



International Chamber of Commerce

The world business organization

**ICC
Guidelines**



Prepared by the ICC Committee on
Customs and Trade Regulations

ICC Guidelines for Cross-Border Traders in Goods

Introduction

Trade is facilitated when border management authorities are confident that traders represent a low risk to security and of non-compliance with national laws and regulations. Facilitations that reduce barriers to trade and enable growth, prosperity and international security are enabled when authorities can be assured that traders have implemented strong security, trade compliance processes and internal controls.

Nations around the world have accepted the premise that low risk traders should receive benefits for their investment in security and compliance and have implemented a variety of “trusted trader programmes”. These are commonly referred to as Authorized Economic Operator (AEO) programmes. However, there remains a need for a harmonized understanding of what criteria should be used to objectively judge whether a company meets the definition of trusted trader. These guidelines are the ICC’s baseline recommendations to fill that need.

The fifty nine standards contained herein are offered as best practices of safe and secure conduct for cross-border traders in goods. They are intended to be used by traders in the design and management of AEO programmes and to be taken into consideration by governments when assessing the risk represented by operators, particularly in trusted trader programmes. Their objective is to provide a common understanding of what border authorities should expect from a diligent trader.

These recommendations are advice rather than binding regulations on users: they will only apply on a voluntary basis and their observance does not exempt the trader from compliance with local law, which will always prevail. Their purpose is not to be exhaustive. Specific industries and countries may have unique needs which are not covered in these guidelines.

ICC Guidelines for Cross-Border Traders in Goods

An efficient, responsible and reliable cross-border trader:

A. Management engagement

1. Assigns ultimate responsibility for trade compliance with applicable laws to a named officer of the entity;
2. Issues and periodically communicates the entity’s integrity policy;
3. Ensures that a senior manager with broad authority over all pertinent staff is assigned and accountable for oversight of internal trade compliance;
4. Regularly receives and responds to assessments of internal trade compliance;
5. Takes appropriate measures to correct deficiencies;
6. Assures that appropriate policies and procedures governing the organization are kept current and used by employees and agents/brokers/representatives of the operator;

B. Internal coordination

7. Assures that all departments of the entity with a role in importation or exportation are internally coordinated with the assignment of specific written responsibilities reflected in internal procedures;
8. Holds periodic meetings of responsible parties to ensure internal coordination and a consistent flow of information within the organization;

C. Controlled environment

9. Maintains programmes to independently test internal processes on a risk basis taking into account the magnitude of effect and probability of occurrence of errors or omissions in customs declarations;
10. Organizes independent tests conducted by persons other than the person preparing the original declaration;
11. Provides regular reports of the results of internal tests to senior management according to the organizational structure;
12. Self-discloses identified errors or omissions in customs declarations to the relevant authorities without delay, as required by national legislation;
13. Promptly documents and rectifies the gaps in the process contributing to errors or omissions;
14. Communicates gaps and correcting measures in writing;

D. Customs compliance

15. Assures compliance with customs rules, including rules of classification, valuation, and origin;
16. Can demonstrate the basis for value declaration through written documentation such as written policies, procedures, studies, copies of agreements, purchase orders, contracts and similar documents;
17. Provides assurance for the payment of duties and applicable taxes;
18. Maintains surety bonds as needed by national legislation;
19. Keeps readily available transaction documents including purchase orders, commercial invoices, drafts, packing lists, bills of lading, receiving reports, and similar documents and is able to produce such documents in hardcopy or electronic form upon request;
20. Systematically audits declarations against internal documents and accounting records to ensure accuracy of declarations;
21. Establishes processes to ensure that the correct commodity classification is applied including methods to support the determination;
22. Maintains records demonstrating that origin has been determined according to relevant rules; this is especially critical where preference is claimed or the transaction is subject to quota or other restriction. However, even where there is no special programme, care must be taken to assure compliant declaration of origin;

23. In declaring origin under a trade agreement, obtains verifiable proof from the exporter that the imported merchandise qualifies under the trade agreement;

24. Documents basis for availing the entity of special programmes;

E. Intellectual property

25. In sourcing copyrighted or trademarked and patented goods, uses affirmative processes to assure intellectual property rights have not been violated;

F. Export and import controls

26. Prepares truthful and accurate documents;

27. Takes cautionary steps to assure that exported goods are not ultimately destined to prohibited destinations, entities or persons in violation of applicable laws or sanctions;

28. Assures that goods not permitted to be sold in the country of manufacture or production are not exported without the prior consent of the competent authority of the importing country;

G. Logistics management

29. Performs background checks on logistics service providers including, for example, reference to credit agencies, law enforcement, trade associations and chambers of commerce;

30. Where feasible, physically visits logistics providers to ascertain security and appropriateness of the service to be provided;

31. Maintains written service agreements, including prohibition of fraudulent acts;

32. Conducts audits of service invoices;

H. Brokers and agents

33. Performs background checks on brokers and agents including reference to credit agencies, law enforcement, trade associations and chambers of commerce;

34. Provides written guidance on process and procedures to be followed;

35. Provides adequate direction to brokers and agents to assure proper filing of declarations including, among others, commodity classification, valuation and origin information necessary for compliant customs declarations;

36. Employs a system of post audit to assure declarations are properly filed;

37. Documents procedures regarding post audit of declarations;

38. Where feasible, physically visits service providers;

39. Maintains written service agreements, including prohibition of illegal acts;

40. Grants legal authority to act as agent;

41. Where there is licensing of customs brokers, ensures that a valid license is in place;

42. Maintains awareness of changes in customs broker personnel;

I. Security

- 43. Performs background checks on new employees as allowed in national legislation;
- 44. Maintains access controls to facilities and computers;
- 45. Uses ISO certified conveyance security seals;
- 46. Uses tamper evident means to secure loose pallets or pieces;
- 47. Uses shipper supplied packing slips to validate contents before receiving goods into facilities;
- 48. Maintains procedures to assure that when receiving or shipping on freight containers and/or trucks of railcars, visual examination of the exterior and interior of the means of transport is conducted;
- 49. Alerts authorities in the event of suspicious activities;

J. Recourse to experts

- 50. Uses the resources of third party lawyers, specialists, consultants, chambers of commerce, associations, government agencies as needed;

K. Personnel skills

- 51. Ensures that employees making declarations on behalf of the entity are properly trained in import and export processes and regulations;
- 52. Ensures that warehouse personnel is trained to identify anomalies such as the inspection and penetration of shipping containers;
- 53. Avails employees opportunities to engage with peers;

L. Automated systems

- 54. Depending on the resources of the entity, employs automated systems where available to communicate with brokers and government agencies;
- 55. Uses automated systems to receive notifications from border agencies and external sources;
- 56. Uses automated data processing whenever applicable and affordable in order to ensure data integrity;
- 57. Assures the security of automated systems from unauthorized access;

M. Engagement with government

- 58. Engages with government authorities as often as possible in discussions on improvement of processes, security and business facilitation;
- 59. Considers participation in available AEO programmes.

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The International Chamber of Commerce (ICC)

ICC is the world business organization, a representative body that speaks with authority on behalf of enterprises from all sectors in every part of the world.

The fundamental mission of ICC is to promote open international trade and investment and help business meet the challenges and opportunities of globalization. Its conviction that trade is a powerful force for peace and prosperity dates from the organization's origins early in the 20th century. The small group of far-sighted business leaders who founded ICC called themselves "the merchants of peace".

ICC has three main activities: rule setting, dispute resolution, and policy advocacy. Because its member companies and associations are themselves engaged in international business, ICC has unrivalled authority in making rules that govern the conduct of business across borders. Although these rules are voluntary, they are observed in countless thousands of transactions every day and have become part of the fabric of international trade.

ICC also provides essential services, foremost among them the ICC International Court of Arbitration, the world's leading arbitral institution. Another service is the World Chambers Federation, ICC's worldwide network of chambers of commerce, fostering interaction and exchange of chamber best practice. ICC also offers specialized training and seminars and is an industry-leading publisher of practical and educational reference tools for international business, banking and arbitration.

Business leaders and experts drawn from the ICC membership establish the business stance on broad issues of trade and investment policy as well as on relevant technical subjects. These include anti-corruption, banking, the digital economy, marketing ethics, environment and energy, competition policy and intellectual property, among others.

ICC works closely with the United Nations, the World Trade Organization and intergovernmental forums including the G20.

ICC was founded in 1919. Today its global network comprises over 6 million companies, chambers of commerce and business associations in more than 130 countries. National committees work with ICC members in their countries to address their concerns and convey to their governments the business views formulated by ICC.

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