



# Authorized Economic Operator (AEO) Programme Trade Facilitation and Mutual Recognition Hong Kong, China

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### **AGENDA**

- Introduction of HKAEO Programme
- O2 International Cooperation under Mutual Recognition Arrangement (MRA)
- Integration of Small and Medium Enterprises (SMEs) into HKAEO Programme
- 04 Way forward

### **HKAEO PROGRAMME**



#### Launched in 2012

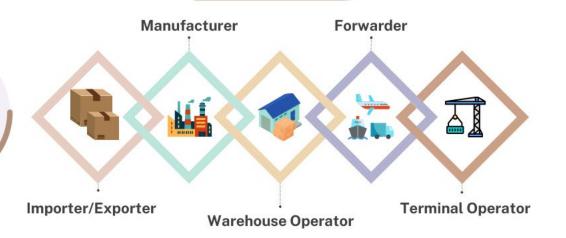
under an open and voluntary certification regime





Full compliance with WCO SAFE Framework of Standards

All local enterprises engaging in the international supply chain activities are eligible





### **ACCREDITATION STANDARD**





**Cargo Security** 

06

**Measurement, Analysis & Improvement** 

### **ACCREDITED HKAEOS**

- All stakeholders of global supply chain
- MNCs & SMEs





**Annual HKAEO Certificate Presentation Ceremony** 

Various industries



92
Accredited HKAEOs

### **BENEFITS**



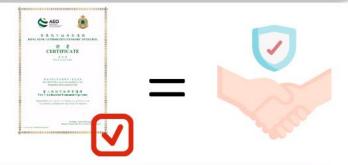
#### **Customs Clearance facilitation**







### Recognized as HK Customs' trusted partner





#### **Brand Building**







Privileged benefits under MRA



**Reduced Customs Inspection** 



**Prioritized Clearance** 



Prioritized clearance upon recovery of major trade disruptions

### **AEO MRA IN HONG KONG, CHINA**

Mutual Recognition Arrangement (MRA)
Reciprocal benefits / facilitation to the mutually recognized AEOs



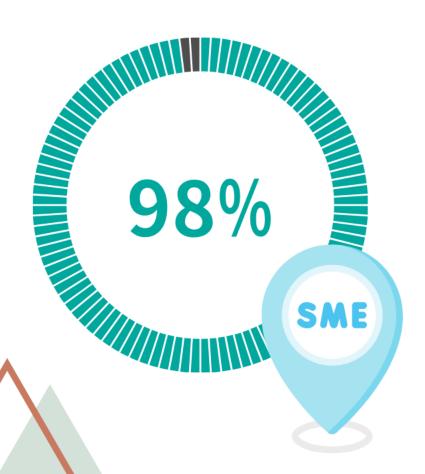
Chinese Mainland	India	Korea	Korea Singapore		Malaysia	Japan	Australia	
2013	2013	2014	2014	2015	2016	2016	2017	

New Zealand	Israel	Canada	Mexico	Indonesia	Macao, China	Bahrain	South Africa	Saudi Arabia
2018	2019	2019	2020	2022	2023	2024	2024	2025

### AEO MRA IN HONG KONG, CHINA



### **SMES IN HONG KONG**



- Over 350,000 SMEs in Hong Kong, China
  - Accounted for over 98% of business units
  - About 44% of total employment

Most in the import/export trade and wholesale industries



## 2

Tier 1

Tier 2

### Two-Tier Accreditation Regime



### **Multi-pronged Promotion Strategies**



#### **Publicity & communication channels**

- Website, Facebook page, e-newsletter
- Designated hotline & email box





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#### Collaboration with trade associations/other agencies

- Local trade associations & foreign chambers of commerce
- Promotion talks and activities
- Extended benefits for AEOs
   e.g. FTA prioritized processing & 10 free credit checks by
   HK Export Credit Insurance Corporation



### **AEO iPASS - Online Assessment Tool**



- Easy and quick way to know the readiness
- Improvement advice and e-learning packages





Criteria G Conveyance Security

Suggestions for improvement

Company should establish mechanism to track and monitor the activities of conveyances and cargo throughout the local transportation process, and provide security rules, procedures, or guidance to conveyance operators. All conveyances (including contracted trucks) shall be kept at secure locations after works and properly manage conveyance keys to prevent the conveyance from unauthorized use. The parking area shall be protected by security devices and access control measures.

### FREE & VOLUNTARY

### **Professional Assistance**



#### **Cultivation Team**

- Identify potential companies
- Address problems and provide guidance





#### **Account Managers**

- Assigned to each SME
- Help SMEs understand & fulfill AEO criteria

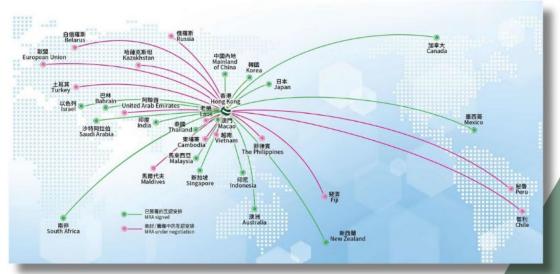




### **WAY FORWARD**

- Encourage SMEs' participation in the HKAEO Programme
- Facilitate trade development and uphold global supply chain security







### THANK YOU