OFFICE OF THE COMMISSIONER OF CUSTOMS,
BANGALORE CUSTOMS COMMISSIONERATE,
C.R.BUILDINGS, QUEEN'S ROAD, BANGALORE – 560 001


STANDING ORDER NO. 15/2011


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In view of growing concern amongst Customs administrations about the threat posed through misuse of channels of import and export, there is a need to ensure security in global supply chain in international movement of goods. Keeping this in view, CBEC has finalized the 'Authorized Economic Operators' (AEO) programme for implementation to secure supply chain of imported and export goods. The same was already published vide Public Notice No.78/2011 dated 07-09-2011.

2. This programme has been developed pursuant to guidelines of WCO adopted in SAFE FoS (Framework of Standard) in 2005. Many Customs administrations have already instituted AEO programmes or similar programmes which share a common objective of ensuring security in global supply chain from the point of origin i.e. the point of export to import in the receiving country, keeping in view national requirements of respective administrations. The detailed guidelines on implementation of the AEO programme are appended as 'Annexure' to this Public Notice.

3. One of the salient features of the AEO programme is that any economic operator such as importer, exporter, logistics provider, Customs House Agent can apply for authorization subject to the criteria that the applicant is:
   (i) able to establish a record of compliance in respect of Customs and other legal provisions.
   (ii) able to demonstrate satisfactory systems of managing commercial and, where appropriate, transport records.
   (iii) financially solvent.
   (iv) able to demonstrate satisfactory systems in respect of security and safety standards.

4. The AEO programme shall be implemented by the Directorate General of Inspection (DGICCE) and Additional Director General, DGICCE (HQ), New Delhi will be the AEO Programme Manager. The AEO Programme Manager shall be assisted by a team of officers viz. the AEO Programme Team.

5. The authorization shall normally be granted within 90 days of receipt of application if the same is found to be acceptable and not deficient in any material particulars. The
programme also provides for circumstances under which the authorization may be considered for revocation or suspension.

6. The AEO Programme envisages various benefits to different categories of economic operators such as importers, exporters, Customs House Agents, etc. The intention is to give AEO certified operators preferential treatment in terms of less Customs examination, relaxed procedural requirements etc. This is subject to the authorized operators maintaining security standards and compliance requirements as detailed in Annexure and informing the AEO Programme Manager within 30 days in case of any significant change in business or business processes. The present ACP programme will continue till further notice.

7. The AEO programme would be implemented on voluntary basis i.e. those who are interested in getting benefits of the programme may apply for authorization as per the procedure outlined in the Annexure. The authorization shall be granted after detailed precertification verification and validation is done by AEO Programme Team.

8. As DGICCE has been assigned the work of implementation of the AEO programme, Board desires that process of inviting application, processing of the same, validation and certification shall be done as envisaged in the programme, as per the following time lines:

<table>
<thead>
<tr>
<th>Action</th>
<th>Timeline</th>
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<tbody>
<tr>
<td>Announcement of AEO programme</td>
<td>23-08-2011</td>
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<tr>
<td>Receipt of applications for pilots</td>
<td>By 15-09-2011</td>
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<tr>
<td>Scrutiny of applications for pilots</td>
<td>By 30-09-2011</td>
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<tr>
<td>Selection of 3 pilots and intimation thereof</td>
<td>By 15-10-2011</td>
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<tr>
<td>Validation process including field visits for pilots</td>
<td>15-10-2011 to 15-01-2012</td>
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<tr>
<td>Decision on grant of AEO status</td>
<td>15-02-2012</td>
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11. In view of the above, it is directed that all officers posted in Customs Commissionerate, Bangalore should go through CBEC Circular 37/2011 dated 23-08-2011. Difficulties, if any, in implementation of these instructions may be immediately brought to the notice of the undersigned.

[Signature]

[B.BHATTACHARYYA]
COMMISSIONER

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