

**The Government of the Republic of the Union of Myanmar**

**Ministry of Planning and Finance**

**Notification No. 89/2024**

**The 12<sup>th</sup> Waning of Nadaw, 1386 ME**

**(27 December 2024)**

The Ministry of Planning and Finance, in exercise of the powers conferred subsection (b) of Section 204 of the Sea Customs Act, hereby issues the following procedures to implement the provisions of the Revised Kyoto Convention, the ASEAN Trade in Goods Agreement, Trade Facilitation Agreement of the World Trade Organization and the World Customs Organization's SAFE Framework of Standards.

**Chapter I**

**Title and Definition**

1. These procedures shall be called Procedures Relating to Authorized Economic Operator.
2. The expressions in these Procedures shall have the same meanings as defined in the Sea Customs Act. In addition, the following expressions shall have the same meanings given below:
  - (a) **Authorized Economic Operator (AEO)** means a company, officially recognized by the Customs Department and involved in the international trade supply chain, which complies with the specified criteria in Chapter II of these procedures;
  - (b) **International Trade Supply Chain** means trading system that involves companies, organizations, operations, technologies and sources that work to facilitate the movement of goods or services from supplier to customer in international trade;

- (c) **Mutual Recognition Arrangement (MRA)** means a mutual recognition program for AEO companies or organizations recognized by respective countries;
- (d) **A company** means an entity registered under Myanmar Companies Law and held an export or import registration certificate from the Ministry of Commerce;
- (e) **Certificate** means a certificate issued by the Customs Department as an AEO.

## **Chapter II**

### **Criteria**

- 3. (a) The applicant for an AEO (Level-1) shall:
  - (i) abide by company registration regulations prescribed under the Myanmar Companies Law;
  - (ii) meet the terms specified by the relevant departments for operating the business or licensing matters;
  - (iii) register a minimum of three years under the Myanmar Companies Law at the time of application and have the number of at least 50 declarations or at least a trade volume of US\$ 5 million in one fiscal year;
  - (iv) abide by the existing laws, rules, regulations, by laws, notifications, orders, directives and procedures;
  - (v) publish official financial statements audited by company under the Myanmar Companies Laws and report annually since its establishment;

- (vi) have a good financial index that demonstrates the company's financial strength and long-term sustainability;
  - (vii) have an effective system for managing trade data, business records, financial matters, operational systems and processes;
  - (viii) retain statistical data and information related to the business, accounting, commercial documents and information for seven years;
  - (ix) pay fully duties and taxes levied by the Customs Department as well as other charges to the State in a timely manner;
  - (x) have no instances of penalties under Customs Laws, blacklisting, or any news of economic malpractice within three years prior to applying for AEO;
  - (xi) be able to cooperate with the Customs Department for inspection, if necessary;
  - (xii) appoint a contact person or organization with expertise in management or Standard Operating Procedures (SOPs) with respect to Customs Laws, procedures and business, and cooperate in exchanging information;
- (b) The applicant for an AEO (Level-2) shall:
- (i) have a minimum period of six months as an AEO (Level-1) Certificate holder;
  - (ii) implement management plans or SOPs systematically to prevent unauthorized access to the business information, technologies, records, computer system and backup storage regarding the information security;

- (iii) implement management plans or SOPs for verifying goods, accepting, storing, maintaining, producing, quality controlling, packaging, preventing damages and errors in cargo handling, and sealing the containers to ensure the cargo safety regarding the goods security;
- (iv) implement management plans or SOPs for checking the durability and security of vehicles, monitoring the tracking systems for transportation routes and reporting any suspicious issues to the respective departments during transportation regarding the goods transportation security;
- (v) implement management plans or SOPs for positioning security personnel at the points of entry/exit of the company's business premises, keeping records of entry/ exit and controlling unauthorized entry, constructing sturdy storage areas and loading/unloading zones, installing CCTVs and automated alert systems regarding the premises security;
- (vi) implement management plans or SOPs for the recruitment, dismissal, suspension, delegation of responsibilities to employees in the workplace, and security and disciplinary control regarding the personnel security;
- (vii) implement management plans or SOPs for listing, selecting, monitoring and evaluating the business partners giving special consideration to international trade supply chain regarding the business partners security;
- (viii) implement management plans or SOPs for providing regular training to employees, sharing knowledge awareness and reporting to relevant parties if such matters occur, having insurance for the loss, the emergency and recovery plans

regarding remediation of losses caused by natural disasters and force majeure;

- (ix) establish and conduct regular review on international trade supply chain security developments, keeping records and improvement;
- (x) conduct regular training, monitoring, evaluating and keeping records of these processes to ensure systematic compliance with management plans or SOPs for employees and continuous improvement.

### **Chapter III**

#### **Benefits**

- 4. (a) The AEO (Level-1) shall be entitled to the following benefits:
  - (i) prioritizing access to Customs declarations;
  - (ii) clearing Customs process without examining the goods except in cases where risk-based controls are applied for illegal importation or exportation;
  - (iii) prioritizing matters related to getting other Customs approvals, including tax refund and drawback;
  - (iv) allowing one month of deferred duty payment if the AEO company applies with an acceptable bank guarantee by the Customs Department;
  - (v) prioritizing attendance at workshops, seminars, and conferences organized by the Customs Department for private entrepreneurs;
  - (vi) being awarded the certificate and having the right to use AEO logo;

- (vii) obtaining the opportunity to communicate with a dedicated Customs Official or Customs Team to coordinate and resolve Customs matters related to companies' import or export difficulties;
  - (viii) being listed as an AEO (Level-1) on the Customs Department and other relevant websites.
- (b) The AEO (Level-2) shall be entitled to the following benefits in addition to listed in subparagraph (a):
  - (i) receiving the opportunity for Customs clearance beyond working hours;
  - (ii) accessing through specific lane for AEO to expedite operation under Customs supervision area;
  - (iii) allowing Customs clearance at the premises of importer/exporter or any location approved by the Customs Department;
  - (iv) receiving the priority privilege in applying for Advanced Ruling on Classification, Valuation and Rules of Origin within one week from the date of the complete submission;
  - (v) participating in the implementation of the MRA with other countries;
  - (vi) obtaining benefits as an AEO mutual recognition by other countries in export;
  - (vii) being listed as an AEO (Level-2) on the Customs Department and other relevant websites.

## **Chapter IV**

### **Application, Verification and Rejection**

5. A company may duly fill in and submit the attached AEO application form through the Customs Department's website to the Post Clearance Audit and Trade Related Procedures Division of the Customs Department in person, by postal or email.
6. The Customs Department shall verify the application. If not duly filled, the company will be informed to reapply for the revised application.
7. The Customs Department shall:
  - (a) provide a Self-Assessment Questionnaire (SAQ) to the applicant after verification the application;
  - (b) scrutinize the questionnaire sent back by the applicant whether it meets the criteria in paragraph 3;
  - (c) notify the applicant company in advance of on-site validation if the criteria are met.
8. The Customs Department shall conduct the meeting with the company based on the answers of the questionnaire and check whether the work operation complies with the criteria or not during the on-site validation.
9. The Customs Department grants the respective AEO level to the applicant if the criteria in paragraph 3 are met after verification and validation processes.
10. The validity of the AEO certificate is three years from the date of issue.
11. The Customs Department shall announce the name of the certified company in paragraph 9 as appropriate and shall notify the announcement to the other trade related government departments, organizations and associations.

12. The Customs Department shall notify the rejection to the applicant if not meet the criteria in paragraph 3 after verification and validation processes, or the company is detected any conflicts in Clause 10 of subparagraph (a) of paragraph 3 before granting.

13. The rejected company may reapply for relevant level if meets the criteria in paragraph 3 after six months from the date of rejection.

## **Chapter V**

### **Monitoring and Evaluating**

14. The Customs Department shall monitor and evaluate the AEO whether meets the criteria in paragraph 3.

15. The Customs Department shall evaluate the AEO in paragraph 14 by information of export/import, post clearance audit report and information sent by other organizations.

16. The Customs Department may inspect regularly, periodically and casually. If necessary, revalidation will be carried out.

17. The Customs Department shall, after scrutinizing, submit the evaluation report to the Director General within one month.

## **Chapter VI**

### **Extension**

18. The AEO may apply for an extension to the Customs Department six months before its expiration.

19. A company may duly fill in and submit the AEO extension form through the Customs Department's website to the Post Clearance Audit and Trade Related Procedures Division of the Customs Department in person, by postal or email in paragraph 18.



20. The Customs Department shall extend the certificate to the AEO if the criteria in paragraph 3 are met according to the monitoring and evaluating report.

## **Chapter VII**

### **Temporary Suspension**

21. The Customs Department shall, with the approval of the Director General, suspend temporarily the AEO status during inspection whether any of the following violations are committed:

- (a) false or failed submission of necessary documents requested by the Customs Department;
- (b) findings that it is not conformity with the criteria according to the monitoring and evaluating processes;
- (c) misleading benefits outlined in paragraph 4;
- (d) failing to comply with laws and regulations of other trade related government departments and being taken action according to the respective laws;
- (e) money laundering and insolvency;
- (f) failing to export/import from the last process within a period of six months.

22. The Customs Department shall notify a temporary suspension to the AEO in paragraph 21 within one week from the date of suspension.

23. The Customs Department shall–

- (a) suspend the benefits in paragraph 4 within the temporary suspension;

- (b) reinstate as an AEO if there is no violation in paragraph 21 according to the inspection.

## **Chapter VIII**

### **Revocation and Re-application**

24. The Customs Department shall revoke an AEO recognition according to the inspection whether any of the following are committed where:
- (a) any violation outlined in paragraph 21;
  - (b) the AEO requests revocation of their authorization;
  - (c) the AEO fails to renew the certificate by its expiration date.
25. If the Customs Department revokes the Certificate in paragraph 24, it shall notify to AEO.
26. If the AEO receives a notice in paragraph 25, the revoked certificate shall be returned to the Customs Department within the specified date.
27. The Customs Department shall announce the revoked AEO company on the Customs Department website or other appropriate way.
28. The Customs Department shall notify the revoked list in paragraph 27 to:
- (a) trade related government departments, organizations and associations;
  - (b) the signed countries on MRA if the company is an AEO (Level-2) promptly.
29. The revoked company may reapply as an AEO when it meets the criteria in paragraph 3 after three (3) years of revocation.

## **Chapter IX**

### **Miscellaneous**

30. The AEO shall timely notify to the Customs Department of any changes of company location, organizational structure, business agreements, contracts and termination that may affect the criteria in paragraph 3.
31. AEO (Level-2) company shall cooperate with another country in validation under the Mutual Recognition Arrangement (MRA).
32. The notification No.21/2018 dated on 30 - 3 - 2018 of the Ministry of Planning and Finance is repealed by this notification.

Win Shein  
Union Minister

Letter No: Saba/ Finance - 2/1/295 (6447/2024)

Date: 27 December 2024

#### **Circulation to:**

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Ministry of Planning and Finance

Director-General, Printing and Publishing Department has been delivered together with the request for advertising in the Myanmar Gazette.

Myanmar Institute of Certified Public Accountants

Chairman, The Union of Myanmar Federation of Chambers of Commerce

and Industry (UMFCCI)

All Divisions at the Union Minister's Office of the Ministry of Planning and Finance

By Order,

Min Htut  
Deputy Minister