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U.S. Customs and Border Protection and European Commission adopt the joint roadmap towards mutual recognition trade partnership programs

Brussels, Belgium – U.S. Customs and Border Protection (CBP) Deputy Commissioner Jayson Ahern and Director-General Robert Verrue, of the European Commission’s (EC) Taxation and Customs Union Directorate, adopted the U.S.-EU Joint Customs Cooperation Committee (JCCC) Roadmap towards Mutual Recognition of Trade Partnership Programs. The decision was taken at the 9th meeting of the JCCC.

“This is an important step toward achieving the U.S. and EU’s shared objective of enhancing supply chain security,” said CBP Deputy Commissioner Ahern.

“European Customs policy aims at achieving mutual recognition of security standards with our major trading partners and in particular with the USA. Mutual recognition will bring benefits to reliable traders and customs administrations by reducing administrative burden and making trade smoother and quicker. Most importantly it will also bring benefits to all EU and US citizens by strengthening the safety and the security of the supply chain” said Director General Verrue.

Customs Security Programs were respectively introduced by the US and the EU in order to support the development and implementation of measures enhancing security of the supply chain through improved customs controls. The programs balance controls with trade facilitation. Traders demonstrating compliant efforts to secure their part of the supply chain benefit from increased customs facilitation.

Mutual recognition arrangements allow the companies of one supply chain security program to receive benefits similar to those conferred to companies participating in another country’s program.

The Roadmap outlines six areas that the U.S. and the EU will address to achieve the goal of implementing Mutual Recognition: political, administrative, legal, policy, technical/operational, and evaluation. The Roadmap sets forth key benchmarks for measuring progress in each area.

In 2007, the U.S. and the EU initiated efforts to implement Mutual Recognition of CBP’s Customs-Trade Partnership Against Terrorism (C-TPAT) and the EU’s Authorized Economic Operator (AEO) supply chain security programs. The initial steps consisted of completing an in-depth comparison of both the U.S. and EU AEO programs and conducting a pilot program in which CBP observed security components



of the EU's AEO audit process. The Roadmap was drafted and endorsed based on the conclusions drawn from this U.S.-EU effort.

The U.S. and EU have achieved some noteworthy successes which include:

- completion of the initial Trade Partnership Pilot project in which the U.S. and EU Customs-Trade programs were compared both on paper and in practice;
- an exchange of best practices and training programs;
- the implementation of the EU's AEO program on January 1, 2008 in which the EU was able to benefit from U.S. experience with C-TPAT.

The U.S. and EU will continue the effort to achieve Mutual Recognition of their respective C-TPAT and AEO programs. Throughout the upcoming year, the U.S. and EU will:

- Establish guidelines regarding information exchanges, including the exchange of validation/audit results and legalities associated with the disclosure of membership details
- Perform joint verifications to determine remaining gaps between AEO/C-TPAT and resolve any discrepancies
- Explore and test an export component for C-TPAT
- Exchange best practices through joint visits and conferences
- Continue dialogue on legal and policy developments under the respective administrations
- Endorse and sign a Mutual Recognition Arrangement
- Evaluate Mutual Recognition benefits for AEO/C-TPAT members

Although a number of tasks remain, both the U.S. and EU are optimistic about eventual achievement of Mutual Recognition in 2009.

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