

The benefits of a pan-european approach: the EU and foreign perspective from the Netherlands point of view

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Agenda

EU AEO

External Dimension of EU security legislation



EU AEO (Changing environment)

Changing environment and new challenges for EU customs in general

- Increasing globalization of Trade
- Increasing threat of crime and terrorist acts
- Increasing interconnectivity and interdependency of societies/countries

EU AEO (customs transition)

Role of EU customs is changing

- Traditional approach:
 - fiscal matters
 - revenue collection
- New tasks and new challenges due to increasing
- concerns for safety and security



EU AEO (security concept)



EU concept of security:

- Identify consignments that constitute a high risk at the earliest possible point in time
- Identify traders that offer a high degree of security guarantees in respect of their role in the supply chain
- **This concept pushes security of cargo back in supply chain by involving private sector and by requiring increased security at the point of origin and as the consignment moves through the supply chain.**

EU AEO (results)

Expected results of combined measures:

1. More reliable and more timely information through advance cargo data
2. More reliable information on trade through risk assessment of AEOs and thus more reliable information on supply chain
3. More predictability for trade
4. Quicker release of majority of goods as control only of goods identified as of high risk
5. Improved and better focused controls, including on export
6. End-to-end supply chain security if more countries implement equivalent concepts

EU AEO (perception)

Current perceptions of AEO of some EU countries:

Netherlands:

- Many companies are applying for AEO and they are aware of the advantages an AEO certification has to offer
- Customs see AEO as an important step towards further cooperation with business sector and it fits in aim to 'horizontal' supervision
- Some certified companies are publishing in newspapers about the fact that they have the certificate and that they are a reliable client for customs
- The standard processing time is approximately between 90-120 days

Sweden:

- Companies are preparing AEO application
- Authorities are informing about the necessity of AEO but state that concept of AEO is voluntary
- The standard processing time is approximately between 100-120 days

EU AEO (perception)

Belgium:

- Members of industry are still preparing for the application for AEO
- Benefits will be received just after filing the application and more as of 01/07/2009
- Emphasis on awareness training
- Processing time of applications tend to maximum period of 300 days

Bulgaria:

- Authorities are still informing the public regarding AEO program
- Customs authorities are starting up the publicity on AEO and its benefits

Denmark:

- Industry is being informed at this moment of existence of AEO
- Customs authorities are still preparing themselves for receiving the AEO applications

EU AEO (perception)

Hungary:

- The Hungarian and the registered international companies in Hungary are interested in AEO
- Customs authorities think that AEO will be more attractive as soon as EU customs legislation is going to grant more advantages in the Modernized Customs Code

Portugal:

- Industry is still preparing herself to file applications
- Tax authorities stimulate process

United Kingdom:

- Industry is still preparing for filing the applications. The process is becoming further established.
- Authorities emphasize it is a voluntary program
- Processing time of applications is approximately 120 days

EU AEO (Numbers)

Approximately 600 applications for certificates in:

- | | | |
|---|---|-------|
| 1) Customs Simplifications | → | AEOC |
| 2) Security and Safety | → | AEO S |
| 3) Customs Simplifications/ Security and Safety | → | AEO F |

Certificate holders according to official EU taxation database:

http://ec.europa.eu/taxation_customs/dds/aeohome_nl.htm

About 100 certified companies on 17 june 2008

Most of certificates are AEOF

Exception Sweden most of certificates are AEOC

EU AEO (Numbers)

Austria	7	Hungary	1
Belgium	0	Ireland	0
Bulgaria	0	Italy	0
Cyprus	0	Lithuania	0
Czech Republic	4	Luxembourg	0
Germany	22	Latvia	0
Denmark	1	Malta	0
Estonia	0	Poland	0
Spain	0	Portugal	0
Finland	2	Romania	0
France	0	Sweden	36
United Kingdom	7	Slovenia	0
Greece	0	Slovakia	0
		Netherlands	20

External Dimension of EU security legislation (1)

- Overall objective is international end-to-end supply chain security through:
 - Mutual recognition of equivalent security standards and controls
 - Mutual recognition of equivalent authorized economic operator concepts

Agenda

EU AEO

External Dimension of EU security legislation



External Dimension of EU security legislation (2)

End-to-end Supply chain security

- Mutual recognition of AEO's, security measures and control results
- Ongoing cooperation towards mutual recognition with US, China, Japan, Switzerland and Norway.
- Discussions in international fora (WCO) and other countries

Objective: increased security and trade facilitation

External Dimension of EU security legislation (3)

EC-US Cooperation on security

- EC-US Agreement on Customs Co-operation amended in April 2004 to include cooperation on security measures like CSI and to work towards mutual recognition of AEO and C-TPAT
 - A number of actions have been agreed (exchange of certain risk related information, minimum control standards, pilot project on inclusion of feeder ports in the CSI)
 - Cooperation continues among other on risk rules, research, exchange of risk related information and knowledge, cooperation on AEO / C-TPAT

External Dimension of EU security legislation (4)

EC-US Roadmap

- Equivalence AEO-C-TPAT determined in spring 2007
- Political Agreement at Transatlantic Economic Council (TEC) in November 2007
- Agreement on Roadmap by EC-US JCCC in March 2008

Objective:

- Signature of an EC-US Agreement / Agreement on mutual recognition before end 2008
- Implementation of the agreement and thus of mutual recognition in the course of 2009

External Dimension of EU security legislation (5)

EC-China Pilot “Smart and Secure Trade lanes”

- To test and agree measures to secure end-to-end supply chains between EC and China
- The first phase concerns sea container traffic shipped between China, UK and NL
- The project will in its second phase be expanded to other modes of transport and other ports in Europe and China

Objective: mutual recognition of AEOs, security measures and control results that will lead to smart and secure trade lanes and thus benefits for trade but also improved targeting of counterfeit, smuggled and unsafe products

External Dimension of EU security legislation (6)

EC-Japan Cooperation on AEO

- EC-Japan Customs Co-operation Agreement applicable as of 1 April 2008
- 1st Joint Customs Co-operation Committee decided to work towards mutual recognition of Japan / EC AEO

Objective: Increased facilitation and strengthened security of supply chains between EC and Japan

External Dimension of EU security legislation (7)

EC-Switzerland and EC-Norway Co-operation

- Negotiations to conclude agreement in time before 1 July 2009 to avoid difficulties when the EU advance cargo reporting obligations enter into force.

Objective:

- Reciprocity and mutual recognition of AEO, security measures and control results
- Maintaining existing simplifications from customs procedures

External Dimension of EU security legislation (8)

EC- Brazil

- Some Brazilian industries are interested in the Blue Lane (AEO Certificate)
- They have to prepare a report and send it to tax authorities to analyse if the company could be in the special regime of Blue Lane
- Authorities had expected more than 1,000 companies to apply but the number of applicants was much lower
- Processing time of applications for Blue Lane is 15 months