



Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity

Ministry of Finance

No, 1399/CD
Vientiane Capital, dated, 7 May 2025

Instruction
Authorized Economic Operator (AEO)

- Pursuant to the Customs Law, No. 81/NA, dated 29 June 2020;
- Pursuant to the Prime Minister's Decree, on Organization and Function of Ministry of Finance, No. 353/PM, dated 2 August 2024;
- Pursuant to the Report of Customs Department, No. 3010/CD, dated 26 March 2025.

Minister of Ministry of Finance approved:

Article 1. Purpose

This instruction provides the principles, conditions, and implementation of the AEO program to ensure international supply chain security; Aiming to increase the facilitation and ensure the safety of import, export, transit, movement and storage of goods; Increase the competitiveness of international trade of AEO operators under compliance with international standards.

Article 2. Scope of Use

This instruction applies to the implementation of the AEO Program which allows entrepreneurs who are active in business related to import, export of goods, such as importers, exporters, including small and medium exporters and Customs broker can apply to participate in the program.

Article 3. Definitions

The terms used in this instruction have the following meanings:

1. **AEO Operator** refers to an outstanding operator in the implementation of the Customs Law, other related laws, and regulations, such as those involved in the international movement of

goods who have been certified by the Customs Department to ensure that business activities comply with the conditions and standards set forth in this instruction.

2. **AEO Requirements** refer to compliance with laws, regulations, international standards, internal management systems, financial viability and security management.
3. **Validation** refers to an validation to verify that the entity applying to participate in the AEO Program (hereinafter referred to as the applicant), meets the AEO criteria.
4. **Supply chain** refers to a collaborative network encompassing all companies and business activities involved in the development, production, and delivery of goods. Businesses in the supply chain include manufacturers, suppliers, warehouses, shipping companies, distribution centers, and retailers.
5. **Comprehensive** review refers to the process of verification that an applicant undergoes when seeking to maintain their AEO status after expiration and continues to meet the AEO criteria.
6. **Initial counselling** refers to the procedure that takes place before applying to become a new AEO or to maintain AEO status. During this process, the applicant will receive guidance from Customs officials responsible for the AEO Program on whether the management of their domestic and international supply chain meets the criteria, along with recommendations for improvement.
7. **Document validation (Self-Assessment Questionnaire-SAQ)** refers to the procedure of checking documents or documentary evidence that the applicant provides when applying for new AEO certification or to maintain their existing status.
8. **Applicants** refers to import-export entrepreneurs, including small and medium-sized exporters and Customs broker who are interested in applying to participate in the AEO Program.
9. **Importer** refers to a legal entity or organization that owns goods that has been authorized by the Customs administration must conduct the declarations for the importation of its own goods.
10. **Exporter** refers to a legal entity or organization that owns goods that has been authorized by the Customs authority must conduct the declarations for the export of its own goods.
11. **Small and Medium Exporter (SME Exporter)** refers to a small and medium entrepreneur who conducts export business and fulfils the classification criteria of small and medium enterprises determined by the government from time to time.
12. **Customs Broker** refers to a legal entity authorized by the Customs administration to conduct the declaration on behalf of the owner of goods or goods carriers as authorized in writing.
13. **AEO Director** refers to a high-level representative of the company who can decide on issues and recommend the security of the company's internal and international supply chain.

14. **AEO Manager** refers to the head of the Unit who is responsible for the supply chain process related to manufacturing, transporting, warehousing, Customs declaration, recruitment/dismissal, etc.
15. **Physical validation** refers to the procedure of visiting and inspecting the headquarters, offices, buildings, and/or business partners of an applicant seeking new AEO certification or to maintain their existing status.
16. **Coordinator** refers to the employee who is authorized according to the assignment from the operator of the AEO to manage and monitor the implementation of the various conditions and proposals of the Customs administration.
17. **AEO Account Manager** refers to the individual appointed by the Director of the Customs Department to monitor AEOs and ensure that operators comply with AEO standards and the various recommendations of the Customs Administration.
18. **Self-Assessment Report** refers to the procedure that allows AEO operators to conduct a Self-Assessment and submit the report to the relevant Customs authorities.
19. **Annual AEO Self-Assessment** refers to an annual review of the Self-Assessment reports submitted by AEOs.
20. **AEO MRA** refers to the signing of an AEO Mutual Recognition Arrangement between Lao Customs and the Customs of other countries, called AEO Mutual Recognition Arrangement.

Article 4. Principles

AEO operations must adhere to the following principles: -

- 1) Must ensure compliance with the Customs law, other relevant laws and regulations;
- 2) must act in accordance with international principles and methods, especially: standards on security and facilitation of international trade of the World Customs Organization (WCO Safe Framework of Standards), the agreement on trade facilitation of the World Trade Organization (WTO Trade Facilitation Agreement) and other international agreements to which the Lao PDR is a party;
- 3) Facilitate operators who operate properly and take decisive action against violators;
- 4) Voluntarily participate in the AEO program by operators who have the correct and complete conditions according to the criteria specified in this instruction;
- 5) Create favourable conditions to encourage qualified entrepreneurs to participate in the program, toward enhancing cooperation between Customs authorities and the business Unit in increasing the implementation of laws and regulations correctly and strictly.

Article 5. Types of AEOs

The types of AEOs are as follows:

- 1) Importer
- 2) Exporter, including the small and medium enterprise (SME exporter)
- 3) Customs Broker

Article 6. Classification of AEOs

There are 02 AEO levels: A and AA.

- 1) AEO A

Means AEO who have participated in the first 0–3-year program who have passed the criteria for participating in the AEO program and have a score of more than 70%)

- 2) AEO AA

Means the AEO who has been promoted from the AEO A and proposed to be promoted to participate in the AEO program and pass a detailed validation again.

Article 7. Requirements for participation in the AEO Program and promotion AEO level

1 The requirements for participating in the AEO A are as follows:

- 1) Those applying to participate in the AEO Program must be legal entities operating as importers, exporters, including small and medium-sized exporters and Customs brokers with an investment license, enterprise registration, VAT registration certificate, tax liability, account tracking certificate, registration certificate as an importer-exporter of goods from the industrial and commercial Unit, registration notification letter from the Bank of Laos PDR and bank account number for payment Between open countries and commercial banks. For Customs broker to apply to be AEO's Customs broker must have a contract and certificate as a Customs broker from the Customs Department.
- 2) Have a stable financial status, have cash flow circulation and have the ability to pay Customs and taxes continuously within a period of 3 years.
- 3) Conduct business according to the type of business proposed to participate in the program for at least 03 years and have the ability to declare Customs duty through the electronic system that the Customs Department has determined.
- 4) No history of offenses according to Articles 140-144 of the Customs Law No. 81/NA, dated June 29, 2020 within a period of 03 years back.

- 5) Have standard operational procedures within the company, including a management plan, management system, and security risk validation for various areas of business operations.
 - 6) Have a suitable business location and head office located according to the company's registration documents, have never had their investment license revoked, company registration certificate 03 years ago.
 - 7) Entrepreneurs who are importers must declare the detail declaration in advance within 07 days before the goods arrive;
 - 8) Must go through the validation of the criteria of the AEO program according to the form of the Customs administration from time to time;
 - 9) For small and medium-sized export entrepreneurs who would like to participate in the AEO program, they must meet the requirements as defined in clauses 1-8 above and be small and medium-sized entrepreneurs as determined by the regulations, so they can receive the privilege of considering the evaluation of small and medium-sized entrepreneurs.
- 2 The requirements for upgrading the status of AEO A standard to become an AEO AA must be as follows:
- 2.1 Fully comply with the requirements according to Clause 1 above;
 - 2.2 Must have a validation score of more than 90% according to the criteria of Clause 1 above;
 - 2.3 Applicants to participate in the AEO Program meet the following criteria
- As an AEO, there is an excellent implementation in maintaining the security of the domestic and international supply chain that is widely used by general operators and taken as a model to bring as a lesson in implementation. In such cases, the outstanding performance can be used as a basis for upgrading the status of the entrepreneur (this right can be used only once)
- AEOs A that has contributed strongly to encouraging small and medium-sized export businesses to obtain AEO status.

Article 8. Validation of the AEOs

The AEO requirements will be assessed against 14 main criteria:

- 1) Compliance with the Customs law and related laws and regulations;
- 2) Commercial data storage system standards;
- 3) Financial viability;
- 4) Consultation, cooperation and communication;
- 5) Education, training and recognition of potential disasters;
- 6) Sharing, accessing and maintaining confidential information;

- 7) Goods safety standards;
- 8) Transport vehicles safety standards;
- 9) Safety standards for offices, workplaces;
- 10) Personnel security;
- 11) Security standards of business partners;
- 12) IT system security standards;
- 13) Risk management (disaster) and training for employees;
- 14) Dealing with risks, emergencies and disaster recovery

Customs Department issued a manual document for the validation of AEO.

Article 9. Application for participation in the AEO Program

Legal entities that operate as importers, exporters and tax Customs broker can apply to participate in the AEO program by submitting to the Director General of the Customs Department according to the prescribed form through the Customs Department's Entry-Exit counter, website or email laoCustoms.aeo@mof.gov.la and attach the following documents:

1. Copy of complete documents in accordance with the criteria as stipulated in the Article 7 Clause 1.1;
2. copy of the certified financial report after 3 years from an independent audit company that is required by law or the Accounting Management Department, Ministry of Finance;
3. Set of answer of AEO SAQ Validation Questionnaire;
4. History of directors and coordinators of the company;
5. Information on the results of post clearance audit in the past three years

Article 10. Appointment and role of the AEO coordinator

AEOs (including applicants) must appoint an AEO coordinator within the company, such as: 01 employee as AEO Director according to each type of AEOs (some companies are both AEO importers and exporters, so there must be an AEO Director 01 responsible for import and an AEO Director 01 responsible for export) and appoint more than one AEO Manager to match the number of departments and offices of the company.

Article 11. Training of AEO coordinators

1. Training of AEO coordinators

AEO coordinators must participate in training organized by the Customs Department before and after receiving AEO status, such as AEO Director and AEO Manager must complete AEO training every 03 years: for AEO Director must be trained for at least 04 hours and AEO Manager must be trained for at least 24 hours. The training of AEO after becoming an AEO must be completed within 01 year after receiving the status as an AEO standard operator, in addition, new employees must be trained within 180 days after assuming a position in the company;

The Customs Department issues training topics, training notices and conducts training for AEO coordinators.

2. Training of Customs authorities who is assessors

The training of Customs official to assess the AEO will require the certificate of approval of the assessor from Director General of Customs Department in order to conduct the validation of companies applying to participate in the AEO program. Customs Department conducts detailed training for Customs officials in the AEO Unit, interested Customs officials nationwide who pass these criteria at least 70% and have participated in the following activities:

- 2.1 Have participated in the drafting of legislation on the AEO program;
- 2.2 Have ever examine declaration documents;
- 2.3 Have participated in introducing, directing and evaluating the issuance of AEO certificates nationwide;
- 2.4 Have participated in the negotiation of AEO MRA;
- 2.5 Have ever attended an international seminar on AEO or AEO assessor organized by the World Customs Organization;
- 2.6 study and comment on the validation of operators of AEO;
- 2.7 Have participated in supply chain management and excellent lessons in the implementation of the AEO program;
- 2.8 Other related duties.

Article 12. Validation approach

1. Document Validation

- 1.1 The AEO Unit, Post Clearance Audit Division, Customs Department will be the one to evaluate the documents of the applicants to participate in the AEO program within 60 business days after receiving the complete documents as stipulated in Article 9 of this instruction.

- 1.2 When it is seen that the documents are complete according to the regulations, the Customs official who examine the documents will summarize the report to the Customs Department to follow the procedure. In the event that the submitted documents are incomplete, the Customs assessor can request additional documents according to the form, which the applicant must provide within 30 business days. In case of extreme events, natural disasters, improvement of office premises, transfer of new work, merger of companies, etc., the applicant can ask for an extension of time to provide supporting documents to the Customs Department for a maximum of 150 business days, which period will not be calculated as the validation time until the operator provides the documents, so continue to calculate the validation time.

2. On Site Validation

- 2.1 Customs assessors will assess the actual location according to the regulations, such as interviewing employees, inspecting various facilities and evaluating business partners as the applicant has provided information according to the documents evaluated in Article 8 of this instruction;
- 2.2 The assessor's Customs official must consult with the applicant in advance about the actual site validation plan such as time, list of actual site assessors and various regulations;
- 2.3 The assessor's Customs official shall send the document notifying the actual location of the company at least 10 business days in advance, if there is a change in the date, notify before 05 business days;
- 2.4 Customs assessors must complete the validation of the actual site within 60 business days from the date of validation. Office visits must be completed within 5-10 business days. In case the applicant has many offices and warehouses, the Customs assessor will consider it as appropriate;
- 2.5 In the event that the Customs assessor wants to extend the time to assess the applicant's place, he must notify and give reasons for the extension but must not exceed 30 business days;
- 2.6 The assessor's Customs official can postpone or suspend the validation of the actual site if the applicant finds it difficult to work at the actual site together with the assessor's Customs official and then continue;
- 2.7 The assessor's Customs official can suspend the validation of the actual location and reject the application to participate in the AEO program because the applicant does not provide information on the documents that the assessor Customs official proposes to request or does not fully comply with the requirements
- 2.8 The assessor Customs official can request to inspect the actual location of the applicant's domestic or foreign business partners if necessary. The applicant must notify the business partner, called the provision of information during the validation period of the actual location;

- 2.9 Inspection of the actual site of the Customs assessor each time both domestically and abroad. The applicant company must be responsible for the budget of all expenses for the official assessor.

Article 13. Granting AEO status

1. The Customs Department issues the AEO status certificate to the applicant after the actual site validation is completed based on the agreement and approval of the AEO Committee;
2. The Customs Department may postpone the granting of AEO status to the following entrepreneurs:
 - 2.1 Entrepreneurs who meet the criteria but the validation score of consistency in the organization and implementation of relevant laws and regulations is lower than 80% in the said section;
 - 2.2 The entrepreneur is still in litigation such as fraud cases, corruption cases, bankruptcy cases of justice process;
 - 2.3 The Management Committee for the implementation of the AEO standard program requires re-validation of applicants due to violations of laws and regulations;
 - 2.4 Other cases that the committee finds do not meet the criteria.
3. Applicants who have been postponed for the issuance of the AEO status certificate as above can submit a self-improvement plan within 30 days after receiving the decision and must stand within 180 days after standing the proposal.

Article 14. Benefits that AEO operators will receive:

1. The Customs Department provides benefits in terms of ease of Customs declaration and other benefits to AEO operators;
2. The Customs Department provides additional benefits to AEO operators, which include procedures for Customs declaration, arrival of goods, transportation and warehouse inspection, etc.;
3. Any instructions or notices issued by the Customs Department as well as other government agency in the past, if found to be contradictory or inconsistent with the provision of benefits to AEO operators, shall implement this instruction as a priority in providing benefits to AEO operators;
4. The Customs Department defines benefits in terms of ease of Customs declaration and other benefits as specific ones, which are detailed as follows:
 - 4.1 General benefits that all types of AEO operators will receive;

4.2 specific benefits depending on the type of business;

4.3 The benefits that each level of AEO provide to operators.

Article 15. Signing of AEO Mutual Recognition Arrangement (AEO MRA) between the Lao Customs administration and the Customs of other countries

The Director General of Customs Department has been authorized by the Minister of Finance to sign an AEO MRA with the Customs administration of other countries under the World Customs Organization's security standards to ensure and facilitate international trade.

Article 16. Principles and procedures for signing AEO MRA between the Lao Customs administration and the Customs of other countries

The Customs Department will have to follow various steps to negotiate and sign the AEO MRA on the basis of consultation with the Customs administration of other countries as appropriate as follows:

1. Appoint a working group to prepare to sign the AEO MRA contract together;
2. Compare the terms and conditions of the AEO before signing;
3. Validation the actual location together before signing;
4. Determine the content of the AEO MRA contract together in defining benefits, exchanging information on paper or electronically, AEO operator code, etc.;
5. Joint signing between the Director General of the Customs Department (bilateral or multilateral);
6. Appoint coordination points at departmental and division levels to coordinate and discuss together regularly;
7. Any other work that the Customs administration deems necessary.

Article 17 The benefits of signing an AEO MRA between the Lao Customs and the Customs administration of other countries

After the AEO MRA contract signed by the Customs Department of Lao PDR with the partner, the Customs administration must notify the code to those who will export to acknowledge to inform their business partners and notify the country of the code. The Customs department will issue further specific regulations.

Determination of benefits is to bring the benefits of the Customs of those countries to facilitate trade for the Lao PDR's AEO exporters, which is an equal benefit that both countries or many countries agree to provide to each other.

The Lao PDR facilitates foreign AEO operators to access to the electronic declaration system of the Lao PDR.

The Customs Department can cancel the AEO MRA benefits for foreign AEO operators in the event that the operator is cancelled or withdraws the AEO status abroad.

The Customs Department can conduct an evaluation of the implementation of the AEO MRA together with foreign Customs administration to examine the benefits provided, find solutions to improve the implementation regulations to be convenient, flexible and ensure consistency with laws and regulations as well as encourage.

Article 18. Duties of AEO

AEOs shall have the following duties:

- 1) Strictly comply with Customs law and other relevant regulations
- 2) Conduct Customs declaration accurately and transparently;
- 3) Submit the annual Self-Assessment Questionnaires (SAQ)
- 4) Store accounting, financial, detailed Customs declaration documents, supporting documents in a systematic manner according to regulations for easily for validation;
- 5) Notify the Customs border every time about the code and certificate of AEO for acknowledgement and implementation;
- 6) Give cooperation to the assessor Customs officer for the site validation, examine accounting documents, financial documents in paper or electronic form related to Customs declaration as required by law;
- 7) Notify the Post Clearance Audit Division of Customs Department immediately in case of unusual events, accidents or suspicious events that affect the security system of the AEO program;
- 8) Encouraging and supporting many forms of AEO entrepreneur programs, such as speaking, lecturing in domestic and foreign conferences-seminars, and budgeting for AEO programs;
- 9) The AEO operator must prepare a change report as a basis for inspection by The Customs administration and submit it to the Post Clearance Audit Division of Customs Department immediately and no later than 30 days from the day the change occurred, such as the discovery of various errors, various incorrect points and the bankruptcy of the company that will have a big impact on maintaining the AEO status.

- 9.1 Legal changes within the company such as transfer of managers, employees, acquisition of other parties, separation of the company from the head quarter company, mergers and other changes in senior management and those in charge of import/export of the company;
- 9.2 Moving offices or warehouses, building new buildings, additions, downsizing, closing offices or warehouses;
- 9.3 Relocation of offices or warehouses, construction of new buildings, downsizing, or closing offices or warehouses.
- 9.4 Changes and/or additions of business types;
- 9.5 Any irregularities related to the company's import/export administration, such as: fire incidents, floods, theft, or illegal acts.
- 10. After receiving the report, the Post Clearance Audit Division of the Customs Department shall take appropriate actions to assess the actual situation and determine whether the AEO can still maintain its AEO status and comply with AEO requirements following such change.

Article 19. Answering Self-Assessment Questionnaires

AEO operators must conduct an annual Self-Assessment corresponding to the month in which they receive AEO status and Customs Department will report the evaluation results to the Management Committee for organizing and implementing the AEO program within 30 days. AEO operators who have received 2 or more types of AEO certificates can provide Self-Assessment documents for each type according to the date.

The Customs Department must request the AEO operators to improve compliance with the law in order to consider upgrading the AEO level according to the legal compliance criteria according to the validation which the validation method must be maintained.

The Customs Department receives annual Self-Assessment documents and may actually assess the company's office or propose the company to improve some points in accordance with the AEO standards. At the same time, the Customs Department is also conducting risk analysis and checking the management within the organization of the AEO operators.

Article 20. Reporting of changes

AEO operators can prepare a document to report the change of AEO operators and submit it to the Customs Department within 30 business days since the event occurred. Violation of the Customs law, other related laws and regulations, and bankrupt businesses, which are the main reasons for the AEO status and must be reported urgently

- 1. Changes in company status, such as restructuring, transferring, or merging business operations, etc.

2. Changes in senior management or the AEO coordinator responsible for import-export activities.
3. Personnel changes: increases, decreases, or position adjustments.
4. Changing, building, expanding, downsizing, closing offices or warehouses.
5. Change of company status;
6. Import and export management incidents, such as: fire, theft, or illegal activities.

Upon receiving the change report specified in paragraph 1 of this section, the Customs Department will consider inspecting the physical premises to assess the AEO status.

The Customs Department may recommend that the AEO make improvements to meet compliance requirements if the AEO fails to comply, or it may lower the AEO's level.

AEOs must submit (Attachment 6: Self-Improvement Plan Form), to the Customs Department within 30 business days, and a (Self-Improvement Report) within 90 business days.

The Customs Department allows AEOs to submit only a self-improvement report in cases of minor issues.

After reviewing the self-improvement report, the Customs Department may take steps to upgrade the operator's level, revoke AEO status, reject the application, and/or cancel certain benefits.

Article 21. Expiration Date AEO Status

The AEO status is valid for 03 years from the date of approval of the AEO status certificate to the AEO operator or in the following cases:

1. AEO operators show their intention not to receive AEO status or the AEO committee cancels the AEO certificate, which AEO status will be cancelled since the company returns the AEO status or when the AEO committee issues a decision;
2. In some cases, the evaluation period of AEO status will end as follows:
 - 2.1 In the event that the company withdraws the reappraisal proposal;
 - 2.2 In case the application for revalidation is cancelled or rejected.
3. After the comprehensive validation, the renewal of AEO status will be from the day the old AEO status ended.

Article 22. Comprehensive Validations

AEO operators who aim for extending AEO status must make a proposal to the Customs Department to request for AEO status 6 months before the AEO certificate expires and follow-up

documents in Clause 8 of this regulation. AEO operators should submit as soon as possible before the deadline for granting status expires. The Customs Department conducts a complete validation of the AEO operators according to the procedures and criteria to participate in the AEO program.

The Customs Department notifies the complete validation results to the AEO operators that they can extend the AEO status, postpone the revalidation status extension, or refuse to extend the AEO status.

In the event that the AEO operator fails to fulfil the criteria or is reduced to the AEO status, the Customs Department will have to notify the AEO operator to improve legal and regulatory compliance on the day of validation of the operator's actual location. AEO operators must submit the details of the improvement plan to the Customs Department within 30 days from receiving the official notification. In addition, the AEO operator must provide a comprehensive report on the implementation of the improvement within 90 days after submitting the detailed improvement plan.

In the case of complete validation, if it is found that the payment of the Customs-tax obligation is not complete, the Customs official who assesses the AEO must notify the operator of the AEO to pay within 03 months. The evaluation procedure must be carried out on a permanent basis.

Article 23. Rejection of Application Forms

The Customs Department can reject applications in the following cases:

1. The document validation and physical validation do not meet the criteria, and the information provided is insufficiently clear.
2. Incorrect information has been provided.
3. Lack of financial viability.
4. Owe to pay Customs-tax duties and other obligations
5. The applicant failed to provide additional information requested by the Customs Department within the specified period.
6. The applicant has been prosecuted under a court judgment or by the justice system more than one year after the validation of the physical location.
7. The applicant did not resubmit an application form to participate in the AEO Program to the Customs Department.
8. One of the seven required documents has not been submitted to the Customs Department.

Article 24. Withdrawal of application

Upon receipt of the application withdrawal form, the Customs Department shall ensure that all documents submitted by the applicant are returned or destroyed as per the applicant's consent

Article 25. Re-validation for applicants who have been granted a certificate of operator status

1. Flexible measures must be applied if the Tax Department determines that the applicant has passed the revalidation process.
2. Applicants who have been postponed the issuance of the AEO operator status certificate can submit the application form to participate in the AEO program to the Customs Department again after submitting the self-improvement plan form and the self-improvement report;
3. The re-validation will evaluate only the points that cause the postponement of the AEO status certificate;
4. The Customs Department must complete the re-validation within 60 business days after receiving the application form to participate in the AEO program.

Article 26. Suspension of Benefits

The Customs Department can suspend the facilitation specified in Article 16 of this guideline if the AEO standard operator (including the director and coordinator of the company) does not do the following:

1. AEO operators have violated the Customs law, other related laws and regulations
2. AEOs have not carried out activities related to import, export and Customs declaration for 01 consecutive years;
3. AEO operators do not comply with this instruction or do anything that causes serious damage to the Customs Department, such as intentionally abusing their rights, intentionally declaring incorrect Customs duties, commercial fraud, etc.;
4. AEOs fail to improve security measures to comply with established standards.
5. AEOs use the AEO logo inappropriately for commercial gain.
6. AEOs do not report of changes or submit the SAQ within 01 month from the due date.
7. AEOs receive a document requesting additional information three times but do not cooperate or provide complete information.
8. AEOs do not propose providing training on AEOs to the Customs Department.

Article 27. Withdrawal of AEO status

The Customs Department can revoke the AEO status of the AEO operators (including directors and coordinators of the company) who do not implement as follows:

1. AEOs have violated trade-related laws, such as receiving notifications of violations related to trade and investment, including Customs, investment, and other related regulations.
2. AEOs provided incorrect documents.

3. AEOs are unable to meet the requirements set by the Customs Department for AEO compliance.
4. AEOs are unable to maintain the company's status as initially applied due to acquisition, ownership transfer, or merger.
5. AEOs do not follow the Customs Department guidelines.
6. AEOs have had benefits suspended three times during their AEO status period.
7. The AEO committee has decided to revoke their AEO status.

Article 28. Consideration of Appeals

1. The Customs Department will accept appeal documents to re-apply to participate in the AEO program after the AEO status has been revoked for at least 03 years from the day the status was revoked;
2. Upon receiving the appeal document from AEOs whose status has been revoked, the Customs Department must provide an official response within 10 business days before scheduling a meeting. If AEOs do not attend the hearing, they will be deemed disqualified.
3. Directors or representatives of AEOs must attend to explain and provide a written explanation on the specified date.
4. The Customs Department will prepare minutes of the meeting, to be signed by both parties, detailing the outcome of the appeal.
5. In the event that the AEO status is revoked, the Customs Department must report to the Management Committee for the Implementation of the AEO Program to inform about the cancellation of the AEO status and issue a document to cancel the AEO certificate immediately.

Article 29. Appreciation to the AEO operators

AEO operators who can maintain AEO status well, contribute to the development of AEO programs and others can be proposed as AEO AA operators, will be facilitated in the import-export of goods and praise as follows:

- Certificate of honor (gold card), received various priorities and reliability rating according to regulations;
- Praise at various levels from the government;
- Other policies announced by the government from time to time.

Article 30. Measures Against AEOs Who Violate Laws and Regulations

AEOs are accountable for any actions that violate laws and regulations and/or cause damage to the Customs Department, the Ministry of Finance, or other related government Units.

Additionally, the Customs Department will reclaim tax refunds, impose fines, and collect damages from AEOs. The measures may be implemented in the following steps: education, warning, temporary suspension, permanent cancellation, and other actions according to laws and regulations.

Article 31. Prohibition

AEO Operators must not engage in the following behaviours:

1. Falsifying information, signatures, seals, and Customs declaration documents, providing false information and documents to Customs officials;
2. Conspire with Customs authorities and/or business partners to misrepresent Customs declaration information and avoid fulfilling obligations properly;
3. Giving bribes, obstructing the work of Customs officials;
4. Defaming, threatening or physically assaulting a Customs official;
5. Customs evasion, cooperation in hiding or promoting Customs evasion and other obligations;
6. Edit or modify the Customs declaration information registered in the electronic Customs declaration system;
7. Destroy evidence for the inspection or audit of the Customs authorities;
8. Abusing AEO status for others to user;
9. Disclosure of official secret information;
10. There are other behaviours that violate laws and regulations.

Article 32. Cooperation of public and private Units

Department of Customs, Ministry of Finance represents the government of Lao PDR in the implementation of international obligations (WCO Safe Framework of Standard). Relevant Units must cooperate in the implementation of the AEO program in accordance with international principles by appointing a coordinating committee to manage the implementation of the AEO program, which includes the following Units: Finance, Public Works and Transport, Science and Technology, Industry and Commercial, Agriculture and Forestry, Energy and Mines, Public Health, Security, Warehouse Operators, International Border Management Board and other related Units.

Customs Department, Ministry of Finance, on behalf of the Committee to Manage the Implementation of the AEO Program, is the host of the formal and informal meeting to discuss the implementation of the AEO program for the private Units concerned regarding the implementation

of the AEO Program, as well as having a system to monitor the private Unit's comments on the AEO program, which coordination must be based on the condition

Article 33. Organizational Structure of an AEO Committee

1. The committee manages the implementation of the AEO Program consist of:
 - 1.1 Director General of Customs Department Head;
 - 1.2 Director of Post Clearance Audit Deputy Head;
 - 1.3 Representatives from relevant Units Committee
 - 1.4 Related Division of Customs Department Committee
 - 1.5 Provincial Customs and international border checkpoint Committee
 - 1.6 AEO Unit Secretary.
- 2) The rights and duties of the Management Committee for the implementation of the AEO Program are as follows:
 - 2.1 Accredited new AEO operators or apply for renewal of status;
 - 2.2 Decide on the leveling of AEO status;
 - 2.3 Postponing applications for new and old AEO status;
 - 2.4 Reject the candidate who is proposed for promotion;
 - 2.5 Withdraw the AEO status;
 - 2.6 Coordinate with relevant government agency to understand and support the AEO program;
 - 2.7 Consider requests and proposals of entrepreneurs who encounter difficulties and create facilities for the implementation of the AEO Program to propose solutions to related parties according to laws and regulations;
 - 2.8 The committee to manage the implementation of the AEO program must hold regular meetings every 6 months or in urgent and necessary cases, meetings can be held. However, if the committee considers that there are still no important issues to be decided, it can postpone the meeting and can use the remote meeting system to organize the meeting.

Article 34. Rights and responsibilities of the AEO Unit

The AEO Unit consists of a number of officers to carry out the implementation of the AEO program and ensure consistency in the implementation of Customs laws, laws and other related

regulations of the AEO operator in the Lao PDR. Responsibilities of the official of the AEO Unit are as follows:

1) Responsibilities of officials in an AEO Unit

1.1 Conduct validation and assess compliance in the implementation of Customs laws and related laws according to the conditions of the AEO operators;

1.2 Re-verify the effectiveness of the implementation of the work plan set for members within the Unit;

1.3 review and verify the accuracy of various documents including the payment of various Customs-tax duties and ensure the accuracy of the documents, modification of documents and modification of various Customs notification documents;

1.4 Inspect and verify various changes in the company, examine Self-Assessment documents and coordinate with the relevant Customs officials to assess compliance with the implementation of laws and regulations;

1.5 Provide information, advice and guidance to entrepreneurs to ensure compliance with laws and regulations;

1.6 Review the reports of AEO operators (importers, exporters, Customs brokers) to ensure compliance with laws and regulations;

1.7 Administration and management of the filing of AEO application documents in an orderly manner;

1.8 Notify the AEO operator to make a self-improvement plan in the event of a reduction in the compliance score for the implementation of the AEO program (the reduction in score occurs within 2 consecutive quarters);

1.9 Prepare and present a detailed report on the activities and tasks related to the AEO program to the Customs Department and the Management Committee for the implementation of the AEO Program;

1.10 Coordinate with the Revenue Management and Risk Management Division of the Customs Department to manage risks related to the implementation of the AEO standard and to develop and connect to Electronic Customs Declaration System to support the AEO work and to support the integration of the information of the AEO operators with the international and create balance and use through the Electronic Customs Declaration System to facilitate the AEO program;

1.11 Provide advice to operators of AEO operators through the evaluation process and after the evaluation. At the same time, it is necessary to emphasize the importance of the AEO operators to conduct training for company employees in reporting security issues to the Customs Department and related government Units.

Article 35. Usage of the AEO Logo

AEO operators can use the AEO logo on documents or official documents including advertising media during the period of obtaining AEO status only. For entrepreneurs who do not have AEO status, if they intend to use the AEO logo, they must seek permission from the Customs Department before using it. It is not allowed for the operators of the AEO to modify, cut, change the colour or otherwise. It is not allowed to use the AEO logo for commercial gain or gain that is against the laws and regulations.

Article 36. Use and Dissemination of AEO operators' Information

The Customs Department can provide information on domestic AEO operators to foreign Customs authorities for signing AEO MRA contracts.

The Customs Department can disclose the information of AEO operators only after obtaining permission from the AEO operator.

Article 37. Promotion of the AEO Program through Electronic Systems

The Customs Department provides information on AEOs, including legislation pertaining to the AEO program, contact information for Customs Department coordinators, frequently asked questions, AEO benefits, participation requirements for the AEO program, and the necessary forms. This information is available on the websites of the Customs Department, the Ministry of Finance, the Ministry of Industry and Commerce (Lao Trade Portal), and the Ministry of Public Works and Transport. Additionally, the Customs Department accepts online AEO application forms and the online Self-Assessment Questionnaire (SAQ) for applicants to the AEO program, thus enhancing convenience and speed.

Article 38. Implementation

Customs Department, Ministry of Finance to be responsible for dissemination, it is recommended that the society be informed in conjunction with relevant parties to ensure that all goals are recognized, understood, and can be implemented strictly, correctly, and uniformly throughout the country.

Article 39. Effectiveness

This instruction replaces the instruction on the management of AEO operators No. 1159/MOF, dated 18th April, 2019 and is effective from the date of signature.

Minister of Ministry of Finance
Mr. Santhipharp PHOMVIHAN