



**World Customs
Organization**

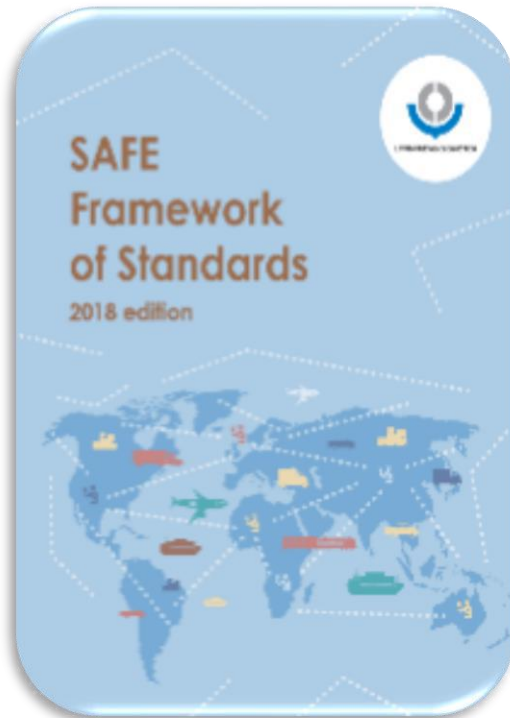
Update from the WCO on SAFE FoS 2021 and AEO programmes

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Virtual workshop

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Key Issues



01 **SAFE FoS & AEO Compendium**

02 **COVID-19 pandemic & AEOs**

03 **2021: New provisions and tools**

I. WCO's SAFE FoS: Key features



- SAFE FoS: first published in 2005.
- Standards: supply chain security & trade facilitation.
- **ACI harmonisation**: one of core elements of the SAFE FoS.
- Consistent with the Revised Kyoto Convention (*prior lodging information, risk management, authorised person*)
- 03 Pillars:
 - ❖ **Pillar 1: C-C**
 - ❖ **Pillar 2: C-B (AEO)**
 - ❖ **Pillar 3: C-OGAs (Alignment Security Programmes)**
- **New version of the SAFE FoS: June 2021**

AEOs Global Picture



97 Operational AEO Programmes (*12 more compared to 2019*)

20 AEO Programmes under development (*1 more compared to 2019*)

33 Operational Customs Compliance Programmes (*3 more compared to 2019*)

4 Customs Compliance Programmes to be launched (*same figures as in 2019*)

87 Bilateral MRAs (*11 more compared to 2019*)

4 Plurilateral/Regional MRAs concluded (*same figures as in 2019*)

78 more MRAs are being negotiated (*13 more compared to 2019*)

Global analysis



Of the 97 operational AEO programmes:
A few programmes open to all operators
in the SCs.

- 24% of them have less than 10 AEOs;
- 18% have from 11 – 100 AEOs;
- 19% have from 101 - 500 AEOs; and
- 39% have more than 500 AEOs.

II. COVID-19 Pandemic and the role of Customs & AEOs



COVID-19 Vaccines

C-B partnership and C-OGAs collaboration

The Right Balance

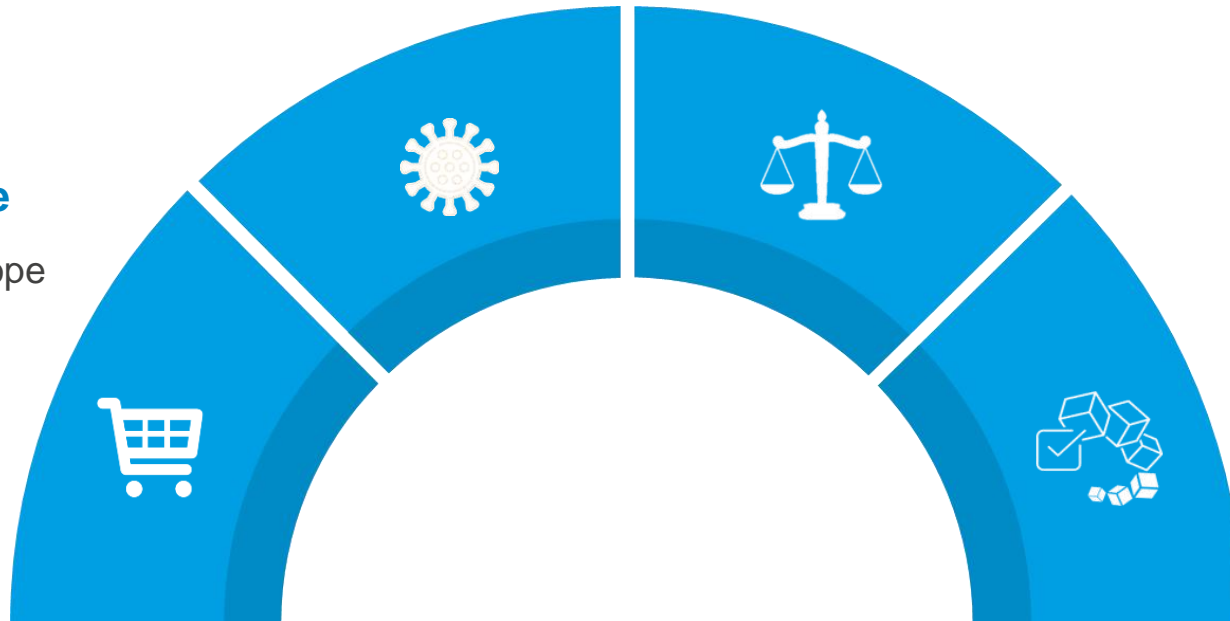
Risk –based control, trust and ACI

E-Commerce

Extending the scope of AEOs

Technology

Paperless procedures, Smart Security Devices,





WCO's Resolution on COVID-19 vaccines



Customs administrations to:

- Carry out the clearance of situationally critical medicines & vaccines as a matter of high priority.
- **Provide facilities for the pre-arrival clearance of such medicines and vaccines.**
- **Provide special procedures for authorized/recognized supply chain actors (AEO/RA/KC...).**
- Apply risk-based selectivity & perform examinations on vaccines shipments only in exceptional circumstances.
- Ensure that inspections by OGAs & Customs are coordinated and, if possible, carried out at the same time...

E-commerce Expanding the AEO concepts



Standard 6: Expanding the Concept of Authorized Economic Operator (AEO) to Cross-Border E-Commerce

- Customs administrations should explore the possibilities of applying AEO Programmes and Mutual Recognition Arrangements/Agreements in the context of cross-border E-Commerce, including leveraging the role of intermediaries, to enable Micro, Small and Medium-sized Enterprises (MSMEs) and individuals to fully benefit from the opportunities of cross-border E-Commerce.

Partnerships with E-commerce stakeholders



Standard 11: Public-Private Partnerships

- Customs administrations should establish and strengthen cooperation partnerships with E-Commerce stakeholders to develop and enhance communication, coordination and collaboration, with an aim to optimize compliance and facilitation.

AEOs and E-commerce stakeholders



The following options can be considered for expanding the AEO concept to e-commerce stakeholders:

- Option 1 (Expand AEO partnership through fulfilment centres)
- Option 2 (Use of Customs Mutual Administrative Assistance Agreements (CMAA) and AEO's Mutual Recognition Agreements/Arrangements (MRA))
- Option 3 (Registration system)

III. SAFE FoS 2021: A new core element



- A fifth core element of the SAFE FoS:

“Fifth, it promotes close cooperation with other governmental agencies representing different regulatory areas, in order to keep societies safe and secure while facilitating the movement of goods”

To be endorsed by the 25th SWG Meeting on 14-16 April

Enhancing C-OGAs



Pillar 3, Standard 2:

“2.2 Standard 2 - Cooperative Arrangements/Procedures

- Governments should develop and maintain cooperative arrangements or procedures among their agencies that are involved in international trade and security.
- *For this purpose, governments should take Article 8 of the World Trade Organization’s Trade Facilitation Agreement into consideration in order to achieve the best cooperation and coordination possible between the different competent agencies”.*

Promoting regional and plurilateral MR approaches



- Aiming: Reducing increasing bilateral MRAs
- Standardized AEO criteria
- Ensuring benefits for AEOs in the region environment
- Regional Customs Union AEO programme
- Plurilateral MRAs
- New tool: “Regional Customs Union AEO Programme and plurilateral MRA”

Technology: Smart Security Devices



- Use of smart security devices is increasing in cross-border procedures.
- Optimizing Customs controls and effectively monitor the movement of goods on a real-time basis.
- Use of technologies relating to seals was expanded by including “smart security devices” in the relevant standards of the SAFE FoS

Preloading Advance Cargo Information (PLACI)



- Joint WCO-ICAO Guiding principles for Pre-loading Advance Cargo Information (PLACI).
- Descriptions of PLACI data elements were amended
- Align them with the corresponding data elements specified in the WCO Data Model

AEO Implementation and Validation Guidance



- An effective tool to enhance AEO Implementation
- Chapter I: Simplified AEO Implementation process
- Chapter II: Detailed explanatory notes for AEO Template;
- Chapter III: Harmonized AEO Validator Guide
- Lessons learned for Virtual revalidation



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Thank You!

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