

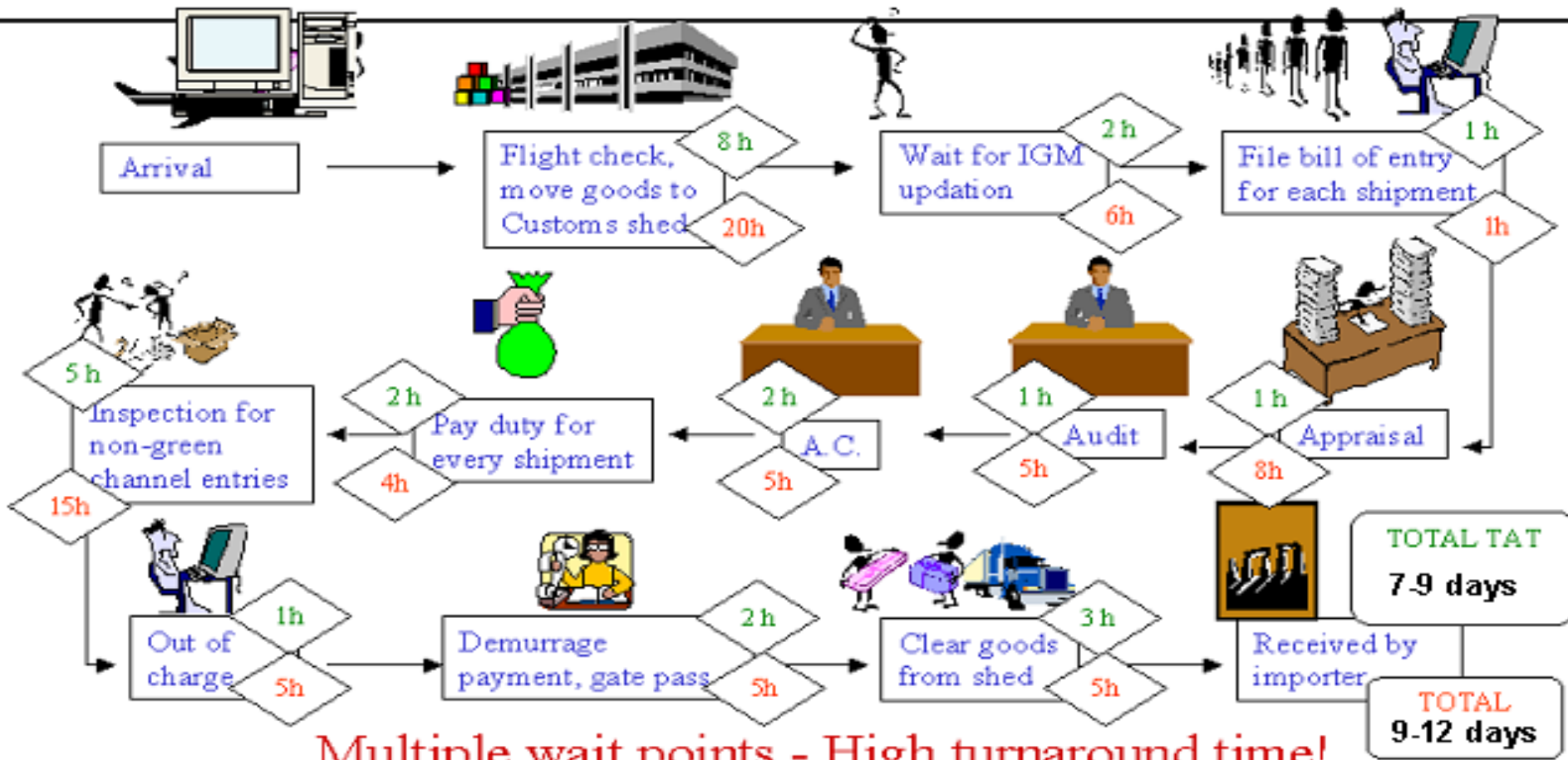


AEO
Indian Customs

Customs Environment



Customs Clearance in the Manual System



Multiple wait points - High turnaround time!

Legend

1h

Typical time required for this process in work hours

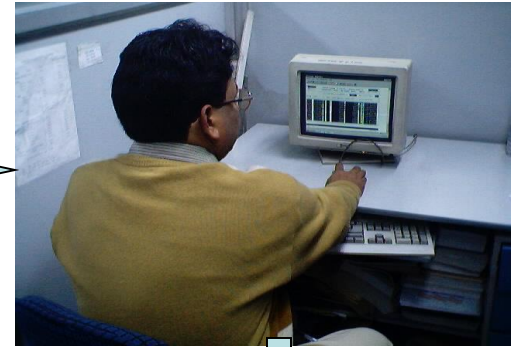
5h

Worst case times required for this process in work hours

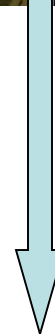
Automated Customs Clearances



E-Filing



Appraisal



Examination



Delivery



Authorised Economic Operator(AEO)

- AEO developed as per WCO guidelines

- DGICCE is the Nodal Agency

- Objective :

To ensure security in global supply chain from the point of origin to the point of destination

Authorised Economic Operator(AEO)

- **AEO Certificate in 90 days**
- **Implementation on voluntary basis**
- **Circular 37/2011 dated 23.8.11**
- **Recent Circular 28/2012 dated 16.11.12**

Authorised Economic Operator(AEO)

▪Who are eligible for AEO?

Manufactures

Exporters, Importers

Logistic Providers

Carriers (airlines, truckers, etc.)

Customs House Brokers

Frieght Forwarders

Port Operators

Stevedorers

Authorised Couriers



Authorised Economic Operator(AEO)

Who are not eligible for AEO?

Banks

Insurance Companies

Consultants

and similar category

Benefits to Importer/Exporter

Importers:

- (i) Reduced examination and inspection
- (ii) Acceptance of pre-arrival import declarations.

Exporters:

- (i) Reduced examination and inspection.
- (ii) Acceptance of export declarations without bringing goods into Customs area.

Benefits to W/H owners/CBs/LPs

Warehouse Owners:

- (i) **Faster approvals for a new warehouse**
- (ii) **Reduced audit**

Custom House Brokers:

- (i) **Acceptance of pre-arrival import declarations for client importers.**

Logistics Providers (Carriers / Forwarders/ etc.):

- (i) **Transit of goods without case by case permissions.**
- (ii) **Transit of goods without Customs escort.**

Criteria for grant of AEO

- Maintenance of proper record
- Minor errors are ignored
- Errors shall be rectified
- Errors shall not be repeated
- Proper infra for maintenance of records
- Financial Solvency

Security and Safety

- **Cargo Security**
- **Conveyance Security**
- **Premises Security**
- **Personal Security**



Documents to be submitted

- **Application**
- **Security Plan**
- **Process Map**
- **Site Plan**
- **Self Assessment Form**

Pre-Certification verification

AEO team verifies during visit the following :

- Information on customs matters
- Remedial action taken on errors
- Accounting and logistic systems
- Flow of Cargo
- Security of Computers/IT and documents
- Financial Solvency
- Safety/security of the premises/cargo/personnel
- Storage of goods etc.,

Post Certification requirements

- Maintenance of AEO status
- Review/Validity of AEO status
- Suspension of AEO status
- Revocation of AEO status
- Right to Appeal with DGI

24x7 Operations

in

**Clearance of import & Export
goods**

Introduction

- Concept was introduced during July, 2010 on a trial basis for 45 days in 3 phases
- Phase 1: Delivery of export goods
- Phase 2: Delivery of RMS facilitated import goods
- Phase 3: Assessment and examination of import / export goods
- (Ref: Public Notice dated 10.7.2010)

Continuation of the facility

- On successful completion of the trial operations, the facility has been continued for clearance of factory stuffed export containers on regular basis.

(Facility Order No.1/2011 dt. 02.05.2011.)

Extension of the facility

Keeping in view the results of 24x7 operations, it has been decided to extent the facility to the following categories of imports and exports:

- (a) Goods covered by 'facilitated' Bills of Entry at Sea port and Air Cargo Complex
- (b) Exports covered under free shipping bills at Sea Port and
- (c) Exports covered by all Shipping bills at Airport

(Public Notice No. 2/2015 dt. 1.1.2015)

Benefits

- Faster clearance
- Reduction in transaction cost
- Business promotion
- Timely execution of export orders
- Export competitiveness in international market

Role of Custodians

- To make necessary arrangements for round the clock clearances /delivery.
- Infrastructure development

Role of Importers/Exporters/CBs

- Obtain information regarding the details of the officers posted for this purpose.
- To maintain data quality – as amendments are not possible beyond office hours



Thank You