Authorised Economic Operator (AEO) monitoring

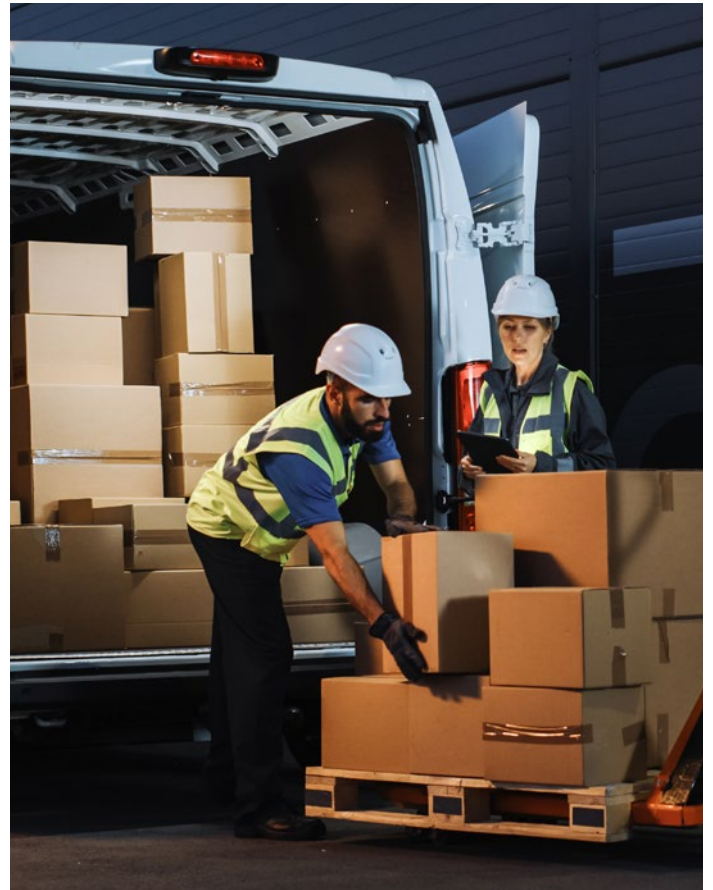**Are you in possession of an AEO authorisation?**

If so, it is imperative that you maintain your AEO status by monitoring the Revenue AEO requirements on a regular basis and reporting any changes to the Revenue Authorities.

Revenue are now carrying out audits to those holding Customs Authorisations, including AEO. These audits will include site visits to review all authorisations and check that all conditions are being adhered to. Non-compliance may lead to your existing authorisation be-ing revoked. Customs can also asses the need for a company to hold any customs authorisations based on the frequency of its use by the company.

How can BDO help?

BDO can assist your business to ensure you stay compliant and prepared for an AEO audit by under going our AEO gap analysis. We offer a tailor-made approach that allows you to benefit from our expertise with the AEO regime.

▶ We will carry out a gap analysis on your initial AEO application and procedures that you submitted to Customs

▶ We will test your existing procedures and ensure that you are still maintaining your terms and conditions as previously agreed

▶ We will work with you to assist you with the monitoring process and engagements with Customs.

"BDO is a first-rate partner to assist businesses in achieving AEO accreditation, our consultant took time to understand the business expectations, was able to relate to our current processes, giving us an exceptionally detailed application. BDO's in-depth knowledge and experience assisted our internal teams through Brexit transition and establishing customs compliance within the business to the AEO Standard. I would fully recommend BDO."

– Heather Mackey, *Continuous Improvement Manager, Foyle Food Group*

What can I expect from an audit and how will I need to prepare?

Once the AEO authorisation has been granted, the company will be subject to continuous periodic audits by the customs authority.

AEO monitoring audits typically occur within one year after the initial authorisation was granted and can occur every two or three years thereafter, however, there could be more frequent checks. Additionally, a re-assessment of the qualifying conditions and criteria must be carried out in the following circumstances:

▶ Major changes to community legislation

▶ Reasonable indication that the relevant conditions and criteria are no longer met by the authorisation holder.

As well as the above, the company also need to continuously self-monitor and update the customs authority of any changes to their authorisation, particularly:

❑ Changes of business or trading name

❑ Changes to your legal registration/status

❑ Changes of company directors, the person in charge of customs matters or other persons exercising control over your company's management

❑ Changes to contact phone number and/or email address

❑ Changes to the AEO designated contact person for your company

❑ Changes of premises (ie. opening/closures of operational locations)

❑ Significant alterations in business patterns (ie. changing the types of goods you deal in or changes in processing or storage procedures)

❑ Significant changes to your accounting, logistics and record keeping systems

❑ Any serious or repeated infringement of customs legislation, taxation rules or serious criminal offences relating to the economic activity

❑ Any issues related to financial solvency

❑ Any issues related to security (appropriate to AEOs)

❑ Any other significant changes to the activities declared on your application.

It should be noted that the above is a high-level list and depending on specific circumstances other items/areas may come under more intensive monitoring on an ongoing basis as they may pose a specific risk to the company.

For further information please contact

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