

Customs Flash

AEO criteria mandatory for customs representatives in the Netherlands

From 1 July 2017, the customs authorities in the Netherlands will require mandatory Authorized Economic Operator (AEO) criteria for customs representatives.

As of this date, the Netherlands requires customs representatives to meet AEO criteria, with the intention of improving the quality of data supplied in customs declarations and facilitating communication between government authorities and importers and exporters.

Introduction

The Union Customs Code (UCC) (Regulation no 952/2013) allows Member States to impose certain national conditions under which a customs representative, also known as a customs broker, may provide services in the Member State where it is established.

From 1 July, following consultations with the customs industry, the customs authorities in the Netherlands require customs representatives to meet AEO criteria.

AEO criteria under the UCC refer to financial solvency, no infringements related to customs legislation or taxation rules, compliance of commercial and transport records, standards of competence of professional qualifications, and security and safety standards.

AEO authorizations will be reassessed under the UCC conditions before 1 May 2019. If authorization is retained following the re-assessment of an existing AEO certificate, this will be considered as an AEO authorization granted under the UCC.

The customs authorities expect, for example, that if a customs representative starts working for a new client, the representative will check whether the company exists. Also, if the customs representative drafts the customs declaration, the representative should check that the boxes in the customs declaration are correctly completed. The customs authorities also expect a more active interaction between the customs

representative and the importer/exporter with regards to the correctness of information that is used to generate customs declarations.

What does this mean for you?

As the UCC allows for the imposition of national conditions or requirements for the status of customs representatives and the Dutch customs authorities have already stated that customs representatives must comply with AEO criteria from 1 July 2017, this sets a precedent and customs authorities in other Member States may also implement this requirement. We expect that the European Commission will also encourage this.

This increases the importance for companies operating in Member States to be compliant with AEO criteria (or to be authorized as AEO). Accordingly, companies may need to re-evaluate their (internal) procedures.

What to do?

If your company has a customs broker authorization it will need to assess the impact of these current and potential future changes on customs activity. Also, this requirement will require companies to review their internal procedures to evaluate whether they are aligned with the criteria set out by the Dutch authorities.

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