# 04 CUSTOMS PROCEDURES

## ARTICLE 1

### Purpose and Definitions

1. The purpose of this Chapter is to promote the objectives of this Agreement by simplifying customs procedures in relation to bilateral trade between the Parties.
2. For the purposes of this Chapter:
3. “customs law” means any statutory and regulatory provisions   
   applicable or enforceable by the respective customs administration of each   
   Party; and
4. “customs procedures” means the treatment applied by the customs administration of each Party to goods which are subject to customs control.

## ARTICLE 2

### Scope

This Chapter shall apply, in accordance with the Parties’ respective national   
laws, rules and regulations, to customs procedures required for clearance of goods   
traded between the Parties.

## ARTICLE 3

### General Provisions

1. Customs procedures of both Parties shall conform, where possible and to the   
   extent permitted by their respective domestic laws, rules and regulations, to the   
   standards and recommended practices of the World Customs Organisation*,* including   
   the principles of the revised International Convention on the Simplification and Harmonisation of Customs Procedures.
2. The customs administrations of both Parties shall periodically review their   
   customs procedures with a view to their further simplification and the development of further mutually beneficial arrangements to facilitate bilateral trade.
3. To the extent permitted by their domestic laws, rules and regulations, the   
   Customs administrations of both Parties shall provide each other with information to   
   assist in the investigation and prevention of infringements of customs law.
4. Nothing in this Chapter shall be construed to require either Party to furnish or allow access to information the disclosure of which it considers would:
5. be contrary to the public interest as determined by its law, rules and regulations;
6. be contrary to any of its laws, rules and regulations including but not limited to those protecting personal privacy or the financial affairs and accounts of individual customers of financial institutions; or
7. impede law enforcement.

## ARTICLE 4

### Paperless Trading

1. The customs administrations of both Parties, in implementing initiatives which provide for the use of paperless trading, shall take into account the methodologies   
   agreed in APEC and the World Customs Organisation.
2. The customs administration of each Party shall work towards having   
   electronic means for all its customs reporting requirements as soon as practicable.
3. The customs administration of each Party shall provide electronic systems that   
   support business applications between it and its trading community.

## ARTICLE 5

### Risk Management

1. The Parties shall administer customs procedures at their respective borders so as to facilitate the clearance of low-risk goods and focus on high-risk goods.
2. The Parties shall apply and further develop risk management techniques in the performance of their customs procedures.

## ARTICLE 6

### Sharing of Best Practices

For future cooperative arrangements, both Parties shall facilitate initiatives to enhance further the exchange of information on best practices in relation to customs procedures, including the application of risk management techniques.