



**World Customs  
Organization**

## The Authorized Economic Operator and the Small and Medium Enterprise

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**WTO Informal Working Group On MSMEs**

3 July 2023

# WCO SAFE Framework of Standards (SAFE FoS)



- ✓ June 2005: WCO Council adopted the SAFE Framework of Standards to secure and to facilitate the global trade
- ✓ 172 Members have signed letter of intent to implement the SAFE FoS

**Pillar 1: Customs to Customs (11 Standards)**

**Pillar 2: Customs to Business (6 Standards)**

**Pillar 3: Customs to OGAs and IGAs (12 Standards)**



## **Standard 1: Partnership**

- Provides for the partnership program with **AEOs**\* who will carry out a self-assessment to ensure security in their business model.



## **Standard 2 : Security**

- Provides for the incorporation of pre-determined security best practice into the business practice of **AEOs**.



## **Standard 3 : Authorization**

- provides for the validation and accreditation process of **AEOs**



## **Standard 4 : Technology**

- provides for the encouraged use by **AEOs** of more advanced technologies to maintain cargo and container integrity



## **Standard 5 : Communication**

- Provides for Customs-to-Business communication to promote security



## **Standard 6 : Facilitation**

- Provides for the joint efforts of Customs and **AEOs** to maximize security and facilitation

Pillar 2 of the WCO SAFE FoS sets out global standards for launching and maintaining an AEO Programme. The eligibility **criteria** for becoming an AEO should include:

- demonstrated compliance record;
- satisfactory system for management of commercial records;
- financial viability; and
- security (cargo, transport conveyance, premises, personnel, information, and trade partner security).



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- ✓ The comprehensive list of benefits has been grouped into two broad categories, namely General Benefits and Operator-Specific Benefits, as set out in **Annex IV** to the SAFE FoS:
  - Measures to expedite cargo release, reduce transit time and lower storage costs;
  - Measures to facilitate post-release processes;
  - Special measures relating to periods of trade disruption or elevated threat level;
  - Participation in new trade facilitation programmes/initiatives;
  - Benefits provided by other government agencies;
  - Benefits under mutual recognition arrangements/agreements(MRAs);
  - Providing access to information of value to AEO participants; and
  - Indirect benefits.



## Authorized Economic Operator Programme

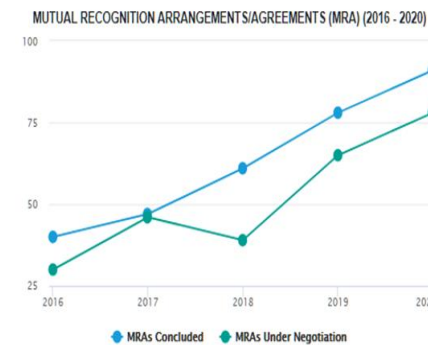
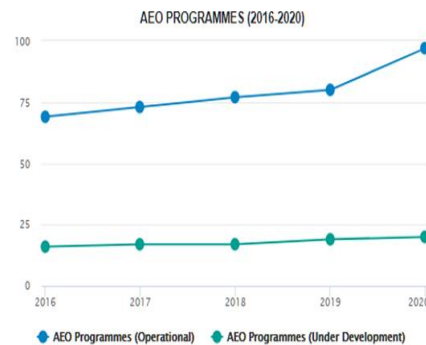
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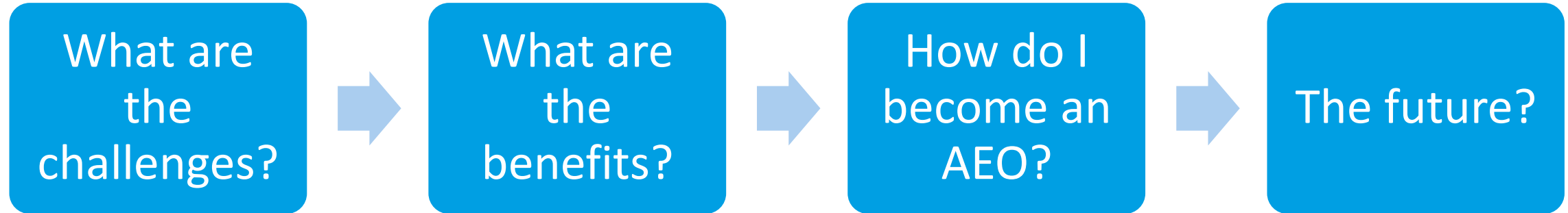
## Mutual Recognition Arrangements/Agreements (Concluded)

Bilateral 87 Plurilateral 4

The Online AEO Compendium (OAC) contains concrete and structured information of the current AEO programmes and MRAs implemented by WCO Members, as well as the programmes/initiatives under development. In addition to the provision of basic information on AEO and Customs compliance programmes, the OAC also provides an overview of the respective AEO programmes' criteria, accreditation procedures and benefits.

With a dedicated and secure access rights, the OAC also enables Members to view, process, manage and analyse information efficiently and effectively through a standardized data management structure, at multiple levels, including worldwide, by WCO region and by country such as the number of AEO programmes/operators, number of MRAs signed, etc.





Why is it important to make the AEO programme more attractive to SMEs?



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**Thank you**

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