







# ASEAN CUSTOMS TRANSIT SYSTEM



ASEAN Customs Transit System (ACTS) is an automated Customs transit management system that facilitates free cross-border movement of goods from a departure point to a destination point anywhere within the ASEAN region crossing any number of transit countries under duty suspension using road transport.

Qualified traders can make a single electronic goods declaration, backed by a single bank guarantee covering duties and taxes at risk and valid for the whole transit journey, at departure. Subsequently, after release by Customs at departure, trader is allowed to move goods using a single truck through any number of countries to the good's destination within the ASEAN region.

### LEGAL FRAMEWORK

ASEAN Framework Agreement on the Facilitation of Goods in Transit (AFAFGIT)

AFAFGIT signed in 1998, is a core instrument for the realization of one of the main objectives of the AEC - free flow of goods in the region. It provides for nine implementing Protocols that set out provisions to be put into place for the implementation of an international transit system.

Among the practical objectives of the AFAFGIT is the creation of a regional environment in which a road vehicle operating under the transit system can carry goods from a point of departure in any ASEAN Member State (AMS) to a point of destination in any other AMS via any number of transit countries with minimal procedures at borders.

### The objectives of the AFAFGIT are:

- o to facilitate transportation of goods in transit, to support the implementation of the ASEAN Free Trade Area, and to further integrate region's economies;
- to simplify and harmonize customs, trade and transport regulations and requirements for the purpose of facilitation of goods in transit; and
- to establish an effective, efficient, integrated and harmonized transit transport system in ASEAN.

### **Protocols Under AFAFGIT**

Protocol 1: Designation of Transit Transport Routes and Facilities

Protocol 2: Designation of Frontier Posts

Protocol 3: Types and Quantity of Road Vehicles

Protocol 4: Technical Requirements of Vehicles

Protocol 5: ASEAN Scheme of Motor Vehicle Insurance
Protocol 6: Railways Border and Interchange Stations

Protocol 7: Customs Transit Systems

Protocol 8: Sanitary and Phytosanitary Measures

Protocol 9: Dangerous Goods

Protocols 6, 8 and 9 are excluded in the current AFAFGIT implementation.

The Protocols 8 and 9 are planned to be operationalised in the near future.

### More information:

 $https://acts.asean.org/Legal\_Framework/asean-framework-agreement-facilitation-goods-transit-afafgit$ 

PRIVATE SECTOR STAKEHOLDERS	Freight forwarders, transporters, importers, exporters, Customs agents, banks and insurance companies.  Regional and National Freight Forwarder Associations and Chambers of Commerce.
PUBLIC SECTOR STAKEHOLDERS	Customs and Transport Authorities in the ASEAN Member States, ASEAN Secretariat, EU Delegations in the region and EU Commission.
OPERATIONAL STATUS	In live operations from 2 November 2020 in Cambodia, Lao PDR, Malaysia, Singapore, Thailand and Viet Nam.
MAIN FEATURES	A single electronic Customs transit goods declaration from departure, through transit countries, to destination;
	A single guarantee valid for the whole regional transit journey to cover the duties and taxes at risk;
	A single-vehicle for the whole journey from departure, through transit countries, to destination;
	<ul> <li>Significant concessions for Authorised Transit Traders (ATT) through application of simplified procedures, e.g door-to-door delivery;</li> </ul>
	Faster outward and inward clearance due to automated real time information availability at all Customs points in the journey;
	Standard harmonized electronic data for message exchanges agreed by all ASEAN Member States;
	Customs controls carried out in one country are accepted by other countries;
	Minimal checks at transit borders;
	<ul> <li>Mutual recognition of driving licences, registration certificates and operator licences; and</li> </ul>
	Full end to end computerization of ACTS operations.

### **BENEFITS**

#### **Traders:**

- Out down on non-tariff compliance costs to traders through reduced delays in Customs clearance at departure, borders and destination, due to fewer physical inspections of goods by Customs authorities in the ASEAN region.
- Mutually recognised risk management system based on Authorised Transit Trader (ATT) scheme benefits qualified traders with faster Customs clearance at departure, borders and destination.
- The ATT status also permits transit movements to start from the premises of the trader without presenting goods to Customs authorities physically, and for goods to be delivered directly to the trader's own premises at the destination.
- Accelerated transit movements and reduced time and expenses of carrying out cross-border trade in goods in ASEAN.
- Mutual recognition by ASEAN Member States of transport documents, including vehicle inspection certificates and driving licences, resulting in minimal movement restrictions on approved trucks and drivers.
- Traders and transport operators are automatically updated with real-time information from Customs on various stages of their goods in transit.

### Government:

- Allowing Customs and Transport authorities to monitor and control transit movements effectively, based on real-time and detailed data of the movement of goods.
- Improving detection and prevention of smuggling and fraud, thereby reducing negative economic impacts such as reduced government revenues, and distortion in commodity prices.
- Allowing for increased throughput at the borders and other Customs offices, eliminating the need for physical inspections of most movements, due to automation built in the ACTS processes, especially for traders with ATT status.

#### Consumers:

Increased access to affordable and quality products, as well as helping to drive economic growth in the region.

REGIONAL COVERAGE	<ul> <li>From 2 November 2020 in Cambodia, Lao PDR, Malaysia, Singapore, Thailand and Viet Nam.</li> <li>By the end of 2021 including Myanmar.</li> <li>Brunei, Indonesia and the Philippines in the future.</li> </ul>
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TRANSPORT COVERAGE	Only Road Transport at the moment.  Support for Multimodal Transport is foreseen in the future: Railway and Inland Waterway modes, and connection to Sea and Air Transport modes through a declaration of the pre-arrival information possible.
	ACTS is a cutting edge Business-to-Government and Government-to-Government regional IT System that benefits consumers as well as traders, Customs and transport authorities in the ASEAN region. ACTS is built on state-of-the-art secure and reliable software platform components.
TECHNOLOGY	ACTS is a distributed online IT system that links all Customs offices on the transit routes with Customs offices at the points of departure and destination via a secure closed communication network. All communication between Customs authorities of participating ASEAN Member States, and between private sector and their respective Customs authorities, are performed through the secure closed communication network using electronic message exchanges based on standardized and harmonized data model and business processes.









Additional information on ACTS can be found on the ACTS website at <a href="https://acts.asean.org">https://acts.asean.org</a>

And details of the technical assistance activities of ARISE Plus are available at ariseplus.asean.org

ACTS is managed by a permanent Central Management Team based in the ASEAN Secretariat in Jakarta, Indonesia. Regional and national helpdesks are also available. For more information, please contact:

**ACTS Central Management Team (CMT)** 

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### SUPPORTED BY

ASEAN Regional Integration Support from the EU (ARISE) Plus Programme

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