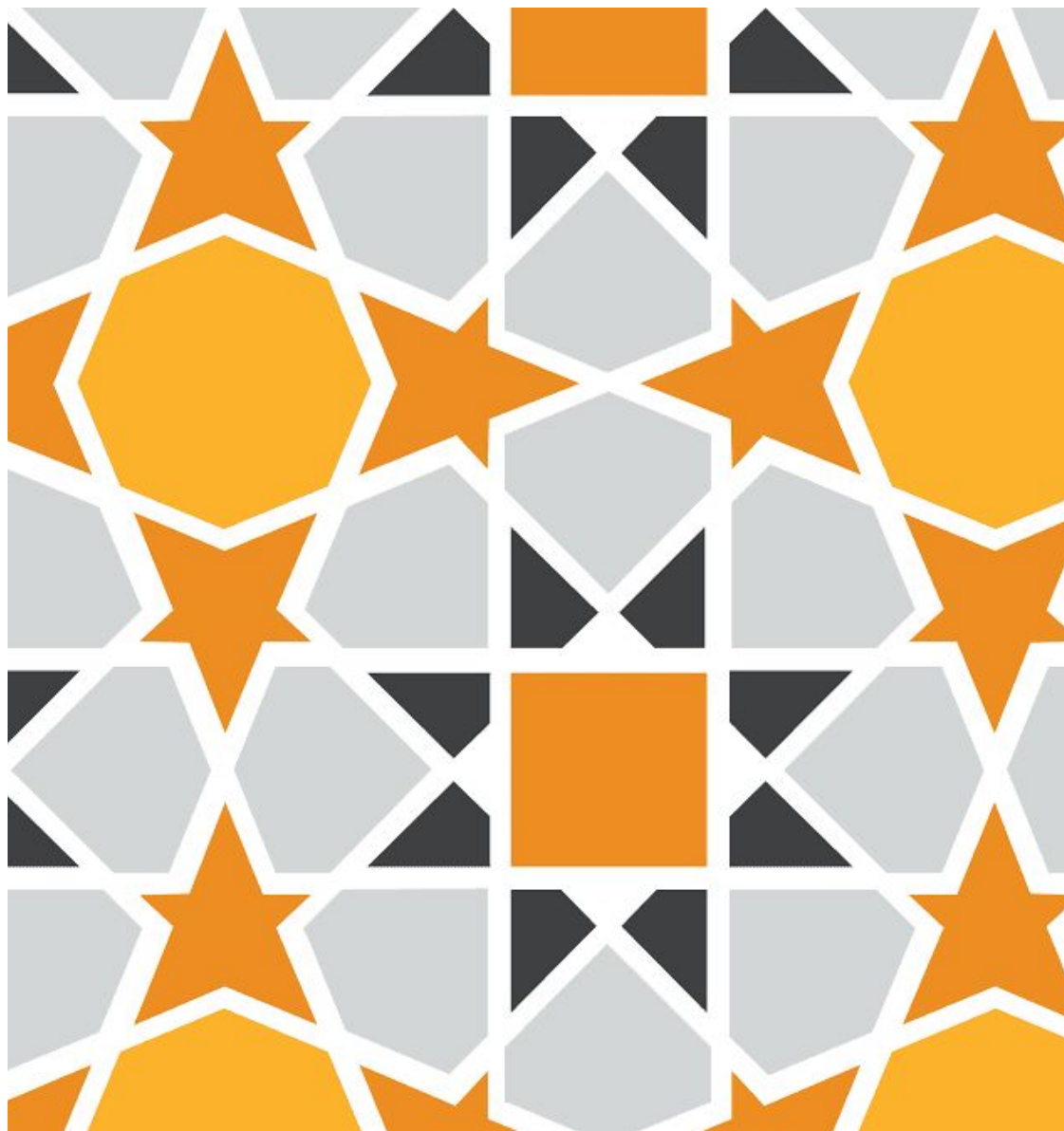


The GCC AEO: Get ready to unlock customs and logistics benefits across the GCC

August 2022





Authorised Economic Operator Program (GCC AEO)

Become a GCC trusted trader and secure customs benefits

Introduction

The Authorised Economic Operator (“AEO”) program provides traders with the opportunity to partner with the customs authorities and secure benefits within their supply chain. All businesses operating in the United Arab Emirates (“UAE”), Kingdom of Saudi Arabia (“KSA”), Kingdom of Bahrain (“Bahrain”), Sultanate of Oman (“Oman”), State of Kuwait (“Kuwait”), and State of Qatar (“Qatar”) can apply and benefit from the AEO programs in those countries.

The Secretariat General of the Gulf Cooperation Council (“GCC”) has recently released ‘[The Unified Guide for the Gulf Cooperation Council Authorized Economic Operator Program \(GCC AEO\)](#)’ (“Unified Guide”), which provides a framework that underpins the AEO application process in the GCC region(*). In addition, the Unified Guide provides a baseline under which the AEO application process and monitoring of AEO compliance in each GCC country must broadly follow. While the Unified Guide specifies that AEO status cannot be obtained for multiple entities / countries in one application, it does provide common framework amongst the GCC countries in terms of AEO to facilitate the certification of groups operating across the region.

It is worth mentioning that the GCC AEO is currently in its pilot phase from August 1st, 2022 to December 31st, 2022, and it will be officially effective from January 1st, 2023.

(* Overall, the publication of the Unified Guide signifies the growing importance of AEO status within the GCC region and the customs authorities focusing closely on this program.

Benefits of Obtaining GCC AEO Certification

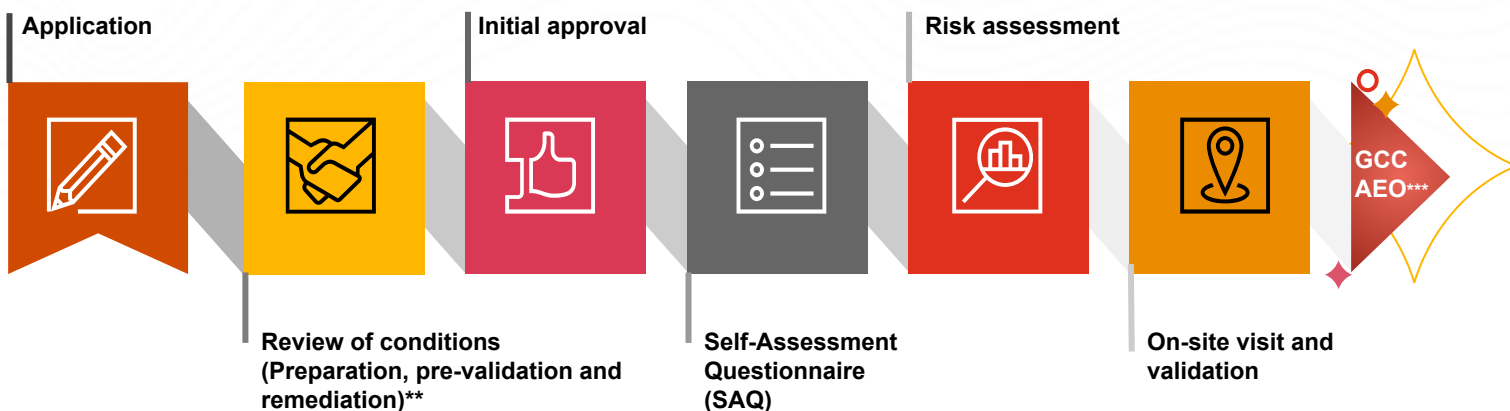
GCC established businesses who obtain the GCC AEO certificate can secure significant customs benefits, which are available at two levels:

- **GCC-wide benefits:** Once the GCC AEO status is granted by the customs administration in the relevant GCC country, the entity will gain access to the benefits listed below in all GCC countries.
- **National benefits:** the competent customs authorities within the country where the GCC AEO certification has been granted, may provide additional local advantages and benefits, including facilitating customs transactions for the operator in the same country (provided that each country publishes this on its domestic websites).

The GCC AEO’s benefits, which holders can avail of in all GCC countries, include:



Authorisation Process



** This can also be conducted prior to initiating the application process

*** Customs Administrations in all GCC countries shall recognize the status of the GCC AEO for any economic operator that obtains an accreditation from the competent national authorities in one of the GCC countries without any additional procedures.

GCC Region includes:



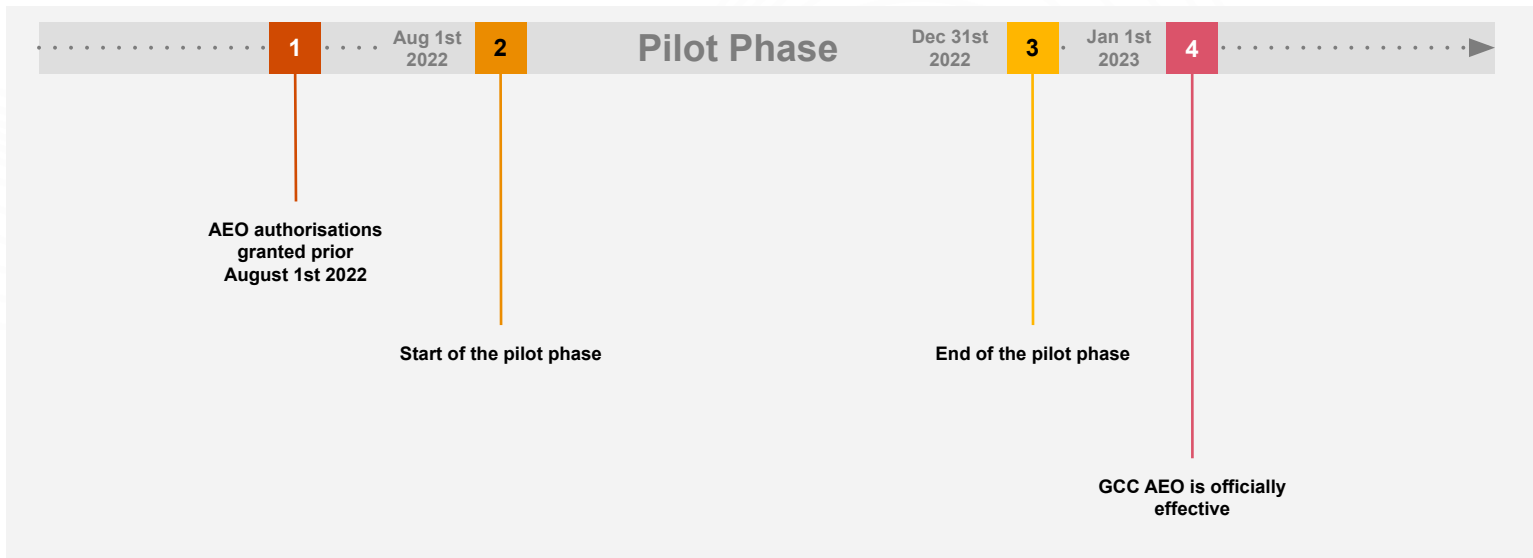


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GCC AEO implementation timeline

The GCC AEO program is currently in its pilot phase, which started on August 1st, 2022; it will be officially launched from January 1st, 2023. Please refer to the following timeline for further details:



- 1** AEO holders prior to August 1st, 2022 will automatically benefit from GCC AEO benefits starting from August 1st 2022.
- 2** During the pilot phase, AEO candidates may still apply at national level. Once the certification is completed, these businesses will have automatic access to the GCC AEO benefits starting from January 1st, 2023. In the meantime, they will enjoy the national benefits.
- 3** End of the pilot phase
- 4** Starting January 1st, 2023, AEO candidates will be able to apply for GCC AEO based on the GCC SAQ. Therefore, they will be able to have access to both local and GCC-wide benefits.

The takeaway

We encourage GCC businesses engaged in import and export activities in the region to explore the advantages of joining the AEO partnership program. This is a fantastic opportunity to ensure compliance with customs regulations, while benefiting from a strong governance of your international supply chain operations across your business.

The benefits do not only include customs and logistics advantages, but also reputational benefits in the GCC countries and beyond, based on the increasing network of Mutual Recognition Agreements.

For additional details, please check our [UAE Authorised Economic Operator \(UAEO\)](#) and [KSA Authorised Economic Operator \(SAUDI AEO\) flyers](#).

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Let's talk

For a deeper discussion of how this issue might affect your business, please contact:

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Thank you

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