Committee on Trade Facilitation
WTO

Secretariat of the Federal Revenue of Brazil
Brazilian AEO Programme

October 9-11, 2018
AEO System

- Ensuring security and compliance in international trade
- Launched in December, 2014
- Single Window (Portal Único): applicants
Brazilian AEO Program - Website

http://idg.receita.fazenda.gov.br/orientacao/aduaneira/importacao-e-exportacao/oea
AEO – Competent Customs Offices

- Customs Office in Manaus/AM
- Customs Office in Recife/PE
- Customs Office in Belo Horizonte/MG
- Customs Office in São Paulo/SP
- Customs Office in Campinas/SP
- Customs Office in Santos/SP
- Customs Office in Curitiba/PR
AEO - Integrated

Incorporation of others Government Border Agencies into the AEO Program

- Main Module: RFB
- Complementary Modules:
  - Agriculture
  - Army
  - ANAC (Aviation)

Signing of Joint Ordinance RFB / Agriculture, in 12/13/2016
# Mutual Recognition Agreements (MRA)

<table>
<thead>
<tr>
<th>MRA signed</th>
<th>Work Plans</th>
</tr>
</thead>
<tbody>
<tr>
<td>Uruguay</td>
<td>USA</td>
</tr>
<tr>
<td></td>
<td>Argentina</td>
</tr>
<tr>
<td></td>
<td>Bolivia</td>
</tr>
</tbody>
</table>

## Mutual Recognition

- Recognition of partners’ accreditation
- Advantages:
  - Priority on clearance
  - Comparable benefits
  - Previsibility
  - Competitively
Outcomes
Customs % inspection AEO x non-AEO

EXPORT OPERATIONS

Reduction of 72%
(average – last 18 months)

IMPORT OPERATIONS

Reduction of 69%
(average – last 18 months)
Compliance Model

- **Compliance Risk**
  - Low (most majority)
  - Small minority
  - A few
  - High

- **Non-compliance**
  - Inadvertent
  - Opportunistic
  - Deliberate

- **Compliance Tools**
  - Investigations
  - Warrants
  - Targeted inspections
  - Show cause process
  - Inspections
  - Audits
  - Fit and proper person test

- **Compliance Response**
  - Criminal/Civil prosecution
  - Enforceable undertakings
  - Injunctions
  - Fines
  - Refusal, revocation, suspension or amendment
  - Increased intervention rates
  - Risk-treatment costs
  - Increased intervention rates
  - Risk-treatment costs
  - Guidance and advice
  - Corrective actions
  - Reduced regulation
  - Guidance and advice

- **Voluntary Compliance**
Monitoring – Risks Management

- Dashboards – “drill down”
  - Logistic chain partners
  - Collection and penalties
  - Origin and destination
  - Indirect representatives (up to 10%)
  - Lapsed time (for each AEO, in each Customs Office etc)
  - Inspection channels (imports): number of declaration from each channel
  - Inspection channels (exports): number of declaration from each channel
  - Breaches of import, export, transit, licence applications: kind of breaches and frequency
  - Savings-O-Meter: reduction of warehouse charges
Cost savings

- Cost savings ranged from 1/2 million to 60 million US$ in 2017 (reduction of warehouse costs related to imports), not to mention other savings.

- Some MNE reported that investments made for accreditation were paid back in just 15 days of operation as AEO.
Thank you!

Marcus Vinicius Vidal Pontes

Undersecretary - Customs Administration
Secretariat of the Federal Revenue of Brazil