The Authorized Economic Operator (AEO) regime in Switzerland
International trade is one of the key drivers of economic growth. The expected increase in global trade volumes, combined with the vulnerability of global trade to internal and external threats, such as fraud and terrorist activities, have prompted a variety of measures aimed at controlling the global supply chain. In particular, customs authorities have embarked on a new risk-based approach to customs supervision and inspection.

In Switzerland, the cornerstone of facilitating trade is the Authorized Economic Operator (AEO) regime, which entered into force on 1 April 2011. Since then, an increasing number of companies have applied for the status. The AEO regime is a risk-based approach to customs supervision and inspection that makes global trade more secure. Swiss organizations obtaining AEO status can manage their compliance and trade processes in a more effective and secure manner by being eligible for priority treatment by the customs authorities.

What are the main benefits of AEO status?
Among other things, AEO status gives you the following benefits:
- In the international business arena, AEO certified companies are recognized as safe, secure and compliant trade partners.
- AEO certified companies are given a more favourable risk profile by the customs authorities, resulting in fewer physical inspections and a faster supply chain.
- Where physical inspections are conducted, companies with AEO status are given priority treatment.
- Mutual recognition of the AEO status between Switzerland and, currently, the EU. Agreements with Norway, Japan, China and the US are expected to follow shortly. These agreements allow AEO certified organizations to move their goods between countries with only minor restrictions.
- AEO status increases a company’s control over its internal processes (customs, process and controls, information security, safety and security).

EY’s integrated approach
What does it take to become Swiss AEO certified?
Becoming AEO certified requires support from your entire organization.

This means your organization:
1. must have a good track record with respect to compliance with customs requirements;
2. must have a sound accounting and logistics system in place that allows appropriate customs controls;
3. must submit proof of solvency; and
4. must have appropriate security and safety measures in place with regard to logistics, personnel, IT and physical access.

The road to certification depends on your corporate culture as well as your progress with regard to the items listed above.

How EY can help you become compliant
There are certain procedures that need to be implemented before AEO status can be obtained and, given the complexities of the rules, it is essential that you understand all the implications for your business.

Questions that could arise may include:
What is the impact on the existing processes and compliance framework? What are the benefits? What resources will be required? How much time will it take? What will be the return on my investment? What exactly do I need to do?

EY can offer you an integrated governance, risk and compliance framework that will accelerate the achievement of your goals with respect to service, processes and internal control and speed up your AEO certification.
To learn more contact your local EY office for more information on how EY can help you meet your global trade challenges and improve your supply chain processes. For more information concerning this topic and how we can help our clients address this important issue, please contact:

### Contacts

Dr. Lars Henschel  
Executive Director,  
Indirect Tax Services  
Global Trade, Berne  
Tel. +41 58 286 63 12  
lars.henschel@ch.ey.com

Oliver Hulliger  
Manager,  
Indirect Tax Services  
Global Trade, Zurich  
Tel. +41 58 286 33 88  
oliver.hulliger@ch.ey.com
About the global EY organization
The global EY organization is a leader in assurance, tax, transaction and advisory services. We leverage our experience, knowledge and services to help build trust and confidence in the capital markets and in economies all over the world. We are ideally equipped for this task – with well trained employees, strong teams, excellent services and outstanding client relations. Our global purpose is to drive progress and make a difference by building a better working world – for our people, for our clients and for our communities.

The global EY organization refers to all member firms of Ernst & Young Global Limited (EYG). Each EYG member firm is a separate legal entity and has no liability for another such entity’s acts or omissions. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. For more information, please visit www.ey.com.

EY’s organization is represented in Switzerland by Ernst & Young Ltd, Basel, with ten offices across Switzerland, and in Liechtenstein by Ernst & Young AG, Vaduz. In this publication, «EY» and «we» refer to Ernst & Young Ltd, Basel, a member firm of Ernst & Young Global Limited.

© 2014
Ernst & Young Ltd
All Rights Reserved.

SRE 1408-292
ED None

This publication contains information in summary form and is therefore intended for general guidance only. Although prepared with utmost care this publication is not intended to be a substitute for detailed research or professional advice. Therefore, by reading this publication, you agree that no liability for correctness, completeness and/or currentness will be assumed. It is solely the responsibility of the readers to decide whether and in what form the information made available is relevant for their purposes. Neither Ernst & Young Ltd nor any other member of the global EY organization accepts any responsibility. On any specific matter, reference should be made to the appropriate advisor.

www.ey.com/ch