

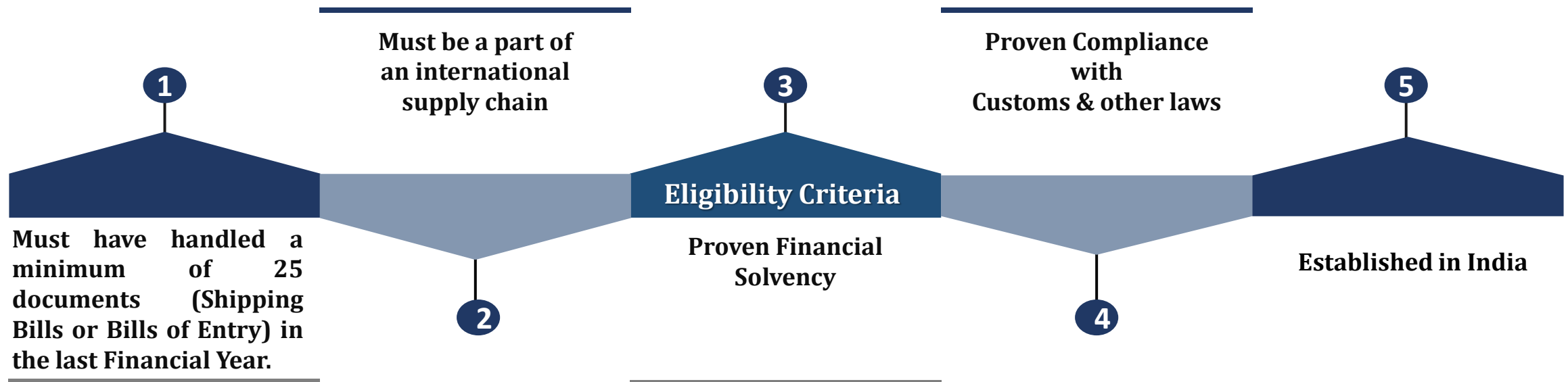
Authorized Economic Operator Programme

(AEO Programme)



Background

- ✓ The Authorized Economic Operator (AEO) program operates under the World Customs Organization (WCO) SAFE Framework of Standards, which is designed to secure and facilitate global trade.
- ✓ The program aims to enhance international supply chain security while facilitating the movement of legitimate goods.
- ✓ Entities engaged in international trade can apply for and, upon meeting supply chain security standards, receive approval from Customs to obtain AEO status along with certain benefits.
- ✓ India's AEO program aligns with the commitments made under Article 7.7 of the World Trade Organization's Trade Facilitation Agreement (WTO TFA).



Multiple Tiers of Certification in AEO

For Importers and Exporters :

Phase 1 :- Verified on the basis of document submission only.

T1

For Importers and Exporters :

Phase 2 :- In addition to document verification, onsite verification is done.

T2

For Importers and Exporters :

Phase 3 :- For AEO T2 owner who has enjoyed the position for 2 years only based on document verification & for AEO (Authorized Economic Operator) T2 holders who have not enjoyed the status or have introduced major business changes, the applicant is subjected to physical verification.

T3

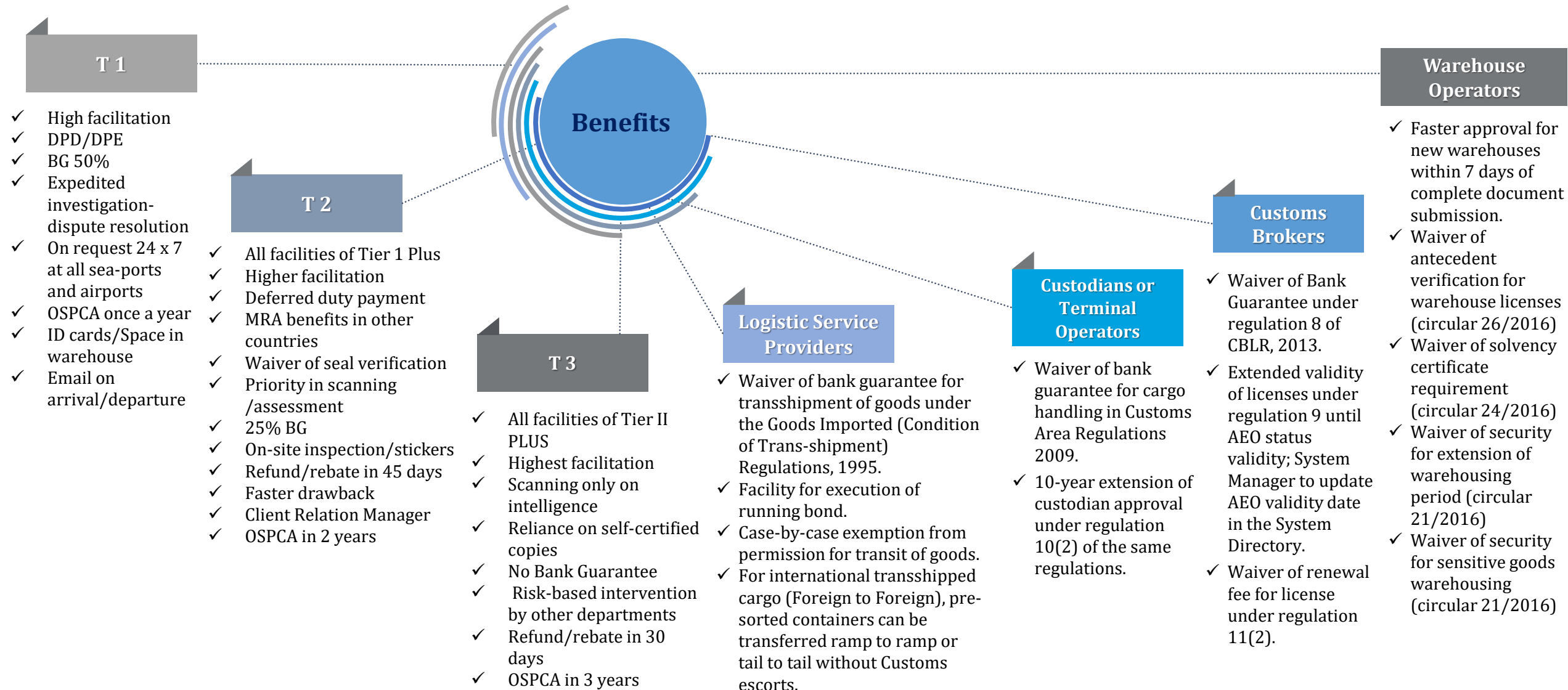
For Logistics Providers, Custodians or Terminal Operators, Customs Brokers and Warehouse Operators :

In addition to document verification, onsite verification is done.

LO

Tiers

Benefits of AEO certification at all Tiers



Validity & Renewal of AEO certificate

AEO	Validity	Timeline for submission of application for renewal before lapse of validity
AEO-T1	3 years	30 days
AEO-T2	3 years	60 days
AEO-T3	5 years	90 days
AEO-LO	5 years	90 days

Key Documents required for filing

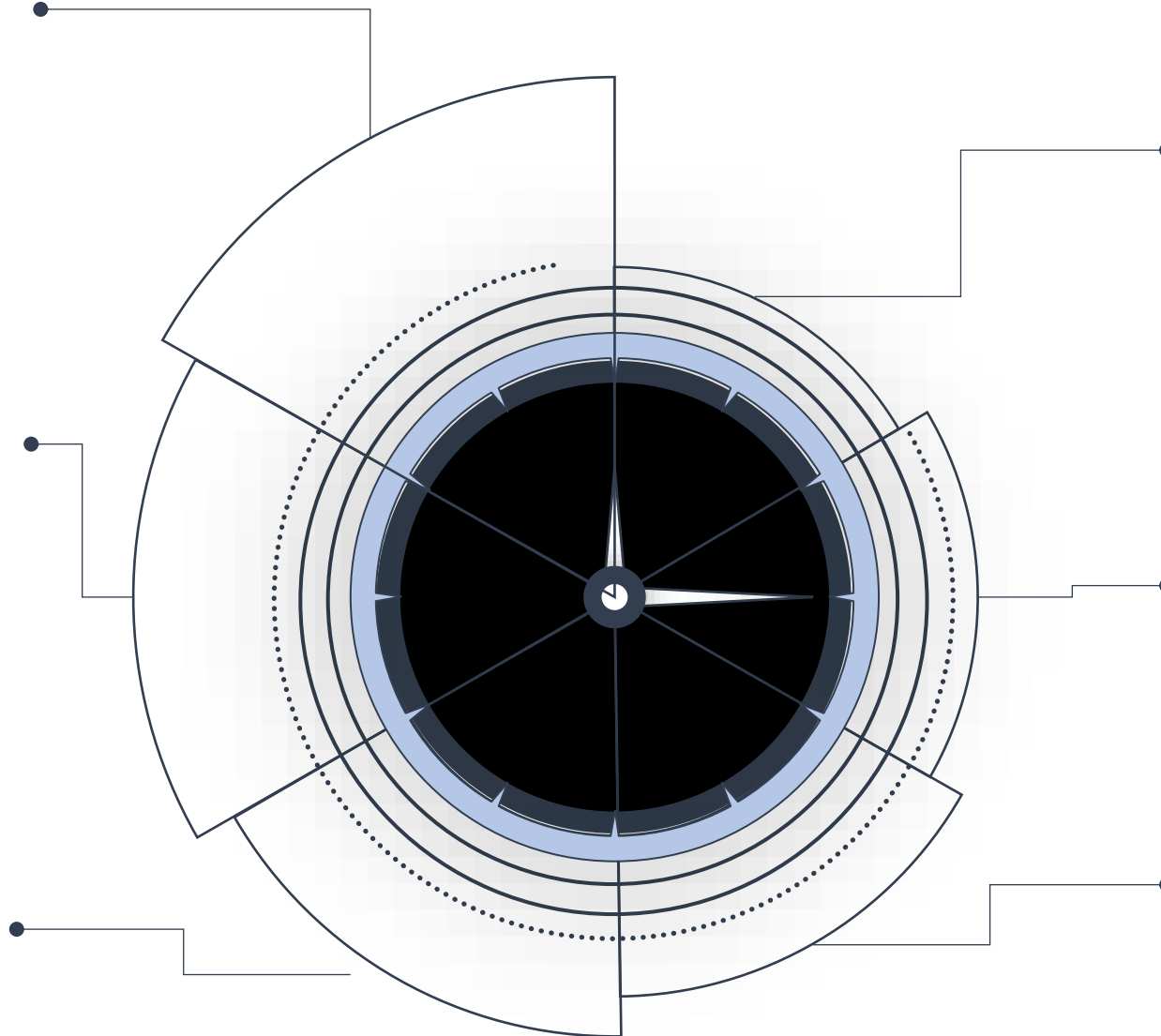
- ❖ **Application Form:** Includes business details (name, address of all sites, contact info) and requires Board Resolution and any MSME Certificate. Must also provide ME/SB fields for the previous Financial Year.
- ❖ **Security Plan:** Outlines compliance with government mandates.
- ❖ **Process Map:** Describes the flow of goods/documents from order receipt to export, detailing activities and roles of business partners.
- ❖ **Site Plan:** Required.
- ❖ **Compliance Documents:** Includes factory license, certificate of incorporation, etc.
- ❖ **Compliance Procedures:** Documents any show-cause notices related to Customs Act, internal control comments, and customs law infringements.
- ❖ **Commercial and Transport Records:** Snapshot of the record room included.
- ❖ **Financial Solvency:** Financial statements for the last three years and a solvency certificate from a statutory auditor.
- ❖ **Cargo Safety and Security:** Procedure manual ensuring cargo integrity, premises security, and cargo security.

Scope of Work

Analyzing the existing level of security standards and other required areas for gaining AEO License status

Assistance in preparations of SOPs and establishing the Standards required for AEO Registration and organizing the information and documents for filing the AEO License application

Preparation, filing of the application, and providing support from time to time are required by AEO License Authorities.



Independent internal review to check the Security Standards and compliance level with other requirements for AEO Registration and propose improvement areas before physical verification by AEO Certification Authorities

Support during physical verification by AEO Registration Authorities and Following up with AEO Authorities till done the AEO certification

Assistance in Compliance with AEO Registration Status Requirements..

Our Offices

Noida

9th Floor, Tower C, Logix Cyber Park,
Phase 2, Sector 62 Noida 201301

Gurugram

6th Floor, JMD Galleria, Sector 48,
Gurgaon, 122001

Bengaluru

28, Residency Road, Shanthala Nagar,
Ashok Nagar, Bengaluru, 560025

UAE Office

2015, The Burjman Business Tower,
Shaikh Zayed Street, Al Mankhool, Dubai

Contact Us

Abhishek Goel

+91 8800572090

abhi@finexadvisors.in

Raj Sharma

+91 8126254244

raj@finexadvisors.in

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