FACILITATING CROSS-BORDER BUSINESS & TRADE:
ROLES OF AUTHOURISED ECONOMIC OPERATOR (AEO) PROGRAMS
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WOMEN AND YOUTH TRADERS IN AFRICA

• 70% informal cross border trade in Africa is undertaken by women
• 50% to 60% of total intra-African trade is carried out by unregistered traders or firms,
• Youth in Africa constitute a big portion of informal cross border to trade.

Survey By UNDP Empowering African Women in Cross-Border Trade: A Differentiated Approach for Success, NOVEMBER 20, 2023
DEFINITIONS & LEGAL BASIS

DEFINITION

• **AEO**: Is a trader that has been accredited as compliant to trade laws and has ability to ensure international supply chain security.

• **AEO PROGRAM**: is a voluntary programme where supply chain players (Importers / Exporters, Manufacturers, Bonded Warehouses, Distributors, Clearing agents/ Brokers, Transporters/carriers, Suppliers, SMME) applies for accreditation with the Revenue Authorities.

LEGAL BASIS

• WCO- SAFE Framework of standards
• WTO-Trade Facilitation Agreement
• Revised Kyoto Convention
• AfCFTA: Protocol on Women and youth in Trade
AEO OBJECTIVES

• To Promote and Reward Compliance
• To Promote Seamless Borders
• Control Vs Facilitation
• To Promote Customs to Business Cooperation
TYPES OF AEOs

- SIMPLIFIED COMPLIANCE PROGRAMME
  - Simplified criteria to assess compliance for SMME, youth and women

- AEO – Compliance
  - Assesses compliance of traders (Medium & Large traders)

- Fully-Fledged AEO
  - Assesses both the Compliance and, Safety and Security standards (Medium & Large)

NB: Different RECs in Africa is at different stages.
APPLICATION PROCESS

1. Completion of Self Assessment Questionnaire and Application Form
2. Verification by Customs (Risk Profiling and Audit)
3. Authorisation and Certification
4. Monitoring and Evaluation

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AEO CRITERIA (AEO –C) & AEO (S)

1. **Appropriate record of compliance** with customs Laws and Other Related laws
2. **Proven record of financial solvency**
3. **Sufficient Knowledge** in customs matters
4. **Adequate computer accounting** and logistics systems
5. Building/premises security
6. Cargo and Conveyance Security
7. Security Education, Training and Threat Awareness
8. Crisis Management and Incident Recovery
CRITERIA CONT...

9. Personnel Security
10. IT Security
11. Measurement, Analyses, and Improvement Personnel Security
12. Business / Trading Partner Security
13. Consultation, Co-operations and Communication
AEO BENEFITS

• Expedited clearance/release.
• Minimum Cargo Inspections – reduced number of inspections
• Flexible inspections – to choose areas for control/inspection that can be either at the border or the at the client’s premises.
• Mutual Recognition through MRAs
• Specific sector benefits

AEO is a programme should to be done with traders not for traders.
CHALLENGES

• Low AEO uptake
  Traders do not trust the Revenue officials, benefits are not tangible,
• Legislation- different African nations/ RECs in Africa have different legislations
• Lack capacity for all the supply chain players, Customs official & Partner agencies
• No implementing structures in some Revenue Services
• Lack of accredited Regional or continental AEO experts
• Non inclusive Programme: the AEO Programme should be done with traders not for traders.
• Different countries and RECs that builds AfCFTA are at different level of AEO implementation
RECOMMENDATIONS (RECs) THAT CAN BE USEFUL FOR AEO PROGRAM TOWARDS AfCFTA

• AfCFTA endeavor should build up on the existing REC AEO program
• AfCFTA should make the Programme more inclusive, with more emphasis to women & youth.
• Capacity building: for all the players in AEO
• Inclusive working technical working groups are crucial
• Conduct a survey on Gap analysis
• Pilot project on AEO regional implementation
THANK YOU

• Zikomo
• Maitabase
• Kealeboga
• Nye bonga
• Merci beaucoup
• Tangi
• Asante sana
• Baie dankie
• Muito obrigado
• Mpandu zonene