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All Customs Clearing Agents, Importers, Exporters, Government Agencies and General Public.

**SUBJECT: AUTHORISED ECONOMIC OPERATOR COMPLIANCE
STAKEHOLDER ENGAGEMENT IN NAMIBIA**

The recently launched Namibia Revenue Agency (NamRA) through the Department of Customs and Excise has implemented its Authorized Economic Operator-Compliance (AEO-C) Programme, previously known as the "Preferred Trader Programme (PTP)" as prescribed in legislation, and supporting policies, processes, standard operating procedures.

The NamRA through the Customs and Excise Department recently hosted a series of Authorized Economic Operation (AEO) compliance awareness and consultation sessions in Windhoek in April 2021. The sessions commenced with an awareness and refresher training for Customs & Excise Officers based in the Windhoek (Central Region).

The second session was attended by members of the border agencies/authorities which included the Ministry of Industrialization and Trade, Ministry of Home Affairs and Immigration Safety and Security, Ministry Defense and Veteran Affairs, Ministry of Agriculture Water and Land Reform, Ministry of Works and Transport and Namibia Standard Institution (NSI). The third session was aimed at bringing traders which include importer, exporters and clearing agents on board.

The concourse served as a marketing platform where the Customs & Excise Department showcased the benefits of participating in the programme and the requirements thereof. The workshops were conducted in collaboration and support from the SACU Secretariat.

To date, the program in Namibia has taken a slow start, hampered by the impact of the Covid-19 in 2020, which has prevented many companies from prioritizing participation in the compliance program. However, with the new recovery and resilient

economic outlook, the companies realized the relevance of the programme to assist them to have smooth cross-border trading in SACU.

NamRA has, thus far accredited one trader to the national AEO compliance programme, with the intention of expanding its footprint in the current fiscal year (April 2021 to March 2022). The programme amongst other benefits, reduces and can eliminate the delays and stoppage of cargo at borders, which will ensure the timely delivery of goods to meet market demands by the accredited company. At the same time, the accredited company will be resilient even during Covid-19 because they can guarantee and secure their client base.

The overall objective of the programme in Namibia is to establish and strengthen partnerships between the NamRA – Customs & Excise Department, the trading community and other government agencies involved in the trade supply chain. This promotes mutually beneficial outcomes, thereby developing a national and regional trade facilitation framework that enhances Customs-to-Business relations as well as Customs-to-other Government Agencies.

The AEO-C programme is a valuable tool for the achievement of the objective of trade facilitation within Namibia and SACU. It is also a useful tool to encourage voluntary compliance by traders, and improve overall compliance, whilst improving service & reducing the cost of doing business.

The AEO-C Accreditation Programme is modelled on the WCO's Authorized Economic Operator (AEO) and is part of a broader strategy to reward compliant traders with simplified procedures and trade facilitation benefits. These rewards encourage compliance and stimulate trade, contributing to growth at both national and regional levels. Furthermore, the program recognizes that Customs & Excise is not the only agency present at the borders and, as a result, recognizes that all relevant agencies should participate and benefit equally from the process.

A basket of benefits have been made available to those traders that qualify to enroll in the AEO-C Programme.

1. Expedited National VAT Refund which accords refund benefits to clients within the 1-month period
2. National nominal bonds reduction of the amount of any security required for compliance with a Customs & Excise procedure.
3. Facilitated flexible inspection scheme with fewer routine documentary and physical inspections; prioritizing access to non-intrusive inspection techniques when goods are stopped or detained for inspection.
4. Expedited clearance on pre-clearance and proof of payment to reduce border crossing times
5. Provision of a Client Relationship Manager

At the SACU level, all the other Customs Administrations have National Programmes in place that are being maintained. As the Customs Union, the Member States collaborate in several areas, including joint training and capacity building initiatives as well as sharing experience. SACU is also working to introduce a safety and security layer to the programme, under which the region will collaborate to create a Safety and Security Programme (AEO-Security).

NamRA, herewith encourages the traders to apply for this programme to enjoy the benefits associated to.

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