Background

The ASEAN Leaders’ decision to create an Economic Community (AEC) is intended to introduce free flow of goods, services, investment and skilled labour into the region. For the AEC to take root, the establishment of a fully facilitated Customs and trading environment is of the highest priority.

Customs transit is one of the cornerstones of ASEAN integration and of vital interest to ASEAN businesses. It enables goods to move more freely and facilitates Customs clearance formalities from point of departure through transit and ending at point of destination. It does so by temporarily suspending duties and taxes that are applicable to goods at import into the region, or between the ASEAN Member States.

The ACTS supports the realisation of the AEC 2025 vision in making ASEAN a highly integrated and cohesive economy. It will facilitate the seamless movement of goods to enhance ASEAN’s trade and production networks as well as establishing a more unified market for its firms and consumers. ACTS will be a catalyst for greater people to people, institutional and infrastructure connectivity.

Legal Basis

The legal basis for the implementation of the ACTS is the ASEAN Framework Agreement on Facilitation of Goods in Transit (AFAFGIT) and its nine supporting Protocols;

Protocol 7 gives the headline structure for the Customs procedures and requirements of ACTS;

The technical appendix of Protocol 7 gives more detailed legal information towards the implementation of ACTS; and

The technical annexes and procedural manuals give detailed information on the processes of ACTS implementation.

Main Objectives of the ASEAN Customs Transit System (ACTS)

• to increase the efficiency and effectiveness of moving good across land based transport routes;
• to improve both the prevention and detection of fraud; and
• to reduce transaction cost and movement time for the trading community.

ACTS Basic Principles

Access

All qualifying traders will have access to the ACTS. The qualifying criteria will be a national decision set by the relevant competent authority. The following may participate in ACTS:

• Importers, exporters
• Freight forwarders
• Transporters and sub-contractors
• Customs agents of the above

Subject to national criteria, reliable traders can be selected to be Authorised Transit Traders (ATT). ATT traders will be given some privileges by the competent authorities including loading at their own premises.

Guarantees

• Flexible Secure Guarantee System
• Approved Guarantors (Financial Institutions)
• Guarantees based on actual consignment values and levels of risk
• Reduced or waived for Authorised Transit Traders

Facilitation

• Maximise efficiency for legitimate trade
• Availability of simplified procedures
• Applying common risk management technique
• Mutual recognition by AMS of vehicle inspection certificates for trucks
• No movement restrictions on permitted transport/drivers
ICT Enabled

- Comprehensive Computerisation, linking:
  - All Customs Offices in transit movement
  - Traders to Customs Offices of Departure
    - To manage movements and guarantees;
    - To identify irregularities fast, and
    - To provide detailed management information.

Main Features to Assist Customs and the Trade:

- A single electronic goods declaration from departure through transit to destination;
- A single guarantee valid for the entire journey;
- A secure and efficient system through;
- Full end-to-end computerization of operations;
- Proven operators authorised to use simplified procedures;
- Complete Customs to Customs and Customs to Business network;
- Free movement for permitted trucks and drivers.

ACTS Development Plan

Phase 1 (completed) – North – South Corridor - Thailand, Malaysia and Singapore:
- Registered traders to use the ACTS system with access to Trader Portal
- Connect Thailand, Malaysia and Singapore Customs offering
- Advance Movement Notification
- Movement tracking
- Automated write off facilities

Phase 2 – East – West Corridor - Cambodia, Laos, Myanmar, Vietnam

ACTS Information Portal

A specific Information Portal has been developed to provide relevant information for users. The information portal gives you access to all ACTS related information including a comprehensive guide for traders to access and make declarations in the ACTS. Helpdesk information for pilot countries are also available for users. The Publications section provides a list documents and the relevant agreement for the operationalisation of the ACTS. The portal also provides a set of Frequently Asked Questions for easy reference of users and can be accessed using the following weblink: https://acts.asean.org.

Additional information on ACTS is available on the ASEAN website https://acts.asean.org.

This Brochure is supported by the European Union through the ASEAN Regional Integration Support from the EU (ARISE).