

The EAC AEO Program

Background

The EAC regional Authorized Economic Operator (AEO) program was conceived by the Commissioners of Customs of the East African (EAC) countries of Burundi, Kenya, Rwanda, Tanzania and Uganda in 2006 after the adoption of the World Customs Organization (WCO) SAFE Framework of Standards by the WCO Council in 2005. The Commissioners' decision was in line with the EAC protocol that requires the EAC region to set up a Customs Union as one of the building blocks for regional integration. The decision was also prompted by the consideration that since the AEO program is about trade facilitation and the security of the supply chain, traders and Customs stood to gain more if the whole supply chain within the region is covered under one program.

**46 accredited companies
accounting for over 1bn USD
of the EAC International
Trade**

Piloting

A pilot project commenced in 2008 and in 2015 the first thirteen AEOs, were enlisted. Since then the number has kept on increasing and at the close of 2017 a total of 46 AEOs had been enlisted into the program.

How it Works:

The EAC Regional AEO program covers and is applicable in all the Partner States namely Burundi, Kenya, Rwanda, Tanzania and Uganda save for the Republic of South Sudan which was not a member Partner State of EAC at the commencement of the programme. However, plans are under to operationalize the program in the Republic of South Sudan

The regional AEO program operates under a common set of criteria, instruments, authorisation process, benefits and monitoring system in all the Partner States. An applicant for AEO Status, irrespective of the Partner State therefore goes through the same set of criteria like her/his counterparts in other Partner States. The Customs experts who administer these criteria are trained together to ensure harmonisation and uniformity in process.

Authorization Process

The authorisation process can be summarised into a four-stage process as below;

1. The application is lodged with the national Customs administration, which takes it through the Authorisation process.
2. Once satisfied that the applicant qualifies, the national Customs administration checks compliance records of the applicant with the Customs administrations in the other Partner States and approves the applicant's application.
3. The applicant is invited to sign a Memorandum of Understanding (MoU) which is done by the Customs Administration on behalf of EAC.
4. EAC Secretariat issues a certificate to the applicant.

THE EAC AEO PROGRAM



Message to the Traders

The AEO program is designed to facilitate and enhance the experience of the compliant trader when undergoing Customs clearance processes. The simplified procedures for AEOs has had tremendous effect with regard to reducing the cost associated with the movement and clearance of goods. The EAC is currently pursuing mutual recognition with other trading blocs, a move which will lead to EAC AEOs enjoying more benefits when trading outside EAC region.

Joining the Regional AEO program therefore opens the doors for unlimited opportunities and the key to unlock the potential of your business. It is the Customs way of supporting business and for business to support development in the EAC region



AEO: A global program

The AEO program is one of the WCO programs that is being implemented worldwide. It aims to enhance Customs efficiency in the face of increasing volumes of trade and the increasing vulnerability of the international trade supply chain to security threats as well as the use of the international trade supply chain as a conduit for high security risk materials. The AEO program tackles these challenges by shifting the perspective, so that instead of focussing on the goods themselves, Customs focusses on the traders. The compliant traders are therefore given the AEO status which means they are low risk companies and can therefore be trusted by Customs. This implies that Customs can handle the consignments of such companies with less controls compared to others. That way the AEO program is an instrument for growing compliance.

The EAC Customs administrations face the same problems just like other Customs administrations around the world. After all, international trade is always about goods moving from one country to another. The AEO program is therefore looked at as one of the programs that will help Customs within the EAC improve efficiency and effectiveness in securing the international trade supply chain while at the same time facilitating trade.



Benefits

General

- 1- Recognition as low risk company
- 2- Faster Clearance procedures with Customs

Benefits offered by Customs

- 1- Automatic passing of declaration
- 2- No physical examination of goods, except for random or risk based interventions.
- 3- ECTS requirement waiver where applicable
- 4- Expedited payment of refund claim
- 5- Reduced Customs security where applicable
- 6- Priority to participate in Customs initiatives
- 7- Guaranteed renewal of Customs license
- 8- Priority treatment in cargo clearance chain
- 9- Waiver of movement bond requirements for AEO
- 10- Self-management of bonded warehouse

Implemented by



With the Support of



www.eac.int/eacao

Useful Links

OBR - <https://www.obr.bi/>

KRA - www.revenue.go.ke/

RRA- <http://www.rra.gov.rw/>

TRA- <https://www.tra.go.tz/>

URA - <https://www.ura.go.ug/>

<https://www.eiseverywhere.com/ehome/aeo2018/611770/>

Download Documents

- 1- The AEO Manual
- 2- Self-Assessment and Application form
- 3- Benefits regime
- 4- FAQs

Contacts

EAC Secretariat– Martin Ojok,

Martin.Ojok@wcoomd.org +255683089685

Burundi – OBR– Ancilla Nteturuye

Ancilla.Nteturuye@obr.gov.bi +257 79 75 35 97

Kenya – KRA– Noel Kayaywa

Noel.Kayaywa@kra.go.ke, +254 722 720 227

Rwanda – RRA– Josias Muhaiyimana

josias.muhaiyimana@rra.gov.rw +250788614120

Tanzania – TRA- Juma B. Hassan

jhassan@tra.go.tz +255784799899

Uganda – URA – Peninah Kirungi –

pkirungi@ura.go.ug +256772461380

