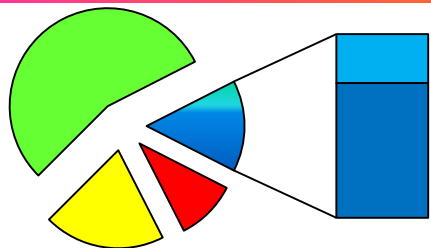




Indonesia's Experience on the MITA Program and the AEO Pilot Program

Presented by
Moh Firstananto Jerusalem
Indonesian AEO Implementation Team



at
LEARNING EVENT
The SASEC Customs Subgroup Meeting
11 March 2015
Goa-India

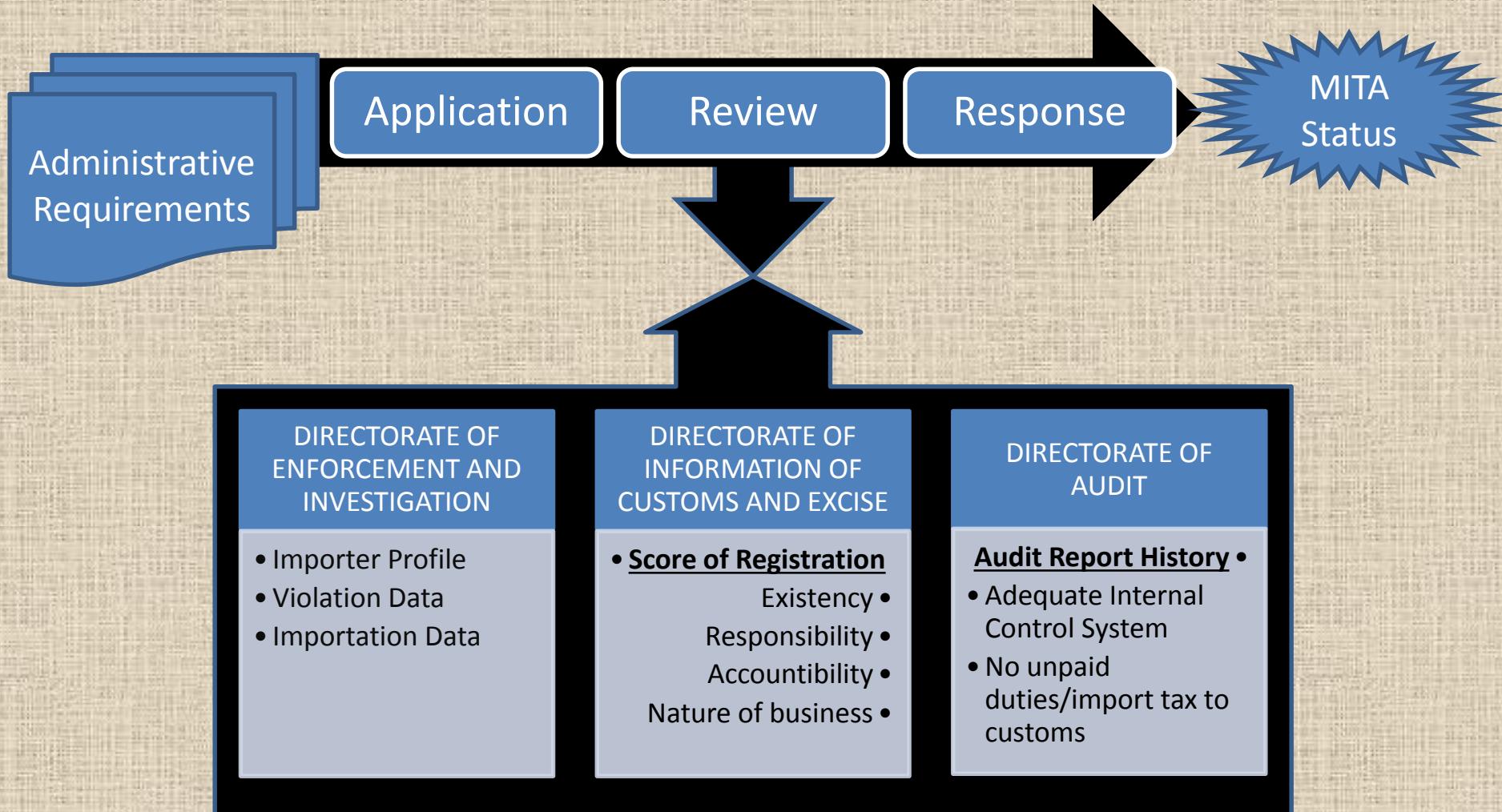


Import Channel & Treatment

Treatment / Service	Red	Yellow	Green	MITA Non-Priority	MITA Priority
Reconciliation of duty-tax payment or guarantee	↓	↓	↓	↓	
Confirmation of permit	↓	↓	↓	↓	↓
Document inspection	↓	↓			
Physical Examination	↓	↓			
Clearance Approval	↓	↓	↓	↓	↓
Document inspection			↓		↓
<i>Client Coordinator Service</i>				●	●
POST CLEARANCE AUDIT					

MITA = Mitra Utama = Priority Partner

MITA Status: Process



MITA v.s. AEO

Generally, Priority Lane and AEO have a quite similar concept as a compliance program, but there are no **safety and security aspects** required in MITA (Mitra Utama/Priority Lane).

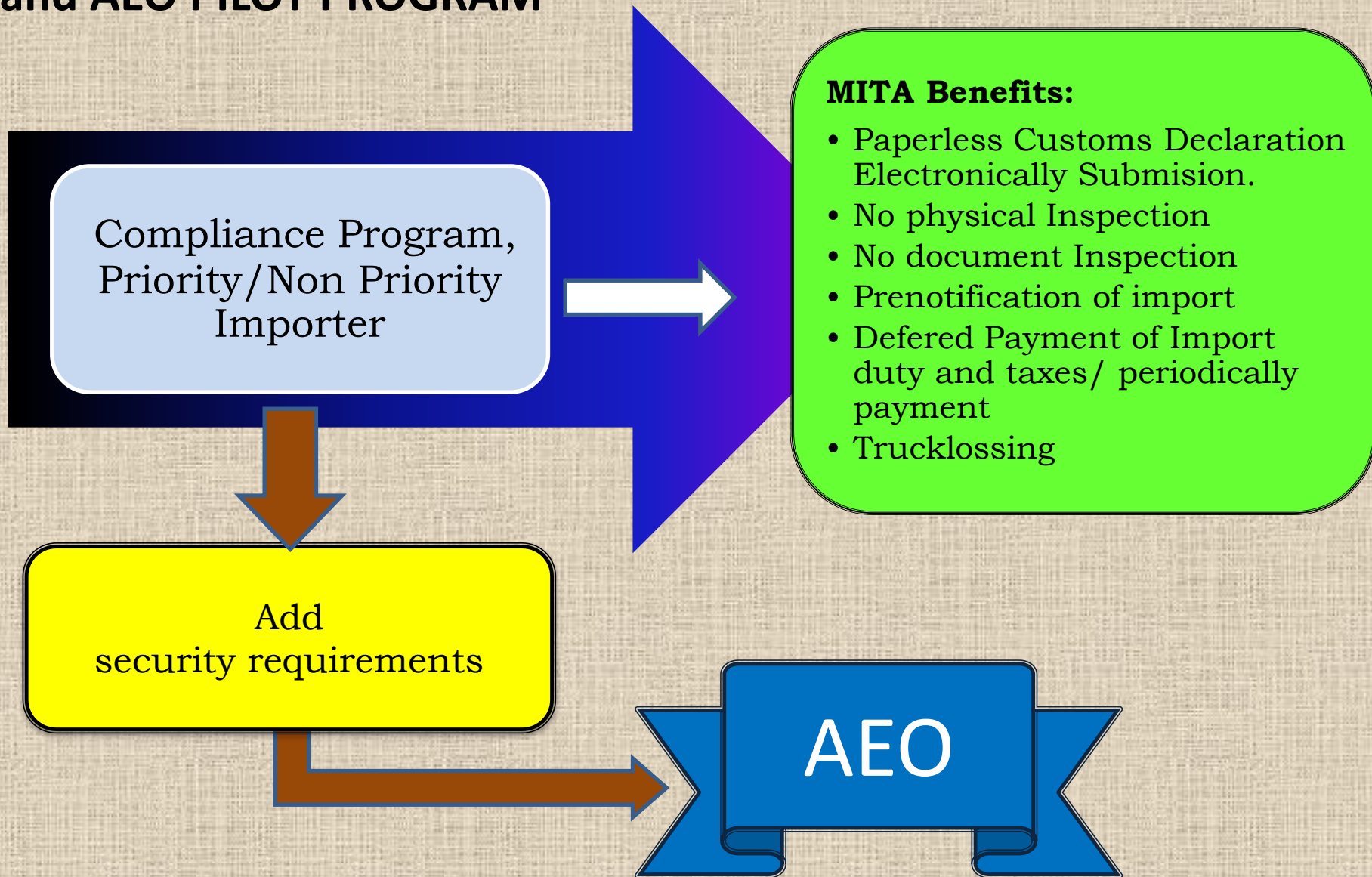
MITA/Priority Lane

- Having a good reputation based on its track record.
- Having a clear and specific nature of business.
- Never misuse customs facilities during one year.
- Never mistakenly declared in terms of quantity, type of imported goods or its customs value during one year.
- Having a good opinion audited by Certified Public Accountant, neither disclaimer nor adverse opinion.

AEO

- Good Corporate Governance, Internal Control
- Compliance with Customs Regulation and other related regulation
- Financial viability
- Fulfillment of **Security Aspects**

INDONESIAN CUSTOMS COMPLIANCE PROGRAM SINCE 2003 and AEO PILOT PROGRAM



2005

- Indonesia Government signed the Letter of Intent on the WCO SAFE FOS to implement AEO in Indonesia

2010

- Presidential Decree Num 1/2010 as an instruction to implement AEO and information technology for supporting investment

2010

- Ministry of Finance Decree Num 219/PMK.04/2010 concerning Customs Treatment on the Authorized Economic Operators

2014

- Ministry of Finance Decree Num 227/PMK.04/2014

Commitment to Implement AEO

- Definition and Subject of AEO Indonesia
- Benefits of AEO Indonesia
- AEO Application
- Validation
- Application Response
- Certification
- Responsibility of AEO
- Monitoring and Evaluation of AEO
- Suspension and Revocation of AEO
- Mutual Recognition Arrangement (MRA)

Systematics of AEO Indonesia Regulation

- The company (economic operator) will be certified as an AEO as long as they fulfill the requirements of the WCO SAFE FOS.
- **The Subjects** of AEO Indonesia are :
 - Importer
 - Exporter
 - Customs Broker
 - Shipper
 - Temporary Warehouse
 - Bonded Warehouse
 - Other party related in global logistic supply chain, such as consolidator and terminal operator

Subjects of AEO Indonesia

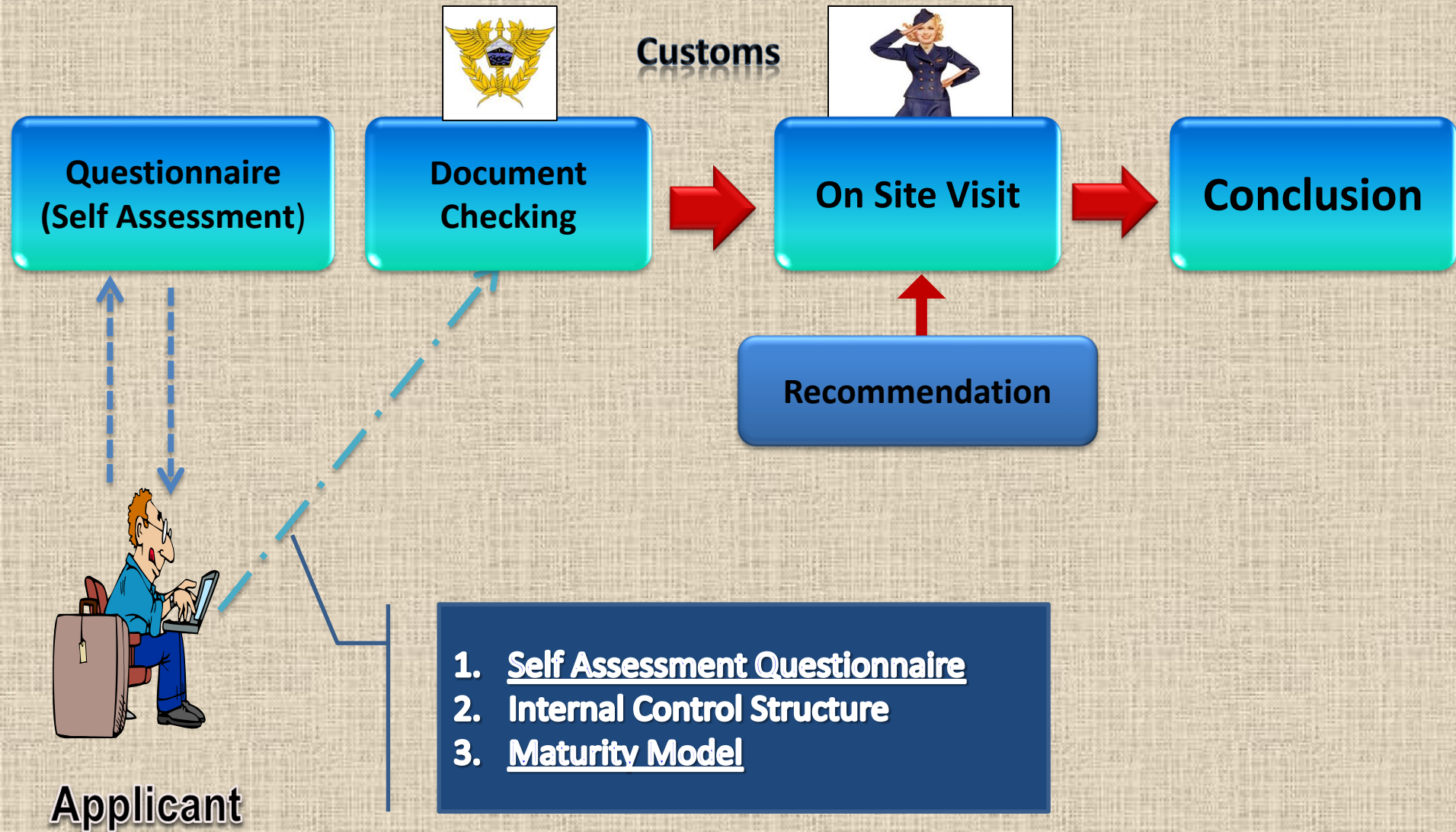
- Minimum percentage of document and/or physical examination
- Priority for Customs Procedure Simplification;
- Special services in the emergency and elevated threat level situation;
- Priority treatment as participant on a new Customs Program;
- Corporate guarantee;
- Trucklossing Facility;
- Pre-notification;
- Deferred Payment;
- Dedicated client manager for AEO; and/or
- Services outside working hours under certain condition.

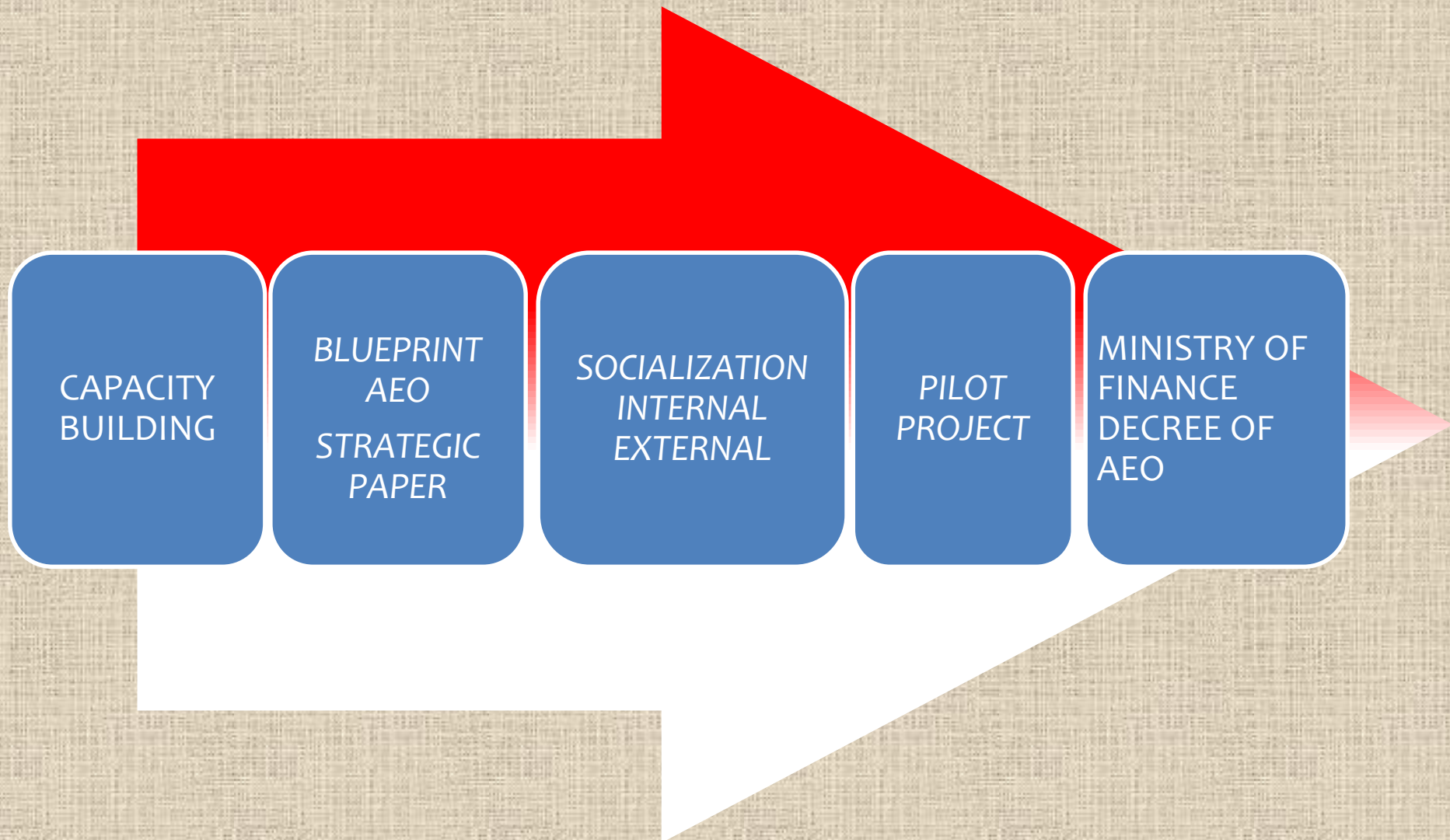
Benefits Of AEO Indonesia

AEO Indonesia: Business Process



VALIDATION FLOW





CAPACITY
BUILDING

BLUEPRINT
AEO
STRATEGIC
PAPER

SOCIALIZATION
INTERNAL
EXTERNAL

PILOT
PROJECT

MINISTRY OF
FINANCE
DECREE OF
AEO

What we have done

1

Capacity Building

WCO Seminar on AEO

23–25 November 2011, Bandung, Indonesia

AEO Global Conference

15-17 April 2012, Busan, Korea

AEO Capacity Building with the NCA

7 – 9 May 2014, Jakarta, Indonesia

AEO Capacity Building with JCTB

September 2014, Jakarta, Indonesia

Our Activities

2

Workshop

Indonesia – Japan AEO Workshop
22-24 April 2013, Jakarta, Indonesia

CTPAT –AEO Study
6-8 May 2013, Surabaya, Indonesia

ASEAN AEO Workshop
23-25 October 2013, Singapore

AEO Regional Capacity Building Workshop
14-15 May 2013, Santiago, Chili

AEO Regional Capacity Building Workshop
27-28 February 2013, Bangkok, Thailand

Indonesia – Netherlands AEO Workshop
08-12 April 2013, Bandung, Indonesia

WCO AEO Accreditation Workshop
10-14 November 2014 in AKMAL Malaka,
Malaysia

Our Activities

3

External Socialization

Socialization to Piloting Participants
11 October 2013, Jakarta, Indonesia

Socialization to MITA Priority
22 October 2013, Jakarta, Indonesia

Socialization to Other Government Agencies
23 October 2013, Jakarta, Indonesia

Socialization to MITA Non-Priority
3 April 2014, Jakarta, Indonesia

Our Activities

4

Working Group

***AEO Working Group with Piloting Participants
29 Januari 2014, Jakarta, Indonesia***

***AEO Working Group with MITA Priority
18 November 2013, Jakarta, Indonesia***

***AEO Working Group with Other Government Agencies
19 Nopember 2013, Jakarta, Indonesia***

Our Activities



Our Activities

AEO Piloting: Progress

- Selected 9 (nine) companies to join of AEO Indonesia piloting project.
- Conducting socialization and working group discussion of AEO Piloting
- Conducting steps of application process, validation process, and preparation for certification.

**Certification: Launching AEO Program
17 March 2015**

Thank You

धन्यवाद



Indonesian AEO Implementation Team