



**Frequently Asked Questions (FAQ)**

**European Union – Republic of Moldavia**

**AEO Mutual Recognition Decision**

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## **BACKGROUND**

In 2014 the European Union (EU) signed Association Agreements with the Republic of Moldova (MD). This marked a new stage in the development of EU's bilateral relations with the Republic of Moldova, aiming at political association and economic integration. Within the EU – MD AA/DCFTA art. 197 (j), the Authorised Economic Operator (AEO) Mutual Recognition Agreement (MRA) between the Republic of Moldova and the EU became a priority and commitment: “The parties shall establish, where relevant and appropriate, mutual recognition of trade partnership programmes and customs controls, including equivalent trade facilitation measures. This is expected to fasten border clearances, therefore reducing delays at border, and facilitating trade, at the same time, strengthening security, including prevention and fight against smuggling and other customs offences”.

Also in 2014, the AEO programme was implemented in the Republic of Moldova and the Customs Service of the Republic of Moldova was strongly engaged in intensifying regional cooperation and implementing trade facilitation tools in order to create a favorable and competitive entrepreneurial environment for business development. The process of mutual recognition of AEOs between the Republic of Moldova and the EU was envisaged for opening the way to great opportunities for export, since through the mutual recognition of relevant trade partnership programmes, namely the AEO programmes, safety and reliability, as well as simplification of the international trade supply chain, can be significantly improved.

On 26 July 2022, the Council of the EU adopted a decision on the position to be taken, on behalf of the EU within the Customs Sub-Committee established by the EU-Moldova Association Agreements, as regards the mutual recognition of AEO programmes of the EU and the Republic of Moldova. The objective of it is to make customs procedures more efficient and to facilitate trade between the parties by mutually recognising each other's AEOs.

On 3 October 2022 the Decision No 1/2022 of the EU – Republic of Moldova Customs Sub-committee concerning the mutual recognition of the AEO programme of the Republic of Moldova and the AEO programme of the EU was adopted and subsequently entered into force on 1 November 2022 (the Decision). The purpose of the Decision is to strengthen cooperative relations between the customs authorities of the Republic of Moldova and the EU, in the context of the European integration commitments of the

Republic of Moldova.

Based on the mutual recognition and implementation of the Decision:

1. The Programmes of the Union and of the Republic of Moldova are mutually recognised to be compatible and equivalent and the corresponding AEO statuses granted are mutually accepted.

2. The Parties shall implement this Decision through their respective Customs Authorities.

Thus, the AEO programmes of the Republic of Moldova and the EU are mutually recognised to facilitate and secure bilateral trade and each Customs Authority will treat members of the other customs authority's programme in a manner comparable to the way it treats members of its own programme.

## EU - REPUBLIC OF MOLDOVA AEO MRA SUMMARY



Figure 1: EU – Republic of Moldova MRA summary

## **GENERAL QUESTIONS**

### **1. What is the AEO programme?**

AEO is a partnership programme based on World Customs Organization (WCO) SAFE Framework of Standards to Secure and Facilitate Global Trade. The AEO programme is based on the partnership between the Customs Authority and the economic operators who voluntarily comply with customs regulations, ensure the security of goods in the international traffic, cooperate with the Customs Authority, and therefore benefit from customs facilities and simplifications. It is used as a risk-assessment tool, provides less redundancy and duplication of efforts, helps provide a common standard for trade facilitation, and allows for better transparency by providing closer collaboration among customs administrations and between customs administrations and members of their trade partnership programme.

The AEO programme aims to enhance international supply chain security and to facilitate legitimate trade and is open to all operators in the international supply chain who meet the conditions and criteria.

### **2. What is mutual recognition of trade partnerships programmes?**

Mutual recognition is an agreement by which each party recognises the compatibility of the other party's trade partnership programme and agrees to treat operators holding a membership status under the other customs authority's programme in a manner comparable to the way it treats members in its own trade partnership programme, to the extent practicable and possible. This treatment includes taking favorably into account in its risk assessment, for the purpose of the conduct of inspections or controls, the respective membership status of an operator authorised by the other customs authority to facilitate trade and encourage the adoption of effective security-related measures. Mutual recognition implementation requires the exchange of programme information between the customs authorities of the two parties.

By linking the various trade partnership programmes through mutual recognition, a unified and sustainable security posture is created that increases security and facilitates global cargo trade.

For several years, the WCO and customs administrations set the target to enhance the security of international supply chains while providing increased facilitation for secure and reliable economic operators. The WCO SAFE identifies mutual recognition as a key element to strengthen and facilitate end-to-end security of international supply chains and as a useful tool to avoid duplication of security and compliance controls and to multiply benefits for traders. The WCO SAFE encourages customs administrations to agree on the mutual recognition of AEO and security measures.

Mutual recognition entails that one customs administration in one country

- recognises the AEO authorisation issued under the other programme, and
- agrees to provide substantial, comparable and, where possible, reciprocal benefits/facilitations to the mutually recognised AEOs.

The EU and the Republic of Moldova have entered into a number of MRAs with key trading partners.

### **3. What legislative act was signed between EU-Republic of Moldova on mutual recognition?**

The legislative act that was signed between EU and the Republic of Moldova on mutual recognition was the Decision No.1/2022 of the EU-Republic of Moldova Customs Sub-Committee of 2022 concerning the mutual recognition of the AEO programme of the Republic of Moldova and the AEO programme of the EU.

Based on the mutual recognition and implementation of the Decision:

1. The Programmes of the EU and of the Republic of Moldova are mutually recognised to be compatible and equivalent and the corresponding AEO statuses granted are mutually accepted.
2. The Parties shall implement this Decision through their respective Customs Authorities.

### **4. What were the steps towards the mutual recognition of the AEO Programmes of EU and the Republic of Moldova?**

- WCO SAFE Framework of Standards to Secure and Facilitate Global Trade;
- June 2014 - The "Association Agreement between the Republic of Moldova, on one hand, and the EU and the European Atomic Energy Community and their member states" on the other hand, was signed;
- August 2014 – Government Decision no. 647/07.08.2014 on the implementation of the provisions of sections 27 and 28 of the Customs Code of the Republic of Moldova;
- March 2016 – The "Guide for Authorised Economic Operators", TAXUD/B2/047/2011-Rev.6, was adopted;
- 2017 - WTO Agreement on Trade Facilitation/2017, Article 7.7 Trade Facilitation Measures for Authorised Operators;
- January 2019 – Customs Service Order no. 41-O/25.01.2019 for the approval of the Methodological Norms regarding the verification of applicants and holders of the authorisation of authorised economic agent;
- November 2021 - EU-Moldova MRA validation visit to the Republic of Moldova;
- February 2022 - EU- Republic of Moldova MRA validation visit to Romania;
- May 2022 - EU- Republic of Moldova MRA validation visit to Germany;
- July 2022 – The Draft Decision concerning the mutual recognition of the AEO programme of the Republic of Moldova and the AEO programme of the European Union was approved by the European Commission;
- September 2022 – Decree of the President of the Republic of Moldova regarding the approval of the signing of the Decision Customs Subcommittee on mutual recognition between the Republic of Moldova and the EU;
- 1 November 2022 – The Decision (1/2022) concerning the mutual recognition of the authorised economic operator programme of the Republic of Moldova and the authorised economic operator programme of the EU entered into force.



## **5. What is the compatibility based on mutual recognition between parties?**

The parties shall ensure that their trade partnership programmes operate within the relevant standards of the SAFE Framework. The Customs Authorities shall cooperate to maintain the compatibility and equivalence between their programme, in particular with respect to the following matters:

- (a) the application process for granting the AEO status and membership
- (b) the assessment of applications
- (c) the granting of the AEO status and membership
- (d) the managing, monitoring, suspension and re-assessment, and revocation of the AEO status and membership
- (e) promoting cooperation between Customs Authorities and environmental authorities to promote AEO status and membership compliance with international environmental standards.

## **6. What is the content of the Decision signed between the Republic of Moldova and the EU? How does the Decision work in practice?**

According to the Decision, the Programmes of the EU and of the Republic of Moldova are mutually recognised to be compatible and equivalent, the corresponding AEO statuses (security and safety) granted are mutually accepted and the respective membership status of economic operators is favorably taken into account to the extent possible and practicable. The favorable treatment provided by mutual recognition results in lower costs, simplified procedures, and greater predictability for business activities.

## **7. How does the Decision work in practice on the sector of exchange of information and communication?**

The Customs Authorities of the two parties enhance their communication in order to implement this Decision effectively by:

- (a) providing each other with the details on their programmes;

- (b) providing each other with updates on the operability and development of their Programmes in a timely manner;
- (c) exchanging information regarding supply-chain security policy and trends;
- (d) ensuring effective communication through the competent services of the European Commission and the customs administration of the Republic of Moldova to enhance risk-management practices with respect to supply-chain security.

Exchange of information and communication in the framework of this Decision occurs between the competent services of the European Commission and the customs administration of the Republic of Moldova.

## **8. What type of data is being exchanged between the Republic of Moldova and the EU Authorities?**

Upon receiving consent from its Programme Member/ authorisation holder, the Customs Authorities exchange the following information:

- (a) name
- (b) address
- (c) membership status, namely authorised, suspended, revoked or cancelled
- (d) validation or authorisation date when available
- (e) unique identification number (for example: EORI or AEO numbers) and
- (f) other details that may be mutually determined between the Customs Authorities, subject, when applicable, to any necessary safeguards.

For greater certainty, the details referred to in point (c) do not include the reasons for suspension, revocation, or cancellation.

## **9. How is the data being exchanged and is the data protected?**

Data is being exchanged automatically every 24 hours through official government channels. Data is encrypted and the exchange mechanism put into place is protected by

firewalls, security authorisations, and other protective measures to ensure that the information is not compromised by anyone.

## **BENEFITS**

### **10. What are the benefits under the MRA?**

The MRA provides benefits to both Customs Administrations and operators holding a membership status under either trade partnership programme. Key benefits include:

- a) fewer security and safety-related controls: each Customs Authority takes the status of a Programme Member granted by the other Customs Authority favorably into account in its risk assessment in order to reduce inspections or controls and in other security and safety-related measures
- (b) the recognition of business partners during the application process: each Customs Authority takes the status of a Programme Member granted by the other Customs Authority into account with a view to treating the Programme Member as a secure and safe partner when assessing the business partners' requirements for applicants under its own Programme
- (c) priority treatment at customs clearance: each Customs Authority takes the status of a Programme Member granted by the other Customs Authority into account in ensuring priority treatment, expedited processing, simplified formalities, and expedited release of the shipments where the Programme Members are involved
- (d) business continuity mechanism: both Customs Authorities endeavor to establish a business continuity mechanism to respond to disruptions in trade flows due to increases in security alert levels, border closures or natural disasters, hazardous emergencies, or other major incidents by which priority cargos related to Programme Members should be facilitated and expedited to the extent possible by the Customs Authorities
- (e) the giving of priority to the inspection of consignments covered by exit or entry summary declarations lodged by a Programme Member if the Customs Authority decides to proceed with an inspection.

### **11. Which economic operators benefit from the Republic of Moldova - EU MRA?**

Holders of AEO authorisations with the safety and security component (AEOS or AEOC/AEOS combined) that have given their consent to the exchange of information

with third countries for the purposes of mutual recognition are eligible to benefit from the Decision.

**12. I am a holder of an AEOC (Customs simplifications) authorisation. Can I benefit from the Decision?**

No. As the Decision only covers the security component of the AEO programme only holders of AEOs (security and safety) and AEOC/AEOs combined (customs simplifications/security and safety) authorisations can benefit from the mutual recognition.

Since AEOCs are not required to comply with security and safety standards, they are not entitled to any of the AEO benefits related to security and safety under the MRA.

**13. My AEO authorisation has been suspended/revoked. Do I still get benefits under the MRA?**

No. Only active AEOs with a valid status are eligible to receive any potential benefits out of the MRA.

**14. Do the benefits differ for AEOs and AEOC/AEOs combined?**

No. As both authorisations cover the security requirements, there will be no difference in the benefits granted to holders of AEOs or AEOC/AEOs combined.

**15. Will there be more benefits in the future?**

Under the consultation of both sides' Customs Authorities, each may provide further facilitation benefits, including streamlining processes and increasing the predictability of moving at the border, to the extent possible, in cooperation with other government authorities in its territory.

Notably, the establishment of an AEO fast lane at one of the Border Control Points of EU with the Republic of Moldova is such a case. Romania and the Republic of Moldova have jointly applied separate lanes for AEO authorisation holders at the Border Control Point

Leuşeni-Albita, which permits speeding up and facilitating crossing of the borders and reducing waiting time.



*Image 1: Leuşeni Border*

## How benefits are implemented under the MD - EU MRA in practice

### Operators in the EU



Image 2 EU AEO logo

#### **16. I have not given my consent for the exchange of information with third countries, can I benefit from the Decision?**

No. To comply with EU Data Protection legislation only the data of AEOs that have provided their written consent is exchanged with partner countries.

#### **17. How can I provide my consent in order to benefit from the Decision?**

Normally this consent is provided to the national customs administration at the time of submitting the application for an AEO authorisation through Annex I of the self-assessment questionnaire (see also AEO Guidelines TAXUD/B2/047/2011 – rev 6). In any case, this consent can be provided or withdrawn at any time by the AEO applicant/ holder. To provide/withdraw the consent you can contact the Member State where you applied for the AEO authorisation. The list of AEO national contact points can be found through the following link:

[National AEO Contact Points \(europa.eu\)](http://europa.eu)

#### **18. How can I complement my AEOC status with AEOS in order to benefit from the Decision?**

All interested AEOC authorisation holders should contact the customs administration of the Member State that issued the AEOC authorisation. An additional requirement for

AEOS and AEOC/AEOS consists in complying with the appropriate security and safety standards. In order to complement the AEOC status with AEOS, the holder of an AEOC authorisation will have to apply and undergo the relevant processes concerning the requirements of appropriate safety and security standards.

### **19. How can an eligible EU AEO benefit from the recognition of business partners during the application process?**

EU companies applying for the AEO status in the EU may indicate any business partner they may have which is an AEO (name, address, AEO number) in the AEO Self-assessment Questionnaire under section 5.11.

When a company applies for the AEOS or the AEOC/AEOS status in the EU and has business partners who are AEOs, these business partners are considered safe and secure and generally no additional requirements (security declaration etc.) will be asked from them.

### **20. How EU AEOs will be recognised in Moldova?**

In the Republic of Moldova's Customs Authority Information Portal there is a specific option that enables verifying the AEO status of the EU economic operator (data that can be verified include EORI number, country of establishment and type of AEO authorisation).

See images 3-5.

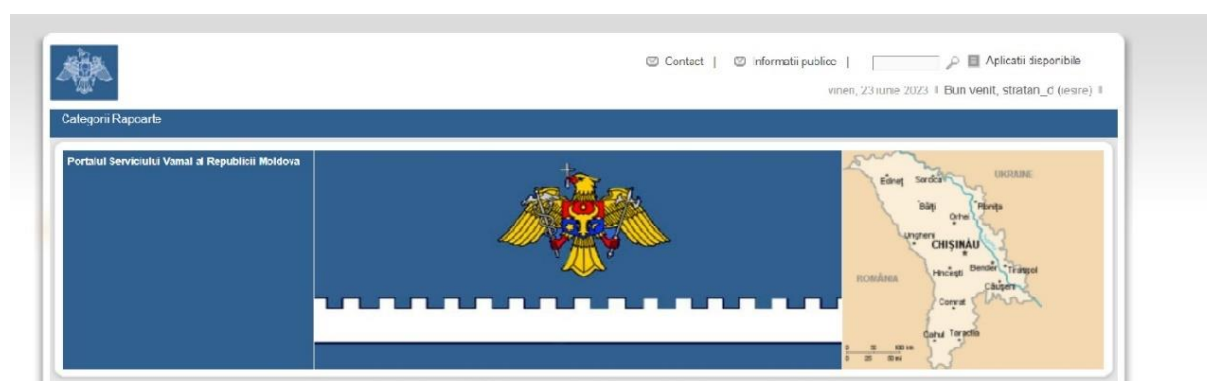


Image 3



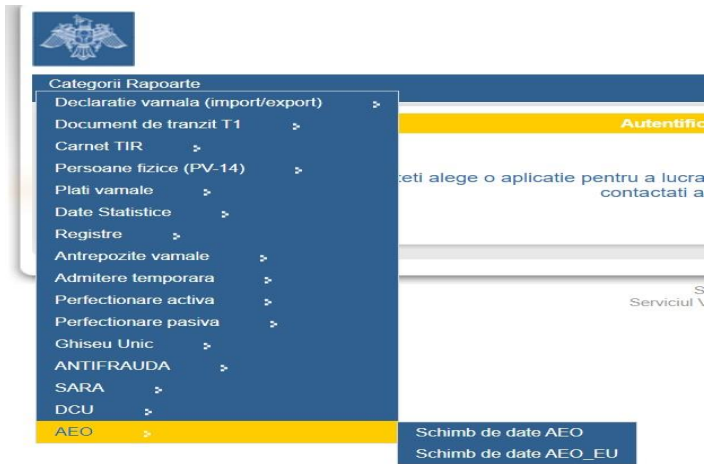


Image 4

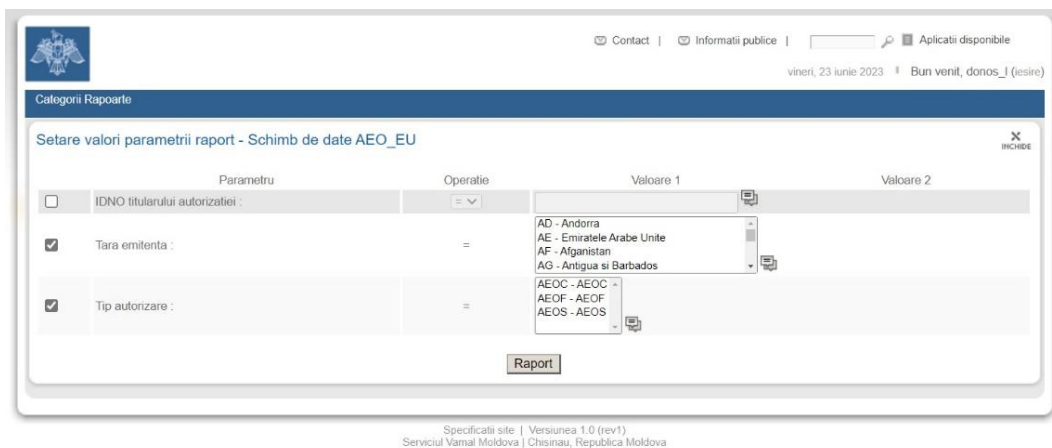


Image 5

## 21. As EU AEO, what do I need to do to benefit from the MRA when bringing goods into Moldova?

AEOs should indicate their AEO authorisation number in Box 44 of the customs declaration.

Image 6: Customs Declaration in the Republic of Moldova

It is suggested to EU AEOs to inform beforehand their business partners in the Republic of Moldova of their respective status and their trade identification number (EORI, AEO authorisation number) so that all necessary declarations are made promptly and properly.

## Operators in the Republic of Moldova

Image 7: Republic of Moldova's AEO Authorisation

**22. As an MD AEO, do I have to register on a web application in order to benefit from the MRA?**

No. As long as the consent has been given, the data will be retrieved automatically and exchanged with the other Authority.

**23. As MD AEO, what do I need to do to benefit from the MRA when bringing goods into the EU?**

In order to benefit from the MRA, the eligible AEOs from the Republic of Moldova will need to insert their trader identification number in the respective data fields so that they can be identified as eligible AEOs.

The following possibilities exist:

For goods that are brought into the customs territory of the EU from the Republic of Moldova:

Entry Summary Declaration - 'consignor' field; 'carrier' field 'notify party' field

Customs declaration for free circulation– 'consignor' field; 'carrier' field

Transit customs declaration - 'Consignor-security TIN' field; Carrier TIN' field.

For goods that exit the customs territory of the EU for the Republic of Moldova:

Exit summary declaration – 'Consignee' field

Export customs declaration – 'Consignee' field

Transit customs declaration – 'Consignee-security TIN' field

It is suggested to the AEOs of the Republic of Moldova to inform beforehand their business partners in the EU of their respective status and their trade identification number so that all necessary declarations are made promptly and properly.

## **MONITORING**

### **24. How will the proper implementation of the Decision be monitored in practice?**

Both parties ensure that both programmes continue to live up to the expectations of the MRA and can rely on the robust implementation of the other programme, the continued compliance of the respective programme members and the granting of the benefits. Both parties shall cooperate closely and shall monitor the implementation of the Decision regularly by means of periodical on-site joint monitoring visits to identify possible strengths and weaknesses in their respective programmes. These joint monitoring visits will take place in both the Republic of Moldova and the EU.

### **25. Will there be any changes to the monitoring processes of the participants of both programmes?**

No. Each competent Customs Authority will continue to perform the checks (monitoring, re-assessment, suspension and revocation) on the economic operators that are located in its territory.

## HELP DESKS / CONTACT POINTS

### European Union

#### European Commission:

[AEO \(Authorised Economic Operator\) \(europa.eu\)](#)

#### Member States:

[National AEO Contact Points \(europa.eu\)](#)

#### Retrieve Authorised Economic Operators

[Authorised Economic Operators - Query page \(europa.eu\)](#)

#### Competent Customs Authorities:

[AEO Competent Customs Authorities - Query page \(europa.eu\)](#)

### Republic of Moldova

<https://trade.gov.md/ro/articles/aeo>

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## TABLE OF ABBREVIATIONS

AEO	Authorised Economic Operator
AEOC	AEO authorisation – Customs Simplifications
AEOS	AEO authorisation – Security and Safety
DCFTA	Deep and Comprehensive Free Trade Area
EORI	Economic Operator Registration Identification
EU	European Union
MD	Moldova
MRA	Mutual Recognition Agreement
MS	Member State of the EU
	<p>The 27 MS are: Austria; Belgium; Bulgaria; Croatia; Cyprus; Czech Republic; Denmark; Estonia; Finland; France; Germany; Greece; Hungary; Ireland; Italy, Latvia, Lithuania, Luxembourg; Malta; Netherlands; Poland; Portugal; Romania; Slovakia; Slovenia; Spain and Sweden.</p>
TAXUD	European Commission, Directorate-General Taxation and Customs Union
WCO	World Customs Organisation
WCO SAFE	World Customs Organisation’s Framework of Standards to Secure and Facilitate Global Trade
WTO	World Trade Organization

