fulfil his obligations as an Authorised Transit Trader.

3.6.4. Other than where it has been surrendered voluntarily, the holder shall be advised in writing of the reasons for any decision amending or revoking the authorisation.

3.6.5. The revocation or amendment of an authorisation shall take effect from the date indicated in the written notification.

4. **Simpliﬁed Procedures**

4.1 **Exemption From Presentation Of Goods at The Customs Ofﬁce Of Departure**

4.1.1. A Principal who has been granted Authorised Transit Trader Status including the right to use a multiple journey guarantee may also be authorised to carry out transit operations without presenting the goods and the corresponding Customs transit declaration at the Customs ofﬁce of departure. Such exemption shall apply inter alia to the means of transport for the goods concerned.

4.1.2. The Customs electronic transit declaration must be lodged with the Customs ofﬁce of departure before release of the goods.

4.1.3. The authorisation shall include the time limit within which the Customs ofﬁce of departure shall indicate an intention to carry out checks, after the expiry of which the goods shall be automatically released.

4.1.4. Such an authorisation shall specify:

a) the Customs ofﬁce or ofﬁces of departure that will be responsible for forthcoming transit operations;

b) how, and by when, the Principal is to inform the Customs ofﬁce of departure in order that the ofﬁce may carry out any necessary controls before the departure of the goods at the agreed authorised location; and

c) the measures to be taken to ensure the goods can be readily identiﬁed including the use of any special seals to be afﬁxed by the Principal.

4.2 **Use Of Approved Special Seals**

4.2.1. The competent authorities may authorise a Principal to use special types of seals on means of transport or packages provided the competent authorities approve the seals as complying with the features to be agreed by the Contracting Parties.

4.2.2. The Principal shall enter the seal number in the prescribed ﬁeld in the Customs transit declaration.

4.2.3. The Principal shall afﬁx seals no later than when the goods are released.

*See Annex 5B within Section 5 at page 6 on the technical specifications for seals and the requirements for*
4.3 Multiple Journey Guarantee

4.3.1. The Principal may use a multiple journey guarantee based on a reference amount.

4.3.2. The reference amount is equivalent to the value of the total amount of the Customs debt which may be incurred in respect of the goods which the Principal places under the ACTS procedure for a period of at least seven days.

For an explanation of the means of calculating a reference amount see Section 4: ‘Multiple Journey Guarantees’ at page 1.

Reduced Reference Amounts

4.3.3. A Principal that satisfies criteria regarding his experience, reliability and financial standing may be authorised to provide a guarantee for a reduced amount or to have a guarantee waiver, subject to the agreement of the Contracting Parties involved in the transit operations.

4.3.4. The amount of guarantee required may be reduced to:

- 50% of the reference amount where the Principal demonstrates he has sufficient experience of Customs procedures; or
- 25% of the reference amount where the Principal demonstrates he has sufficient experience of Customs procedures and cooperates very closely with the competent authorities.

4.3.5. A guarantee waiver may be granted where an ATT Principal demonstrates he is in command of transport operations and has sufficient financial resources to meet his obligations.4

4.3.6. In applying reductions to reference amounts, account is taken of:

- information provided by the Principal in the standard application forms; and
- any comment received from other Contracting Parties as regards suitability

4.4 Authorisation to End a Procedure at a Trader’s Premises

4.4.1. Traders may be authorised to take delivery of goods placed under a transit operation without the goods and the corresponding Transit Accompanying Document having to be presented at the Customs office of destination.

4.4.2. Such authorisation shall only be granted where the trader:

a) is a Principal who has been granted Authorised Transit Trader status; or

b) is not a Principal as defined in subparagraph (a) but can meet such criteria as determined by the Contracting Party in whose territory he is established.

4 Not applicable to Malaysia

ACTS
Customs Procedures Manual
4.4.3. The authorisation shall specify in particular:

- the Customs office(s) of destination responsible for the goods received by the authorised consignee;
- how, and by when, the authorised consignee is to inform the Customs office of destination of the arrival of the goods in order that the office may carry out any necessary controls;
- any goods to which the authorisation does not apply and which must be presented at the Customs office of destination; and
- the arrangements for the trader to receive the “Anticipated Arrival Record” message from the Customs office of destination.

4.4.4. The competent authorities shall specify in the authorisation whether any action is required by the Customs office of destination before the trader may dispose of the goods.

4.4.5. When the goods arrive at his premises or at places specified in the authorisation, the trader shall immediately:

- inform the Customs office of destination of any excess quantities, deficits, substitutions or other irregularities such as broken seals; and
- before unloading, send the Customs office of destination an electronic “Arrival Advice” message.

4.4.6. The transit operation shall be deemed to have ended when the documents which accompanied the consignment, together with the intact goods, have been delivered within the prescribed time to the authorised trader’s premises.

4.4.7. At the carrier’s request, the consignee as authorised under paragraph 1 of this Article shall issue a receipt for each consignment delivered.

4.4.8. Upon receiving the “Arrival Advice” message, the Customs office of destination shall determine whether inspection is required and perform the termination of the transit operation in accordance with Article 30 of the Technical Appendix to Protocol 7.

4.5 Authorised Locations

Are those places specifically named and authorised within an approval under ‘Simplified Procedures’ for the commencement or completion of an ACTS transit movement.
Section 3 Annexes

Annex 3 Authorised Transit Trader Status and Authorisations

1. Trader applies to Customs in Country A for ATT status and departure authorisations:

2. Trader is also eligible to apply in Country A for destination authorisations:

3. Alternatively, if the Trader is established in both Countries A and C, application may be made to the respective Customs authorities in Countries A and C for ATT status and authorisations for both simplified departure and destination procedures in both countries.
Annex 3A Authorised Transit Trader Application

ASEAN CUSTOMS TRANSIT SYSTEM

APPLICATION TO ACT AS A PRINCIPAL WITH AUTHORISED TRANSIT TRADER STATUS AND RELATED SIMPLIFIED PROCEDURES

EXPLANATORY NOTES FOR APPLICANTS

It is strongly recommended that you read the following before completing the form.

When you have completed the form please sign and date it and submit to....[Name and contact details of competent authority]

If you already hold a Customs authorisation such as AEO (Authorised Economic Operator) in relation to the import or export of goods you may not need to complete all sections of this form. If this is the case please contact ........................................for further information 5.

A. General Information

Whilst all traders may act as Principals and use ASEAN Customs Transit System to move goods internationally between the Member States, the main benefits are only available to those who hold the status of an ASEAN Authorised Transit Trader (ATT).

As a minimum requirement, traders must satisfy the competent authorities that they have sufficient experience and resources to qualify for the benefits of ATT status. ATT can apply for a number of simplified procedures including:

(a) Reductions in the amount of guarantee required, if applicable in accordance with domestic laws and regulation.

(b) Authorisation to commence a transit operation without physically presenting the goods and means of transport to the Customs office of departure.

(c) The use of approved company seals on the vehicle and packages; these seals must fulfil the criteria and characteristics specified by the Customs Authority.

(d) An exemption from having to follow prescribed itineraries, for example when loading goods at the premises of the ATT, which may be distant from the approved transit route.

To qualify for ATT status the traders will need to fulfil ASEAN and national requirements by the Customs authority with regards to experience, risk management standards, financial resources and internal computerised management systems appropriate to the level of authorisation.

5 Insert name and address etc. of appropriate contact in the national Customs Administration.
The first part of the form is used to apply for basic Authorised Transit Trader status and must be completed by all applicants. The information you give is also used to calculate the standard amount of guarantee and “reference amount” you will need to provide if your application is successful.

The guarantee reduction application is only required if you are applying to have the amount of your guarantee reduced.

The later part of the form is only required if you are applying for one or more simplified procedures (other than a reduction of the guarantee).

You can apply for basic Transit Trader Authorisation, a guarantee reduction and for additional specific simplifications all at the same time.

You may apply separately if you are already an ATT and you now wish to apply for additional or enhanced simplification procedures.

B. Guarantor

Unless you are applying to have all guarantee requirements reduced you must supply the name of a guarantor authorised by the competent authorities. If your application for a reduction is refused you will be advised of the amount of guarantee required and will need to provide the name of a guarantor before your application can be determined.

C. Multiple Journey Guarantee

This covers an unlimited number of transit operations carried out over a given period time, usually one year. The amount of guarantee you will need to provide is calculated to cover the maximum amount of duties and other charges accumulated as result of transit declarations made during the period of one week,

In the application form you will be asked for the information required to calculate this figure and it is essential that you provide sufficient information for the reference amount to be set at a level that reflects your actual business needs.

The amount of potential Customs debt on your transit movements, including those that have not yet ended, must not exceed the reference amount. You must also provide details on how you intend to monitor the reference amount to ensure that your outstanding Customs debt on transit declarations does not exceed this figure. The reference amount will be reviewed annually but if at any time you find that it may be insufficient to cover your transit operations you must contact the competent authorities immediately to agree a revised figure.

Applications must be lodged with the competent authorities at the address given above and again at the end of the form. You must be established in each country where you lodge an application. To be “established” means that in the case of a legal person, there is a permanent business establishment in the country.
# ACTS AUTHORISED TRANSIT TRADER AT DEPARTURE APPLICATION FORM

## APPLICANT INFORMATION

**Name:**

## ORGANIZATION INFORMATION

**Parent:**

**Organization name:**

**Company registration number:**

**Company VAT / GST number:**

**TIN (Trader Identification Number):**

**Branch:**

**Organization name:**

**Company registration number:**

**Company VAT / GST number:**

**TIN (Trader Identification Number):**

### Addresses

**Primary**

- **Street & Number:**
- **Postal Code:**
- **City:**
- **Country:**

**Secondary**

- **Street & Number:**
- **Postal Code:**
- **City:**
- **Country:**

**Date company established:**

**Address of applicant’s Registered Office (if different from above)**

- **Street & Number:**
- **Postal Code:**
- **City:**
- **Country:**

**Address where transit records will be held (if different from above)**

- **Street & Number:**
- **Postal Code:**
- **City:**
- **Country:**

## FULL NAMES OF RESPONSIBLE COMPANY OFFICERS

<table>
<thead>
<tr>
<th>Name</th>
<th>Date of Birth / National Identity Number</th>
<th>Position in company</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### USE OF ASEAN CUSTOMS TRANSIT SYSTEM (ACTS)

How often do you use, or plan to use, the ACTS? Please give details e.g. number of consignments daily / weekly / monthly:

How many transit movements do you have, or will you have each year approximately:

### EXISTING AUTHORISATIONS (e.g. AEO)

Please give details including authorisation number(s), date(s) of authorisation and issuing office(s):

### OFFENCES

Have you been convicted of any offences against Customs or tax legislation during the past 5 years in this or any other country? YES / NO

If yes, please give details including dates and name of convicting court(s):

### RECORDS

Please give details of the records you intend to keep to ensure a complete and accurate audit trail of all your transit operations (type of records, means and length of storage etc.)

### CUSTOMS OFFICES OF DEPARTURE

Give the address(es) of the Customs Offices that you wish to use as your office(s) of departure:

### DEPARTURE - AUTHORISED PREMISES AND LOCATIONS

Give the address(es) of the places you wish to use as Authorised Location(s): *This is to enable departure from these premises without presenting the goods for inspection at the Customs Office of Departure.*

<table>
<thead>
<tr>
<th>Street &amp; Number</th>
<th>Postal Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>City</td>
<td>Country</td>
</tr>
<tr>
<td>Street &amp; Number</td>
<td>Postal Code</td>
</tr>
<tr>
<td>City</td>
<td>Country</td>
</tr>
</tbody>
</table>
INFORMATION FOR CALCULATION OF REFERENCE AMOUNT

Give details of goods moved (or which you anticipate moving) under ACTS for a representative period of 7 days. This information should be based on goods carried under transit procedures during the past 12 months and intended consignments over the next 12 months taking into account any anticipated increase in trade over the period. The duties and other charges applicable to be based on the highest rate of duty in any of the countries involved in the transit movement. In particular please show:

<table>
<thead>
<tr>
<th>AHTN Code</th>
<th>Number of consignments</th>
<th>Value of the goods</th>
<th>Duties and other charges applicable (show breakdown)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

HIGH VALUE TRANSACTIONS

What is the likely highest total amount of duty and other charges applicable to any single ACTS transit operation you anticipate carrying out as Principal during the next 12 months?

Please give the AHTN code and description of the goods:

MANAGING THE REFERENCE AMOUNT

Please provide details of how you intend to monitor your reference amount, including the use of IT systems and methodology:

GUARANTOR

Guarantor name and address:

Street & Number | Postal code:

City | Country:

Contact name:

Telephone number:

Email address:
You will need to demonstrate that your business finances are sound and you have resources to meet your potential obligations from using ACTS. Please provide a copy of your latest audited accounts or other financial information in support of your application.

Experience of international transit operations:

This business has …… years’ experience in the consignment of goods internationally

Management methods:

I will be applying the following management methods designed to facilitate checks by the Customs Authorities on my transit operations, including any IT systems utilised:

MANAGEMENT OF TRANSPORT OPERATIONS

I carry out my own transport operations and apply high standards of security: YES / NO

Please give details of satellite tracking systems used on vehicles and load compartments

I use a carrier with whom I have a long-standing contractual relationship YES / NO

Name and address of carrier:

<table>
<thead>
<tr>
<th>Street &amp; Number</th>
<th>Postal code</th>
</tr>
</thead>
<tbody>
<tr>
<td>City</td>
<td>Country:</td>
</tr>
</tbody>
</table>

Details of security measures:

I use a carrier who is an Authorised Transit Trader (ATT) in his own right: YES / NO

Name and address of carrier:

<table>
<thead>
<tr>
<th>Name:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Street &amp; Number</td>
</tr>
<tr>
<td>City</td>
</tr>
</tbody>
</table>

ATT authorisation number:
I use an intermediary contractually bound to a carrier who provides a service that meets high standards of security: YES / NO

Name and address of intermediary:

Name:

Street & Number | Postal code:
--- | ---

City | Country:

Name and address of carrier:

Name:

Street & Number | Postal code:
--- | ---

City | Country:

<table>
<thead>
<tr>
<th>APPLICATION FOR ADDITIONAL SIMPLIFIED PROCEDURES</th>
</tr>
</thead>
</table>

Type of simplification sought:

Are you applying for an exemption from the requirement to present the goods and means of transport to the Customs Office of Departure? YES / NO

Use of seals of special type:

Give details of the trader seals you wish to use (make, name and list of sequential numbers – NB these must be presented to Customs for inspection)

<table>
<thead>
<tr>
<th>Seal make</th>
<th>Seal name</th>
<th>Sequential numbers</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Give details of the measures in place to manage and secure your trader seals:

<table>
<thead>
<tr>
<th>Exemption from prescribed itinerary:</th>
</tr>
</thead>
</table>

Please provide information on the steps you will take to ensure that the Customs Authorities will be able to know the location of your transit consignments at all times (e.g. via driver’s mobile phone)
# ACTS AUTHORISED TRANSIT TRADER AT DESTINATION APPLICATION FORM

**APPLICANT INFORMATION**

TO BE COMPLETED AFTER ACTS TRADER REGISTRATION IS COMPLETE

<table>
<thead>
<tr>
<th>Name:</th>
</tr>
</thead>
</table>

**ORGANIZATION INFORMATION**

<table>
<thead>
<tr>
<th>Parent:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Organization name:</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Company registration number:</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Company VAT / GST number:</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>TIN (Trader Identification Number):</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Branch:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Organization name:</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Company registration number:</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Company VAT / GST number:</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>TIN (Trader Identification Number):</th>
</tr>
</thead>
</table>

**Addresses**

**Primary**

<table>
<thead>
<tr>
<th>Street &amp; Number:</th>
<th>Postal Code:</th>
</tr>
</thead>
<tbody>
<tr>
<td>City:</td>
<td>Country:</td>
</tr>
</tbody>
</table>

**Secondary**

<table>
<thead>
<tr>
<th>Street &amp; Number:</th>
<th>Postal Code:</th>
</tr>
</thead>
<tbody>
<tr>
<td>City:</td>
<td>Country:</td>
</tr>
</tbody>
</table>

**Date company established:**

**Address of applicant's Registered Office (if different from above)**

<table>
<thead>
<tr>
<th>Street &amp; Number:</th>
<th>Postal Code:</th>
</tr>
</thead>
<tbody>
<tr>
<td>City:</td>
<td>Country:</td>
</tr>
</tbody>
</table>

**Address where transit records will be held (if different from above)**

<table>
<thead>
<tr>
<th>Street &amp; Number:</th>
<th>Postal Code:</th>
</tr>
</thead>
<tbody>
<tr>
<td>City:</td>
<td>Country:</td>
</tr>
</tbody>
</table>

**FULL NAMES OF RESPONSIBLE COMPANY OFFICERS**

<table>
<thead>
<tr>
<th>Name</th>
<th>Date of Birth / National Identity Number</th>
<th>Position in company</th>
</tr>
</thead>
</table>
USE OF ASEAN CUSTOMS TRANSIT SYSTEM (ACTS)
How often do you use, or plan to use, the ACTS? Please give details e.g. number of consignments daily / weekly / monthly:

How many transit movements do you have, or will you have each year approximately:

EXISTING AUTHORISATIONS (e.g. AEO)
Please give details including authorisation number(s), date(s) of authorisation and issuing office(s):

OFFENCES
Have you been convicted of any offences against Customs or tax legislation during the past 5 years in this or any other country? YES / NO
If yes, please give details including dates and name of convicting court(s)

RECORDS
Please give details of the records you intend to keep to ensure a complete and accurate audit trail of all your transit operations (type of records, means and length of storage etc.)

CUSTOMS OFFICES OF DESTINATION
Give the address(es) of the Customs Offices that you wish to use as your office(s) of destination

DESTINATION - AUTHOURED PREMISES AND LOCATIONS
Give the address(es) of the places you wish to use as Authorised Location(s): This is to enable departure from these premises without presenting the goods for inspection at the Customs Office of Destination.

<table>
<thead>
<tr>
<th>Street &amp; Number:</th>
<th>Postal Code:</th>
</tr>
</thead>
<tbody>
<tr>
<td>City:</td>
<td>Country:</td>
</tr>
<tr>
<td>Street &amp; Number:</td>
<td>Postal Code:</td>
</tr>
<tr>
<td>City:</td>
<td>Country:</td>
</tr>
</tbody>
</table>
### MANAGEMENT OF TRANSPORT OPERATIONS

I carry out my own transport operations and apply high standards of security: YES / NO

*Please give details of satellite tracking systems used on vehicles and load compartments*

<table>
<thead>
<tr>
<th>I use a carrier with whom I have a long-standing contractual relationship YES / NO</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Name and address of carrier:</strong></td>
</tr>
<tr>
<td><strong>Street &amp; Number</strong></td>
</tr>
<tr>
<td><strong>City</strong></td>
</tr>
</tbody>
</table>

**Details of security measures:**

<table>
<thead>
<tr>
<th>I use a carrier who is an Authorised Transit Trader (ATT) in his own right: YES / NO</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Name and address of carrier:</strong></td>
</tr>
<tr>
<td><strong>Name:</strong></td>
</tr>
<tr>
<td><strong>Street &amp; Number</strong></td>
</tr>
<tr>
<td><strong>City</strong></td>
</tr>
<tr>
<td><strong>ATT authorisation number:</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>I use an intermediary contractually bound to a carrier who provides a service that meets high standards of security: YES / NO</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Name and address of intermediary:</strong></td>
</tr>
<tr>
<td><strong>Name:</strong></td>
</tr>
<tr>
<td><strong>Street &amp; Number</strong></td>
</tr>
<tr>
<td><strong>City</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Name and address of carrier:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Name:</strong></td>
</tr>
<tr>
<td><strong>Street &amp; Number</strong></td>
</tr>
<tr>
<td><strong>City</strong></td>
</tr>
</tbody>
</table>
## DECLARATION

*I declare that to the best of my knowledge and belief the statements made and information provided in this document are accurate and any accompanying documents submitted in support of this application are authentic.*

*If my application is accepted I will inform the competent authorities of any factor arising after the authorisation has been granted that may influence its terms, conditions or validity.*

*I authorize the verification of the information provided on this form as to my credit. I have received a copy of this application.*

<table>
<thead>
<tr>
<th>Signature:</th>
<th>Position:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name in block capitals:</td>
<td></td>
</tr>
<tr>
<td>National Identity Number:</td>
<td></td>
</tr>
<tr>
<td>Phone:</td>
<td>Email:</td>
</tr>
<tr>
<td>Date:</td>
<td></td>
</tr>
</tbody>
</table>
Section 4: Office of Guarantee

1. Guarantees

1.1 Single Journey Guarantees

A single journey guarantee is used to cover a single transit movement. Individual guarantees are calculated so they cover the actual (100%) amount of Customs debt that is at risk for the particular transit movement, in addition to any currency fluctuation buffer. The guarantor is an approved financial institution that has agreed to issue the guarantee.

A guarantor may be authorised to act as a guarantor for multiple journey guarantees and for a number of different Principals.

1.2 Multiple Journey Guarantees – Reference Amounts

The reference amount shall be equivalent to the value of the total amount of the Customs debt that may be incurred in respect of the goods that the Principal places under the ACTS procedure for a period of at least seven days.

This figure is arrived using two criteria:

i) The calculated reference amount is based on the Customs debt value of all the declarations made by the Principal over one year and the average amount for one week, i.e. the total potential duty and tax for one year divided by the number of weeks in a year.

Where a trader does not have a record that can be used to make this calculation, the reference amount can be based on an estimated figure using documents, records and statements provided by the trader which can be adjusted based on actual declarations in collaboration with Customs Authority.

ii) The status of the trader in terms of experience, resources and reliability – i.e., does the trade have a good compliance history. This is evaluated from the trader’s application form to use the simplified procedure. The Guidelines on evaluating the information provided by the trader are contained in the technical annex to Protocol 7.

For example:
If the annual Customs debt value of declarations by Trader A is US$ 312,000 then the weekly reference amount will be $6,000. This is the amount of guarantee the trader is required to furnish and maintain at all times. If the trader is an authorised transit trader under the simplified procedure and has a good compliance history, they may qualify for a reduction in the guarantee amount, for example 50% or 25% of the reference amount (3,000 and 1,500 US$ respectively in the above example) whenever applicable in accordance with domestic laws. In some cases, the guarantee can be completely waived for very reliable and compliant traders.

---

6 Not applicable to Malaysia

ACTS
Customs Procedures Manual
1.2.1 Review of Reference Amounts

The office of guarantee shall review the reference amount at least once a year, using the information received from the Customs offices of departure, and shall make adjustment if it deemed necessary.

The Principal shall inform the office of guarantee if the reference amount falls below a level sufficient to cover his current or anticipated transit operations.

2. ACTS Management of Guarantee

2.1 Registration and Validation

The Principal produces a guarantee to the office of guarantee to be registered in the Guarantee Management System (GMS).

The Principal is notified if the guarantee submitted is valid or not valid.

The valid guarantee details are then entered into the GMS, which generates a Guarantee Reference Number (GRN). The number is communicated to the Principal.

2.2 Validate Guarantee Usage

On preparation by a Principal and initial submission of an ACTS transit declaration, an automated check is made with the office of guarantee to confirm that the GRN quoted within the declaration is a valid and available guarantee.

If so, the declaration passes the initial guarantee validation.

2.3 Usage Of Guarantee

Following acceptance or verification of declaration details at the office of departure, the process ‘Prepare Guarantee Registration Usage’ calculates the potential Customs debt, and so the amount of guarantee required, and ACTS sends a request for a ‘Check of Guarantee’.

Offices of guarantee receive the information of the guarantees which are to be checked and registered. If the checks of all the received guarantees are satisfactory, the usage is registered. The results of the guarantee checks are then forwarded to the office of departure and the guarantee usage recorded in ACTS. If the guarantee checks are not satisfactory, the guarantee usage is cancelled, and the Principal is notified by ACTS, and the Principal has an option to amend or replace the guarantee.

2.4 Guarantee Usage Release

On completion of the transit movement the office of destination notifies the office of departure, through ACTS, by an ‘Arrival Advice’. This is followed up with a further message, which, depending on the outcome of the transit movement – control or no control, ‘satisfactory’ or ‘not satisfactory’ – determines
action on termination or write-off of the movement and release of any guarantee.

If 'not satisfactory' the guarantee is held until any discrepancies are resolved or any enquires satisfactorily concluded.

In the case of multiple guarantees, the reference amount for the particular transit movement is credited and is recorded in the guarantee management subsystem.

Upon receipt of an Arrival Advice for movements covered by a multiple guarantee, ACTS informs the office of departure and the guarantee is updated accordingly.
Section 4 Annexes

Annex 4A And 4B Guarantee Documents

ASEAN CUSTOMS TRANSIT SYSTEM
SINGLE JOURNEY GUARANTEE DOCUMENT

Guarantor reference number: [insert Guarantor’s transaction reference number]

(a) The Guarantor1

Address2

hereby issues this Guarantee through the Office of Guarantee3 of

…………………………………. (name and address of the office designated by the Customs Authority to receive the original guarantee being the Customs Office of Guarantee (“Office of guarantee” means the office(s) designated by a Customs Authority to manage arrangements in that country for the authorisation of guarantors and supervision of guarantees covering transit operations in the country of departure) up to a maximum aggregate amount of the guaranteed sum

…………………………………………………………………………………………………….. (Maximum Amount)4 in favour of Customs Authorities (“Beneficiaries”) mentioned below. Any one of these Beneficiaries is entitled to make a demand for payment in respect of each transit operation against this Guarantee in the event of a Customs debt becoming due in their Customs Territory of:

Royal Malaysian Customs Department, Ministry of Finance
Level 10 North Block, Ministry of Finance Complex,
No.3 Persiaran Perdana, Precinct 2, 62596 Putrajaya, Malaysia

Or

Singapore Customs
55 Newton Road, #10-01,
Singapore 507987

Or

Thai Customs Department
1 Soonthornkosa Road, Klong Toey, Bangkok 10110
Thailand

1 Name of Guarantor Bank issuing this Guarantee.

2 Address of Guarantor Bank registered address and registration number

3 The Principal must deliver the Guarantee to this address for lodgment

4 The Maximum Amount shall be denominated in the local currency of the Guarantor Bank in figures and letters. The amount required shall be advised by the Principal, being the maximum customs duties and taxes payable for the intended journey plus a surcharge of 10%.
being Customs debt in the form of duties, taxes or other charges, excluding fines, for which the Principal applicant [name] and address may be or become liable to the above Beneficiaries as a result of an irregularity occurring in relation to a transit movement in respect of goods placed under the ASEAN Customs Transit System.

(b) The Guarantor hereby undertakes to pay the Beneficiary which makes a demand in paper form (‘Claim for Recovery of Customs Debt’ as in Annex 11F of ACTS Customs Procedures Manual) or authenticated SWIFT upon receipt of the Form of Demand & Supporting Statement stipulated for recovery of Customs Debt. The Guarantor undertakes to effect the payment of the amount demanded in the currency of the demand subject to the Maximum Amount available at the time of claim, based on the prevailing exchange rate as determined by the Guarantor on the date of payment.  

If the Customs Authority making the claim is in the same country as Guarantor, the written demand shall be presented to the Guarantor’s counters at [address of the Guarantor being the place of presentation]; or if the Customs Authority making the claim is not in the same country as Guarantor, demands shall be made through any of the nominated correspondent banks in paragraph (e) below either by a written demand or via authenticated SWIFT to Guarantor’s SWIFT code [insert SWIFT code] in the Form of Demand and Supporting Statement as follows:-

[Where the beneficiary is making a paper form written demand directly to the Guarantor]
“We refer to your reference no.[insert Guarantor’s transaction reference number]. We hereby make a demand for the claim amount of [currency & amount of the beneficiary]. We hereby certify that we do not have proof of the termination of the transit procedure for [Name of Principal & address] under the Transit ACTS Reference Number (ARN) and dated [date of transit declaration].”

[Where the beneficiary makes a demand through the nominated correspondent bank of the Guarantor as stipulated in clause (e)]
“We refer to your reference no.[insert Guarantor’s transaction reference number]. We hereby confirm receipt of a claim from [insert name of Customs Authority making the claim] in the Form of Claim for Recovery of Customs Debt as prescribed by ACTS. The claimant advises that they do not have proof of the termination of the transit procedure for [Name of Principal & address] under the Transit ACTS Reference Number (ARN) and dated [date of transit declaration]. Please pay the amount of [currency & amount] to the account of [Name of Custom Authority] account number [...] [settlement instructions].”

---

6 Any Beneficiary may make a demand for payment in their local currency. The Guarantor shall pay the Beneficiary the amount demanded in their local currency or the amount available under the Maximum Amount converted at the prevailing exchange rate on the Date of Payment.

7 The written demand must be received by the Guarantor Bank at this address on or before the Claim Expiry Date.
Complying demands shall be paid within 30 days from date of receipt by the Guarantor ("Date of Payment"). The written demand or authenticated SWIFT shall be deemed as full and final of the amount of debt owing by the Principal to the claimant Customs Authority.

(c) A letter issued by the Customs Office of Guarantee releasing the Guarantor of its obligations under this Guarantee shall be full and final release of the Guarantor of its obligations under this Guarantee, notwithstanding that the original of this Guarantee has not been returned for cancellation.\(^8\) Nevertheless, the return of the original Guarantee prior to the expiry date without any confirmation from Beneficiaries shall be deemed to be sufficient notice to the Guarantor to discharge all its liabilities under this Guarantee.\(^9\)

(d) This Guarantee shall not be assigned or transferred without the Guarantor’s prior written consent.

(e) The Beneficiaries may make their claim through the following correspondent\(^10\) bank:-

<table>
<thead>
<tr>
<th>Country</th>
<th>Name of Correspondent Bank appointed by Customs Authority</th>
<th>Address of Headquarters</th>
</tr>
</thead>
<tbody>
<tr>
<td>For Example</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Malaysia</td>
<td>Maybank Berhad</td>
<td>Customs Authorities to provide address of their preferred banks.</td>
</tr>
<tr>
<td>Thailand</td>
<td>Bangkok Bank</td>
<td></td>
</tr>
<tr>
<td>Singapore</td>
<td>DBS</td>
<td></td>
</tr>
</tbody>
</table>

(f) The Customs Office of Guarantee shall be authorised to accept any amendments including cancellation notice by the Guarantor.

(g) Save as otherwise provided in this Guarantee, this Guarantee is issued subject to the Uniform Rules for Demand Guarantees (URDG 2010 REVISION, ICC Publication No 758) save

---

\(^8\) In the event the journey is aborted and the issued Guarantee is no longer required, the Principal shall notify the Office of Guarantee and request the Office of Guarantee to issue a Letter of Release to the Guarantor Bank to release it of its obligations under the Guarantee with immediate effect quoting the Guarantee reference. However, if the Office of Guarantee releases the original Guarantee whether directly to the Guarantor or through the Principal, the Guarantor shall be discharged of its liabilities immediately without further reference to the Office of Guarantee.

\(^9\) The Guarantor Bank may refer to the List of Banks appointed by each Customs Authority in each country, and select a correspondent bank in each country of transit and destination involved in the transit operation, alternatively, the Guarantee issuing bank may appoint a correspondent bank of their choice.
and except that the requirement for a supporting statement under Article 15a of URDG758 is hereby excluded.

(h) This Guarantee is effective and valid from ddmmyyyy (the Effective Date) and expires on ddmmyyyy (the Expiry Date)\textsuperscript{13}. All demands under this Guarantee shall be received on or before the close of business at the counters of the Guarantor within 1 year from the Expiry Date ("Claim Expiry Date").\textsuperscript{12} The Guarantor shall have no liability under this Guarantee in respect of any claim which has not been received by the Guarantor on or before the Claim Expiry Date.

Made on this [day] [month, year]

\textsuperscript{13} Authorised Signatory of the Guarantor Bank signing under Power of Attorney\textsuperscript{14}

\begin{tabular}{p{6cm}p{6cm}}
(Signature) & (Name – Printed) \\
\hline \\
\end{tabular}

\begin{tabular}{p{6cm}}
(Position) \\
\hline \\
\end{tabular}

For and on behalf of.............................................................................................

\begin{tabular}{p{7cm}}
(Name of Guarantor Bank) \\
\end{tabular}

\textsuperscript{11} The Principal shall apply for the Guarantee to be issued and lodged with the Office of Guarantee prior to the Expiry Date, in time for a Customs Declaration to be submitted.
\textsuperscript{12} The Guarantor is liable to honour any demands received on or before the Claim Expiry Date. All complying demands received on or before the Claim Expiry Date shall be paid by the Date of Payment.
\textsuperscript{13} The person signing the document must enter the following by hand writing before his or her signature “Guarantee for the amount of…………………………,” the amount being written out in letters.
\textsuperscript{14} The Office of Guarantee which accepts this Guarantee shall be responsible to ensure that the form of execution is in a form which is legally binding on the Guarantor Bank i.e. the person signing has the legal capability to bind the Guarantor Bank to this undertaking under this Guarantee.
ASEAN CUSTOMS TRANSIT SYSTEM
MULTIPLE JOURNEY GUARANTEE DOCUMENT

Guarantor reference number: [insert Guarantor's transaction reference number]

(a) The Guarantor

Address

hereby issues this Guarantee through the Office of Guarantee of

................................................................. (name and address of the office designated by the Customs Authority to receive
the original guarantee being the Customs Office of Guarantee ("Office of guarantee" means the
office(s) designated by a Customs Authority to manage arrangements in that country for the
authorisation of guarantors and supervision of guarantees covering transit operations in the
country of departure) in the country of departure) up to a maximum aggregate amount of the
 guaranteed sum .......................................................... (Maximum
Amount) being [100/50/25]% of the reference amount in favour of Customs Authorities
("Beneficiaries") mentioned below. Any one of these Beneficiaries is entitled to make a demand
for payment in respect of each transit operation against this Guarantee in the event of a
Customs debt becoming due in their Customs Territory of:

Royal Malaysian Customs Department, Ministry of Finance
Level 10 North Block, Ministry of Finance Complex,
No.3 Persiaran Perdana, Precinct 2, 62596 Putrajaya,
Malaysia

Or

Singapore Customs
55 Newton Road, #10-01,
Singapore 307987

Or

Thai Customs Department
1 Soonthornkosa Road, Klong Toey, Bangkok 10110
Thailand

1 Name of Guarantor Bank issuing this Guarantee.
2 Address of Guarantor Bank registered address and registration number
3 The Principal must deliver the Guarantee to this address for lodgment
4 The Maximum Amount shall be denominated in the local currency of the Guarantor Bank in figures and letters.

The amount required shall be advised by the Principal, being the maximum customs duties and taxes payable for
the intended journey plus a buffer of 10%.
being Customs debt in the form of duties, taxes or other charges, excluding fines, for which the Principal applicant(name):  ........................................................................................................................................................................................

and address: ..............................................................................................................................................................................................................................................................................................

may be or become liable to the above Beneficiaries as a result of an irregularity occurring in relation to a transit movement in respect of goods placed under the ASEAN Customs Transit System.

(b) The Guarantor hereby undertakes to pay the Beneficiary which makes a demand in paper form (Claim for Recovery of Customs Debt’ as in Annex 11F of ACTS Customs Procedures Manual) or authenticated SWIFT upon receipt of the Form of Demand & Supporting Statement stipulated for recovery of Customs Debt. The Guarantor undertakes to effect the payment of the amount demanded in the currency of the demand subject to the Maximum Amount available at the time of claim, based on the prevailing exchange rate as determined by the Guarantor on the date of payment.6

If the Customs Authority making the claim is in the same country as Guarantor, the written demand shall be presented to the Guarantor’s counters at [address of the Guarantor being the place of presentation7]; or

if the Customs Authority making the claim is not in the same country as Guarantor, demands shall be made through any of the nominated correspondent banks in paragraph (e) below either by a written demand or via authenticated SWIFT to Guarantor’s SWIFT code [insert SWIFT code] in the Form of Demand and Supporting Statement as follows:-

[Where the beneficiary is making a paper form written demand directly to the Guarantor]

“We refer to your reference no.[insert Guarantor’s transaction reference number]. We hereby make a demand for the claim amount of [currency & amount of the beneficiary]. We hereby certify that we do not have proof of the termination of the transit procedure for [Name of Principal & address] under the Transit ACTS Reference Number (ARN) and dated [date of transit declaration].”

[Where the beneficiary makes a demand through the nominated correspondent bank of the Guarantor as stipulated in clause (f);

“We refer to your reference no.[insert Guarantor’s transaction reference number]. We hereby confirm receipt of a claim from [insert name of Customs Authority making the claim] in the Form of Claim for Recovery of Customs Debt as prescribed by ACTS. The claimant advises that they do not have proof of the termination of the transit procedure for [Name of Principal & address] under the Transit ACTS Reference Number (ARN) and dated [date of transit declaration]. Please pay the amount of [currency & amount] to the account of [Name of Customs Authority] account number [...] [settlement instructions].”

---

5 Full name and address of Principal
6 Any Beneficiary may make a demand for payment in their local currency. The Guarantor shall pay the Beneficiary, the amount demanded in their local currency or the amount available under the Maximum Amount converted at the prevailing exchange rate on the Date of Payment.
7 The written demand must be received by the Guarantor Bank at this address on or before the Claim Expiry Date.
Complying demands shall be paid within 30 days from date of receipt by the Guarantor ("Date of Payment"). The written demand or authenticated SWIFT shall be deemed as full and final of the amount of debt owing by the Principal to the claimant Customs Authority.

(c) A letter issued by the Customs Office of Guarantee releasing the Guarantor of its obligations under this Guarantee shall be full and final release of the Guarantor of its obligations under this Guarantee, notwithstanding that the original of this Guarantee has not been returned for cancellation. Nevertheless, the return of the original Guarantee prior to the expiry date without any confirmation from Beneficiaries shall be deemed to be sufficient notice to the Guarantor to discharge all its liabilities under this Guarantee.

(d) If the Guarantor receives more than one demand on the same day and the total of the demands exceeds the Maximum Amount, the Guarantor has an absolute discretion regarding the determination of which demand or demands it will pay and in what proportion, if any, its pays those demands.

(e) This Guarantee shall not be assigned or transferred without the Guarantor’s prior written consent.

(f) The Beneficiaries may make their claim through the following correspondent bank:

<table>
<thead>
<tr>
<th>Country</th>
<th>Name of Correspondent Bank appointed by Customs Authority</th>
<th>Address of Headquarters</th>
</tr>
</thead>
<tbody>
<tr>
<td>For Example</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Malaysia</td>
<td>Maybank Berhad</td>
<td>Customs Authorities to provide address of their preferred banks.</td>
</tr>
<tr>
<td>Thailand</td>
<td>Bangkok Bank</td>
<td></td>
</tr>
<tr>
<td>Singapore</td>
<td>DBS</td>
<td></td>
</tr>
</tbody>
</table>

(g) The Customs Office of Guarantee shall be authorised to accept any amendments including cancellation notice by the Guarantor.

---

8,9 In the event the journey is aborted and the issued Guarantee is no longer required, the Principal shall notify the Office of Guarantee and request the Office of Guarantee to issue a Letter of Release to the Guarantor Bank to release it of its obligations under the Guarantee with immediate effect quoting the Guarantee reference. However, if the Office of Guarantee releases the original Guarantee whether directly to the Guarantor or through the Principal, the Guarantor shall be discharged of its liabilities immediately without further reference to the Office of Guarantee.

10 The Guarantor Bank may refer to the List of Banks appointed by each Customs Authority in each country, and select a correspondent bank in each country of transit and destination involved in the transit operation, alternatively, the Guarantee issuing bank may appoint a correspondent bank of their choice.
(h) Save as otherwise provided in this Guarantee, this Guarantee is issued subject to the Uniform Rules for Demand Guarantees (URDG 2010 REVISION, ICC Publication No 758) save and except that the requirement for a supporting statement under Article 15a of URDG758 is hereby excluded.

(i) This Guarantee is effective and valid from ddmmyyyy (the Effective Date) and expires on ddmmyyyy (the Expiry Date)\(^{13}\). All demands under this Guarantee shall be received on or before the close of business at the counters of the Guarantor within 1 year from the Expiry Date ("Claim Expiry Date")\(^ {12}\). The Guarantor shall have no liability under this Guarantee in respect of any claim which has not been received by the Guarantor on or before the Claim Expiry Date.

Made on this [day] [month], year

............................................................................................................................................................................\(^{13}\)

Authorised Signatory of the Guarantor Bank signing under Power of Attorney\(^ {14}\)

........................................................................................................

(Signature) \quad (Name – Printed)

........................................................................................................

(Position)

For and on behalf of.................................................................................................................................

(Name of Guarantor Bank)

\(^{11}\) The Principal shall apply for the Guarantee to be issued and lodged with the Customs Office of Guarantee prior to the Expiry Date, in time for a Customs Declaration to be submitted.

\(^{12}\) The Guarantor is liable to honour any demands received on or before the Claim Expiry Date. All complying demands received on or before the Claim Expiry Date shall be paid by the Date of Payment.

\(^{13}\) The person signing the document must enter the following by hand writing before his or her signature

"Guarantee for the amount of.................................................................................." the amount being written out in letters.

\(^{14}\) The Office of Guarantee which accepts this Guarantee shall be responsible to ensure that the form of execution is in a form which is legally binding on the Guarantor Bank i.e. the person signing has the legal capability to bind the Guarantor Bank to this undertaking under this Guarantee.
Section 5: ACTS System Processes

This Section describes the full ACTS process, as seen by Customs, whereas the following Sections of this Manual go into greater detail on the procedural steps taken by Customs offices according to their respective roles in managing transit movements.

An overview diagram of the main processes, as described in this Section, is at Annex 5A at page 5.

1. At Office of Departure

1.1 Actions by The Principal

- The Principal obtains a guarantee and lodges it with the Customs office of guarantee.
- The Principal or his authorised representative submits the transit declaration electronically to ACTS at the office of departure referencing the guarantee that will be used to cover the transit operation.

1.1.1 The Transit Declaration

- The declaration must contain all the data required and comply with ACTS specifications.
- The system validates the data automatically.
- This includes verification that the guarantee is valid.
- The system will indicate if there is an inconsistency in the data and the trader is informed, so that the trader can make any necessary corrections before the declaration is finally accepted.

What does ACTS check in the validation process and acceptance of the declaration?
See Annex 5D for details.

1.1.2 Restricted or Prohibited Goods

ACTS will reject prohibited goods, with an explanatory message to the declarant.

In relation to restricted goods, the ACTS will be automatically direct the declaration to the 'normal procedure process' with a generated message stating 'goods are restricted'.

The documents and goods must then be presented to the Customs office of departure, where the Customs Officer will decide if further documentary checks and / or a physical examination of the goods are required, and whether or not to release the goods into transit.

1.1.3 Asean Reference Number (ARN)

Once the corrections have been entered and the declaration is accepted, the system will provide the declaration with a unique ACTS Reference Number (ARN).
1.2 Customs Actions

1.2.1 Release to Transit

- Any inspections deemed necessary are carried out, either at the office of departure itself (under normal procedures) or at the authorised Principal’s premises (under simplified procedures)
- If satisfactory, the potential Customs debt – calculated on the highest duties and taxes within the countries of transit – is registered as usage against the guarantee
- The goods in transit are secured by fixing seals (See Annex 5B at page 6 for sealing requirements)
- The goods are released for transit.

1.2.2 Transit Accompanying Document (TAD)

- After Customs have approved the Customs transit declaration, the Transit Accompanying Document (TAD) is printed at that Customs office of departure.
- If the declaration contains more than one goods description, as defined by AHTN commodity code, the TAD may have a ‘List of Items’, which is part of the TAD
- Under simplified procedures the TAD is printed at the Principal’s own premises.
- The TAD and any list of items must be with the vehicle’s driver and travel with the goods.
- The TAD is presented to the Customs offices of transit and the Customs office of destination.

1.2.3 Anticipated Arrival Record

- The Customs office of departure sends electronically an anticipated arrival record to the declared office of destination.
- This message will mainly contain the information taken from the declaration, enabling the office of destination to control the consignment when it arrives.
- The office of destination needs to have access to the best possible information about the transit operation to take a correct and reliable decision about what actions to take when the goods arrive.

1.2.4 Anticipated Transit Record

- The office of departure also sends an anticipated transit record to the intended offices of transit, so that each office of transit has prior notification of the consignment concerned and can check the passage of the movement.
2. At Customs Offices of Transit

- When the goods pass by an office of transit, the goods, the transit accompanying document and any list of items must be presented to Customs. The anticipated transit record, already available in the system, will automatically be located when the ACTS Reference Number (ARN) is entered into ACTS by Customs, either manually or by scanning the bar-code on the TAD

- The vehicle or container may be checked to ensure that the original seals are intact and subsequently the movement may be approved for passage.

2.1 Notification Crossing Frontier

- The border crossing of the transit movement is registered in ACTS and a ‘Notification of Crossing Frontier’ message is sent to the office of departure and ACTS sends the message to other offices of transit and the office of destination.

3. At Customs Office of Destination

- Upon arrival, the goods are presented to the Customs office of destination, together with the transit accompanying document; or indirectly, via an authorised consignee.

- When the ACTS reference number is entered into the system, either manually or using a bar code reader, it locates the corresponding anticipated arrival record.

- Customs, with details about the transit movement, has the opportunity to make an assessment of risk and to decide beforehand what controls are necessary.

3.1 Arrival Advice

- The arrival of the transit movement is registered in ACTS and an arrival advice message is sent to the office of departure.

- After the relevant controls have been carried out, the office of destination will notify the office of departure of the control results by using a control results message, stating which, if any, irregularities have been detected.

3.2 Transit Termination

- If the arrival at the destination is satisfactory, a positive control message, that is, termination without reservation is sent to office of departure to discharge the transit operation and discharge the guarantees that were used for it.
• If arrival is unsatisfactory for any reason, the office of destination will send a message to the office of departure indicating termination with reservation.
Section 5 Annexes

Annex 5A Process Overview Flow Chart

This diagram gives an overview of the main processing path of ACTS; however it does not show details of sub-processes, such as:

- Amendments;
- Declaration validation, acceptance and verification processes;
- Risk analysis;
- Control process details at departure and destination;
- Guarantee management;
- Handling of control results;
- Diversion of transit goods;
- The enquiry process; or
- Duty and tax recovery

For the purpose of explanation, the main processes are described as follows:

1. Administration of the ACTS system;
2. Preparation of the ACTS electronic transit declaration and giving of guarantee;
3. ACTS system processing of the received declaration;
4. Processes at the Customs office of departure;
5. The Transit Accompanying Document (TAD) and start of the transit movement;
6. Processes at Customs offices of Transit;
7. Arrival processes at Customs office of Destination; and
8. The release from transit and the subsequent acquittal of the transit movement within the ACTS system.

Note: detailed flowcharts, showing the steps of the individual ACTS processes, together with explanatory notes, are in the General Annex at the back of this manual.
Annex 5B Security Seals

1. The Purpose of Seals

Seals affixed to trucks and containers provide a physically secure mechanism to ensure the goods presented at the start of the transit movement will leave the transit country in the same quantities, form, and status.

Seals must conform to specified criteria that ensure their effective and secure operation.

There are several types of seals, including electronic (microchip) seals that are activated when broken, transmitting a signal that is picked up by satellite and sends information to the competent authority or Principal of the sealed truck or container, including information on its location.

- A Principal may be authorised to use special types of seals on means of transport or packages provided the seals comply.

![Figure 1: Example of the many different styles of seals](image)

2. Essential Characteristics

The seals shall have at least the following characteristics and comply with the following technical specifications:

Seals must:

a) remain secure in normal use;

b) be easily checkable and recognisable;

c) be so manufactured that any breakage or removal leaves traces visible to the naked eye;

d) be designed for single use or, if intended for multiple use, be so designed that they can be given a clear, individual identification mark each time they are re-used; and

e) have identification marks.
3. Technical Specifications

a) The form and dimensions of seals may vary with the sealing method used but the dimensions must be such as to ensure that identification marks are easy to read.

b) The identification marks of seals must be impossible to falsify and difficult to reproduce.

c) The material used must be resistant to accidental breakage and such as to prevent undetectable falsification or re-use.

4. Methods of Sealing

There are two methods of sealing:

- seal the container / means of transport containing the goods;
- seal an individual package.

Seals are affixed before the goods are released for transit.

The unique serial of the seal is input into ACTS.

Waiving Seals Requirement

The Customs office of departure may waive the requirement for sealing where the nature of the goods being transported makes this impracticable, subject to sufficient description of such goods to ensure easy identification.

Examples include:

- Goods shipped in bulk
- Large pieces of machinery or equipment, that are essentially moved unpacked

Transport Suited To Sealing

The office of departure will regard the means of transport as suitable for sealing where:-

- seals can be simply and effectively affixed to them;
- they are so constructed that it is impossible to remove or introduce goods without leaving visible traces of tampering or without breaking the seals;
- they contain no concealed spaces where goods may be hidden; and
- the spaces reserved for the load are readily accessible for inspection by the competent authorities
### Annex 5C Transit Accompanying Document (TAD)

#### ACTS - ASEAN CUSTOMS TRANSIT SYSTEM

<table>
<thead>
<tr>
<th>No.</th>
<th>Description</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>DECLARATION</td>
<td>Type</td>
</tr>
<tr>
<td>2.</td>
<td>Consignor</td>
<td>TIN</td>
</tr>
<tr>
<td>3.</td>
<td>Forms</td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>Total items</td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Total packages</td>
<td></td>
</tr>
<tr>
<td>6.</td>
<td>Consignee</td>
<td>TIN</td>
</tr>
<tr>
<td>7.</td>
<td>7 Total gross weight (kg)</td>
<td></td>
</tr>
<tr>
<td>8.</td>
<td>Proposed date of departure</td>
<td></td>
</tr>
<tr>
<td>9.</td>
<td>Date of release for transit</td>
<td></td>
</tr>
<tr>
<td>10.</td>
<td>Trader reference/Contact details</td>
<td></td>
</tr>
<tr>
<td>11.</td>
<td>Proposed countries of transit</td>
<td></td>
</tr>
<tr>
<td>12.</td>
<td>Country of destination</td>
<td></td>
</tr>
<tr>
<td>13.</td>
<td>Identification of means of transport</td>
<td></td>
</tr>
<tr>
<td>14.</td>
<td>Containers</td>
<td></td>
</tr>
<tr>
<td>15.</td>
<td>OFFICE OF DEPARTURE</td>
<td></td>
</tr>
<tr>
<td>16.</td>
<td>Nationality of means of transport</td>
<td></td>
</tr>
<tr>
<td>17.</td>
<td>Mode of Transport</td>
<td></td>
</tr>
<tr>
<td>18.</td>
<td>Place of loading</td>
<td></td>
</tr>
<tr>
<td>19.</td>
<td>Office of Exit</td>
<td></td>
</tr>
<tr>
<td>20.</td>
<td>Location of goods</td>
<td></td>
</tr>
</tbody>
</table>

#### 21. Container identification, marks and number of packages, number and type of packages and description of goods

#### 22. Change of consignee/containers

<table>
<thead>
<tr>
<th>No.</th>
<th>Description</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>22</td>
<td>Item No.</td>
<td></td>
</tr>
<tr>
<td>23</td>
<td>Country Code</td>
<td></td>
</tr>
<tr>
<td>24</td>
<td>Currency code</td>
<td></td>
</tr>
<tr>
<td>25</td>
<td>Invoice value</td>
<td></td>
</tr>
<tr>
<td>26</td>
<td>Gross weight (kg)</td>
<td></td>
</tr>
<tr>
<td>27</td>
<td>Net weight (kg)</td>
<td></td>
</tr>
<tr>
<td>28</td>
<td>Supplementary Unit</td>
<td></td>
</tr>
<tr>
<td>29</td>
<td>Country of origin</td>
<td></td>
</tr>
<tr>
<td>30</td>
<td>Country of origin code</td>
<td></td>
</tr>
</tbody>
</table>

#### 31. Other information concerning the liability of goods to specific requirements

#### 32. Certification by Competent Authority

<table>
<thead>
<tr>
<th>No.</th>
<th>Description</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>32</td>
<td>Place and country</td>
<td></td>
</tr>
<tr>
<td>33</td>
<td>Code</td>
<td></td>
</tr>
<tr>
<td>34</td>
<td>Place and country</td>
<td></td>
</tr>
<tr>
<td>35</td>
<td>Code</td>
<td></td>
</tr>
<tr>
<td>36</td>
<td>New container [yes / no]</td>
<td></td>
</tr>
<tr>
<td>37</td>
<td>Identifiable and ascertainable of new means of transport</td>
<td></td>
</tr>
<tr>
<td>38</td>
<td>New container [yes / no]</td>
<td></td>
</tr>
<tr>
<td>39</td>
<td>Identifiable and ascertainable of new means of transport</td>
<td></td>
</tr>
<tr>
<td>40</td>
<td>New container [yes / no]</td>
<td></td>
</tr>
<tr>
<td>41</td>
<td>Identifiable and ascertainable of new means of transport</td>
<td></td>
</tr>
</tbody>
</table>

#### 34. Principal

<table>
<thead>
<tr>
<th>No.</th>
<th>Description</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>44</td>
<td>TIN</td>
<td></td>
</tr>
<tr>
<td>45</td>
<td>Number</td>
<td></td>
</tr>
<tr>
<td>46</td>
<td>Serial number</td>
<td></td>
</tr>
</tbody>
</table>

#### 37. Intended customs office of transit

<table>
<thead>
<tr>
<th>No.</th>
<th>Description</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>47</td>
<td>Represented by</td>
<td></td>
</tr>
<tr>
<td>48</td>
<td>Place and date</td>
<td></td>
</tr>
</tbody>
</table>

#### 41. Control by Customs Office of Departure

<table>
<thead>
<tr>
<th>No.</th>
<th>Description</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>49</td>
<td>Result</td>
<td></td>
</tr>
</tbody>
</table>

#### 42. Control by Customs Office of Destination

<table>
<thead>
<tr>
<th>No.</th>
<th>Description</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>50</td>
<td>Date of arrival</td>
<td></td>
</tr>
<tr>
<td>51</td>
<td>Examination of goods</td>
<td></td>
</tr>
<tr>
<td>52</td>
<td>Remarks</td>
<td></td>
</tr>
</tbody>
</table>

#### 43. Receipt registration under No.

<table>
<thead>
<tr>
<th>No.</th>
<th>Description</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>53</td>
<td>Name and signature</td>
<td></td>
</tr>
</tbody>
</table>

### ACTS
 Customs Procedures Manual
### ACTS TRANSIT ACCOMPANYING DOCUMENT

#### LIST OF ITEMS

<table>
<thead>
<tr>
<th>Principal</th>
<th>UN</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>21</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Other information covering the liability of goods to specific requirements:

<table>
<thead>
<tr>
<th>22</th>
<th>23</th>
<th>24</th>
</tr>
</thead>
<tbody>
<tr>
<td>Item No</td>
<td>Commodity Code</td>
<td>Currency code</td>
</tr>
</tbody>
</table>

#### Other information covering the liability of goods to specific requirements:

<table>
<thead>
<tr>
<th>25</th>
<th>26</th>
<th>27</th>
</tr>
</thead>
<tbody>
<tr>
<td>Invoice value</td>
<td>Gross weight (kg)</td>
<td>Net weight (kg)</td>
</tr>
</tbody>
</table>

#### Other information covering the liability of goods to specific requirements:

<table>
<thead>
<tr>
<th>28</th>
<th>29</th>
<th>30</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supplementary Unit</td>
<td>Country of origin</td>
<td>Country of origin code</td>
</tr>
</tbody>
</table>

---

**ACTS**

Customs Procedures Manual 5.9
## ASEAN CUSTOMS TRANSIT SYSTEM (ACTS)

### TRANSIT INCIDENT REPORT FORM

<table>
<thead>
<tr>
<th>Item No (from box 22 of TAD)</th>
<th>Number and type of packages, description of the goods involved (from TAD box 21)</th>
<th>Details, including date, place and circumstances of the incident(s), including quantities of any goods missing or destroyed</th>
</tr>
</thead>
</table>

### 6. Nature of en-route incident:

1. Diversion to different transit office / country?  
2. Transfer of goods or container to another means of transport?  
3. Customs seals on load compartment or container are broken or missing?  
4. Load compartment or container is damaged or opened without customs authority?  
5. Load/cargo manifest discrepancies or goods appear to be damaged or missing?  
6. Failure to obtain permission to proceed of authorities at border control point?  
7. Other reportable incident during transit?  

### 7. In all cases of en route incidents give details below:

<table>
<thead>
<tr>
<th>Item No (from box 22 of TAD)</th>
<th>Number and type of packages, description of the goods involved (from TAD box 21)</th>
<th>Details, including date, place and circumstances of the incident(s), including quantities of any goods missing or destroyed</th>
</tr>
</thead>
</table>

### 8. Change of means of transport / container / frontier office / country of transit and / or destination:

- Identify and nationality of new road vehicle:
- If containerised, identity no. of new container:
- Number and identity of new seals attached:
- New frontier office and / or country of destination:

### 9. Where transit goods are damaged, destroyed, missing or stolen, give details of measures taken:

(copies of any relevant police reports are to be attached)

When space on this report is not sufficient, attach details on separate paper and record here details of those attachments.

### 10. Authority (e.g. Police, or other Government Agency) having completed this report

### 11. Control by next Customs Office after occurrence of incident

Place, date
Instructions for use of the ACTS Transit Incident Report Form

1. This document is to be completed in the case of incidents occurring en-route during an ACTS trans operation. These incidents may involve:
   - Change of means of transport due to accident of breakdown
   - Diversion to a different Customs office than originally intended
   - Diversion to a different country than originally intended
   - Accidental breakage of Customs or private sector seals
   - Theft of the goods
   - Other incidents en-route

2. The document is to be completed, signed and stamped with an official stamp by an official agency, such as the Police, or another Government agency.

3. The ACTS Transit Accompanying Document (TAD) must be printed at departure and kept with the goods during the ACTS transit operation, and in case of incidents en-route, endorsed in manuscript where indicated.

4. This document and its attachments are to be completed in the English language. In addition, the information recorded may be repeated in national languages.

5. The transport operator has the responsibility of ensuring that all Customs and Transport documents are presented to the Customs and Transport officers at each border crossing point and at destination.

6. At destination, Customs will sign and stamp the TAD in box 43 and return it to the transport operator as a receipt. Under ACTS simplified procedures, the trader at destination will sign and stamp box 43 of the TAD and return it to the transport operator as a receipt.

Incidents En-Route

7. The host country Customs Authority must be promptly informed in case of damaged or missing Customs seal, damage to or destruction of the goods, forced change of vehicle en-route through accident or breakdown, or forced change of itinerary.

8. In the first instance, in case of accident, or obvious damage or loss, the incident must be reported to an official body, such as the Police or other Government Agency, who will complete and endorse the ACTS Transit Incident Report Form and the TAD.

9. To continue the transit operation under ACTS, the replacement means of transport must be in possession of an ASEAN Goods Vehicle Cross Border Permit. If such a means of transport is unavailable, the goods must be transported to the nearest Customs office and the ACTS transit operation will be terminated there under Customs control.
10. Any incident en-route causing or requiring the breaking and replacement of the seals shall be recorded manually on the TAD (Box no. 33) and on the Transit Incident Report Form.

**Note for Customs Authorities:** The use of this form is optional. The objective is to summarise the information required to be reported in case of incidents en-route during an ACTS transit operation, for other Government agencies to use to sign and stamp with official stamps. It is recommended that a stock of these forms is held in Customs offices of departure to be given to drivers along with the TAD under normal procedures. For simplified procedures, it is proposed that Customs Authorities provide an electronic version to the Principal Authorised Transit Trader.
Annex 5D Declaration Validation Particulars

The technical ACTS User Manual gives details of the data fields or information descriptions within the transit declaration that are checked and verified in the validation and acceptance processes.)
Section 6: Customs Office of Departure

Two ACTS transit procedures are available to the Principal:

- **Normal**, that requires the goods to be presented at the Customs office of departure; or
- **Simplified**, available only those with authorised transit trader (ATT) status, and allowing loading of goods at their authorised premises

*Simplified Procedures facilitate the trader’s access to the transit system more efficiently, and at the same time it allows the Customs Authorities to identify traders with the lowest risk and to concentrate resources on medium and high-risk areas.*

See Section 3 at page 1 for details on simplifications available to authorised transit traders.

1. Normal Control at Office of Departure

The transit declaration status is:

Validated and accepted by ACTS, (following any necessary amendment), and awaits a control decision made at the Customs office of departure.

1.1 Control Actions at Departure

The transit declaration details are retrieved by ACTS, via the allocated ARN.

*ACTS automatically completes a risk analysis of the declaration using risk parameters to decide if further controls are necessary, whether documentary checks or physical examination. (See Annex 6A at page 7 for details of common Risk Management principles as applicable to Customs and transit operations.)*

- If the risk analysis results state that goods shall not be released then ACTS alerts the Customs Officer.
- Customs may overrule the automated ACTS decision, to either release or refer for further controls.
- If the Customs Officer decides not to perform a control on the goods, the Officer records the decision and reasons in ACTS.
- For a control, the Principal is notified of an examination in order to allow him to be present.

*When a control is notified, declaration amendments are no longer accepted.*
1.1.1 Control Examination

The verification of the goods and/or supporting documents and/or seals is a manual process performed by a Customs Officer at the goods place.

- The Customs Officer goes to the goods place (as specified in the declaration at presentation time) in order to verify the documents or goods (or both), taking with him the printout of the details of the accepted declaration.
- The Customs Officer controls the consignment against the printout of the accepted declaration.
- He can also check the supporting documents, such as commercial documents, invoices, packing list, bill of lading.
- The Customs Officer affixes or re-affixes seals.

1.1.4 The Control Result

If the control revealed no discrepancies; the controlled goods together with the ’Satisfactory’ control results are registered in ACTS by the Customs officer.

*The potential Customs debt is calculated by ACTS and the guarantee usage registered at the Office of guarantee*

By the Grace of God

---

If the guarantee is invalid or the guarantee is not sufficient to cover the calculated amount, and so the check fails, the Principal must amend or replace the guarantee for the movement to proceed.

---

**Route and Travel Time**

Customs may set the expected route, arrival and expected control times by overriding within ACTS the default system settings.

*For example, when the route and length of time to reach the intended destination is longer than that defaulted by the system due to road closures.*

1.1.5 Handling Examination Discrepancies

When minor discrepancies occur, they are communicated to the Principal.

In the case of minor discrepancies, where the Principal is in agreement (‘no opposition’) with Customs on the need for minor revisions to the declaration data:

- Customs may open the declaration to allow for the Principal to amend;
- Customs confirm that any amendment is in accord with examination result and agreement;
• If so, the control result ‘Satisfactory’ is registered and the declaration can proceed to register guarantee usage.

Where the Principal opposes (i.e. he does not accept the proposed revisions), the movement cannot be released.

• Customs records the control results.
• The declaration is put in an idle state where it waits until further action.

The Principal has not yet communicated his advice on minor revisions.

• A timer “Wait for release request” is started to protect a non release request of the goods coming from the Principal.

1.1.6 Major Discrepancies

The control revealed major discrepancies or reasonable grounds for the office of departure to consider that the introduction of the goods into the transit regime would pose a serious threat to the safety and security of the Countries involved.

*For example a misleading description or a non-declared item would be considered major discrepancy. An item declared but not present during control would also be considered a major discrepancy.*

In this case:-

• The controlled goods, major discrepancies and the ‘Unsatisfactory’ control results are registered.
• The office of departure notifies the Principal that the movement may not go to destination
• Sanctions may be applied.

1.1.7 Release to Transit

**The transit declaration status is released to transit:**

---

*Registration of guarantee usage is successful*

*Dates are set for expected arrival date at office of destination and date when control results are expected from that office.*

*Anticipated Transit Records (ATR) are sent to each office of transit, and an Anticipated Arrival Record (AAR) to the office of destination.*

---

ACTS notifies the Principal that the goods are released to transit
The Customs Officer:

- Affixes or verifies seals securing the load compartment of the goods;
- Records the identity and number of seal in the ACTS; and
- Prints the Transit Accompanying Document (TAD), and any List of Items, which are given to the trader.

The Customs Officer at the office of departure releases the goods for transit.

2. **Simplified Procedure at Office of Departure**

The transit declaration status is:

---

*Validated and checked by ACTS, as for normal procedure, and additionally:*

- that the Principal is an Authorised Transit Trader (ATT) and approved for that office of departure;
- that the goods are not excluded from the procedure and are at an authorised location for loading (and inspection if desired);
- any specified Authorised Consignee or travel route is approved;
- the identification of seals is checked against those authorised; and
- a timer is started, for automatic release to transit - unless Customs intervene for a control.

---

*The time set to automatic release to transit is that set and notified to the Principal in the authorization of the simplified procedure.*

If the trader is not authorised to use simplified procedures, or any of the specific provisions claimed in the declaration, the declaration is rejected and the Principal notified.

*See Section 3 ‘Authorised Traders and Simplifications’ at page 1 for details of Protocol 7 provisions on facilitation concessions available to reliable and approved traders.*

2.1 **Restricted Goods**

In relation to restricted goods, the ACTS will be automatically direct the declaration to the ‘normal procedure process’ with a generated message stating ‘goods are restricted’.

*The documents and goods must then be presented to the Customs office of departure, where the Customs Officer will decide if further documentary checks and / or a physical examination of the goods are required, and whether or not to release the goods into transit.*
2.2 Control Actions at Departure

Following validation and acceptance of the declaration, risk management settings by the Customs office of departure may instruct ACTS to direct the declaration to the attention of an Officer.

There can be many varied reasons to oversee the details of the declaration before release.

See Annex 6A at page 7 of the Manual for suggestions on Customs risk management principles and practices.

With the timer to automatic release in operation, Customs may access the declaration details and either:

- Records in ACTS a decision not to control;
  - Which stops the timer; and
  - The declaration proceeds to a guarantee check and registers usage against the Principal’s guarantee reference amount; OR
- Decides to control;
  - Which also stops the timer to release;
  - Notifies the Principal of the control.

2.2.1 Control Examination

Customs normally arrange with the ATT Principal for examination at the nominated and authorised place of loading - though in some circumstances Customs could require that the goods be brought to the Customs office of departure for the examination.

The Customs officer has the declaration details from ACTS and using those details conducts an examination of the goods and any relevant documentation.

The officer confirms any necessary re-sealing of packages or containers.

2.2.2 The Control Result

Control results and the release to transit are handled in the same manner as that of goods under normal procedure, as described at page 2.

The exceptions are:

- As an authorised consignor, the Principal may print the Transit Accompany Documents; and
\[6.6\] If major discrepancies are found, in addition to any regular sanctions, the status of the Authorised Transit Trader must be reviewed, to assess future suitability.

3. **The Transit**

As the transit movement progresses, the office of departure expects to receive messages through ACTS from all offices of transit and the office of destination.

The expected time of receipt of these messages is set within ACTS according to expected travel times, according to the destination and route. (Unless special circumstances have caused the permissible travel times to be overridden by the office of departure at the time of transit.)

3.1 **Correct Transit**

A transit movement has proceeded and was completed as expected; on the route, and within time limits, according to the declaration details and the approvals given.

In this case the office of departure receives ACTS messages confirming the progress of the movement:

3.1.1 **Notification Crossing Border (NCF)**

Received from each office of transit to which an Anticipated Transit Record (ATR) had been forwarded

3.1.2 **Arrival Advice**

Received from the office of destination

3.1.3 **Control Results**

With a ‘Satisfactory’ control result received from the office of destination the:

- Transit movement is terminated;
- Guarantee is released (or in the case of multiple journey guarantees, the reference amount re-credited); and
- Principal notified of transit movement

3.2 **Irregular Transit Movements**

3.2.1 **Diversion or Non-Delivery**

Section 9 at page 1 describes procedures for handling diversion of transit movements to offices of destination, or through offices of transit, not within the approval granted with the accepted declaration.
3.2.2 Enquiry and Recovery Procedures

Non-arrival of goods at the intended office of destination starts an enquiry process, firstly with the office of departure and the Principal.

Section 11, ‘Enquiry and Recovery’, at page 1 details the processes for enquiries as to why a transit movement did not proceed as intended and why it was not properly terminated.

The accompanying Annexes contain form letters for the enquiry follow up, though to the recovery of lost duty taxes from the Principal or the Guarantor, if that proves necessary.
Section 6 Annexes

Annex 6A Risk Management Principles

Introduction

What is Risk Management?

- Risk management is a process that Customs use to control and manage risks inherent in internationally-traded goods.
- The risk management process involves:
  - identifying the risks which could arise;
  - analysing the likelihood of risks occurring;
  - evaluating their impact; and
  - assigning an order of priority.

Risk Management in Customs

The application of effective Risk Management allows Customs Administrations to:

- Focus attention on high-risk areas, for a more cost-effective use of the available resources;
- Detect irregularities, fraud and prohibited and restricted goods;
- Perform fewer checks on companies with a good compliance history.
- Facilitate the movement of legitimate goods

Principles of Risk Management

- Needs to be unbiased and Objective
- Political, legislative & fiscal realities need to be taken into account
- Risks are constantly changing
- Use of automated risk management systems
- Good communication network
- Monitored and Evaluated

What are the key elements of risk management?

- Good management practice
- Logical and systematic approach
• Improved decision making
• Way of avoiding or minimising losses
• Process of steps – quantifiable improvements in the effectiveness and efficiency of the business
• Risk Management is the name given to a logical and systematic method of identifying, analysing, treating and monitoring the risks involved in any activity or process
• Risk Management is a methodology that helps managers make best use of their available resources

Risk Management in ACTS

The objective of an automated Customs transit system such as ACTS is to facilitate legitimate trade whilst maintaining vigilance against smuggling and other contraventions of legislation. Transit fraud may be designed to evade Customs duties and taxes, or may attempt to import goods that are subject to prohibition such as drugs or weapons. It these days of high volumes of cross-border movements of goods, it is impossible for Customs Authorities to examine the goods on every single truck. Risk management allows Customs to facilitate the movement of legitimate trade whilst and to concentrate efforts on detecting transit fraud.

At the centre of the risk management process is the concept of authorised transit traders (ATT), which, similar to Authorised Economic Operators (AEO), are provided with concessions subject to their rigorous internal control of their commercial practices. The commercial transactions of ATTs are always subject to spot-checking by Customs, or post-clearance audit (PCA), to ensure that the scheme is being respected.

In addition, Customs authorities will retain a record of previous transactions submitted by the trade for import, expert or transit. Based on the results of the processing of these previous declarations, Customs will develop profiles that identify the goods, countries of origin and traders that present the highest risk. There are other indicators to be included here. These so-called risk indicators are used by Customs to target documentary checks and physical examinations of goods. The results of this targeting exercise are fed back into the system to maintain up-to-date risk profiles.

A structured risk management program will provide Customs with a greater chance of detecting fraudulent transactions. More details on risk management are set out below.

Two Approaches to Risk Management in ACTS

ACTS provides two ways for handling risk management. There is an internal system for managing the risks of transit consignments within ACTS. Details of this mechanism are set out below. The ACTS Implementation Team will provide manuals and training material on how to operate the risk management system within ACTS. This is the recommended approach for the ACTS Pilot phase.

Alternatively, and in the longer term, ASEAN Member States may wish to utilise their national risk management systems. In this case the ACTS Implementation Team will provide information on how to develop the necessary interfaces and security elements.
Reasons for Transit Fraud

- To evade payment of duties and taxes
- To evade prohibitions and restrictions
- To gain unfair market advantage
- To avoid bureaucratic controls

Methods of Transit Fraud

- Diversion of transit goods into local market
- Use of substituted or false documents
- Falsifying the transit guarantee
- Miss-description of goods in transit
- Undervaluation of transit goods

Transit Fraud Indicators

- Seals found tampered with
- Selection of an unlikely or unusual transit route
- Unscheduled switching of goods from one conveyance to another during transit
- Inconsistent or incomplete documentation
- Undue delay in the movement of the conveyance from one point to another
- Report of an accident or incident indicating that the goods have been damaged or lost, without substantial evidence
- Unscheduled change of route without sufficient cause
- Inconsistencies with respect to the weight, quantity, package, or container
- Past history of non-compliance
- Information received from the public / trade
- Intelligence received from Customs, other border agencies/ law enforcement agencies.
- Truck is not licensed to use the ACTS
- Use of detection equipment such as x-ray scanners
Transit Fraud – The Customs Officer

The Customs Officer must have the necessary training, experience and technical knowledge:

- Of national Customs legislation and ACTS transit procedures
- Of international conventions, such as the Revised Kyoto Convention, WCO SAFE framework of Standards and other bilateral/regional agreements on the Customs transit
- Recipient country market conditions
- Awareness of past transit fraud cases and their way of operating

Who uses risk management?

- Risk Management practices are also widely used in both public and private sectors covering a wide range of activities or operations e.g. Insurance
- Effective Risk Management is a recognised and valued skill
- Risk Management is an integral part of business planning

How to use risk management

There are 7 basic steps in the Risk Management process:

1. Establish the context
2. Identify the risks
3. Analyse the risks
4. Evaluate the risks
5. Treat the risks

Risk is dynamic and subject to constant change, so the process also includes continuing:

6. Monitoring and review
7. Communication and consultation

The risk management process

1. Establish the context:
   The strategic and organisational context in which the Risk Management will take place e.g. The nature of the business, the risks inherent in that business and the priorities
   Communicate and consult
2. **Identify the risks:**
   - Defining the different types of risk e.g. Strategic risks to the objectives of the business
   - Identifying stakeholders i.e. Who would be involved or affected?
   - Past events and future developments

3. **Analyse the risks:**
   - How likely is the risk event to happen i.e. probability and frequency?
   - What would be the impact, cost and/or consequences of the event happening (this could be economic, political, social)?
   - Monitor and review
   - Communicate and consult

4. **Evaluate the risks:**
   - Rank the risks according to management priorities, by risk category and rated by likelihood and possible cost or consequence
   - Determine the inherent levels of risk

5. **Treat the risks:**
   - Develop and implement a Risk Management Plan with specific countermeasures to address identified risks
   - Take account of:
     - priorities, both strategic and operational
     - resources human, financial and technical
     - acceptance of the risk (i.e. low risks)
   - The Risk Management Plan should describe the reasons for selecting the risks and their countermeasures
   - It should record allocated responsibilities, monitoring or evaluation processes and also assumptions on the residual risk

6. **Monitor:**
   - Risk Managers must monitor activities and processes to determine the accuracy of planning assumptions made and the effectiveness of the measures taken to treat the risks.
   - In identifying, prioritising and treating risks, assumptions are made that are subject to change (e.g. the business environment, patterns of trade, central government policy).
7. **Review**

- Risk Management policies, decisions and the Plan must be regularly reviewed
- Communicate and Consult

*The risk management process should therefore always be a continuous cycle of these seven steps.*
Section 7: Customs Offices of Transit

The Office of Transit receives an anticipated transit date for the transit movement through the ACTS in the form of an Anticipated Transit Record (ATR).

1. Pre-Arrival Screening

This allows for pre-arrival screening and clearance of passage, based on risk analysis and any other relevant information.

- A decision is registered as to whether to grant passage or not.

Routine physical examination of goods at transit offices should be minimised. ACTS risk analysis will guide the Customs Officer as to whether documentary or physical checks of the goods are recommended.

The Principal or carrier notifies the Customs Officer that the vehicle and transit movement have arrived, and presents the goods and TAD to the Customs Officer.

- The Customs Officer captures the transit declaration’s reference number (ARN) into the ACTS from the TAD by bar-code or manual entry.
- This is cross-referred to the ATR

The Customs Officer retrieves the transit declaration information.

The seal is checked to ensure that it is still intact and cross-referred to the seal number on the TAD and the anticipated transit record (ATR).

2. Movement Recognition and Status

ACTS retrieves the movement information and responds with the status of the movement, having performed checks such as:

- Movement is known at office of departure and ‘en route’.
- Movement is known at office of departure but status not consistent with presentation at this office of transit (e.g. movement has already arrived at destination).
- National or international diversion (e.g. movement not declared to this office of transit or country of transit).
2.1 No Anticipated Transit Record

If the transit movement is not matched to an anticipated transit record (ATR a request is made of the office of departure through ACTS for the declaration information to be forwarded – as an ATR.

On receiving the ATR information, and any additional warnings generated by ACTS, the Customs Officer decides on any further action.

In the case of transit movements diverted from the original approved transit route, or changes of office of destination or consignee, see details of operational procedures in ‘Section 9: Diversion or non-delivery’, at page 1.

3. Movement Control Decision

The Customs Officer takes the appropriate action, to control or not.

This includes any pre-screening warnings or observation of the condition of the goods or packaging or any other concerns as presented at the office of transit.

The system foresees a control decision at the office of transit.

These control decisions may be:

- a) Allow crossing of the frontier;
- b) Turn back the movement; or
- c) Stop the movement.

The stopping of the movement means that this office of transit will now become the office of destination, where the goods can be controlled etc. If the goods are subsequently allowed to continue, a new declaration will need to be made.

All control decisions are recorded in ACTS. For example, if the consignment is controlled prior to border crossing registration at the office of transit, or if the movement is not valid and has to be stopped or turned back.

3.1 Notification Crossing Frontier

If validated by a Customs Officer, or by passage granted in advance, the movement is allowed to cross the border and the office of departure notified through ACTS by a notification of crossing frontier message (NCF).
Section 8: Customs Office of Destination

On release into transit, an office of departure forwards through ACTS an Anticipated Arrival Record (ATR) to the declared office of destination.

The office of destination expects the arrival of the transit movement at that office by the date set in the transit declaration approval.

1. Pre-Arrival Screening

The office of destination, on receiving the anticipated arrival record (AAR), performs an automatic risk analysis and stores in advance the movement description information.

*Risk management and selections for control are based on risk factors significant to the country and office of destination. See Annex 6A to Section 6 at page 7 on Risk Management principles.*

1.1 Normal or Simplified Transit Procedure

Authorised transit traders (ATT) benefit from additional facilitation procedures at offices of destination, though the particular simplifications authorised may vary according to the approval issued to an ATT, the type of goods, the transit route, consignee or destination.

*Similarly, a risk management decision taken on pre-arrival screening may override a special consideration that is normally approved, and impose in its place a specific control measure.*

- On the arrival of an AAR with ‘Authorised Consignee’ identification in the declaration, the office will know whether the goods are travelling under a simplified procedure and presented at the premises of an Authorised Consignee or not.

2. Normal Arrival Procedure

The arrival of a consignment is notified by the Authorised Consignee or by the Principal’s representative.

- The Transit Accompanying Document (TAD) arrives with the driver of the transporting motor vehicle.

*Under normal procedure the location where the consignment can be controlled is at the office of destination.*

The ASEAN reference number (ARN) is read from the TAD and entered into ACTS.

ACTS looks for the movement information referenced by the ARN:
2.1 Valid Arrival

If the arrival is valid, the matching anticipated arrival record is located and the:

- arrival is recorded into ACTS; and
- ACTS notifies the office of departure that the arrival is accepted

2.2 Invalid Arrival

If the arrival is not valid due to the movement being:

- An unexpected arrival, due to a diversion or other special circumstances, with no matching AAR recorded within ACTS:
  
  - the office requests an AAR from the office of departure, to provide information about the movement;
  - ACTS automatically sends back to the office information about the movement; and
  - If the movement can now be validated the processing continues as normal.

- For other reasons not acceptable, e.g. prohibited or restricted goods, not authorised for the country of destination, or the movement cannot be identified within ACTS:
  
  - the arrival is rejected by ACTS; and
  - the trader is notified, ‘Presentation invalid’.

2.3 Control Decision

An analysis of risk is done at this stage in order to help the Customs Officer in a decision to control the consignment. National and local risk factors are taken into account when carrying out risk analysis at the office of destination.

- ACTS records the results of the risk analysis.
- Even if the risk analysis is an automatic process, the final decision to control may be overruled by the Customs Officer.

If risk analysis had proposed to take measures at the office of destination but the Customs Officer decides not to control, then ACTS requires the Customs Officer to confirm the decision not to control.

2.3.1 If No Control

The goods are ready for the next procedure or activity (e.g. temporary storage, import procedure, etc.).

The goods are released from transit and ACTS notifies the Trader.
• The “Considered satisfactory” control results are notified to the office of departure through ACTS, together with details of any transhipment and/or incidents if they occurred during the journey.

2.3.1 Control is Imposed

If the Customs Officer decides to control, the control is performed at the office of destination in order to verify the seals, documents or goods (or all of them), using the printout of the movement description information based on the arrival notification (ARN).

• The Customs Officer at the office of destination records the results of a control after the control of the goods.

• When there are no discrepancies, or the Customs Officer decides not to wait for the discrepancies resolution at the office of departure, the Customs Officer records within ACTS that the goods are ready for the next procedure / activity (e.g. temporary storage, import procedure, etc.).

• ACTS notifies office of departure of ‘no discrepancies’ and the goods release.

• The goods are released from transit.

2.4 Discrepancies

In case of discrepancies, the Customs Officer at the office of destination may decide to wait for the resolution of the discrepancies at the office of departure before releasing the goods.

• The office of departure will be informed through ACTS if the office of destination decides to wait.

• The Customs Officer records within ACTS that the office of destination is waiting

• Release of the transit is suspended until discrepancies are resolved with the office of departure.

3. Simplified Arrival Procedure

The office of destination is notified by the Authorised Consignee or by the Principal’s representative of the arrival of a consignment:

• Facilitation concessions given to an Authorised Consignee normally allow the consignment to be delivered directly to that consignee’s premises.

• The Transit Accompanying Document (TAD) arrives with the vehicle.

When an arrival notification is presented under simplified procedure:

• ACTS checks that the Trader who communicates the arrival is indeed authorised to use simplified procedure at that office of destination; and

• checks that the location where the consignment can be controlled is amongst the various authorised places specified in the authorisation.
If no diversion occurred, ACTS notifies the office of departure that the arrival is accepted and the arrival is recorded into ACTS.

3.1 Automatic Unloading Permission

If the consignment is regarded as low risk and not otherwise containing restricted goods, a timer ‘Wait for automatic unloading permission’ is started.

- After a set time interval the Consignee is given ‘Permission to unload’.

The Customs office has access to information about the transit movement and the opportunity to intervene within this time interval with a decision to control.

If a decision to control the goods is not taken within the agreed time period, ACTS notifies the trader that he can start the unloading of the goods and records the unloading permission.

- If the Officer decides to control during the time period the ‘Permission to unload’ is stopped.

3.1.1. Control Decision

An analysis of risk is done in order to help the Customs Officer in his decision to control the consignment. Risk analysis results communicated by the office of departure shall either be accepted or taken into account when carrying out risk analysis at the office of destination. ACTS records the results of the risk analysis.

3.2. Unloading Information

As a condition of the consignee’s authorisation, unloading information is sent to the office of destination.

- ACTS checks the validity of the received information and stores that unloading information.

When the unloading is completed without unloading remarks, then ACTS records that the goods are ready for the next procedure or activity (e.g. temporary storage, import procedure, etc.) and the goods are released from transit.

ACTS notifies the office of departure, with the control results set to ‘Considered satisfactory’.

When the unloading is not completed, and thus there are unloading remarks, then ACTS notifies the Customs Officer that he has to decide to control or not the consignment.

- A decision not to control is recorded in ACTS

3.3. Control Examination
An examination is normally conducted at the goods place, as specified in the arrival notification.

The Customs Officer controls the consignment by verifying the goods and the supporting documents against the printout of the movement description information.

- The Customs Officer at the office of destination records in ACTS the results of a control as ‘Satisfactory’ or ‘Discrepancies found’. Any discrepancies are resolved with the office of departure.

When there are no discrepancies, or the Customs Officer decides not to wait for the discrepancies resolution at the office of departure, the Customs Officer records within ACTS that the goods are ready for the next procedure/activity (e.g. temporary storage, import procedure, etc.).

- ACTS notifies office of departure of ‘no discrepancies’ and the goods release.
- The goods are released from transit.

3.4. Discrepancies

In case of discrepancies, the Customs Officer at the office of destination may decide to wait for the resolution of the discrepancies at the office of departure before releasing the goods.

- The office of departure will be informed through ACTS if the office of destination decides to wait.
- The Customs Officer records within ACTS that the office of destination is waiting
- Release of the transit is suspended until discrepancies are resolved with the office of departure

If major discrepancies are found, the Customs Office should consider the circumstances and the seriousness, and whether they effect the future continuing authorisation of that consignee for simplified procedures.
Section 9: Diversion or Non-Delivery

1. Diversion to an Office of Transit or Destination Other Than Declared

In cases of diversion of the transit movement to a different office of destination than originally declared to ACTS, the new office of destination is notified by the Authorised Consignee or by the Principal's representative of the arrival of a consignment.

- The arrival is either under simplified procedure at an authorised location or under normal procedure.

When an arrival notification is presented under simplified procedure, ACTS checks that:

- the trader who communicates the arrival is indeed authorised (‘Authorised Consignee’) to use simplified procedure at that Office of Destination; and
- checks that the location where the consignment can be controlled is at an approved place, as specified in the authorisation.

1.1. Retrieving Declaration Information

When the arrival is valid to that office and country, the ARN is entered into ACTS either manually or by bar-code reader and ACTS looks for the movement information referenced by the ARN in the arrival notification.

- In the country of departure, ACTS on receiving the AAR request, accesses the movement information referenced by the ARN.
- ACTS then automatically sends back to the actual office of destination the required information for the transit movement.

If the answer does not contain the requested AAR:

- ACTS rejects the arrival and notifies the trader about the rejection.

Otherwise:

- the diversion is recorded into ACTS;
- the arrival acceptance notified to the Office of Departure; and
- processing through to release from transit can continue as normal

1.2 Different Offices of Transit

Diversion may also take place to different transit offices to the ones originally declared.

In summary, when diversion occurs the ACTS system will check that the new office of transit or destination is a valid office. This means that the system will check:
i) If the new office is ‘en route’, i.e. an alternative transit Customs office in exiting or entering ‘en route’;

ii) The Guarantee is valid in the new country, that is, if it is entering a new country not taken into consideration during declaration validation; (if the guarantee is not valid for the new country of transit or destination, the transit operation must be terminated.)

iii) The goods are not prohibited/restricted in the new country (in event of entering a new country not originally declared);

iv) The status of the declaration is such that it allows for further processing at a transit office (i.e. has not already arrived at destination etc.).

v) If the new Customs office does indeed support the office of transit Customs office role.

If the above is satisfactory, the system will send the ATR to the new transit office.

It is then the responsibility of the Customs Officer to validate the passage and decide what will happen next (allow to cross frontier, turn back, stop etc.).

- ACTS will inform the originally-declared office of transit that diversion to a new office has taken place.

At the office of destination however, if all the above similar checks are performed the arrival notification will be automatically accepted and the system will only allow the Customs Officer to proceed with processing at this Customs office as the actual office of destination.

- The Customs Officer cannot override this.

- If all system checks pass, the diverted office will become the actual office of destination and no further diversions will be accepted.

2. Other Incidents En Route

2.1. In the cases set out below, the carrier shall make the necessary entries in the Transit Accompanying Document – or have supporting evidence in the form of an official report - and present it with the consignment and any other related transit documents to the competent authorities of the Contracting Party in whose territory the means of transport is located:

(a) if the itinerary prescribed by the competent authorities is changed;

(b) if the seals are broken in the course of a transport operation for reasons beyond the carrier’s control;

(c) if goods are transferred to another similar means of transport for reasons beyond the carrier’s control;

(d) in the event of imminent danger necessitating immediate partial or total unloading of the means of transport; and

(e) in the event of any incident or accident capable of affecting the ability of the Principal or the carrier to comply with his obligations.
2.2. In the case of accidents and similar incidents, the carrier should seek a report on the circumstances from a Customs or Police officer or other suitable civil official.

The carrier must report the incident to a Customs office of transit at the first opportunity.

2.3. Where it is considered that the transit operation concerned may continue in the normal way, the designated box of the Transit Accompanying Document is endorsed and ACTS updated accordingly.

See similar instructions given to transport operators - Section 2 at page 5.

3. Cancellation of Transit Declarations

The office of departure receives a cancellation request from a Principal or if the Customs Officer decides to revoke the decision to accept the declaration or to release the goods.

In both cases the cancellation of a movement will be processed by Customs and entered to the ACTS accordingly.

• The Principal must furnish the proof that goods were declared in error or that, as a result of special circumstances, the placing of the goods under transit is no longer justified.

In cases where Customs has:

• decided to examine the goods; or
• if the goods have already been released and departed from the country of departure (a notification of crossing the border has already been received from the office of transit)

The cancellation request is refused.

The Customs Officer communicates this to the office of departure.
Section 10: Fallback Procedure

1. When Fallback Procedures Apply

Fallback procedures are put into operation where the:

a) computerised systems of the competent authorities are not functioning;

b) computerised systems of the Principal are not functioning; or

c) whole or part of the network between the Principal and the competent authorities is not functioning.

In these cases the Principal should contact the national ACTS Helpdesk of the competent Customs Authority and ask for advice. The national and regional ACTS help desks will give guidance on the expected length of time of system unavailability.

Customs Headquarters, where possible should inform all ACTS Customs offices that the system is unavailable to avoid a high number of persons trying to contact the ACTS help desk reporting an issue.

Furthermore, if it is technically possible, the unavailability of the system should be reported in the ACTS Management Information System (ACTS-MIS - reporting the unscheduled unavailability of the AMS).

2. Fallback Action at The Customs Office of Departure

No new declarations are to be accepted into ACTS.

The Principal now has the choice of utilising the current national transit procedures (i.e. not ACTS), or waiting until the ACTS system is back online.

If a transit declaration has already been submitted, accepted by ACTS and the TAD has been printed, and the system subsequently breaks down prior to the departure of a transit movement, or en route to the office of transit or office of destination:

- the transit movement is allowed to proceed using the printed TAD.

If the declaration has been accepted but the TAD has not been printed

- the Principal could either wait for ACTS to work again; or
- use national transit procedures.
3. **Fallback Action at The Customs Office of Transit**

The carrier must present the goods along with the TAD to the Customs office of transit.

The Customs officer checks the:

- details on the printed TAD and verifies the description of goods against the commercial documents held on the truck;
- seal number affixed to the truck or container to ensure the seal number is the same as the seal number on the TAD; and
- verifies that the seal is intact.

If satisfied, the Customs officer will:

- endorse the original TAD in manuscript on the reverse with details of the checks carried out; and
- sign and stamp the TAD on the reverse with the Customs office stamp.

*Customs should take a photocopy of the TAD and file it in the Customs Office of Transit for possible future audit checks.*

- The Customs officer will then return the TAD to the carrier and allow the transit movement to proceed.

If not satisfied the Customs officer may perform a physical examination of the goods.

If the physical examination of the goods does not match the description or quantity on the TAD, the Customs officer is to take appropriate action per ASEAN Member State national law.

4. **Fallback Action at The Customs Office of Destination**

If the system is not available while the transit operation is between the office of transit and the office of destination, the goods along with the original TAD must be presented to the office of destination.

If the transit movement is under simplified procedure, Customs must inform the Principal that, because of system unavailability:

- simplified procedures at destination are not to be used; and
- normal procedures will be adopted.

*In both cases, for both normal and simplified procedures, the carrier must present the goods along with the TAD to the Customs Office of Destination.*

The Customs officer at the Customs office of destination checks the:

- Details on the printed TAD and verifies the description of goods against the commercial documents
held on the truck;

- Seal number affixed to the truck or container to ensure the seal number is the same as the seal number on the TAD, and checks to verify that the seal is intact.

If satisfied the Customs officer will:

- endorse the original TAD in manuscript on the reverse with details of the checks carried out; and
- sign and stamp the TAD on the reverse with the Customs Office Stamp.

*Customs should take a photocopy of the TAD and file it in the Customs Office of Destination for possible future audit checks.*

- The Customs officer will then return the TAD to the carrier and allow the transit movement to proceed to a subsequent Customs regime, for example whether importation for home consumption, export or entry into a Customs bonded warehouse.

If not satisfied Customs officer is may perform a physical examination of the goods.

If the physical examination of the goods does not match the description or quantity on the TAD, the Customs officer is to take appropriate action per ASEAN Member State national law.

5. **Actions Once ACTS is Available Again**

Once the ACTS system is again operational, the Customs officers at the Customs offices of transit and destination will enter the fallback declarations into ACTS by using the bar code to read into ACTS the ARN of the paper TAD that has been retained by that office.

At the Customs Office of Destination, for each of the fallback operations, the Customs officer must transmit to the Customs office of departure the arrival notice, control results and notice of termination with or without reservation.

*The ACTS Implementation Team will provide guidance on the actions to be taken in relation to ACTS once the system is available again.*
6. **Fallback Procedure Flow Chart**

- Only for when Transit declaration has already been submitted, accepted and TAD printed. If the declaration is accepted and **TAD is not printed**, Customs cancel the declaration. **Otherwise the Principal waits for ACTS to be back online or use AMS National procedure.**

Principal contacts ACTS help desk / Customs Authority for advice

Office of Departure

Seals already affixed and TAD is already printed

Office of Transit

Printed TAD presented

Office of Destination

Printed TAD

Printed TAD

Goods Released

Authorised Transit Trader

Authorised Consignee

Customs inform the Principal of the systems unavailability and to present goods at Office of Destination under the normal procedure

Seal(s) affixed by trader

If Customs are not satisfied, they may perform a physical examination of the goods. If description/quantity does not match details recorded on TAD, Customs take appropriate action as per AMS national law.

When the system is operational again, for each of the fallback operations, the Customs officer at destination must transmit to the Customs office of departure the arrival notice, control results and notice of termination with or without reservation.

Customs at Office of Transit checks details recorded on TAD and the seal is intact. Customs write on the reverse of the TAD any controls carried out and stamp the document - a photocopy is taken and retained by Customs. The original TAD is returned to the Carrier.

Once system is running again, the TAD barcode is read into the system at the Office of Transit

Customs check details recorded
Section 11: Enquiry and Recovery

1. ACTS Enquiry Procedure

1.1 Expected Messages

The ‘Arrival advice’ message should be received by the office of departure within two days after the expected arrival date as defined at the time of release, based on the route.

- This confirms the goods have arrived within the number of day(s) given for the movement of the transit.

The second message is that of the ‘Control results’ and should be received within six days of the ‘Arrival advice’.

- It is this message which indicates whether the movement can be discharged and any guarantee released or if there are any discrepancies.

1.2 Initiate Enquiry Procedure

In the absence of these messages within the prescribed time limits, it is the responsibility of the Office of departure to initiate an enquiry procedure.

If there is no confirmation that the goods have been presented at destination:

- the transit must be deemed to be the subject of a potential claim; and
- the Principal advised that he must produce evidence within 30 days, to show the transit was completed correctly.

Such evidence will need to be verified with the authorities at destination.

An Enquiry can also be initiated to the other Customs offices involved in the movement. This is sometimes based on the information provided by the Principal of the potential whereabouts of the truck.

Standard letters for these enquiry procedures are within the Annexes to this Section.

1.3 Evidence Provided by Principal

Where the Principal provides satisfactory evidence that the transit operation was terminated correctly at a different office of destination than the one declared, the original office of destination is to be informed within six days.

*Evidence can include verifiable documentation that the goods have been taken into a national procedure – such as import or warehousing – in the destination country.*
2. **ACTS Recovery Procedure**

The purpose of the recovery procedure is to identify the situation in which debt has arisen during the transit operation, to identify the debtors and countries that are competent to perform recovery of the debt from debtors and guarantees.

The Customs office of departure initiates an enquiry procedure each time they have not received the ‘Arrival advice’ message, which may be within two days of the time limit within which the goods are to be presented at the Customs office of destination or the ‘Control Results’ message within six days after having received the ‘Arrival Advice’ message.

The recovery procedure is initiated to obtain the information necessary to discharge the transit operation, or where this is not possible to:

- Establish whether a Customs debt has been incurred;
- Identify the debtor; and
- Determine the competent authorities responsible for recovery.

In cases where the Customs office of departure has received the ‘Arrival advice’ message, but not the ‘Control results’ message, a reminder request is sent to the office of destination.

If the Customs office of departure has not received the ‘Arrival advice’ message, a request is sent to the office of destination to confirm the goods have not been presented.

- The office of destination must reply within seven days.

*Standard letters for these recovery procedures are within the Annexes to this Section.*

2.1 **Taking Recovery Action**

ACTS Recovery action commences if:

(a) If the ACTS ‘Recovery recommended’ time has expired;

(b) Request for recovery has been received from the office of destination or the office of transit; or

(c) If there is no information or insufficient information on the status of the transit movement.

A Customs Officer can also start the recovery procedure manually at any time after the release of the movement.

The Customs authority at departure investigates if the place of the irregularity has taken place in its territory, and if so, it commences the recovery process for the recovery of the debt.

If the irregularity did not take place in the country of departure, the Customs authority transmits a recovery
request to either the country of transit and destination.

- The Customs authority in the country of transit and destination decide if the irregularity occurred in their territory and if so the respective Customs authority calculates the amount of duties and tax to be recovered and commences the debt recovery process.

The recovery procedure seeks to recover the duties and taxes first from the Principal or from any identified debtor; if this is not possible, from the Guarantor.

Upon completion of the recovery procedure, with the successful recovery of duties and taxes from Principal or Guarantor:

- the movement is written-off;
- the release of the guarantee is recorded into ACTS; and
- the status of the transit operation is set to ‘Movement written off’.

The Customs authority that conducted the recovery (if other than departure) must inform the Customs authority of departure when they have completed the recovery.

The office of departure will in turn inform everybody else that the recovery is complete and then proceed to write-off the movement and release the guarantees.
ACTS Enquiry and Recovery Procedures


2. Customs Office of Departure verifies with ACTS

   If correctly terminated, transit is discharged
   No record of termination in system

3. Customs Office of Departure Requests evidence of correct termination from Principal

   If evidence of termination, is produced the transit operation is discharged
   No evidence of termination

4. Customs Authorities of Countries involved in Transit establish Customs territory of loss

5. Applicant Customs Authorities (ACA) will start recovery procedures

1. Customs Office of Departure shall initiate an enquiry procedure each time they have not received the Arrival Advice within 2 days of the expected arrival of the truck at destination or the control result message within 6 days after having received the arrival advice message.

2. The Customs Office of Departure checks ACTS to identify the country in which the transit movement was last under Customs control. Contacts Customs Authorities in that country for confirmation of status and that the transit movement was correctly terminated. If correctly terminated, the transit operation is discharged. If not, will continue with Step 3.

3. Customs Office of Departure requests evidence from the Principal within 30 days that the transit movement was correctly terminated. If evidence is available, then transit operation is discharged.

4. If no evidence of correct termination is received within 30 days of Customs request, Customs Authorities of Countries involved in the Transit operation will establish and agree where the loss of duties and taxes occurred, and which Customs Authority is responsible for recovery action.

5. Once there is an agreement where the Customs debt has been incurred, the RCA will authorize the ACA to start the recovery process. (See next page for Recovery Procedures)
6. (a) The Applicant Customs Authority (ACA) informs Guarantor by registered post that a claim may be forthcoming (see Annex 11E (Transit Termination Enquiry) of Customs Procedures Manual) if the Principal does not provide proof of termination or respond within 30 days. This is copied to the Requested Customs Authority (RCA). This notification will be sent to Guarantor within 90 days of the date transit declaration was accepted for release by the Customs office of departure.
(b) The RCA will contact the Principal, determine the facts of the case, and establish the persons responsible. Under normal circumstances, the Principal pays directly to the ACA.
(c) The RCA informs the ACA on the result of the consultation with the Principal.
7. If the Principal does not pay the claim, the ACA will invoke payment of the debt from the Guarantor under the terms of the guarantee lodged with the Customs Office of Guarantee. This claim must be made within 270 days of the date the transit declaration was accepted for release by the Customs office of departure.
8. The ACA makes a claim against the Guarantor via the correspondent bank.
9. The Guarantor pays the Customs debt directly to the ACA’s bank account within 30 days of the claim.
10. ACA completes the recovery process by registering the recovery outcome in the ACTS which automatically informs the RCA accordingly.
Section 11 Annexes

Annex 11A Enquiry Recovery and Claims Procedures

1. Introduction

This Annex sets standard procedures designed to resolve queries easily and avoid unnecessary claims, but they are not proscriptive.

It is recognised that the competent authorities must have the flexibility to by-pass the enquiry steps when it is known that an irregularity - creating a Customs debt - has occurred and this is provided for in the Technical Appendix of Protocol 7 Article 36, paragraphs 10 & 11.

2. Common activity list

<table>
<thead>
<tr>
<th>Task</th>
<th>Issue</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Customs Office of Departure has not received arrival advice message from Customs Office of Destination within 2 days of prescribed time limit</td>
<td>Customs Office of Departure contacts Customs Office of Destination for confirmation that transit movement ended satisfactorily using standard electronic message</td>
</tr>
<tr>
<td>2</td>
<td>Customs Office of Departure has received Arrival Advice but not Control results message from the Customs Office of Destination within 6 days thereafter</td>
<td>Customs Office of Departure contacts Customs Office of Destination by standard electronic message for confirmation that transit movement was terminated satisfactorily and may be discharged</td>
</tr>
<tr>
<td>3</td>
<td>Customs Office of Destination does not confirm receipt of goods</td>
<td>Customs Office of Departure: Checks electronic record to identify country in which transit movement was last under Customs control. Contacts competent authorities in that country for confirmation for status and that the transit movement was correctly terminated. Requests evidence from the Principal with 30 day deadline that the transit movement was correctly terminated under Customs control or other information relating to location and status of the goods. Discharges movement if evidence is satisfactory</td>
</tr>
</tbody>
</table>


|   | Evidence of termination is not provided to Customs Office of Departure within 30 days | Customs Office of Departure – initiates recovery process  
Addresses claim for payment to the Principal at his stated address by registered post or equivalent (see annex 11B)  
Notifies guarantor (or his agent) of his potential liability through a copy of the letter to the Principal  
Notifies the Customs Authority in which the Principal is based (if not his own – see also Annex 11B, D &E) |
|---|---|---|
| 5 | The Principal does not settle the claim within the specified period and has not lodged an appeal in the claiming country.⁷ | Customs Office of Departure or the Other Designated Office escalates the case to:  
A formal claim against the guarantor if the case occurred on its own territory; or, if not  
The Mutual Assistance Procedure for recovery (see Annex 11B, D &E) |

⁷ which has the effect of suspending the requirement to pay
Annex 11B Transit Termination Enquiry

Model letter to Principal

Name and contact details of the competent authority of the country of departure
..............................................................................................................................
..............................................................................................................................

Place and Date........................................................................................................

Name and contact details of Principal.................................................................
..............................................................................................................................

Dear XXX

Based on our records you are the Principal for the following ASEAN Customs Transit System declarations under ACTS Reference Number(s)

i) ................................................................................

ii) .............................................................................

In accordance with ASEAN Customs Transit Legislation we hereby advise you that we do not have proof of the termination of the transit procedure for the above mentioned declaration(s) from the Office of Destination (name and address).

You are required to send full details and documentation that will prove that the procedure was correctly terminated. In particular, you should also provide information on any changes in the office of destination and/or the offices of transit that occurred during the transit.

If you are unable to prove that the transit procedure in question has ended under Customs control, please supply any information you have, with supporting documentary evidence, in particular of the place (country) in which the transit movement (s) ended.

Please provide this information within 30 days of the date of this letter and if it is not possible for you to provide any proof that the above declaration(s) were correctly terminated, you will be liable for the Customs debt relating to the goods that were declared under these declaration(s).

(Formal ending and name and address of the Customs Administration)

cc The Guarantor (or his agent)
Annex 11C Mutual Assistance for the Recovery of Claims

1. Introduction

The procedure in Annex B will resolve questions over non-arrival and non-discharge of transit movements in the majority of cases and that the Principal will usually be able to provide the information required and demonstrate that the Office of Departure may discharge the movement that is the subject of any enquiry.

Equally, the procedure outlined in Annex B can be used even where an irregularity is suspected or identified by a National Customs Administration that is different from that of the Office of Departure.

Where, in the latter case, the Principal does not provide the information required and payment is not forthcoming, then the Customs Administration where an irregularity is discovered, referred to as the Applicant Customs Authority, as stated in table of the common activity list, may use the Mutual Assistance provisions of the ACTS legislation in pursuance of their claim(s) against any Principal with the active cooperation of the Customs Administration in which the Principal and the Guarantor are situated, usually country of departure, called the Requested Customs Authority.

It should be noted that:

1) the Customs Administrations shall not proceed to claim the amount of Customs debt from the Guarantor until all proper and customary steps have been taken to obtain the amount of the claim from the Principal; and that

2) when investigating and resolving an irregularity, the Customs Administrations should at all times keep under review the levels of authorisations, simplifications and reference amount and guarantee that has been accorded to a trader that may default.

3) Common activity list

<table>
<thead>
<tr>
<th>Task</th>
<th>Issue</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>An AMS determines that a transit movement has not been properly completed and that an irregularity may have occurred on its territory; and The Principal is in another AMS and no information and/or no payment has been received as a result of the enquiry procedure And, above all</td>
<td>Applicant Customs Authority contacts Requested Customs Authority in writing (see Annex 11D) for assistance to confirm that a transit movement ended satisfactorily and, if not, for recovery of the amount claimed. Applicant Customs Authority informs Guarantor or his agent by registered post that a claim may be forthcoming (see Annex 11E) if the Principal does not</td>
</tr>
<tr>
<td></td>
<td>Providing the Applicant Customs Authority has exhausted all normal channels of investigation within its own territory to establish the facts and assign responsibilities</td>
<td>provide proof of termination or pay. This is copied to Requested Customs Authority Requested Customs Authority: contacts Principal, determines the facts of the case; establishes the person, or persons, responsible; and Remits amount of claim if successful.</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>2</td>
<td>If Principal does not produce proof, or pay, or is unable to pay (for example in the case of bankruptcy)</td>
<td>The Requested Customs Authority advises the Applicant Customs Authority which invokes payment of the debt through the agent for the Guarantor in the territory of the Applicant Customs Authority using the claim at annex 11F.</td>
</tr>
</tbody>
</table>
Annex 11D Transit Termination Enquiry (to Customs)

Model letter from Applicant Customs Authority to Requested Customs Authority

Name and contact details of the competent authority of the Applicant Customs Authority
........................................................................................................................................
........................................................................................................................................

Place and Date...................................................... ........................................

Name and contact details of Requested Customs Authority..............................................................
........................................................................................................................................

Dear XXX

In accordance with ASEAN Customs Transit Legislation we hereby advise you that we do not have proof of
the termination of the transit procedure for following declaration(s) from the Office of Destination (name and
address).

We have contacted the Principal (name and address) but have received no reply/the reply is unsatisfactory.

(Explain the reasons if the explanation is unsatisfactory, the grounds for the enquiry and provide any relevant
information).

The details of the movement(s) is/are as follows:

The Transit ACTS Reference Number (ARN)
Goods Description
The Carrier (if different from the Principal)
The Consignor (if different from the Principal)
The Consignee
The Guarantor
The Guarantor’s National Agent (s)
Amount of claim (breakdown of detailed calculation)

Attached are the documents to assist you in your enquiries (attach documents as available or delete).

We would be grateful if you would contact the Principal without delay to obtain full details and documentation
that will prove that the procedure was correctly terminated. In particular, it would be appreciated if you could
provide any changes in the office of destination and/or the offices of transit, or incidents that occurred during
transit

If you are unable to establish proof that the transit procedure in question has ended properly under Customs
control, please supply any information you have, with supporting documentary evidence, in particular of the
place (country) in which the transit movement (s) ended.

If it is not possible to establish that the above declaration(s) were correctly terminated would you please inform
this Administration as soon as possible so that appropriate steps can be undertaken to recover the Customs debt from the Guarantor.

(Formal ending and name and address of the Customs Administration)

Name: ..............................................................................................................................................

Address of the Customs Administration: ......................................................................................
**Annex 11E Transit Termination Enquiry (to Guarantor)**

Model letter from Applicant Customs Authority to Guarantor to be sent within ninety (90) days of the date the Customs declaration was accepted by the Customs Office of departure

Name and contact details of the competent authority of the Applicant Customs Authority

Place and Date

Name and contact details of Guarantor (or his agent)

Dear XXX

In accordance with ASEAN Customs Transit Legislation we hereby advise you that we do not have proof of the termination of the transit procedure for following declaration(s).

- Principal (name and address)
- The ACTS Reference Number (ARN) and date
- Guarantee Reference Number (GRN)
- Goods Description
- Amount of claim

For your information, attached herewith is a letter that was addressed to the Principal to which we have received no reply/the reply to which was unsatisfactory for the following reasons:

Please be informed that my Administration is currently in formal contact with the XXXXX Customs Administration, in whose territory the Principal resides, to assist us with our enquiries.

Notwithstanding, this letter is to formally advise you that, as the Guarantor to the ASEAN Customs Administrations in this case, failure of the Principal to provide proof that the Transit movement has ended properly or to pay the debt due to this Customs Administration will result in a claim being made forthwith against you as the Guarantor.

*Please note: This is not a claim for the Customs Debt*

(Formal ending and name and address of the Customs Administration)
Annex 11F Claim for Recovery of Customs Debt

Model claim form from the Applicant Customs Authority to the Guarantor to be submitted within two hundred and seventy (270) days of the date the Customs transit declaration was accepted by the Customs Office of departure.

TO BE SUBMITTED VIA THE AGENT BANK TO THE GUARANTOR

Name and contact details of the competent authority of the Applicant Customs Authority:
...........................................................................................................................................................................................

Place and Date................................................................. ........................

Name and contact details of Guarantor (or his agent).................................................................

Dear XXX

In accordance with ASEAN Customs Transit Legislation we hereby advise you that we do not have proof of the termination of the transit procedure for following declaration(s).

Principal (name and address)
The Transit ACTS Reference Number (ARN) and date
Guarantee Reference Number (GRN)
Goods Description
Amount of claim in currency of Applicant Customs Authority
Amount of claim in currency of guarantee undertaking - to be converted at current date

I attach for your information a letter that was addressed to the Principal. The Customs debt has not been paid by the Principal.

This is a formal claim against you for the above amount, as the Guarantor to the ASEAN Customs Administrations.

Please submit the payment to the following bank within 30 days from the date of this claim:

Name of bank:
Address of bank:
Bank account number:
SWIFT Code / IBAN:

(Formal ending and name and address of the Customs Administration)
Section 12: Customs Procedures – Explained in Process Flow Chart Format
ACTS Customs Procedures – Process Flow Charts

This Annex to the Customs Procedures Manual gives a summary of ACTS processes and procedures.

The summary is presented by means of flow-charts, which are a commonly used method of breaking down into separate parts what can be complex inter-related processes when looked at as a whole. These charts, along with a brief accompanying explanation of each activity or process, are intended to assist in explaining the basic procedures and the means involved in controlling ASEAN transit movements using ACTS.

The principles and procedures of international transit in general terms are essentially the same, regardless of whether paper-based or managed and controlled by computer systems. The chart on page 3, ‘Figure 2: ACTS Process Overview.png’, is equally relevant to paper or computer based systems in setting out the basic processes.

Understanding Flow Charting Symbols

Flow charting is used by many organisations, in business and in government, to analyse and to document processes, to check validity of process design, and to ensure proper procedures are followed within the operation of organizations. Another reason for use is as a means of simplifying the complex for the purpose of explanation. Flow charts use special shapes to represent different types of actions or steps in a process. Lines and arrows show the sequence of the steps, and the relationships among them. The use of these shapes in a flow chart conforms to a generally accepted internationally standard.

If you are not familiar with flow charting shapes, a listing and explanation of those used in this Section of the Manual is on the next page.

ACTS Processes

An overview of the main processing path of ACTS is on the next page, followed by individual flowcharts that outline how ACTS processes assist Customs in controlling transit movements. These processes are described as follows:

Chart
- Declaration Acceptance Procedure
- Declaration Control – Normal Procedure
- Declaration Control – Simplified Procedure
- Departure Process – Transit Release
- Registration of Guarantees
- Process at Office of Transit
- Arrival Process – Normal Procedure
- Arrival Process – Simplified Procedure
- Guarantee Usage
- Enquiry Procedure
- Recovery Procedure
These charts concentrate on the primary Customs procedures. Some subsidiary or sub-processes, such as guarantee management, diversions, declaration cancellations, enquiry and duty and tax recovery, are also briefly described. Despite their apparent complexity, it is important to recognise that ACTS users of the ‘Customs procedures’, both Customs Officers and Traders, will in practice only need to interact with those processes relevant to their individual tasks or responsibilities.

**Shapes Used in These Flowcharts**

<table>
<thead>
<tr>
<th>Description</th>
<th>Examples</th>
</tr>
</thead>
<tbody>
<tr>
<td>The start or end of a process</td>
<td>The transport operator prepares a transit declaration. Transit movement is complete and Principal notified of write-off.</td>
</tr>
<tr>
<td>A decision is taken:</td>
<td>A Customs Officer decides to control or not control a transit movement (‘yes’ or ‘no’). ACTS rejects because of required information missing from declaration.</td>
</tr>
<tr>
<td>Automated processes, based on stored information, usually in combination with information or data input by the user</td>
<td>The validation of a declaration, depending on the set requirements of normal or simplified procedures – type of goods, transit route, destination. Calculation of Customs debt, based on maximum taxes/duties for countries of transit.</td>
</tr>
<tr>
<td>Input of information, by keyboard or bar code reader. Output by on-screen message or system print</td>
<td>Principal’s declaration input. Input of Customs Officers control report. TAD bar code read at transit office. Officer or Principal prints TAD.</td>
</tr>
<tr>
<td>Storage of all information used for validation of declaration data and for the recording and control of transit movements</td>
<td>Includes storage of data tables and risk management rules used in validation; Declaration particulars and related events; and Guarantee details and usage; etc.</td>
</tr>
<tr>
<td>If a process needs to access another process to complete a procedure, the Connector directs the reader to another chart diagram, describing that other process.</td>
<td>This simplifies the flowchart; by breaking the chart into smaller and easier read parts, with a Connector branching out to a secondary process, and a secondary process result returned by another Connector to the primary process. Guarantees are a good example, with a check for valid or not.</td>
</tr>
<tr>
<td>Direction arrows</td>
<td>Indicates the flow through the process, from one step to the next.</td>
</tr>
</tbody>
</table>
This diagram gives an overview of the main processing path of ACTS, however it does not show details of sub-processes, such as:

Amendments:
- Declaration validation, acceptance and verification processes;
- Risk analysis;
- Control process details at departure and destination;
- Guarantee management;
- Handling of control results;
- Diversion of transit goods;
- The enquiry process; or
- Duty and tax recovery

For the purpose of explanation, the main processes are described as follows:

1. Administration of the ACTS system
2. Preparation of the ACTS electronic transit declaration and giving of guarantee
3. ACTS system processing of the received declaration
4. Processes at the Customs office of departure
5. The Transit Accompanying Document (TAD) and start of the transit movement
6. Processes at Customs offices of Transit
7. Arrival processes at Customs offices of Destination
8. The release from transit and the subsequent acquittal of the transit movement within the ACTS system.
### ACTS Declaration Acceptance Procedure

<table>
<thead>
<tr>
<th>Principal / Trader</th>
<th>ACTS</th>
<th>Customs</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Principal initiates movement</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Fallback manual declaration</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electronic ACTS declaration - with LRN</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Initial validation check against National requirements</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>To Guarantee Office</td>
<td>Validate guarantee usage</td>
<td></td>
</tr>
<tr>
<td>Principal notified of rejection</td>
<td>No</td>
<td>3. Valid check result?</td>
<td>Yes</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Normal Procedure validation process</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Simplified Procedure validation process</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Yes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>No - invalid</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Accept declaration?</td>
<td>Yes</td>
<td>Accepted</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Yes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. ARN Notified to Principal</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. Normal procedure. Decide to Control</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. Simplified. Wait for Automatic release</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>C To Control decision process</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1. The declaration data is submitted via electronic means, in the agreed format.

2. For a fallback procedure, a declaration is submitted and processed manually, the declaration is keyed into the ACTS system when again available.

   The Principal must provide a unique ‘Trader’s Reference Number (TR) that allows the Principal or the office of departure Officer to reference the data in ACTS.

3. The declaration is checked against the electronic declaration form and data requirements. This includes a check with Offices of guarantee (A) and (B) that the guarantee exists and is valid for use.

   ACTS rejects invalid declarations and notifies the Trader, with the reason for the rejection.

4. Under normal procedure, the presentation of the goods takes place at the Customs office of departure.

5. If the Principal claims Authorised Transit Trader (ATT) status ACTS checks that the Principal is authorised to use simplified procedures, such as type of goods, (not excluded as restricted), specified authorised locations and seals, and not otherwise selected by risk at that office of departure.

6. If not authorised to use simplified procedure, or if an invalid ‘Authorised location of goods’ is declared, or invalid seals, ACTS rejects the declaration and notifies the Principal.

   When the declaration is valid, the office of departure accepts the declaration.

7. A new ARN (ACTS ASEAN Reference Number) is automatically generated. The ARN is allocated to the transit operation and communicated to the Trader. If risk is identified, the Customs Officer is alerted for intervention and decision on control (C). When the declaration is submitted under simplified procedure, a timer “Wait for automatic release” is started to progress towards an automatic release after the timer has expired.

---

Figure 3: ACTS Acceptance.png
1. The movement information is retrieved by ACTS, via the allocated ARN, and the result of an analysis of risk is checked in order to decide if a control is required. If the risk analysis results stated that goods shall not be released then ACTS alerts the Customs Officer. Even if the risk analysis is an automatic process, the final decision to control may be overruled by the Customs Officer.

2. If the Customs Officer decides not to perform a control on the goods and/or supporting documents, the Customs Officer records the decision in ACTS.

3. The departure control result is set to ‘Considered satisfactory’ and then (4) the process ‘Prepare guarantee registration usage’ (D) calculates the potential Customs debt.

6. The Customs Officer decides to control registers the decision to control in ACTS. The control is performed at the office of departure. (If risk analysis had proposed to take measures at the office of departure but the Customs Officer decides not to control, then ACTS requires the Customs Officer to confirm the decision not to control.)

7. The Principal is notified of the decision to control in order to allow him to be present during the control (declaration amendments are no longer accepted by the office of departure).

8. The verification of the goods and/or supporting documents and/or seals is a manual process performed by a Customs Officer at the goods place.

9. The Customs Officer goes to the goods place (as specified at presentation time) in order to verify the documents or goods (or both), taking with him the printout of the accepted declaration as a work document. The Customs Officer controls the consignment against the printout (5) of details of the accepted declaration. The Customs Officer affixes or re-affixes seals.

10. When minor discrepancies occur, they are communicated to the Principal.

The Principal evaluates if he can agree (make no opposition) with the minor revisions. He can give his advice, opposition or no opposition, right away, or later when he is not able to respond at that time. With Customs approval the Principal may amend his declaration.
11. Where the control result revealed no discrepancies, or after amendment and rechecking to ensure the amendment is as agreed, ‘Satisfactory’ control results are registered.

When minor discrepancies occurred and the Principal gives his advice right away, and he makes opposition (i.e. he does not accept the revisions), the movement can no longer be released. Customs records the controlled goods and revises the declaration data based upon the results of a control. The declaration is put in an idle state where it waits until further action.

Minor discrepancies are detected during the control of the goods and/or supporting documents. The Principal has not yet communicated his advice on minor revisions. A timer “Wait for release request” is started to protect a non-release request of the goods coming from the Principal. The Customs Officer records the controlled goods and revises the declaration data.

12. The control revealed major discrepancies or reasonable grounds for the office of departure to consider that the introduction of the goods into the transit regime would pose a serious threat to the safety and security of the Countries involved. The controlled goods, major discrepancies and the ‘Unsatisfactory’ control results are registered. The office of departure notifies the Principal that the movement may not go to Destination, sanctions may be applied.
1. On acceptance of a declaration under Simplified procedure a timer to automatic release is started. This Control therefore must be done within the agreed time period mentioned in the Authorisation of the simplified procedure.

2. If the risk analysis results states that goods should not be released at departure, or there are other grounds of concern for the office of departure, then ACTS alerts the Customs Officer.

3. The Customs Officer takes the final decision to control.

4. The decision to control or not to control is recorded in ACTS.

5. The timer ‘Wait for automatic release’ is stopped.

6. With a decision not to control, duty and tax potential liabilities are calculated as the process ‘Prepare Guarantee Registration Usage’ (D).

7. To control the movement the Customs Officer may request a printed copy of the declaration details.

8. The control consists of a check of documents and the goods at the ‘Authorised location of goods’ within the agreed time period of the authorisation. The Customs Officer affixes or re-affixes seals.

9. When minor discrepancies occur, and the Principal agrees (10), an amended declaration can be accepted and processed, otherwise an idle state applies until resolved.

10. If the Control reveals no discrepancies, the decision result ‘Satisfactory’ is recorded in ACTS (12).

11. With major discrepancies the examining Customs Officer at the office of departure will record the results of the control as ‘Unsatisfactory’.

Figure 5: ACTS Simplified control 4.png
### ACTS Departure Process – Release To Transit

<table>
<thead>
<tr>
<th>Principal / Trader</th>
<th>ACTS</th>
<th>Customs</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>D</td>
<td></td>
<td>1. The guarantee can be checked and registered.</td>
</tr>
<tr>
<td></td>
<td>1. Prepare Guarantee Registration</td>
<td></td>
<td>2. Duties and taxes are calculated, based on the highest duties and taxes potentially payable en route. The amount calculated is registered in ACTS.</td>
</tr>
<tr>
<td></td>
<td>2. Calculation of potential duty and tax liabilities</td>
<td></td>
<td>4. The process ‘Register guarantee usage’ asks for a check of guarantee (E) at the office of guarantee to validate by reconfirming the details of the guarantee/s provided by the Principal and that the amount available is sufficient.</td>
</tr>
<tr>
<td></td>
<td>5. Evaluation of guarantee registration result</td>
<td></td>
<td>5. If the check is successful returns the result ‘Guarantee usage is registered’ - (F).</td>
</tr>
<tr>
<td></td>
<td>E</td>
<td></td>
<td>6. If checks of the registration of the guarantee usage fail, the Principal is notified that the declared guarantee is not valid.</td>
</tr>
<tr>
<td></td>
<td>F</td>
<td></td>
<td>7. The Principal has within a defined time interval the option to amend the invalid guarantee, (otherwise the movement will not be released).</td>
</tr>
<tr>
<td></td>
<td>G</td>
<td></td>
<td>8. The movement is ready to be issued. At that time dates are set for the expected arrival date at office of destination, and when control results are expected to be returned from the office of destination with transit time based on the route of transit</td>
</tr>
<tr>
<td></td>
<td>H</td>
<td></td>
<td>9. The Transit Accompanying Document (TAD) is printed and given to the Principal.</td>
</tr>
<tr>
<td></td>
<td>I</td>
<td></td>
<td>10. The release into transit is notified to the Trader, with all details of the movement updated to cover any amendments and control results.</td>
</tr>
<tr>
<td></td>
<td>J</td>
<td></td>
<td>11. The TAD may be printed by an Authorised Consignor at that consignor’s premises.</td>
</tr>
<tr>
<td></td>
<td>K</td>
<td></td>
<td>12. An anticipated transit record (ATR) is sent to each declared office of transit (H). Subsequently A Notification Crossing Frontier (NCF) report is received from offices of transit (K).</td>
</tr>
<tr>
<td></td>
<td>L</td>
<td></td>
<td>13. The anticipated arrival record (AAR) is sent to the declared office of Destination (G).</td>
</tr>
<tr>
<td></td>
<td>M</td>
<td></td>
<td>14. An Arrival Advice is expected from the office of destination (I), followed by control results (I), after verification of the goods on arrival. This result is recorded in ACTS.</td>
</tr>
</tbody>
</table>

**Figure 6: ACTS departure release 5.png**
1. Guarantee Preparation and Registration

The Principal produces a valid guarantee to the office of guarantee to be registered in the Guarantee Management System of Customs, as a guarantee for ACTS transit movements.

If the guarantee is valid and correctly formulated the details are entered into the Guarantee Management System, which generates a Guarantee Reference Number (GRN). The GRN number is sent to the Principal. The Principal is notified if the guarantee submitted is not valid or otherwise unacceptable.

2. Guarantee Validation

On submission of the electronic transit declaration by the Principal, as part of the acceptance process, ACTS checks with the office of guarantee to validate the details of the guarantee coverage claimed.

The office of guarantee returns with the result of the guarantee check.

3. Usage of Guarantee

1. At the office of departure the process asks for a ‘Check of Guarantee’ (E).
2. ACTS transmits guarantee details to the Office of guarantee, for checking and registering.
3. Offices of guarantee receive the information about the guarantees which are to be checked and
4. If one of the guarantee checks fails, none of the guarantee usage is recorded.
5. The office of departure receives the results of the guarantee checking from the responsible office/s of guarantee (F). If the guarantee check is not successful, usage of already registered guarantees is cancelled. The Principal must amend or replace the guarantee/s.
ACTS Process at Offices of Transit

1. The offices of transit receive and store in advance the ‘Anticipated Transit Record’ (ATR). A pre-arrival screening is conducted by the Customs Officer, based on risk analysis and any other relevant information. A decision is registered as to whether grant passage.

2. The Customs Officer is notified by the Goods Carrier about the arrived consignment and the ARN is captured or bar code scanned into ACTS from the Transit Accompanying Document.

3. ACTS looks for the Anticipated Transit Record (ATR) information; and

4. When the movement information is not available, either in case of international diversion or in exceptional situations, ACTS contacts the office of departure for an ATR and warns the transit office; or

5. When the ATR information is available then the passage can be validated. ACTS retrieves the movement information and responds with the state of the movement, having performed checks such as:

   - Movement known at office of departure and ‘en route’;
   - Movement known at office of departure but state not consistent with presentation at this office of transit (e.g. movement has already arrived at destination);
   - If the transit movement is to be stopped at this office of transit. In that case, the movement is to be processed as if arrived at an office of destination (A diversion).
   - National or International diversion (movement not declared to this office of transit or Country of transit, with the guarantee not valid);
   - National or International diversion (movement not declared to this office of transit or Country of transit, with the guarantee not valid); or
   - Warnings that the movement is marked as ‘binding itinerary’ or contains restricted goods’, or the movement is already recorded as entered in this country (of the office of transit).

Figure 8: ACTS Transit office 4.png
8. The System or Customs Officer takes the appropriate action, to control or not.

9. Any control decision is recorded in ACTS. For example, notifying the Goods Carrier if the consignment has to be controlled prior to registration of the frontier crossing or if the movement is not valid and has to be stopped or turned back.

10. If validated by a Customs Officer, or by passage granted in advance, the movement may cross the frontier, the ‘Notification Crossing Frontier (NCF) information is recorded in ACTS and notified to the offices of departure, destination and other offices of transit.
1. The office of destination an anticipated arrival record (AAR), performs an automatic risk analysis, and stores in advance the movement description information of any movement in which it is declared as office of destination.

On the arrival of an AAR with ‘Authorised Consignee’ identification in the declaration, the office will know whether the goods will be presented at the premises of an Authorised Consignee or not.

2. The office of destination is notified by the Authorised Consignee or by the Principal’s representative of the arrival of a consignment.

3. The Transit Accompanying Document arrives with the driver of the transporting motor vehicle.

Under normal procedure the location where the consignment can be controlled is at the office of destination.

4. When the arrival is valid, ACTS looks for the movement information referenced by the ARN (5).

6. If no diversion occurred, ACTS notifies the office of departure that the arrival is accepted and the arrival is recorded into ACTS.

7. An analysis of risk is done at this stage in order to help the Customs Officer in a decision to control the consignment. National and local risk factors are taken into account when carrying out risk analysis at the office of destination. ACTS records the results of the risk analysis.

8. Even if the risk analysis is an automatic process, the final decision to control may be overruled by the Customs Officer.

9. If risk analysis had proposed to take measures at the office of destination but the Customs Officer decides not to control, then ACTS requires the Customs Officer to confirm the decision not to control. The goods are ready for the next procedure or activity (e.g. temporary storage, import procedure, etc.).

10. The goods are released from transit and ACTS notifies the Trader. The “Considered satisfactory” control results are notified to the office of departure through ACTS, together with details of any transhipment and/or incidents if they occurred during the journey.

Figure 9: ACTS Normal arrival control 3.png
11. If the Customs Officer decides to control, the control is performed at the office of destination (12) in order to verify the seals, documents or goods (or all of them), using the printout of the movement description information based on the arrival notification (ARN).

The Customs Officer at the office of destination records the results of a control after the control of the goods. When there are no discrepancies, or the Customs Officer decides not to wait for the discrepancies resolution at the office of departure, the Customs Officer records within ACTS that the goods are ready for the next procedure / activity (e.g. temporary storage, import procedure, etc.). The goods are released from transit (10).

In case of Discrepancies, the Customs Officer at the office of destination may decide to wait for the resolution of the discrepancies at the office of departure before releasing the goods. The office of departure will be informed if the office of destination decided so. When the Customs Officer decides to wait for the discrepancies resolution at the office of departure, this is recorded within ACTS as ‘waiting’.
1. The office of destination receives an anticipated arrival record (AAR), ACTS performs an automatic risk analysis, and stores the movement description information.

2. The office of destination is notified by the Authorised Consignee or by the Principal’s representative of the arrival of a consignment.

The Transit Accompanying Document (TAD) arrives with the vehicle.

3. When an arrival notification is presented under simplified procedure, ACTS checks that the Trader who communicates the arrival is indeed authorised to use simplified procedure at that office of destination and checks that the location where the consignment can be controlled is amongst the various authorised places specified in the authorisation.

If no diversion occurred, ACTS notifies the office of departure that the arrival is accepted and the arrival is recorded into ACTS.

4. If the consignment is regarded as low risk and not otherwise restricted, a timer “Wait for automatic unloading permission” is started.

5. After a set time interval the Consignee is given permission to unload.

The Customs office at office of destination has access to information about the transit movement and the opportunity to intervene within this time interval with a decision to control.

6. If the Customs Officer at destination doesn’t take the decision to control the goods within the agreed time period ACTS notifies the Trader (7) that he can start the unloading of the goods and records the unloading permission. If the Officer decides to control during the time period the ‘Permission to unload’ is stopped.

8. An analysis of risk is done in order to help the Customs Officer in his decision to control the consignment. Risk analysis results communicated by the office of departure shall either be accepted or taken into account when carrying out risk analysis at the office of destination. ACTS records the results of the risk analysis.
9. The office of destination receives unloading information from the Authorised Consignee. ACTS checks the validity of the received information and stores that unloading information.

When the unloading is completed without unloading remarks, then ACTS records that the goods are ready for the next procedure or activity (e.g. temporary storage, import procedure, etc.) and the goods are released from transit.

ACTS notifies the office of departure (I) about the control results set to “Considered satisfactory”.

When the unloading is not completed, and thus there are unloading remarks, then ACTS notifies the Customs Officer that he has to decide to control or not the consignment.

10. Decision not to control is recorded in ACTS

11. The Customs Officer goes to the goods place, as specified in the arrival notification, in order to verify the seals, documents or goods (or all of them), taking with him the printout of the movement description information based on the arrival notification (ARN).

The Customs Officer controls the consignment and the supporting documents against the printout of the movement description information.

The Customs Officer at the office of destination records in ACTS the results of a control as ‘Satisfactory’ or ‘Discrepancies found’. Any discrepancies are resolved with the office of departure.
On completion of the transit movement the office of destination notifies the office of departure, through ACTS, by an Arrival Advice.

This is followed up with a further message, which, depending the outcome of the transit movement – control or no control, ‘satisfactory’ or ‘not satisfactory’ – determines action on termination or write-off of the movement and release of any guarantee.

1. In the case of multiple journey guarantees the locked reference amount for the particular transit movement is credited, but not released, and this is recorded in the guarantee management subsystem.

2. Upon receipt of an Arrival Advice for movements covered by a multiple journey guarantee, ACTS selects the office/s of guarantee concerned and asks them to credit the reference amount.

3. When the guarantees have to be released, i.e. when the movement is written off by the office of departure, the write-off is recorded in ACTS and the Principal notified.

4. The information on write off is sent to the relevant offices of guarantee, for releasing the guarantee usage – either Single or Multiple journeys; the release of the guarantee is recorded in the guarantee management subsystem (6).

Note: Cancellation of guarantee usage, for reasons other than completion of a transit movement and write-off, follows a similar flow. For example, if the transit movement doesn’t proceed and the declaration is cancelled by the office of departure.
1. The time allotted for the receipt of the arrival advice or of the control has expired. These timeout periods, prior to initiating a status request, are defined by the Country of departure, using the values permitted in the relevant legal provisions. Upon receipt of the arrival advice, its value will change. It may also be manually shortened by a Customs Officer.

2. When the control results are received from the office of destination, or when the movement is written-off for other reasons, the timer stops (3).

4. If the Country of departure has not received an arrival advice they send the status request to the Office of the Country of destination (declared or actual) checks the state and automatically replies to the Country of departure with the state at destination (6).

If the state at destination doesn’t correspond with the one at departure and no error message has been generated the missing message(s) must be sent.

If this is not possible within a given time limit, the Country of office of destination transmits the missing information in order to allow the proper follow up by the Country of departure.

7. ACTS at Country of departure checks if the state at destination corresponds to the state at departure, and whether subsequently an Arrival advice has been received. If no Arrival advice or controls result the Customs Officer at the Country of departure either starts the enquiry procedure or postpones it to a later time. In the latter case, he re-sets the relevant timer.

---

**Figure 12: ACTS Transit Enquiry Procedure.png**
8. The country of departure checks the available information on Consignee and decides whether the information is sufficient or not. If it is considered insufficient the Principal is requested to provide information (10), and within a set time limit. If no information is provided within the time limit this is considered to be a negative answer. An enquiry request can also be made to another office, if relevant.

If the information on Consignee is considered sufficient it starts the enquiry procedure with the declared office of destination (9). ACTS records an information request for the requested trader or an enquiry request for the Requested office and sets the timers for answering.

11. If the principal provides alternative proof the movement can be written-off (12) and advice is sent to all involved offices to close that movement.

If the principal provides the Country of departure with other sufficient information, (alternative proof), or a new office of destination this information will be forwarded to the office of destination (declared or actual).

If the principal does not provide information, the provided information justifies a recovery, or it is considered insufficient for enquiry, the recovery procedure is started immediately.
1. Recovery action commences if:-
   - The master timer 'Recovery recommended' has expired;
   - Request for recovery received from office of destination or an office of transit; or
   - Either no information, insufficient information, or information justifying recovery, is received.

A Customs Officer can also start the Recovery procedure manually at any time after the release of the movement.

2. The Competent Authority at departure investigates if the place of irregularity is in the Country of departure to decide if it is competent or not. If it is in its own country it is competent and shall carry out recovery (3, 4).

5. If the irregularity did not take place in the Country of departure the competency shall be transmitted to the responsible Country (may also be the country of transit).

6. The request for Recovery is received and the Competent Authority decides if it is competent or not. If the requested Competent Authority is competent it will start the Recovery Procedure (7).

9. The amount of duties and other taxes to be recovered is calculated.

The Recovery Procedure seeks to recover the duties and taxes first from the Principal or from any identified debtor; if this is not possible, from the Guarantor (unless the movement was covered by a cash guarantee).

10. Upon completion of the Recovery Procedure, with successful recovery of duties and taxes from Principal or Guarantor, the movement is written-off; the release of the guarantee is recorded into ACTS; the state of the transit operation is set to ‘Movement written off’ (11), the Principal is informed about the Recovery Procedure.
First Batch Publication
500 Copies

Prepared and published by:
Department of Information Technology,
General Department of Customs and Excise of Cambodia

Printed with the support of:
ASEAN Regional Integration Support – Cambodia
Trade Related Assistance (ARISE Plus Cambodia)