Customs Administration of the Netherlands
Workshop - Strengthening Security on Inland Freight Routes

Wim Visscher RE

Senior policy advisor / National AEO coordinator / IT-auditor

Customs Administration of the Netherlands

National Office of Customs in Rotterdam
AEO general

New York (11 September 2001)

Customs Trade Partnership Against Terrorism (C-TPAT) (VS)

World Customs Organization (WCO):
Standards to Secure and Facilitate Global Trade (SAFE Framework)

European Union:
AEO programme based on EU legislation
AEO general

Legislation/Certification (EU)
- Regulated Agent / Known Consignor
- ISPS (International Ship and Port facility Security)

Legislation/Certification (Non-EU)
- C-TPAT (VS)
- Stairsec (Sweden)
- PIP (Partners in Protection / Canada)

Commercial
- ISO (9000, 14000, 27001, 31000, etc.)
- TAPA (Transported Asset Protection Association): cargo crime
AEO general

• Authorised Economic Operator: trusted actor in the supply chain

- fewer physical controls
- prior notification
- etc.

• Benefits from simplifications and facilitations

• AEO status:
  - AEO-C(ustoms simplifications)
  - AEO-S(ecurity and safety)
  - AEO-C / AEO-S (may be held at the same time)
AEO criteria (EU: Union Customs Code)

1. **Compliance** with customs legislation and taxation rules

2. Administrative system of recordkeeping, managing commercial and transport records and allowing customs controls

3. Proven financial solvency

4. Practical standards of **competence** and professional **qualifications**

5. Where applicable, appropriate **security and safety** standards

*An AEO should focus on processes, management of risk, internal controls and measures taken to reduce risks*
AEO-S (security and safety)

Appropriate security and safety standards

- Building security
- Access controls
- Cargo security
- Business partner security
- Personnel security
- Security awareness programmes
AEO: 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 inspection costs of suppliers and increased co-operation;
- reduced crime and vandalism;
- improved security and communication between supply chain partners.
AEO audit process

Top down approach (for example: security aspects)

- Security policy
- Implementation security policy in (organizational) security measures
- Internal control/audit of security measures
Business monitoring system

AEO criteria

Compliance

Record keeping

Safety & Security

Info to customs
AEO monitoring

• Continuous monitoring by Customs.

• AEO monitoring (AEO field audit) every 3 years:
  - positive result
  - re-assessment
  - suspension
  - revocation

• High risk signals: immediate action by Customs!

• Checking AEO criteria based on company risk assessment, business AEO monitoring system
Number of valid AEO authorisations in the EU

- AEOC: 8024
- AEOS: 660
- AEOF: 8447
Involvement of AEOs in the supply chain

81% AEO
19% Non-AEO

72% AEO
28% Non-AEO

56% AEO
44% Non-AEO

IMPORT
EXPORT
TRANSIT
QUALITY

SAY WHAT YOU DO

DO WHAT YOU SAY

PROVE IT

IMPROVE IT