AEO and Risk Management
WCO AEO Conference
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Supply Chain Security strategy

New Zealand Customs Service
Supply Chain Security Regime

Electronic Reporting
• Mandatory electronic lodgement prior to shipment
• Access to trader databases
• Comprehensive goods and cargo declarations

Risk Assessment
• Intelligence products
  - Int’l exchange
• CusMod electronic screening of data
• Watch lists
  - People
  - Goods
  - Craft

Responding to High Risk
• Non-invasive screening (X-ray)
• Explosive detector dogs
• Physical inspection

Reducing Risk
• Secure Exports Partnership
• Base confidence on existing Government procedures
• Sealing of containers
Principles of Trade Management at the NZ Border

» High assurance, light touch;

» Risk is managed as early as practicable in the supply chain;

» Partnerships to manage risk benefit everyone;

» Rules are accessible and easy to understand;

» Resources are targeted to areas of greatest importance;

» Decision making is driven by complete, accurate and timely information.
NZ’s approach to Risk Management

Standard Methodology:
» Single standard across Government;
» Supports better decision making;
» Flexible and adaptable;
» Universal application; and
» Allows for the control of impacts.

The Economic Benefits:
» Increased predictability and facilitation for business;
» Reduced compliance costs;
» Integrity of supply chain remains; and
» Comprehensive risk assessment.
NZ’s approach to Risk Management

1. Establish the Context
2. Identify Risks
3. Analyse Risks
4. Evaluate Risks
5. Assess Risks
6. Treat Risks
7. Monitor & Review
8. Communicate & Consult
Secure Exports Scheme

» Operates through voluntary co-operative partnership

» Customs & Excise Act 1996 provides legal authority

» Customs-approved seal identifies as being subject to Customs control
Risk Management of Partnership status

» Intelligence assessment

» Data integrity audit

» Application including:
  » Security Plan
  » Process map
  » Site plan

» Physical site assessment
SES Partnership approval

» Approval document sets out terms of the scheme

» Explicit acknowledgement of legislative obligations

» Approved secure sites

» Approved transport operators

» Contact information
Secure Exports Scheme

Critical Control Points

- Secure Exports Scheme Security Plan
- PRODUCT STORAGE
- CONTAINER PACKING
- TRANSPORT
- EXPORT LOADING
- Customs Approved Seal
Assurance over Partners

Ongoing Customs validation & audit programme

Focus on Control Points

Compliance Rating

Feedback into intel system