



KINGDOM OF CAMBODIA
NATION RELIGION KING

Ministry of Economy and Finance

N^o 209 MEF.BK.GDCE

PRAKAS

ON

The Authorized Economic Operator Programme

The Deputy Prime Minister

Minister of Economy and Finance

- Having seen the Constitution of the Kingdom of Cambodia;
- Having seen Royal Decree NS/RKT/0918/925, dated 06 September 2018, on the Appointment of the Royal Government of the Kingdom of Cambodia;
- Having seen Royal Decree NS/RKT/0320/421, dated 30 March 2020, on the Nomination and Adjustment Composition of the Royal Government of the Kingdom of Cambodia;
- Having seen Royal Kram No. NS/RKM/0618/012, dated 28 June 2018, promulgating the Law on the Organization and Functioning of the Council of Ministers;
- Having seen Royal Kram No. NS/RKM/0196/18, dated 24 January 1996, promulgating the Law on the Establishment of Ministry of Economy and Finance;
- Having seen Royal Kram No. NS/RKM/0707/017, dated 20 July 2007, promulgating the Law on Customs;
- Having seen Royal Kram No. NS/RKM/0904/002, dated 09 September 2002, promulgating the Law on the approval of the protocol of the Kingdom of Cambodia to the World Trade Organization;
- Having seen Royal Kram No. NS/RKM/0614/014, dated 14 June 2014, promulgating the Law on the Approval of the Request to Participate as a Signatory of the Kingdom of Cambodia in the Protocol Amending the International Convention on the Simplification and Harmonization of Customs Procedures;
- Having seen Royal Kram No. NS/RKM/0116/001, dated 14 January 2016, promulgating the Law on the Approval of the Protocol for Amending the Marxist Agreement on the Establishment of the World Trade Organization to include the Trade Facilitation Agreement in Annex 1 of Marrakesh Agreement;

- Having seen Sub-Decree No. 03 ANK.BK, dated 06 January 2016, on the Organization and Functioning of the Fiscal Dispute Settlement Committee;
- Having seen Sub-Decree No. 43 ANK.BK dated 28 February 2022, on the Organization and Functioning of the Ministry of Economy and Finance;
- Having seen Prakas No. 452 MEF.BK.GDCE dated 11 April 2013, on the Mechanism to Encourage the High Compliance of Traders;
- Having seen Prakas No. 163 MEF.BK.GDCE dated 19 April 2023, of the Ministry of Economy and Finance on the Organization and Functioning of the Departments and Units under the Supervision of the General Department of Customs and Excise of the Ministry of Economy and Finance;
- According to the necessity of the Ministry of Economy and Finance;

HEREBY DECIDES

Article 1._ Purpose

This Prakas determines the measures and procedures for implementing an “**Authorized Economic Operator Programme**” (AEO Programme) to provide additional trade facilitation and contribute to increasing the security and safety of global supply chains.

Article 2._ Scope

This Prakas shall be applicable to legal person applying for recognition as an Authorized Economic Operator (AEO) and existing AEOs.

Article 3._ Definitions

The important terms used in this Prakas are defined as follows:

- **The Authorized Economic Operator Programme** refers to a trader incentive programme through provision of additional trade facilitation to applicants or economic operators who meet the criteria stipulated in this Prakas and have received recognition by GDCE.
- **Self-Assessment Questionnaire** refers to the documents list and questionnaire that the applicant must complete as the basis for GDCE to verify in order to recognize the applicant’s AEO status.
- **Validation** refers to the implementation of customs procedures on applicants to verify the criteria in the application for recognition of AEO status, including review of the AEO application, risk analysis, document verification, site validation and findings reporting.

- **Authorization** refers to the recognition by GDCE as an AEO of any applicant who fulfills the criteria and has received validation as stipulated in this Prakas.
- **Business Partner** refers to natural or juristic persons that provides services to fulfill the needs within any company or enterprise in international trade, including all parties who are involved, directly or indirectly, in the purchase, document preparation, facilitation, handling, storage, inventory, transport of goods on behalf of the AEO.
- **Applicant** refers to economic operators who have requested legal recognition from the GDCE, including exporters, importers, customs brokers, manufacturing enterprises, logistics operators, freight forwarders, transport operators, small and medium enterprises, and other relevant legal entities.
- **Authorized Economic Operator** refers to juristic persons who fulfill the criteria stipulated in this Prakas and have received recognition from the GDCE.
- **Certificate** refers to the AEO certificate.
- **The representative of the applicant** refers to the person who has received a valid power of attorney from the applicant to prepare the application for AEO status.
- **Exporter** refers to persons who export goods on his/her own or others' behalf. An individual who is an owner, consignor, consignee, agent, or intermediary who has ownership or receives in any way, the rights to store or take responsibility for the goods exported from the customs territory of Cambodia.
- **Importer** refers to a person who imports goods by his / herself or by others. Also considered importers are individuals who are the consignee, owner, or persons who will become the owner or persons who have the right to manage the ownership of said goods before the goods cease to be subject to customs inspection.
- **Trade document** refers to the update of documents related to export and import that are accurate, sufficient, and verifiable by the competent customs officers.

Article 4.- Competent Authority

The General Department of Customs and Excise (GDCE) of Cambodia of the Ministry of Economy and Finance is the competent authority responsible for implementing the Authorized Economic Operator Programme.

The GDCE has the Department of Legal Affairs and Public Relations as the secretariat to implement this programme.

The AEO Unit is established under the management of the Department of Legal Affairs and Public Relations to coordinate the implementation of the AEO programme.

The organization and functioning of the AEO Unit shall be determined by a Decision of the GDCE.

Article 5.- Criteria

The criteria for recognition as an AEO are as follows:

1.A legal entity duly registered in accordance with the laws of the Kingdom of Cambodia and demonstrates compliance with the prevailing laws and regulations relating to export, import and transit, as well as not having committed any serious offenses within three years prior to the application date.

2.Has a system to manage, store and maintain accounting records, records, import documents, export documents, transit documents, trade documents, supporting documents, along with other related information in a clear, accurate and verifiable format.

3.Has sufficient financial resources to support its business operations and to fulfill tax obligations, including never failing to repay customs debt beyond the deadline or defaulted on any other debt within the last three years prior to the application date, as well demonstrating financial compliance with the prevailing laws and regulations and generally recognized accounting standards within the last three years.

4.Has consultations, cooperation, communication, regular information exchange with the customs administration and immediate written reports to the customs administration concerning any changes within the company, identified irregularities or offenses.

5.Provides training to workers, employees on the laws and regulations, and on the security and safety of the flow of goods, and provides training exercises on crisis management and response.

6.Has written and electronic records relating to import-export activities, flow of goods and the safe management of access, confidentiality, and storage of such data.

7.Has systems to ensure the safety and security of handling, transport and storage of import, export and transit cargo.

8.Has systems to ensure the safety and security of conveyances, containers, premises, warehouses, and other inventory storages.

9.Has systems to manage and record the safety and security for personnel, workers, employees and visitors entering the company's business premises and other related locations.

10.Has systems to manage and record the safety and security for and/or with business partners.

11.Has clear disaster, crisis, and accident management mechanisms, and has contingency plans to prevent and control these issues in a timely and up-to-date manner.

12.Has mechanisms for internal audit, review, analysis, evaluation, correction and improvement on a regular basis.

The above criteria may vary in accordance with the business model of each applicant.

The Standard Operating Procedures for validation and self-assessment questionnaire for application for recognition as an AEO shall be determined by the GDCE.

Article 6.- Benefits of the AEO Programme

Incentives granted to AEOs shall include the following benefits:

- 1- Prioritized queuing in both document preparation and customs clearance procedures, but following the first-in first-out principle among AEOs.
- 2- Exemption from advance verification procedures prior to customs clearance, such as valuation, classification or origin.
- 3- Exemption from carrying the goods transport permit with the cargo and conveyance.
- 4- Completion of customs clearance before the arrival of the goods.
- 5- Destination clearance, such as at customs bonded warehouses, temporary storage premises or the company's own premises.
- 6- Exemption from requesting customs permits from the GDCE headquarters by requesting for import, export or transit directly at the customs checkpoint.
- 7- Priority in other customs clearance procedures as determined by the GDCE.
- 8- Exemption from container scanning obligations. If necessary, the GDCE may require the container to be scanned in accordance with risk management principles.
- 9- Reduced physical inspections in accordance with risk management principles.
- 10- Documents deferment relating to import, export and transit without provision of security guarantee.
- 11- Permitted to clear goods prior to settlement of customs duties within a specified period.
- 12- Various benefits from the signing of mutual recognition agreements with other countries' customs administrations.

The GDCE may determine other additional benefits in accordance with the business model of each AEO.

Article 7.- Rights of AEOs

An AEO has the following rights:

- 1- Receive the benefits as specified in Article 6 of this Prakas.
2. Liaise with the GDCE and the other GDCE units regarding the implementation of the Authorized Economic Operator Programme.

3. File complaints in accordance with the prevailing laws and regulations, including appealing the rejection, suspension, and revocation of the AEO certificate.

4- Request a representative to prepare the application for an AEO certificate.

5- Request the GDCE for consultations.

6 – Use the AEO symbol.

7- Request the GDCE to organize meetings, training courses or workshops related to the Authorized Economic Operator Programme.

8- Participate in expressing opinions related to the implementation of the Authorized Economic Operator Programme.

Article 8.- Forms and Procedures

Applicants who intend to apply for recognition as an AEO shall complete the self-assessment questionnaire and submit an application along with supporting documents and other reference documents to the GDCE.

Within at most 90 (ninety) days of receipt of the application, the GDCE shall examine the accuracy of the required information and attached documents which are sufficiently and accurately completed. If the information and attached documents are inaccurate and/or insufficient, the GDCE must notify the applicant to request for amendments or additions. If required, this period may be extended for a further 30 (thirty) days.

The detailed forms and procedures to apply for recognition as an AEO as well as the self-assessment questionnaire and required documents shall be determined by the GDCE.

Article 9.- Issuance and rejection

Within at most 120 (one hundred and twenty) days from receiving the accurate and sufficient application and self-assessment questionnaire, and after visiting the applicant's business premises to verify the validity and qualifications in accordance with the criteria stipulated in Article 5 of this Prakas, the GDCE must respond to the applicant regarding the issuance or rejection of the AEO certificate. If required, this period may be extended for a further 60 (sixty) days.

The rejection of an AEO certificate against an applicant for non-fulfillment of the qualifications and criteria as stipulated in Article 5 of this Prakas shall detail the reasons for rejection.

Article 10._ Suspension or revocation of a certificate

The GDCE has the right to suspend or revoke AEO certificates, or re-evaluate the qualifications if the AEO falls within any of the following circumstances:

1. Do not fulfill or continue to fulfill the criteria as stipulated in Article 5 of this Prakas.
2. Provide false information or used fraudulent documents.
3. Breach the prevailing laws and regulations.

Article 11._ Obligations of the applicant or AEO

The applicant or AEO has the following obligations:

1. Complete the self-assessment questionnaire.
2. Provide the GDCE with the application and fulfills all the prescribed criteria by attaching supporting documents and other reference documents for verification.
3. Must certify in written or other electronic form that the application information and attached completed forms are accurate and non-fraudulent, whether completed in any form and including completion by the applicant's representative.
4. Reveal and show all relevant documents without delay at the request of the GDCE, such as information on business operations, exports, imports, trade volume, financial statements, audit reports, import-export settlements, production reports, or sales reports.
5. Establish an office or staff in charge of liaison with the GDCE.
6. Provide regular information to the GDCE on any changes.
7. Permit and cooperate in coordinating competent GDCE officials to verify the validity and inspect the level of compliance at the business premises or other related locations of the applicant or AEO in accordance with the prevailing laws and regulations.

Article 12._ Validity

The AEO certificate is valid for 3 (three) years.

AEOs may apply for renewal of the AEO certificate within at least 3 (three) months prior to the expiry of the certificate by attaching the documents that have been amended or modified, and other supporting documents.

The detailed forms and procedures for renewing the validity of the AEO certificate shall be determined by the GDCE.

Article 13.- Monitoring and control

The GDCE shall have a mechanism to monitor, control and re-evaluate the compliance of AEOs on a regular basis.

The detailed forms and procedures of the mechanism for monitoring, controlling and evaluating AEOs shall be determined by the GDCE.

Article 14.- AEO Logo

To establish the AEO logo.

The design, meaning and essence of the AEO logo shall be determined by a Decision of the GDCE.

Any persons who use the AEO logo without authorization from the GDCE shall be subject to the penalties in accordance with the prevailing laws and regulations.

Article 15.- Appeal

Prior to refusing, suspending, or revoking a certificate, the GDCE may provide consultations or hearings with the applicant or the AEO.

Applicants or AEOs who are dissatisfied with the refusal, suspension, or revocation of the certificate may file an appeal with the General Department of Customs and Excise within 30 (thirty) working days from the date the applicant or the AEO receives the letter notifying the decision to refuse, suspend or revoke the certificate.

The GDCE shall review, resolve, decide or take measures to respond to the complaint of the applicant or the AEO within not more than 60 (sixty) working days from the date of receipt of the complaint.

The applicant or the AEO who is dissatisfied with the final decision or measure of the GDCE has the right to appeal to the Fiscal Dispute Resolution Committee within 30 (thirty) working days from the date of receipt of the letter notifying the decision to resolve the complaint or the final measure of the GDCE.

Article 16.- Appeal to the court

The applicant or AEO who is dissatisfied with the decision of the Fiscal Dispute Resolution Committee may file a complaint to the competent court within 30 (thirty) working days from the date of receiving the letter notifying the decision of the Fiscal Dispute Resolution Committee in accordance with the prevailing laws and regulations.

Article 17.- Implementation

The Chief of Cabinet, the Secretary-General, the Director-General, Inspectors General and the heads of all entities under the supervision of the Ministry of Economy and Finance shall be in charge of respectively implementing this Prakas from the date of signature onwards.

Phnom Penh 19th April 2023

Deputy Prime Minister

Minister of Economy and Finance

Signature

CC:

- Office of the Council of Ministers
- Cabinet of Samdech Akka Moha Sena Padei Techo Prime Minister
- Cabinets of Samdech, Excellencies the Deputy Prime Ministers
- Municipal Hall – Provincial Hall
- Chamber of Commerce of Cambodia
- As stated in Article 17 “For implementation”
- Royal Gazettes
- Records-Archives

Dr. AUN PORNMONIROTH