



THE 5TH ASEM CUSTOMS TRADE DAY

18 MARCH 2014

SIEM REAP, CAMBODIA



Draft Minute of the 5th ASEM Customs Trade Day

As 02 May 2014

3

Background and Objective

The fifth ASEM Customs-Trade-Day (5th CTD) was celebrated on 18th March 2014 in Siem Reap, Cambodia. There were 68 participants in the event, from 26 ASEM Member States, namely: Belgium, Brunei Darussalam, Bulgaria, Cambodia, China, Denmark, European Commission, Finland, Germany, Hungary, India, Indonesia, Italy, Japan, Korea, Lao PDR, Latvia, Malaysia, the Netherlands, New Zealand, Poland, Singapore, Sweden, Switzerland, Thailand, and Viet Nam, and the private sector from Cambodia. The WCO's representative was also in attendance as an observer. The list of participants is enclosed as **Annex 1**.

The key objective of the 5th CTD was to engage the private sector with the ASEM Customs community to raise their concerns and issues which required the attention from Customs. The main theme on the 5th CTD was “the Cooperation between Customs and Private on Intellectual Property Rights Issues”.

Minute

Agenda Item1: Welcome and Opening Remark of the 5th CTD

The fifth ASEM Customs-Trade-Day (5th CTD) was officially opened by honorable **Dr. Pen Siman**, Delegate of the Royal Government of Cambodia In-charge of the General Department of Customs and Excise (GDCE). In his opening remark, he recalled the mandate of ASEM Customs Administrations to engage Private sector into Customs business. In this relation, he shared the experience of the Royal Government of Cambodia (RGC) in establishing the Government-Private Sector Forum-GPSF. The establishment of GPSF was in line with decision making by the ASEM Summit. The GPSF is an enlarged and open cabinet meeting consisting of members of the RGC and representatives from the private sector. Since its establishment in 1999, the GPSP was organized more than 10 times already and had proven many successful results, in particular the decision made by this forum is considered as the decision made by the council Ministers. There are two levels of consultations between the Royal Government of Cambodia and the private sector set at the Ministerial level and the technical level. One of working group set under the technical level is the Customs-Private sector Partnership Mechanism (CPPM) chaired by Director-General of the GDCE. Likewise, he also stressed the important of the works done by the ASEM Working on Customs Matters (AWC), in particular the preparation of Trade Facilitation Action Plan (TFAP). His opening remark appears as **Annex 2**.

Agenda Item2: Adoption of the Agenda

Dr. Kun Nhem, Deputy Director-General of Cambodia Customs chaired the 5th CTD. The chairman remarked this event as an opportunity for private sector to raise concerns and issues of their interests. Then, he encouraged the private sector to actively participate in the discussion.

Mr. Chairman introduced the draft agenda which was later adopted as appeared in [Annex 3](#).

2.1 Remark by Vice President of Cambodia Chamber of Commerce

Oknha Mr. Lim Heng, Vice-president of the Cambodia Chamber of Commerce(CCC), delivered his remark by recognizing the importance of organizing the CTD not only to Customs administrations but also the private sector. He also acknowledged that the CTD will provide an opportunity for the private sector to raise their concerns and prioritized issues. The private sector can express their needs and receive positive inputs from the ASEM Customs works which can assist to enhance cooperation of the business sector between the two regions, especially an increasing the interregional and international business frameworks. He also added the role of Cambodia Chamber of Commerce in cooperation with the Royal Government of Cambodia, in particular the cooperation between CCC and the GDCE. He acknowledged the important role of Customs not only as a main revenue collector but also a main RGC institution to keep a level play-field and improve friendly business environment to attract foreign direct investment. Additionally, he urged that Customs Procedures and other border measures should be mobilized, modernized and upgraded to highest standard possible in order to join the ASEAN Economic Community. His remark appears as [Annex 4](#).

2.2 Presentation of Customs-Private Sector Partnership Mechanism

Mr. Nuon Chanrith, Deputy Director General of GDCE, made a presentation on Customs-Private Sector Partnership Mechanism (CPPM). The CPPM was established after the announcement of RGC in 2009. The main objective of CPPM is to encourage the private sector participation and to solve all customs related issues raised by them in order to enhance trust, mutual understandings and good cooperation between Customs and the private sector, in particular to promote compliance. Since its establishment, the CPPM had been organized its meeting four times and had proven significant results in trade facilitation for the satisfactory of the private sector for instance so far there were 65 issues had been raised and solved immediately under the CPPM. The presentation appears as [Annex 5](#).

2.3 Presentation on Authorized Economic Operator in the European Union

Ms. Zsuzsanna Dákai, the European Commission, and **Mr. Tadeusz Senda**, Customs Service of the Republic of Poland jointly presented to the CTD the EU AEOs system, which includes main concepts of AEO, legislation framework for AEOs establishment, criteria to become an AEO, and benefits to be received as an AEO; a number of AEOs; practical implementation and best practices in application of AEO in Poland; and mutual recognition of AEOs for mutual benefits. In this regard, the EU adopted legislation on AEO system and its guidelines for the use of both Customs administration and economic operators to ensure uniformity and interpretation. The presentation is enclosed as [Annex 6](#).

2.4 Presentation on Industry and Customs Trade Facilitation

Mr. Ly Tekheng, Operations Manager, Garment Manufacturers Association in Cambodia (GMAC) briefed the CTD about Trade Facilitation tools applied by Cambodia Customs such as the applications of CPPM, Post Clearance Audit (PCA), Automated System for Customs Data (ASYCUDA), and Trusted or Credible Economic Operator. Then, he raised about previous customs related issues which had been solved successfully under the CPPM and suggested that once the issues related to customs functions arise, they shall be discussed by using the existing CPPM in order to promote compliance and the spirit of public and private partnership. Likewise, Capacity Building for the private sector, especially import and export's staff, shall be conducted regularly by the Customs in order to share knowledge, understanding and cooperation. Additionally, the new regulations shall also be updated from time to time. Finally, he supported the arrangement of CTD and suggested that the CTD should be included the participation of the private sector from other ASEM countries, especially from the two regions, in order

to encourage cooperation among Business to Business (B2B). So, the private sectors from both region could share good practices and experiences for the common business interests. His presentation appears as [Annex 7](#).

In this context, **Mr. Chairman** asked to take note of the request made by the representative from GMAC in term of the involvement of private sector from ASEM Member States of the two regions in the future ASEM Customs Trade Day.

2.5 Presentation on IP Element and Border Measures

Mr. Var Roth San, Head of Secretariat of National Committee for IPR and Director of Intellectual Property Department, Ministry of Commerce, informed the participants about the IPR Institutional arrangement, the applicable laws and regulations relating to IPR implementation mechanism in Cambodia. He also stressed the important of border measures against IPR infringement and the authority of Customs on Counterfeits goods. Additionally, he advised that the awareness program on IPR should be conducted and included in the academic education. His presentation appears as [Annex 8](#).

2.6 Presentation on border enforcement of IPR in the European Union

Ms. Zsuzsanna Dákai, European Commission made a brief presentation, on the EU Legal Framework relating to IPR enforcement, the EU Customs Action Plan to combat IPR infringements, method of IPR application in the EU, the introduction of the revised regulations to deal with IPR infringements and the statistical records on IPRs' infringements. Next, **Ms. Elke Portz**, Federal Ministry of Finance of Germany, has jointly made additional presentation on practical implementation of IPR Enforcement in Germany, in particular the online IPR application for the right holder using ZGR online, which allows immediate checking genuine goods at the border by front line officers, data exchange and statistical of IPR infringement for customs checkpoints. Then, the ZGR online started to connect with COPIS since early 2014. The joint presentation appears as [Annex 9](#).

2.7 Presentation on IPR of Toyota and Circulation of Toyota Counterfeit Parts in Cambodia

Mr. Keo Wathenac, General Manager, Customer Service Division, Toyota Cambodia Co. Ltd., made his presentation on IPR of Toyota and Circulation of Toyota Counterfeit Parts in Cambodia. He updated the CTD about: the Toyota registered trademarks including both the logo and symbol of Toyota; the records of using and circulating of Toyota counterfeit parts in the global market which used in Asia about 69% and in Europe about 12%; the negative performance and high risks of using Toyota counterfeit parts; and the difference between the fake and genuine Toyota parts. His presentation appears as [Annex 10](#),

2.8 Questions and Answers

The Q&A session was very useful and interesting discussion between the participants and the speakers. The following issues have been fruitfully raised and discussed:

- 1) How to register patent and its complexity in Cambodia.
- 2) Ways to share the database of IPR among the EU member states.
- 3) The ability and capacity of CPPM in Cambodia in dealing with issues like: commodities' classification and measures to be taken when new regulations and/or new procedures and/or new technologies were issued.
- 4) Ex officio by Customs in the EU even there was no complaint being lodged by the right holder.
- 5) Toyota Company's ways to promote new innovation and the encouragement to use genuine products like affordable price to use genuine parts and products' safety.
- 6) The implementation of customs automated system (ASYCUDA) and Risk Management System in Cambodia to identify the level of risks e.g. (i) Green: release the goods without document and physical check, (ii) Blue: Release the goods but subject to PCA, (iii) Yellow: Subject to documentary check, and (iv) Red: Subject to physical examination.

2.9 Summary the results and outcomes of the discussion:

Dr. Kun Nhem briefed the main topic of the presentations and thanked the speakers for sharing their knowledge and valuable inputs in the CTD. He also thanked all participants for their time and active roles in the discussion and concluded that the fifth ASEM Customs-Trade-Day has come to a great success. Then, he suggested the ASEM Member States to consider the proposal to engage the other Private Sector from other ASEM Member States to the CTD made by Cambodian Private Sector, especially the enhance cooperation of the private sectors from the two regions. Finally, Mr. Chairman advised the ASEM Member States to consider and evaluate the future of CTD which will be discussed in the agenda of the 8th AWC Meeting to be held from 19 to 20 March 2014.

The Participants thanked the General Department of Customs and Excise of Cambodia and its staff for their warm hospitality and excellent arrangements made for the 5th ASEM Customs Trade Day.