

Hong Kong Customs signs Authorized Economic Operator Mutual Recognition Arrangements with Israel and Canada and Action Plan with Indonesia (with photos)

The Commissioner of Customs and Excise, Mr Hermes Tang, attended the 133rd/134th Council Sessions of the World Customs Organization (WCO) in Brussels, Belgium, which concluded today (June 29, Brussels time). He signed Mutual Recognition Arrangements (MRAs) on Authorized Economic Operator (AEO) with the Director General of Israel Tax Authority, Mr Eran Yaacov, and the President of Canada Border Services Agency, Mr John Ossowski, in the margins of the sessions on June 26 and 27 (Brussels time) respectively.

Under the MRAs, companies accredited as AEOs in Hong Kong will enjoy customs clearance facilitation in Israel and Canada and, reciprocally, companies accredited under the corresponding programmes in Israel and Canada will also enjoy customs clearance facilitation in Hong Kong. Pursuant to the framework promulgated by the WCO, such facilitation in customs clearance includes reduced examination and prioritised clearance. The inspection rate for AEO cargoes is generally 80 per cent lower compared with that for non-AEO cargoes.

The signing of the two MRAs with Israel and Canada brings the number of MRAs signed by Hong Kong to 11 in total. The other nine economies with which Hong Kong has signed MRAs are the Mainland of China, India, Korea, Singapore, Thailand, Malaysia, Japan, Australia and New Zealand.

"Hong Kong has all along been a staunch supporter of the AEO concept promulgated by the WCO and has been keen on extending its MRA network to other economies. The signing of MRAs with Israel and Canada fully demonstrates the three Customs administrations' efforts in upholding international cargo security while facilitating cross-boundary cargo movement. Under the newly signed MRAs, accredited Hong Kong traders will be standing in a stronger position to explore the relevant markets by leveraging on the edge of their AEO status," a spokesman for the C&ED said.

The C&ED will continue to keep track of AEO global developments and take active steps to reach MRAs with other customs administrations, particularly those of Belt and Road related countries and regions. In this regard, the C&ED will launch MRA discussion with its Indonesian counterparts, pursuant to an Action Plan signed by the Assistant Commissioner of Customs and Excise (Excise and Strategic Support), Mr Jimmy Tam, and the Director of International Customs and Public Affairs of the Directorate General of Customs and Excise of the Ministry of Finance of the Republic of Indonesia, Mr R Syarif Hidayat, during the same Council Sessions today.

The C&ED will continue to promote the Hong Kong AEO Programme to the trade. Local companies, including small and medium enterprises, are encouraged to apply for accreditation as AEOs in Hong Kong and enjoy advantages in customs clearance facilitation.

As part of its promotion efforts, the C&ED launched the "AEO Blogger" webpage earlier this year. An online self-learning kit is also available to assist interested local companies in assessing their readiness for accreditation and preparing for application.

