

Chapter 4 Customs Procedures

Article 42 Scope and Objectives

1. This Chapter shall apply to customs procedures required for the clearance of goods traded between the Parties.
2. This Chapter shall be implemented by the Parties in accordance with the laws and regulations of each Party and within the available resources of their respective customs authorities.
3. The objectives of this Chapter are to establish a framework to ensure transparency, consistency, fair and proper application of customs laws and prompt clearance of goods and to promote cooperation on customs matters, including the exchange of information, with a view to facilitating legitimate trade in goods between the Parties, preventing, investigating and repressing violation or attempted violation of customs laws, and meeting the needs of Governments of the Parties for the protection of society and revenue.

Article 43 Definition

For the purposes of this Chapter, the term "customs laws" means the statutory and regulatory provisions relating to the importation, exportation, movement or storage of goods, the administration and enforcement of which are specifically entrusted to the customs authority of each Party, and any regulations made by the customs authority of each Party under its statutory power.

Article 44 Transparency

1. Each Party shall ensure that all relevant information of general application pertaining to its customs laws is readily available to any interested person.

2. When information that has been made available must be revised due to changes in its customs laws, each Party shall make the revised information readily available sufficiently in advance of the entry into force of the changes to enable interested persons to take account of them, unless advance notice is precluded.

3. At the request of any interested person of the Parties, each Party shall provide, as quickly and accurately as possible, information relating to the specific customs matters raised by the interested person and pertaining to its customs laws. Each Party shall supply not only the information specifically requested but also any other pertinent information which it considers the interested person should be made aware of.

Article 45 Customs Clearance

1. Both Parties shall apply their respective customs procedures in a predictable, consistent, transparent and fair manner.

2. For prompt customs clearance of goods traded between the Parties, each Party shall:

- (a) make use of information and communications technology;
- (b) simplify its customs procedures;
- (c) harmonise its customs procedures, to the extent possible, with relevant international standards and recommended practices such as those made under the auspices of the Customs Co-operation Council; and
- (d) promote cooperation, wherever appropriate, between its customs authority and:
 - (i) other national authorities of the Party; and
 - (ii) the trading communities of the Party.

3. Each Party shall provide affected parties with easily accessible processes of administrative and judicial review in relation to the action concerning the customs matters taken by the Party.

Article 46 Temporary Admission and Goods in Transit

1. Each Party shall continue to facilitate the procedures for the temporary admission of goods traded between the Parties in accordance with the terms and conditions provided for in the Customs Convention on the A.T.A. Carnet for the Temporary Admission of Goods (hereinafter referred to as "the A.T.A. Convention").

2. Each Party shall continue to facilitate customs clearance of goods in transit from or to the other Party in accordance with paragraph 3 of Article V of the GATT 1994.

3. The Parties shall endeavour to promote, through seminars and courses, the use of A.T.A. carnets pursuant to the A.T.A. Convention for the temporary admission of goods and the facilitation of customs clearance of goods in transit in the Parties or non-Parties.

4. For the purposes of this Article, the term "temporary admission" means customs procedures under which certain goods may be brought into a customs territory conditionally, relieved totally or partially from the payment of customs duties. Such goods shall be imported for a specific purpose, and shall be intended for re-exportation within a specified period and without having undergone any change except normal depreciation due to the use made of them.

Article 47
Advance Rulings

Where a written application is made in accordance with relevant laws or procedures adopted or maintained by the importing Party and the importing Party has no reasonable grounds to deny the issuance, the importing Party shall endeavour to, prior to the importation of the good, issue a written advance ruling concerning the tariff classification, the customs valuation and the origin of the good, as well as the qualification of the good as an originating good of the exporting Party under the provisions of Chapter 3.

Article 48
Cooperation and Exchange of Information

1. The Parties shall cooperate and exchange information with each other on customs matters, including specific cases, such as:

- (a) customs procedures;
- (b) customs valuation within the meaning of the Agreement on Customs Valuation;
- (c) enforcement against the trafficking of prohibited goods and the importation of goods suspected of infringing intellectual property rights;
- (d) prevention, investigation and repression of violation or attempted violation of customs laws; and
- (e) trade statistics data relating to customs clearance of goods and conveyances related to goods, exported from a Party to the other Party.

2. Such cooperation and exchange of information shall be implemented as provided for in the Implementing Agreement.

3. Paragraph 4 of Article 9 shall not apply to the exchange of information under this Article.

Article 49
Sub-Committee on Customs Procedures

1. For the purposes of the effective implementation and operation of this Chapter, a Sub-Committee on Customs Procedures (hereinafter referred to in this Article as "the Sub-Committee") shall be established on the date of entry into force of this Agreement.
2. The functions of the Sub-Committee shall be:
 - (a) reviewing the implementation and operation of this Chapter;
 - (b) identifying areas, relating to this Chapter, to be improved for facilitating trade between the Parties;
 - (c) reporting its findings to the Joint Committee;
 - (d) for the purposes set out in paragraph 1, reviewing and making appropriate recommendations, as necessary, to the Joint Committee on the provisions of the Implementing Procedures referred to in Section 11 of Annex 3 concerning documents required by the customs authority under paragraph 4 of Section 2 of Annex 3; and
 - (e) carrying out other functions as may be delegated by the Joint Committee pursuant to Article 14.
3. The Sub-Committee shall meet at such venues and times as may be agreed by the Parties.
4. The composition of the Sub-Committee shall be specified in the Implementing Agreement.