



**REPORT:
VALIDATION AUDIT /
POST APPROVAL SECURITY
AUDIT**

AUTHORISED ECONOMIC OPERATOR (AEO)

COMPANY NAME

AEO REFERENCE FILE NUMBER

AUDIT DATE

A. COMPANY PROFILE

1. Company Name :

2. Company Registration No. (CCM No.) :

3. Address :

4. Telephone Number :

5. Fax Number :

6. Email (Contact Person) :

B. MANAGEMENT OF COMMERCIAL RECORDS

| NO | CONDITION AND REQUIREMENTS | YES | NO | REMARKS |
|----|--|-----|----|---------|
| 1 | Does your company maintain a complete set of accounting books and records in a satisfactory manner? | | | |
| | a. Are your imported and local inventory / procurement records clearly delineated? | | | |
| | b. Can customs access to the system for testing and extract data from the system? | | | |
| 2 | Does your company maintain records on : a. Shipping documents i. Packing List ii. Bill of Lading / Air Waybill iii. Certificate of origin | | | |
| | b. Commercial documents i. Debit/ Credit Note ii. Payment records i.e. L/C, TT etc. iii. Purchase/ Sales Order iv. Purchase / Sales Invoice | | | |

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| | c. License / permit relevant to importation of merchandise | | | |
| | d. License / permit relevant to exportation of merchandise | | | |
| 3 | Does your company maintain a proper archive record system which permits Customs to conduct audit on cargo movements relating to: a. Import If yes please specify 1. Period of records maintain 2. Premise where the records is maintain | | | |
| | b. Export If yes please specify 1. Period of records maintain 2. Premise where the records is maintain | | | |
| | c. Transit If yes please specify 1. Period of records maintain 2. Premise where the records is maintain | | | |

C. CONSULTATION, CO-OPERATION AND COMMUNICATION

| NO | CONDITION AND REQUIREMENTS | YES | NO | REMARKS |
|----|---|-----|----|---------|
| 4 | Has your company designated a person at least at managerial level with experience / knowledge on customs matters or has undergone Customs Course as a liaison with Customs | | | |
| 5 | Has your company designated a trained / experienced person / unit with enough authority handling on AEO matters? | | | |
| 6 | Does your company maintain the mechanism of information sharing within the organization in place? | | | |
| 7 | Does your company maintain the mechanism of notifying customs and/or other relevant government authorities on any illegal or suspicious activities as appropriate and timely? | | | |

D. EDUCATION, TRAINING AND AWARENESS

| NO | CONDITION AND REQUIREMENTS | YES | NO | REMARKS |
|----|---|-----|----|---------|
| 8 | Does your company maintain a systematic training program for your personnel including the members of board of directors on risks associated with movement of goods, Customs procedures, safety and security awareness on premise and cargo? | | | |
| 9 | Does your company maintain security awareness module on cargo/premise security and information technology system in terms of potential threats, cargo integrity and access control? | | | |
| 10 | Does your company document and maintain records on training programs and number of personnel trained? | | | |

E. INFORMATION EXCHANGE, ACCESS AND CONFIDENTIALITY

| NO | CONDITION AND REQUIREMENTS | YES | NO | REMARKS |
|----|---|-----|----|---------|
| 11 | a. Has your company maintained the mode of payment of customs duties via the electronic fund transfer (EFT)? b. Is your company able to give information and proof payment of duties/taxes when requested by Customs? | | | |
| 12 | Does your company maintain the 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 unauthorized access? | | | |
| 13 | Did your company back-up data and information in place to protect against the loss of information? | | | |

F. CARGO SECURITY

| NO | CONDITION AND REQUIREMENTS | YES | NO | REMARKS |
|----|--|-----|----|---------|
| 14 | Does your company implement and maintain a security policy manual on the manufacturing, movement (import, export and transit), loading/unloading and warehousing of goods? | | | |

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| 15 | Does your company delegate any third parties to operate the manufacturing, movement (import, export and transit), loading/unloading and warehousing of goods? | | | |
| 16 | Do your company and the third party maintain an internal security policy manual to preserve the integrity of cargo while in its custody? | | | |
| 17 | Do your company and the third party have the following in place? a. Reporting mechanism for employees to report cargo-related incidents. b. Investigation procedures to investigate cargo-related incidents. c. Corrective measures after these cargo-related incidents and reported and investigated. | | | |
| 18 | Does your company have different storage areas for imported goods, local goods and goods for export? | | | |
| 19 | Does your company store containers and cargo in a secured area to prevent unauthorized access and/or tampering? | | | |
| 20 | Does your company maintain the drivers' guide to educate drivers (e.g. inspection of conveyance, policies on keys, parking area, refueling and unscheduled stops, reporting procedures for accident/emergencies and reporting irregularities in loading, locking and sealing, and Security of goods)? | | | |
| 21 | Does your company maintain an internal compliance program on Strategic Trade Goods and Goods which are under total prohibition or precursor chemicals which can be used in the manufacture of drugs or materials for weapons of mass destructions (WMD)? | | | |

G. CONVEYANCE SECURITY

| NO | CONDITION AND REQUIREMENTS | YES | NO | REMARKS |
|----|--|-----|----|---------|
| 22 | Does your company maintain procedures in place to ensure that all transport conveyances used for transportation of cargo within its supply chain are capable of being effectively secured? | | | |

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|----|--|--|--|--|
| 23 | Does your company maintain procedures in place to ensure that all transport conveyances are secured when left unattended? | | | |
| 24 | Does your company maintain the drivers' guide to educate drivers (e.g. inspection of conveyance, policies on keys, parking area, refueling and unscheduled stops, reporting procedures for accident/emergencies and reporting irregularities in loading, locking and sealing, and keep records to be made available to Customs)? | | | |
| 25 | Has your company inspected the physical integrity of the container structure, including the reliability of the locking mechanisms of the doors? | | | |
| 26 | Has your company maintained regular inspection records on potential places of concealment of illegal goods on transport conveyances? | | | |
| 27 | Does your company maintain 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? | | | |
| 28 | Does your company 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? | | | |
| 29 | Are loaded conveyances stored in a secured area to prevent unauthorized access and/or tampering? | | | |

H. PREMISES SECURITY

| NO | CONDITION AND REQUIREMENTS | YES | NO | REMARKS |
|----|---|-----|----|---------|
| 30 | Do your company and third party conduct periodic and ad-hoc examination on and keep records of, incoming and outgoing persons, vehicles and cargoes to and from your premise? | | | |
| 31 | Is there external perimeter fencing around buildings, warehouse and storage facilities? | | | |

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|----|--|--|--|--|
| 32 | Do your company and third party 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? | | | |
|----|--|--|--|--|

I. PERSONNEL SECURITY

| NO | CONDITION AND REQUIREMENTS | YES | NO | REMARKS |
|----|---|-----|----|---------|
| 33 | Does your company, to the extent legally possible, scrutinize the background of prospective employees? | | | |
| 34 | Does your company conduct periodic or ad-hoc background checks on employees in security sensitive positions? | | | |
| 35 | Does your company have employee identification procedures in place such as security passes, etc.? | | | |
| 36 | Does your company have procedures in place to identify, to record and to deal with unauthorized or unidentified persons? | | | |
| 37 | Does your company have procedures in place to expeditiously remove identification, premises and information systems access for employees who has been terminated? | | | |
| 38 | Does your company have a punitive regulation established to deal with any misconduct of staff? | | | |

J. TRADING PARTNER SECURITY

| NO | CONDITION AND REQUIREMENTS | YES | NO | REMARKS |
|----|--|-----|----|---------|
| 39 | Has your company maintained security requirements for trading partners includes Strategic Trade Act 2010 (STA) and Goods which are under total prohibition or precursor chemicals which can be used in the manufacture of drugs or materials for weapons of mass destructions (WMD)? | | | |
| 40 | Has your company maintained the requirements in your contractual arrangements with your trading partners that they will assess and enhance their supply | | | |

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| | chain security in accordance with WCO SAFE Framework of Standards? | | | |
| 41 | Has your company reviewed relevant commercial information relating to the other contracting party before entering into contractual relations? | | | |

K. CRISIS MANAGEMENT AND INCIDENT RECOVERY

| NO | CONDITION AND REQUIREMENTS | YES | NO | REMARKS |
|----|---|-----|----|---------|
| 42 | Does your company maintain a documented contingency plan for emergency security situations and for disaster incident recovery? | | | |
| 43 | Did your company conduct periodic training of employees and testing of the emergency contingency plan? If yes, please provide the records. | | | |
| 44 | Has your company ever experienced any accident/disaster related to the cargoes processed under the operations of the company? If any please specify the actions taken. | | | |

L. MEASUREMENT, ANALYSES AND IMPROVEMENT

| NO | CONDITION AND REQUIREMENTS | YES | NO | REMARKS |
|----|--|-----|----|---------|
| 45 | a. Has your company undertaken periodic assessment of the security risk in your operations and take appropriate measures to mitigate risks? b. Has your company undertaken measures to ensure the legality of cargo and operations? | | | |
| 46 | Did your company conduct regular self-assessment on your security management system? | | | |
| 47 | Does your company maintain a full document of the self-assessment procedure and the responsible parties? | | | |
| 48 | 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 | | | |

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| | plan for the forthcoming period to ensure continued adequacy of the security management system? | | | |
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M. IMPLEMENTATION OF CUSTOMS PROCEDURES

| NO | CONDITION AND REQUIREMENTS | YES | NO | REMARKS |
|----|---|-----|----|---------|
| 49 | Does your company maintain guideline in place to ensure that Import /Export declaration is made accurately based on relevant documents in accordance to Customs procedures? | | | |
| 50 | Does your company or your appointed contracting party have the capability to ensure the following elements : a. Lodgment of the duty payment declaration by the deadline stipulated in the Customs Law. b. Preparing the correct duty payment declaration, i.e. preparing the duty payment declaration based on relevant documents including the import permission and import list. | | | |

N. COMMENTS AND SUGGESTIONS

Comments and suggestions of State Account Manager:

Signature :

Name :

Position :

Date :

O. COMMENTS AND SUGGESTIONS

Comments and suggestions of Head of State Industry Section/Customs Division:

Signature :

Name :

Position :

Date :

P. COMMENTS AND SUGGESTIONS

Comments and suggestions of State Director:

Signature :

Name :

Position :

Date :