

**PSCG Comments on AEO Implementation and Validation Guidance Review**

Since its establishment in 2006, the WCO Private Sector Consultative Group (PSCG) has had a close connection with the WCO SAFE Framework of Standards. All members of the PSCG, both individual companies and associations, are members of the SAFE Working Group. The PSCG Chair is co-chair of the SWG, and presents a report on behalf of the PSCG at each SWG meeting.

During the past 15 years, the PSCG has contributed to the body of work relating to SAFE and AEO. With cargo security in supply chains at the center of the AEO programme, we have recommended tangible and measurable AEO benefits, we have argued for harmonization, consistency and frugality in data requirements, we proposed the idea of a template to simplify and clarify AEO application and validation requirements, and we supported and promoted the idea of Mutual Recognition Arrangements – to name just a few of our efforts.

During the past several months, some PSCG members have participated in the work of the sub-group of the SAFE Working Group on the AEO Implementation and Validation Guidance. This included bi-weekly sessions to contribute to a more coherent approach in the alignment, definitions and concepts of the Guidance document. PSCG members had the opportunity to represent their own organizations, but there was also an opportunity for PSCG agreement on several parts of this AEO work. The following have been endorsed by the PSCG as a whole:

* Virtual (remote) validation and re-validation of AEO status.

Although this discussion was prompted by the situation of COVID, with both business and Customs personnel working remotely and social distancing requirements in place, it was considered that there could be very real benefits to implementing this outside the pandemic context.

* Section C of the draft AEO Template on Financial Viability.
* Section D of the draft of the AEO Template on Consultation, Co-operation and Communication.

This does not mean that other changes are not supported by the PSCG, it means that there has not been sufficient time to review all the proposed changes in detail. PSCG members are currently prioritizing COVID and vaccine roll out issues as well as measures for direct economic recovery.

One of the issues that was reviewed in detail was the joint proposal 4.1 to 4.5 by the US, Guatemala and BASC. After considerable discussion, the PSCG concluded that its members have different views about the joint proposals. Therefore, as a group, the PSCG can neither support nor oppose the joint proposals at this time, although our members are free to express their individual views.

The PSCG remains committed to the continuous improvement of the SAFE Framework of Standards and AEO Implementation and Validation Guidance. We support efforts to make AEO programmes accessible to SMEs, and our priorities include simplification and harmonization of requirements, with consistent enforcement as we continue to strive for the facilitation of trade.

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