



AEO Benefits

Mauro Giffoni



AEO Benefits

- Benefits are suggested by WCO in the SAFE Framework
- Benefits should be:
 - Tangible: balance between trade security and trade facilitation
 - Documented
 - Meaningful
 - Measurable
 - Reportable

AEO Benefits

- Examples of benefits (WCO):
 - measures to expedite cargo release, reduce transit time and lower storage costs
 - providing access to information of value to AEO participants
 - special measures relating to periods of trade disruption or elevated threat level
 - first consideration for participation in any cargo processing programmes

Measures to expedite cargo release, reduce transit time and lower storage costs

- A reduced data set for cargo release;
- Expedited processing and release of shipments;
- Minimum number of cargo security inspections;
- Priority use of non-intrusive inspection techniques when examination is required;
- Reduction of certain fees or charges for AEOs in good standing;
- Keeping Customs offices open on a continuous basis when a tangible need for such coverage has been specifically identified.

Providing access to information of value to AEO participants

- Names and contact information for other AEO participants, with the consent of those participants;
- List of all countries adopting the SAFE Framework;
- List of recognized security standards and best practices.

Special measures relating to periods of trade disruption or elevated threat level

- Accord priority processing by Customs during period of elevated threat conditions;
- Priority processing following an incident requiring the closing and re-opening of ports and/or borders;
- Priority in exporting to affected countries after an accident.

AEO Benefits

First consideration for participants in any new cargo processing programmes

- Account-based processing rather than transaction-by-transaction clearance of accounts;
- Simplified post-entry or post-clearance programmes;
- Eligibility for self-audit programmes;
- Expedited processes to resolve post-entry or post-clearance inquiries;
- Favourable mitigation relief from Customs assessments of liquidated damages or non-criminal administrative penalties, except for fraud;
- Increased paperless processing of commercial shipments for both export and import.

The most common benefits granted to AEO in the world

- Easier admittance to customs simplifications (for example: Algeria, Costa Rica, Dominican Republic, EU, Guatemala, Japan for transit, Chile, Former Yugoslav Republic of Macedonia, Tunisia, Turkey)
- Prior notification to control (Costa Rica, Dominican Republic, EU, Switzerland, Turkey)
- Reduced data set for declaration (Canada, EU, Malaysia, Norway, Switzerland, Turkey)
- Fewer physical and document based controls (Algeria, Costa Rica, Dominican Republic, EU, Norway, Switzerland, Morocco, Tunisia, Turkey)
- Priority treatment of consignments if selected for control (China, Dominican Republic, EU, Israel, Uganda)

The most common benefits granted to AEO in the world (2)

- Choice of place of control (Dominic Republic, EU, Korea, Norway, Turkey, Uganda)
- Gain access to the major facilities at the port of entry in the country of destination (Argentina)
- Participation in the AEO Congress (Colombia)
- Participation in training activities scheduled for AEOs by the enforcement authorities (Colombia)
- Technical training (Guatemala, USA, Zambia)
- No monthly fee for customs warehouses (Japan)

The most common benefits granted to AEO in the world (3)

- Minimum levels of financial penalties (in installments without interest) (Jordan)
- Have a relationship officer who is their contact person at the Department (Kenya)

The most common benefits granted to AEO in the world (4)

Indirect benefits:

- Reduced theft and losses
- Fewer delayed shipments
- Improved planning
- Improved customer service
- Improved customer loyalty
- Improved inventory management
- Improved employee commitment
- Reduced security and safety incidents
- Lower inspections costs of suppliers and increased co-operation
- Reduced crime and vandalism
- Improved security and communication between supply chain partners

AEO Benefits

Other benefits for AEOs:

- Recognised as a secure and safe business partner
- Improved relations with Customs
- Improved relations and acknowledgement by other government authorities



WORLD CUSTOMS ORGANIZATION
ORGANISATION MONDIALE DES DOUANES



Thank you!

