



**COMPLIANCE CHECKLIST FOR COMPANIES APPLYING AS
AUTHORISED ECONOMIC OPERATORS (AEO) ACCREDITATION**

The questionnaires below are meant to assist the Malaysian Royal Customs in determining the eligibility of companies applying for accreditation as Authorised Economic Operators (AEO). Please tick (✓) the appropriate box.

Conditions and requirements		Yes	No	For Official Use
A. DEMONSTRATED COMPLIANCE WITH CUSTOMS REQUIREMENTS				
1.	<p>Infringement/offence committed under the Customs Act 1967 or any other national legislation</p> <p>a. <i>Has your company been charged in court or compounded under the Customs Act 1967 or any other national legislation? If yes, please specify type of offence and action taken</i></p> <p>_____</p>			
	<p>b. <i>Has any of the directors of your company been charged in court or compounded under the Customs Act 1967 or any other national legislation? If yes, please specify type of offence and action taken</i></p> <p>_____</p> <p>c. <i>Has any of your employees been charged in court or compounded under the Customs Act 1967 or any other national legislation? If yes, please specify type of offence and action taken</i></p> <p>_____</p>			
	<p>d. <i>Please specify names of appointed forwarding agents / shipping agents / forwarders / consultants. Please use attachment.</i></p>			

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	<p>e. <i>Has any of them been charged in court or compounded under the Customs Act 1967 or any other national legislation?</i> <i>If yes, please specify type of offence and action taken</i></p> <p>_____</p>			
2	<p>Does your company have any arrears with the Customs Department? <i>If yes, please indicate :-</i></p> <p>a. <i>the outstanding amount</i></p>			
	<p>b. <i>expected date of settlement</i></p>			
	<p>c. <i>reason for arrears (such as under declaration, wrong declaration, late submission, etc)</i></p>			
3	<p>Has your company made any applications for refund to the Customs Department? <i>If yes, please specify :-</i></p> <p>a. <i>Number of refunds :</i></p>			
	<p>b. <i>Amount of refunds :</i></p>			
	<p>c. <i>Reason for refunds :</i></p>			
4	<p>Availability of supporting documents at the time of submission of Customs declaration for Customs verification.</p> <p>a. <i>Are you able to make available all supporting documents at the time of submission of Import/ Export declaration?</i></p>			
5.	<p>Does your company deal with the goods listed under Strategic Trade Act 2010 (STA)?</p>			
	<p><u>B. SATISFACTORY SYSTEM FOR MANAGEMENT OF COMMERCIAL RECORDS</u></p>			
6.	<p>Does your company adopt Malaysian Financial Reporting Standards (FRS)</p>			

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7.	Does your company maintain a complete set of accounting books and records in a satisfactory manner?			
8.	<i>Electronic Accounting System</i> a. Does your company use electronic accounting System? If yes please specify <ul style="list-style-type: none"> • Types of software used. 			
	<ul style="list-style-type: none"> • Date of implementation of the accounting system 			
	b. Does your company have a procurement and inventory system?			
	c. Are your imported and local inventory / procurement records clearly delineated? _____			
	d. Can customs access to the system for testing and extract data from the system?			
9.	Compliance with Companies Act 1965 a. Does your company submit a copy of audited financial statement within 6 months from the end of financial year to Companies Commission of Malaysia (CCM)?			
10	Does your company maintain records on : a. Shipping documents i. Packing List ii. Bill of Lading / Air Waybill iii. Certificate of origin If yes please specify in attachment for 1(one) year			
	b. Commercial documents i. Debit/ Credit Note ii. Payment records i.e L/C, TT etc. iii. Purchase/ Sales Order iv. Purchase / Sales Invoice If yes please specify in attachment for 1 (one) year			

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	<p>c. License/permit relevant to importation of merchandise If yes please specify in attachment</p>			
	<p>d. License/permit relevant to exportation of merchandise If yes please specify in attachment</p>			
	<p>e. Other documents ie Business agreement, contract etc. If yes please specify in attachment</p>			
11	<p>Does your company maintain a proper archive record system which permits Customs to conduct audit on cargo movements relating to:</p> <p>a. Import If yes please specify</p> <ul style="list-style-type: none"> • Period of records maintain • Premise where the records is maintain 			
	<p>b. Export If yes please specify</p> <ul style="list-style-type: none"> • Period of records maintain • Premise where the records is maintain 			
	<p>c. Transit If yes please specify</p> <ul style="list-style-type: none"> • Period of records maintain • Premise where the records is maintain 			
12	<p>Security measures on Information Management -To identify who is person responsible</p> <p>a. Does your company have an Information Management Policy to:</p> <p>i. Determine and classify the level of access to information</p>			
	<p>ii. Control access to information</p>			
	<p>iii. Assign personnel responsible for the storage of information</p>			

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	iv. Detect discrepancies (e.g. improper access, tampering or altering of data)?			
	b. Does your company maintain internal monitoring control systems on Information Management? If yes, please specify whether the system is manual or automated _____			
	c. Is your system able to identify improper access, tampering or the altering of business data?			
	C. <u>FINANCIAL VIABILITY</u>			
13	Please state your paid-up capital.			
14	What is your annual turnover for the past three (3) years?			
15	What is your annual profit/loss for the past three (3) years?			
	D. <u>CONSULTATION, CO-OPERATION AND COMMUNICATION</u>			
16	Has your company designated a person with experience/knowledge on customs matters or has undergone Customs Course as a liaison with Customs?			
17	Has your company designated a trained/experienced person/unit handling on AEO matters ?			
18	Does your company have any mechanism of notifying customs and/or other relevant government authorities on any illegal or suspicious activities as appropriate and timely? • Electronic media /telecommunication			
	• Correspondence			
	• Liaison committee with customs or other relevant government agencies			

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	<ul style="list-style-type: none"> Channel issues through Federation Malaysia Manufacturing(FMM) 			
	E. <u>EDUCATION, TRAINING AND AWARENESS</u>			
19	Does your company have a systematic training programme for your personnel on: <ul style="list-style-type: none"> risks associated with movement of goods in the international trade supply chain? 			
	<ul style="list-style-type: none"> customs procedures 			
	<ul style="list-style-type: none"> safety and security awareness on premise 			
	<ul style="list-style-type: none"> security on cargo movement 			
20	Does your company include the following in its security awareness module on cargo/premise security and information technology system? <p>a. <i>Recognizing potential threats</i></p>			
	<p>b. <i>How to maintain cargo integrity</i></p>			
	<p>c. <i>How to protect access control</i> <i>Please provide details.</i></p>			
21	Does your company document and maintain records on training programmes and number of personnel trained? If yes, is your company able to provide details on request?			
22	Is your company able to provide awareness programme and briefing to customs on your company's internal information systems, security system and processes?			
	F. <u>INFORMATION EXCHANGE, ACCESS AND CONFIDENTIALITY</u>			
23	Is your company's mode of payment of customs duties via the electronic fund transfer?			

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24	Does your company adopt recognized international standards in your in-house information system relating to import/export cargo clearance? <i>Please specify</i>			
25	Does your company have a documented information security policy and procedure and/or security-related controls such as firewalls, passwords, etc, in place to protect the AEO's electronic systems from unauthorised access? If yes, please specify			
26	Does your company have procedures and back-up capabilities in place to protect against the loss of information? If yes, please specify			
	G. CARGO SECURITY			
27	Does your company implement and maintain a security policy manual on the following :			
	(i) For the movement of goods <ul style="list-style-type: none"> • on importation • on exportation 			
	(ii) manufacturing of goods			
	(iii) warehousing of goods			
	(iv) loading and unloading of goods at the premises			
	(v) conveyance /carriers of goods			
28	Does your company develop and maintain an internal security policy manual which contains detailed guidelines on procedures to be followed to preserve the integrity of cargo while in its custody?			

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29	Does your company have the following in place?			
	a. <i>Reporting mechanism for employees to report cargo-related incidents.</i>			
	b. <i>Investigation procedures to investigate cargo-related incidents.</i>			
	c. <i>Corrective measures after these cargo-related incidents and reported and investigated.</i>			
30	Does your company store containers and cargo in a secured area to prevent unauthorized access and/or tampering?			
31	Does your company maintain a management policy manual on checking the security policy of a business partner with sealing responsibilities in the supply chain is in place to ensure the integrity of cargo while in its custody? <i>If yes, please provide details</i>			
32	Does your company have a drivers' guide to educate drivers on the following?			
	a. <i>Inspection of conveyance. Please provide details....</i>			
	b. <i>Policies on keys, parking area, refueling and unscheduled stops. Please provide details....</i>			
	c. <i>Reporting procedures for accident / emergencies Please provide details....</i>			
	d. <i>Reporting irregularities in loading, locking and sealing Please provide details....</i>			
	e. <i>Security of goods Please provide details....</i>			
33	Does your company have an internal compliance program on Strategic Trade Goods?			

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	H. Conveyance Security			
34	Does your company have procedures in place to ensure that all transport conveyances used for transportation of cargo within its supply chain are capable of being effectively secured?			
35	Does your company have procedures in place to ensure that all transport conveyances are secured when left unattended? <i>If yes, is there procedure to check for security breaches upon return?</i>			
36	Are all operators of conveyances used for the transportation of cargo trained to maintain the security of the transport conveyance and the cargo at all times while in custody?			
37	Does your company have a drivers' guide to educate drivers on the following? a) Inspection of conveyance			
	b) Policies on keys, parking area, refueling and unscheduled stops.			
	c) Reporting procedures for accident / emergencies.			
	d) Reporting irregularities in loading, locking and sealing			
	e) Maintaining records of the above reports to be made available to Customs			
38	Does your company inspect the physical integrity of the container structure, including the reliability of the locking mechanisms of the doors?			
39	Does your company maintain regular inspection records on potential places of concealment of illegal goods on transport conveyances?			

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40	Does your company have procedures in place for employees or operators of conveyances to notify Customs or other relevant body of any unusual, suspicious or actual breach of transport conveyance security?			
41	Does your company develop and maintain a security policy manual on which contains detailed guidelines on sealing responsibilities and other security related measures to be followed to preserve the integrity of cargo while in its custody?			
42	Does your company have an established framework (Radio Frequency Identification Device (RFID) or Global Positioning System (GPS)) to check the route and the mode of transportation, as well as to properly track the movement of the cargoes? a) <i>Please state person in charge on GPS & RFID</i> _____			
43	Are loaded conveyances stored in a secured area to prevent unauthorized access and/or tampering?			
	I. <u>Premises Security</u>			
44	Does your company conduct examination on incoming and outgoing persons, vehicles and cargoes to and from your premise?			
45	Is there external perimeter fencing around buildings and warehouse?			
46	Does your company have sufficient physical security provided in ensuring safety of goods and premises such as locking devices, barrier, fencing and lighting, placement of guards, including setup of close circuit television (CCTV) and periodic patrolling?			
	J. <u>PERSONNEL SECURITY</u>			
47	Does your company, to the extent legally possible, scrutinize the background of prospective employees?			

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48	Does your company conduct periodic or ad-hoc background checks on employees in security sensitive positions?			
49	Does your company have employee identification procedures in place such as security passes, etc?			
50	Does your company have procedures in place to identify, record and deal with unauthorized or unidentified persons?			
51	Does your company have procedures in place to expeditiously remove identification, premises and information systems access for employees who has been terminated?			
52	Does your company have a punitive regulation established to deal with any misconduct of staff? If yes, please specify?			
	K. <u>TRADING PARTNER SECURITY</u>			
53	Does your company have security requirements for business partners?			
54	Does your company specify the requirements in your contractual arrangements with your trading partners that they will assess and enhance their supply chain security in accordance with WCO SAFE Framework of Standards? <i>If yes, is the company able to make this information available upon request.</i>			
55	Does your company review relevant commercial information relating to the other contracting party before entering into contractual relations?			
	L. <u>CRISIS MANAGEMENT AND INCIDENT RECOVERY</u>			
56	Does your company have a documented contingency plan for emergency security situations and for disaster incident recovery?			

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57	Does your company have periodic training of employees and testing of the emergency contingency plan? <i>If yes, please provide schedule of periodic training and testing.</i>			
58	Is your company ISO compliance? <i>If yes, please specify.</i>			
59	Has your company ever experienced any accident/disaster related to the cargoes processed under the operations of the company? <i>a) If any please specify the actions taken.</i> _____			
	M. <u>Measurement, Analyses and Improvement</u>			
60	Does your company undertake periodic assessment of the security risk in your operations and take appropriate measures to mitigate risks? <i>If yes, please provide schedule and appropriate measures taken.</i>			
61	Does your company conduct regular self-assessment on your security management system? <i>If yes, please provide schedule</i>			
62	Does your company have a full document of the self-assessment procedure and the responsible parties?			
63	Does your company include in the review assessment result, the feedback from the designated parties and recommendations for possible enhancement to be incorporated in a plan for the forthcoming period to ensure continued adequacy of the security management system?			

I hereby declare that the above information provided are true and correct. I also undertake to inform Royal Malaysian Customs immediately of any changes in the particulars declared on this compliance checklist. I hereby agree that should any information be found false or incorrect, Royal Malaysian Customs has the right to reject my application or cancel my status.

Date :.....

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(Applicant's Signature)

Name of Applicant :

Designation of Applicant:

Company's Official Stamp :

Audited by:

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Customs Official Stamp

Date: