

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

The questions below are meant to assist the AEO inspection officers to properly inspect prospective AEOs in order to determine the eligibility to be accredited as AEOs.

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|  | **Conditions and requirements** | **Yes** | **No** | **Comment if any** |
|  | 1. **DEMOSTRATED COMPLIANCE WITH CUSTOMS REQUREMENTS** |  |
| 1 | Infringement /offence committed under the Customs and Excise Act any other national legislation   1. Has your company been charged in court |  |  |  |
|  | 1. Has any of the directors of your company been charged in court or compounded under the Customs and Excise Act or any other National legislation?   If yes, please specify type of offence and action taken   1. Has any of your employees been charged in court or compounded under Customs and Excise Act or any other legislation? If yes, please specify type of offence and action taken |  |  |  |
|  | 1. Please specify names of appointed Clearing agents/shipping agents/forwarders/consultants. Please use attachment. |  |  |  |
|  | 1. Has any of them been charged in court or compounded under the Customs and Excise Act or any other national legislation?   If yes, please specify type of offence and action taken |  |  |  |
| 2 | Does your company have tax arrears with the Malawi Revenue Authority?  If yes, please indicate:   1. The outstanding amount |  |  |  |
| 1. Expected date of settlement |  |  |  |
| 1. Reason for arrears (such as under declaration, wrong declaration, late submission etc) |  |  |  |
| 3 | Has your company made any applications for refund to the Malawi Revenue Authority?  If yes, please specify:   1. Number of refunds: |  |  |  |
| 1. Amount of refunds: |  |  |  |
| 1. Reason for refunds: |  |  |  |
| 4 | Availability of supporting documents at the time of submission of Customs declaration for Customs verification.   1. Are you able to make available all supporting documents at the time of submission of Import/Export declaration? |  |  |  |
|  | 1. **SATISFACTORY SYSTEM FOR MANAGEMENT OF COMMERCIAL RECORDS** |  |  |  |
| 5 | Does your company adopt International Financial Reporting Standards(IFRS) |  |  |  |
| 6 | Does your company maintain a complete set of accounting books and records in a satisfactory manner? |  |  |  |
| 7 | Electronic Accounting System   1. Does your company use electronic accounting system?   If yes please specify   * Types of software used. |  |  |  |
| * Date of implementation of the accounting system |  |  |  |
| 1. Does your company have a procurement and inventory system? |  |  |  |
| 1. Are your imported and local inventory/procurement records clearly define? |  |  |  |
| 8 | Does your company maintain records on :   1. Shipping documents 2. Packing list 3. Bill of lading/ Air waybill 4. Certificate of origin   If yes please specify in attachment for 1(one) year |  |  |  |
| 1. Commercial documents 2. Debit/Credit Note 3. Payment records 4. Purchase/sales order 5. Purchase/sales invoice   If yes please specify in attachment for 1(one) year |  |  |  |
| 1. License/permit relevant to importation of merchandise   If yes please specify in attachment |  |  |  |
| 1. License/permit relevant to exportation of merchandise   If yes please specify in attachment |  |  |  |
| 1. Other documents i.e. Business agreement, contract etc.   If yes please specify in attachment |  |  |  |
| 9 | Does your company maintain a proper archive record system which permits Customs to conduct audit on cargo movements relating to:   1. Import   If yes please specify   * Period of records maintain * Premise where the records is maintained |  |  |  |
| 1. Export   If yes please specify   * Period of records maintain * Premise where the records is maintained |  |  |  |
| 1. Transit   If yes please specify   * Period of records maintain * Premise where the records is maintained |  |  |  |
| 10 | Security Measure on information management  To identify who’s responsible   1. Does your company have an information management policy to: 2. Determine and classify the level of access to information |  |  |  |
| 1. Control access to information |  |  |  |
| 1. Assign personnel responsible for the storage of information |  |  |  |
| 1. Detect discrepancies (e.g. improper access, tampering or altering of data)? |  |  |  |
| 1. Does your company maintain internal monitoring control system on information management?   If yes, please specify whether the system is manual or automated |  |  |  |
|  | 1. Is your system able to identify improper access, tampering or the altering of business data? |  |  |  |
|  | 1. **FINANCIAL VIABILITY** |  |  |  |
| 12 | Please state your paid-up capital. |  |  |  |
| 13 | What is your annual turnover for the past two (2) years? |  |  |  |
| 14 | What is your annual profit/loss for the past two (2) years? |  |  |  |
|  | 1. **CONSULTATION, CO-OPERATION AND COMMUNICATION** |  |  |  |
| 15 | Has your company designated a person with experience /knowledge on customs matters or has undergone Customs Course as a liaison with Customs? |  |  |  |
| 16 | Has your company designated a trained/experienced person/unit handling AEO matters? |  |  |  |
| 17 | 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 |  |  |  |
| 1. **EDUCATION, TRAINING AND AWARENESS** |  |  |  |
| 18 | Does your company have a systematic training programme for your personnel on:   * Risks associated with movement of goods in the international trade supply chain? |  |  |  |
| * Customs procedures |  |  |  |
| * Safety and security awareness on premise |  |  |  |
| * Security on cargo movement |  |  |  |
| 19 | Does your company include the following in its security awareness module on cargo/premise security and information technology system?   1. Recognizing potential threats |  |  |  |
| 1. How to maintain cargo integrity |  |  |  |
| 1. How to protect access control   Please provide details. |  |  |  |
| 20 | 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 your request? |  |  |  |
| 21 | Is your company able to provide awareness programme and briefing to customs on your company’s internal information systems, security system and processes? |  |  |  |
|  | 1. I**NFORMATION EXCHANGE, ACCESS AND CONFIDENTIALITY** |  |  |  |
| 22 | Is your company’s mode of payment of customs duties via the electronic fund transfer? |  |  |  |
| 23 | Does your company adopt recognized international standards in your in-house information system relating to import/export cargo clearance?  Please specify |  |  |  |
| 24 | Does your company have a document 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 |  |  |  |
| 25 | Does your company have procedures and back-up capabilities in place to protect against the loss of information?  If yes, please specify |  |  |  |
|  | 1. **CARGO SECURITY** |  |  |  |
| 26 | Does your company implement and maintain a security policy manual on the following :   1. For the movement of goods  * On importation * On exportation |  |  |  |
| 1. Manufacturing of goods |  |  |  |
| 1. Warehousing of goods |  |  |  |
| 1. Loading and unloading of goods at the premises |  |  |  |
| 1. Conveyance/ carriers of goods |  |  |  |
| 27 | 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? |  |  |  |
| 28 | Does your company have the following in place?   1. Reporting mechanism for employees to report cargo-related incidents. |  |  |  |
|  | 1. Investigation procedures to investigate cargo related incidents. |  |  |  |
|  | 1. Corrective measures after these cargo-related incidents, reported, and investigated. |  |  |  |
| 29 | Does your company store containers and cargo in a secured area to prevent unauthorized access and/or tampering? |  |  |  |
| 30 | 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? If yes, please provide details |  |  |  |
| 31 | Does your company have a drivers’ guide to educate drivers on the following?   1. Inspection of conveyance.   Please provide details.... |  |  |  |
|  | 1. Policies on keys, parking area, refuelling and unscheduled stops. Please provide details.... |  |  |  |
|  | 1. Reporting procedures for accident / emergencies please provide details.... |  |  |  |
|  | 1. Reporting irregularities in loading, locking and sealing Please provide details.... |  |  |  |
|  | 1. . Security of goods   Please provide details.... |  |  |  |
| 32 | Does your company have an internal compliance program on Strategic Trade Goods? |  |  |  |
|  | 1. **CONVEYANCE SECURITY** |  |  |  |
| 33 | 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? |  |  |  |
| 34 | Does your company have procedures in place to ensure that all transport conveyances are secured when left unattended?  If yes, is there procedure to check for security breaches upon return? |  |  |  |
| 35 | 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? |  |  |  |
| 36 | Does your company have a drivers’ guide to educate drivers on the following?   1. Inspection of conveyance |  |  |  |
|  | 1. Policies on keys, parking area, refuelling and unscheduled stops. |  |  |  |
|  | 1. Reporting procedures for accident / emergencies. |  |  |  |
|  | 1. Reporting irregularities in loading, locking and sealing |  |  |  |
|  | 1. Maintaining records of the above reports to be made available to Customs |  |  |  |
| 37 | Does your company inspect the physical integrity of the container structure, including the reliability of the locking mechanisms of the doors? |  |  |  |
| 38 | Does your company maintain regular inspection records on potential places of concealment of illegal goods on transport conveyances? |  |  |  |
| 39 | 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? |  |  |  |
| 40 | 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? |  |  |  |
| 41 | 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?   1. Please state person in charge on GPS & RFID |  |  |  |
| 42 | Are loaded conveyances stored in a secured area to prevent unauthorized access and/or tampering? |  |  |  |
|  | 1. **PREMISES SECURITY** |  |  |  |
| 43 | Does your company conduct examination on incoming and outgoing persons, vehicles and cargoes to and from your premise? |  |  |  |
| 44 | Is there external perimeter fencing around buildings and warehouse? |  |  |  |
| 45 | 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? |  |  |  |
|  | 1. **PERSONNEL SECURITY** |  |  |  |
| 46 | Does your company, to the extent legally possible, scrutinize the background of prospective employees? |  |  |  |
| 47 | Does your company conduct periodic or ad-hoc background checks on employees in security sensitive positions? |  |  |  |
| 48 | Does your company have employee identification procedures in place such as security passes, etc? |  |  |  |
| 49 | Does your company have procedures in place to identify record and deal with unauthorized or unidentified persons? |  |  |  |
| 50 | 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? |  |  |  |
|  | 1. **TRADING PARTNER SECURITY** |  |  |  |
| 53 | Does your company have security requirements for business partners? |  |  |  |
| 55 | 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? If yes, is the company able to make this information available upon request. |  |  |  |
| 56 | Does your company review relevant commercial information relating to the other contracting party before entering into contractual relations? |  |  |  |
|  | 1. **CRISIS MANAGEMENT AND INCIDENT RECOVERY** |  |  |  |
| 57 | Does your company have a documented contingency plan for emergency security situations and for disaster incident recovery? |  |  |  |
| 58 | Does your company have periodic training of employees and testing of the emergency contingency plan? If yes, please provide schedule of periodic training and testing. |  |  |  |
| 59 | Is your company ISO compliance? If yes, please specify |  |  |  |
| 60 | Has your company ever experienced any accident/disaster related to the cargoes processed under the operations of the company? a) If any please specify the actions taken. |  |  |  |
|  | 1. **MEASUREMENT, ANALYSES AND IMPROVEMENT** |  |  |  |
| 61 | Does your company undertake periodic assessment of the security risk in your operations and take appropriate measures to mitigate risks? If yes, please provide schedule and appropriate measures taken. |  |  |  |
| 62 | Does your company conduct regular self-assessment on your security management system?  If yes, please provide schedule |  |  |  |
| 63 | Does your company have a full document of the self-assessment procedure and the responsible parties? |  |  |  |
| 64 | 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? |  |  |  |

We hereby declare that the above information provided are true and correct. We hereby agree that should any information be found false or incorrect, the accreditation committee has the right to reject the application.

Name of inspecting officer Signature Date

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