JOINT STATEMENT BETWEEN

THE EUROPEAN COMMISSION AND THE GENERAL ADMINISTRATION OF CUSTOMS OF THE PEOPLE'S REPUBLIC OF CHINA

REGARDING THE IMPLEMENTATION OF MUTUAL RECOGNITION OF THE CLASSIFIED MANAGEMENT OF ENTERPRISES PROGRAM IN THE PEOPLE'S REPUBLIC OF CHINA AND THE AUTHORISED ECONOMIC OPERATOR PROGRAMME IN THE EUROPEAN UNION

JOINT STATEMENT BETWEEN

THE EUROPEAN COMMISSION AND THE GENERAL ADMINISTRATION OF CUSTOMS OF THE PEOPLE'S REPUBLIC OF CHINA

REGARDING THE IMPLEMENTATION OF MUTUAL RECOGNITION OF THE CLASSIFIED MANAGEMENT OF ENTERPRISES PROGRAM IN THE PEOPLE'S REPUBLIC OF CHINA AND THE AUTHORISED ECONOMIC OPERATOR PROGRAMME IN THE EUROPEAN UNION

In this year of the 40th Anniversary of the establishment of diplomatic ties between the People's Republic of China and the European Union, the General Administration of Customs of the People's Republic of China and the European Commission recognise the progress made in customs cooperation since the signature in 2004 of the EU-China Customs Cooperation and Mutual Administrative Agreement.

The importance of this cooperation is reflected in the China-EU Strategic Framework for Customs Cooperation for the period 2014-2017 endorsed by the Joint Customs Co-operation Committee (JCCC) established under the abovementioned agreement to oversee its implementation.

The Strategic Framework defines operational priorities and specific objectives for the cooperation with a view to facilitating and accelerating trade while enforcing intellectual property rights, promoting security, protecting citizens and the environment, and fighting fraud.

An important objective is to strengthen end-to-end supply chain security for trade in goods by promoting multi-layered risk-management and providing facilitation to trusted traders.

Such facilitation is the purpose of the JCCC decision of 16 May 2014 regarding the mutual recognition of the Authorised Economic Operator Programme in the European Union and the Classified Management of Enterprises Program in the People's Republic of China.

China has replaced its Measures on Classified Management of Enterprises by the Interim Measures of Customs Administration for Enterprise Credit Management with effect from 1 December 2014

In this light, the European Commission and the General Administration of Customs of the People's Republic of China state that:

- The joint assessment of the new measures has concluded that the recent Chinese Interim Measures for Enterprise Credit Management are in line with the World Customs Organisation SAFE Framework of Standards and legally compatible with EU customs legislation.
- Prior to the implementation of the decision on mutual recognition, compatibility is still to be jointly confirmed in relation to the practical implementation of the new measures. This confirmation is to address the organisational aspects relating to the

certification of enterprises, the IT development requirements, the training for the auditors and the process of monitoring by customs.

- The two sides are to develop the relevant IT programmes and to conduct joint testing to ensure smooth implementation of data exchanges under the mutual recognition decision. This effort should be compatible with the wider IT developments across the spectrum of EU-China customs cooperation.
- The benefits of the respective programmes and of their mutual recognition will be communicated by the two sides to enterprises and to the public.
- The successful completion of the actions outlined above should allow the mutual recognition decision and the related benefits to be implemented in November 2015.

The development of EU-China customs connectivity is a practical contribution to the enhancement of EU-China relations.

Place of Signature

Date of Signature

Minister
General Administration of Customs
People's Republic of China

Commissioner/DG European Commission