



THE SECRETARY GENERAL

Mr Robert Verrue
Director General
DG TAXUD
European Commission
200 rue de la Loi
B-1049 Brussels

20 October 2008

Dear Mr Verrue,

I am writing you to express our strong concern about the state of play with introduction of the Authorized Economic Operator (AEO) status in the EU. Companies across Europe have encountered several problems with this status.

BUSINESSEUROPE fully subscribes to the objectives of the AEO, which should make it possible to distinguish between economic operators presenting special safeguards for their international trade operations and others. It seems self-evident that companies registered as such should benefit from certain facilitations, in particular concerning simplification of security and customs requirements. Substantial benefits would include waivers for individual declarations, Green Lane System or absence of additional audits for industries which are already strictly controlled.

However, until today no common or harmonised standard of the AEO status in Europe exists, in particular on security standards. Companies face different processes for registration from one member state to another, including varying registration periods. Moreover, it is not guaranteed that the status once granted in one member state is recognised across Europe.

Companies are dependent on reliable framework conditions in order to have a smooth functioning along their entire supply chain. Therefore, BUSINESSEUROPE calls upon the Commission to take into account the following six elements for implementation of the AEO status:

- ensure same process and same balanced requirements in all member states, and put in place clear safeguards to ensure that this does not lead to a harmonisation at the lowest level;
- ensure that member states apply to AEO only the requirements of appendix 30A on data elements for simplified export, and no more;
- ensure mutual recognition of the AEO status both inside and outside the EU;
- guarantee the possibility to benefit from AEO in all member states and grant more significant benefits for companies with an AEO (e.g. reduced amount of declarations, aggregated declarations, or similar);
- ensure that other standards such as aircraft security measures and specific sectoral security measures such as dual-use goods, drug precursors or internal export control measures are recognised as being equivalent to AEO with no further requirements;



- although it is essential that the EU obtains mutual recognition for this status with its main commercial partners, the EU should not focus exclusively on countries like the USA but also on other important economic partners like, for instance, Japan, China, Russia, Australia, Brazil, Switzerland, Mediterranean countries, or Ukraine.

I hope that your services will take these concerns into account and ensure full EU harmonisation for implementation of the AEO status.

Yours sincerely,

Cordula Berger

Philippe de Buck