



WTO TFC October 2018

- The EU Authorised Economic Operator (AEO) Programme -



European Commission
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AEO – Key elements

- 1. Concept**
- 2. General Principles**
- 3. Criteria and Benefits**
- 4. Statistics**
- 5. Lessons learned**
- 6. Cooperation with other government authorities**
- 7. International Cooperation (Mutual Recognition)**



1. The AEO Concept

The AEO concept is based on the Customs-to-Business partnership introduced by the WCO. This implies that the relationship between customs and AEO should be always based on the principles of **mutual transparency, correctness, fairness and responsibility**. Customs expects the AEO to act in line with customs legislation and to inform customs about any difficulties to comply with the legislation. Customs should provide support to achieve this.

2. General Principles (1)

- *EU AEO programme is fully **operational since 1 January 2008***
- ***Partnership** between customs and economic operator*
- *Traders who **voluntarily meet certain criteria** laid down in the EU Customs Legislation work in close cooperation with customs authorities to assure the common objective of supply chain security and are entitled to **enjoy benefits** throughout the EU.*

2. General Principles (2)

- *The AEO status is open to **all supply chain actors***
- *The AEO status is **recognised in all 28 EU Member States***
- *There is **unlimited validity**, but **robust monitoring***

2. General Principles (3)

- *Two different types of authorisations*
- ✓ ***AEO for Customs Simplifications (AEOC)***
- ✓ ***AEO for Security and Safety (AEOS)***
- *Each type of authorisation requires the fulfilment of specific criteria and offers different **benefits**.*
- *Both types may be held at the same time resulting in one **combined authorisation**.*

2. General principles (4)

- **Uniform implementation** through a harmonised approach
 - EU AEO Guidelines
 - AEO Network
 - AEO Helpdesk
 - EU Economic Operators Systems (EOS database)
 - AEO E-Learning tool
- Focus: **Sustainability** of the programme
 - Ongoing exchanges between COM and MS
 - Monitoring exercises
 - Regular update of the AEO Guidelines

3. AEO Conditions/Criteria and Benefits (1)

Conditions and criteria	AEOC	AEOS	Benefits
Economic operator	X	X	Fewer controls
Established in EU	X	X	Prior notification
Compliance	X	X	Priority treatment
Record keeping	X	X	Request for place for control
Financial solvency	X	X	Indirect benefits
Competence & qualification	X		Customs simplifications
Security & Safety		X	Mutual Recognition

3. AEO Conditions/Criteria and Benefits (2)

AEO benefits:

fewer physical and documented based controls

- ✓ The AEO status is always taken into account into the risk management system
- ✓ A lower risk score should be incorporated into the risk management system but the level of reduction of security and/or customs controls can vary depending on the role and responsibility of the AEO in the particular supply chain

However:

- ✓ The customs authority controls shipments of an AEO in order to take into account a specific threat or control obligations set out in other EU legislation (e.g. related to product safety)
- ✓ The benefit is related with the overall risk assessment done for a particular transaction. Thus means than other risk indicators might trigger the necessity for a control do be done (e.g. sensitive country of origin)



4. The EU AEO Programme - Statistics – (1)



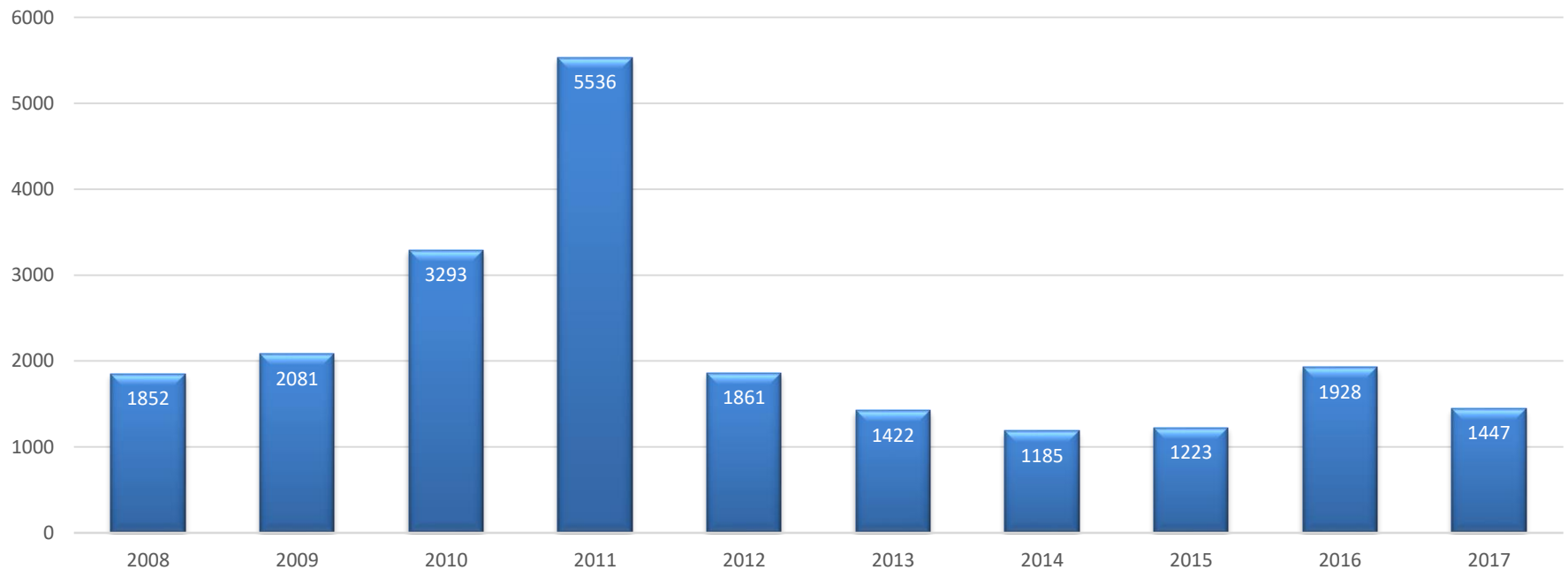
As of 31.07.2018

- **Applications accepted: 22 611**
- **Authorisations issued: 19 879**
- **Authorisations valid: 16 808**



4. The EU AEO Programme - Statistics - (2)

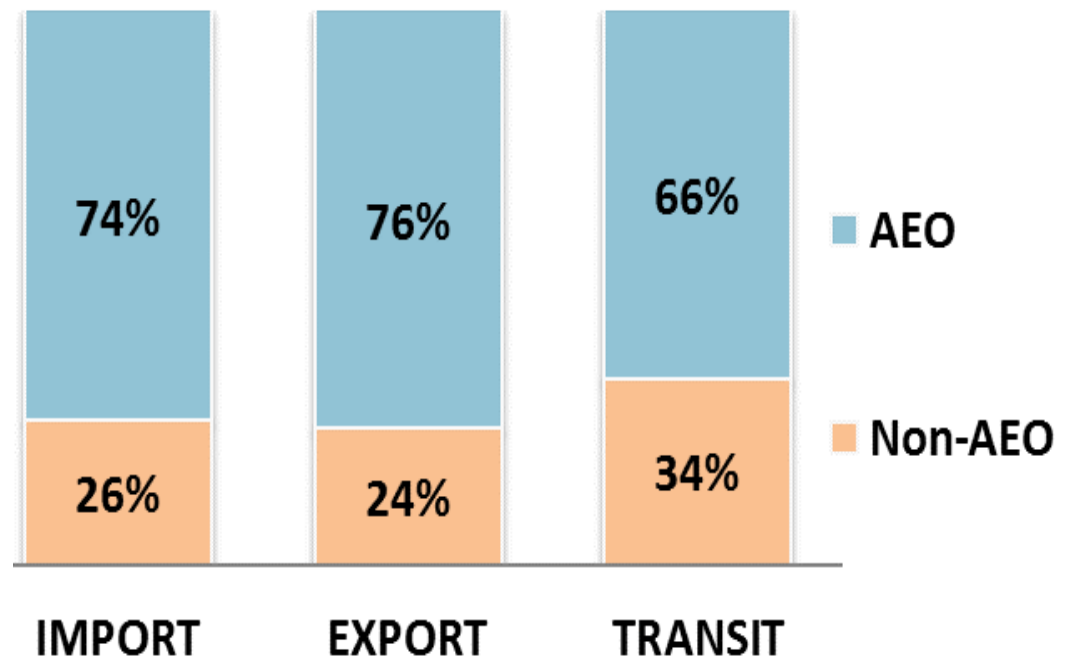
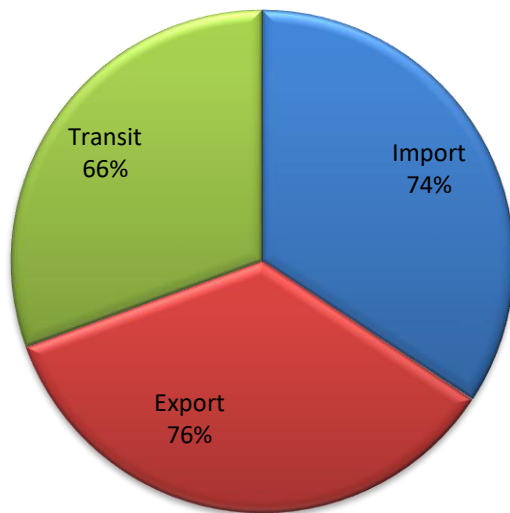
Applications accepted in period 01.01.2008 – 31.12.2017





3. The EU AEO Programme - Statistics - (3)

Involvement of AEOs in the supply chain (31.12.2017)



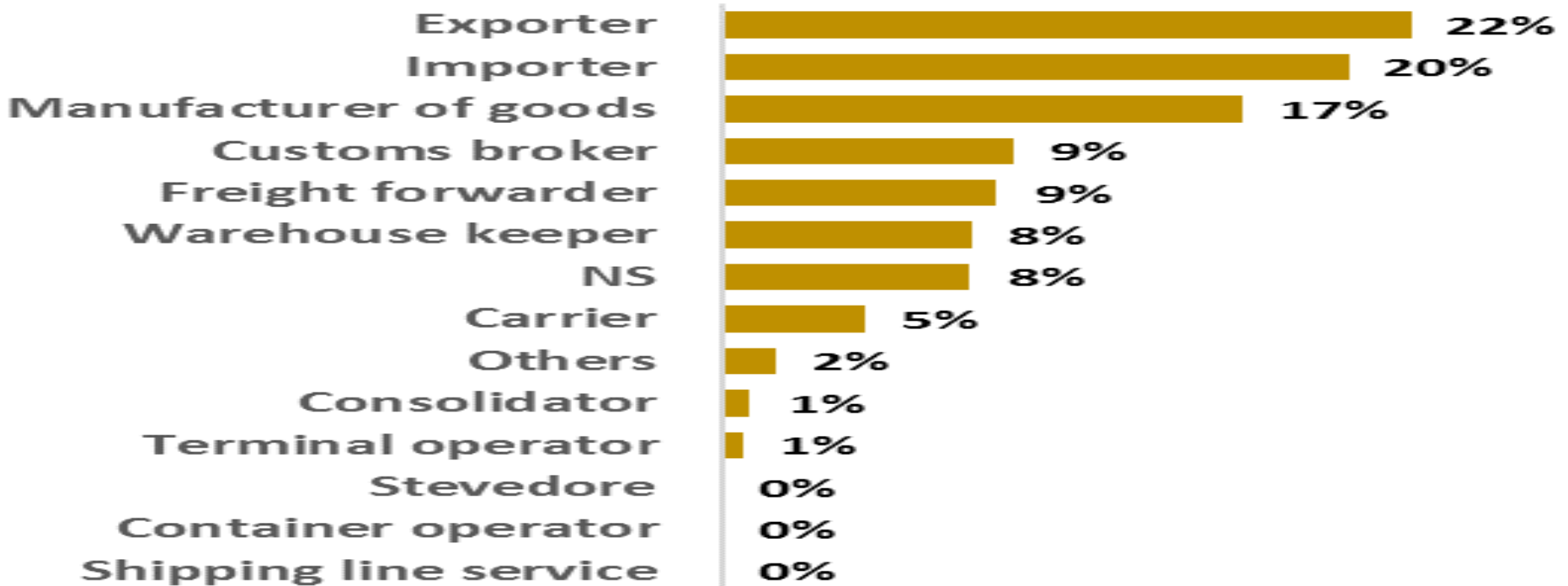


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3. The EU AEO Programme - Statistics - (4)

AEO in the supply chain





5. Lessons learned

- *Appropriate **legal background** is "a must", but **only the first step!***
- *Creation of further **practical guidance** is "key"!*
- *Uniform application should be **monitored at a continuous basis!***
- ***Communication and collaboration** ensure a successful partnership*

6. Cooperation with other government authorities (1)

Cooperation with other competent authorities and alignment of programmes

- *to ensure global supply chain security*
- *to avoid duplication of efforts and costs for authorities and economic operators*



6. Cooperation with other government authorities (2)

Areas addressed at EU level

- *Aviation sector – AEO/RA/KC/AC*

Ongoing discussions on:

- *Maritime sector – AEO/ISPS*
- *Product safety*
- *Agricultural products*
- *Dual use goods – export control*



7. International cooperation (1)

Mutual Recognition of AEO Programmes

- *Key element to strengthen end to end security of international supply chains*
- *Trade facilitation for legitimate and secure operators through **granting substantial, equal and reciprocal benefits to AEOs in partner countries under compatible programmes.***



7. International cooperation (2)

The EU experience

- ***EU current mutual recognition agreements:***
 - **Switzerland – 1 July 2009**
 - **Norway - 1 July 2009**
 - **Japan –24 May 2011**
 - **United States of America – 4 May 2012**
 - **People's Republic of China – 16 May 2014**

!!! THANK YOU FOR YOUR ATTENTION !!!

