

GUIDE FOR THE IMPLEMENTATION OF THE MRA BENEFITS

BRAZIL – CHINA



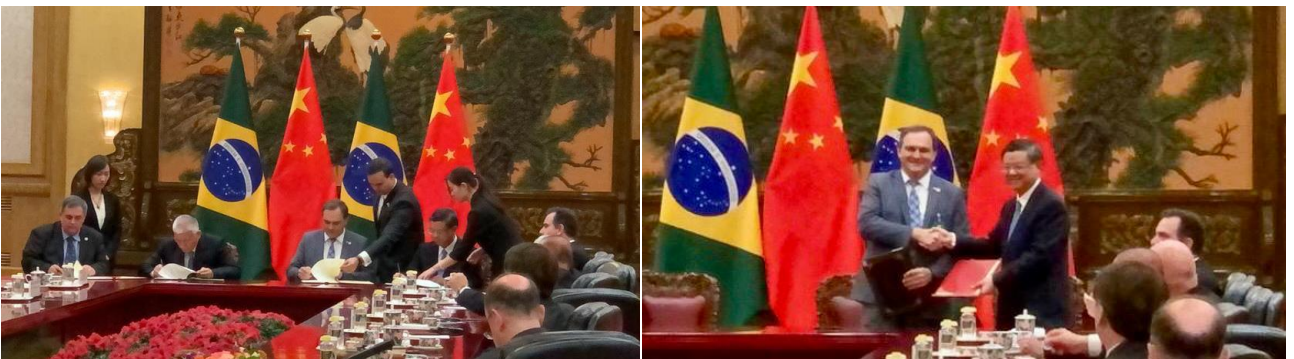
BRAZILIAN AUTHORIZED ECONOMIC
OPERATOR PROGRAM - AEO



WHAT IS A MRA?

Mutual Recognition Arrangements / Agreements (MRA) are bilateral/plurilateral understandings between Customs Administrations of countries with mutually compatible AEO Programs. Their objective is to recognize AEO authorizations issued by

another Customs Administration in order to provide reciprocal priority treatment in cargo clearance, establishing more predictable operations and securing competitive advantages to AEO companies in the international trade.



The agreement was signed by the then Coordinator-General of Customs Administration, tax auditor Jackson Aluir Corbari, and by the Minister of the General Administration of Customs of the People's Republic of China (GACC), Mr. Ni Yuefeng.

MRA BRAZIL – CHINA



On 25 October 2019, the Customs Administrations of Brazil and China signed the Mutual Recognition Arrangement of their respective Authorized Economic Operators (AEO), which recognizes that both programs are compatible with the World Customs Organization (WCO) Framework of Standards to Secure and Facilitate Global Trade (SAFE). The initiative aims to strengthen cooperation and facilitate foreign trade operations to

AEO-certified companies in both countries.

For such purpose, the AEO status of an operator will be entered as a variable in the risk management systems, pursuant to the applicable legislation of each country, so that foreign trade operations by AEO-certified companies from Brazil and China – and destined for these countries - are identified and facilitated.



The Temple of Heaven is a complex of imperial religious buildings located in the center of Beijing.

BENEFITS AGREED UPON BETWEEN BRAZIL AND CHINA

The following benefits have been agreed between both the Brazilian and the Chinese Customs Administrations to be granted to exporters certified as AEO-Security:

- Reduced documentary inspection rates;
 - Relatively reduced goods inspection rates in import and export operations;
 - Priority inspection of any cargo selected for physical inspection;
 - Designation of a point of contact at Customs for communication, to solve problems faced by members during customs clearance;
- Priority measures to respond to disruptions in trade flow resulting from heightened security alert levels, border closures and/or the occurrence of natural disasters, hazardous emergencies or other incidents of significance etc.

The mechanism for granting the benefits depends on:

a) Identification of AEO exporters: each Customs Administration will inform its AEO-certified companies the code to be used.

b) Filling out the import forms/documents: the TIN (Trader Identification Number) must be used.

HOW TO FILL OUT THE DOCUMENTS IN BRAZIL?



In the Import Declaration (DI), the declarant must enter in the "Complementary Information" field of the "Basic" form, the foreign exporter Trader Identification Number (TIN).

The Trader Identification Number is the harmonized solution proposed by the WCO - World Customs Organization - for the identification of AEOs, to enable efficient implementation of MRAs and cooperation between Customs.

The TIN is composed of two parts:

- 1) Issuing country identification: uses the country's ISO code, with two letters - "CN", in case of China and
- 2) Operator identification code in the country, defined by Customs, without dots or special characters. In China case, this is a 10-digit numeric code, without special characters or the word AEO.

Trade Identification Number (TIN) structure:

Chinese ISO code

CN 1234567890

Identification code defined by the Chinese Customs, without special characters or the word AEO

The TIN of a foreign exporter is not to be confused with the VAT number, as the Customs has the prerogative to choose another number.

When you obtain the Chinese Exporter AEO Code from your partner, a small adaptation will be necessary to convert it to the TIN to be inserted into the RFB systems:

Chinese Exporter AEO Code:

~~AEO~~ **CN 1234567890**



Trade Identification Number (TIN):

CN 1234567890

For importers filling out a Single Import Declaration (Duimp), the TIN must be entered into the "Foreign Exporter Data (Supplier)" field of the "Product Catalog", as shown below.

The screenshot shows the 'Elaborar DI - C' form with several fields. The 'Básicas' tab is selected. The 'Informações Complementares' field is highlighted with a red circle and contains the following text:

**Example:
The TIN of a Chinese exporter could be:
CN 1234567890**

At the bottom of the form, there are buttons for 'Salvar' and 'Limpar'.

Dados Básicos		Histórico	
* CPF/CNPJ raiz da empresa responsável:	* País:	* Número de identificação (TIN):	Versão: Situação:
Selecione	Selecione		
* Nome:	E-mail:		
Código interno:	Código postal:	* Logradouro:	

HOW TO FILL OUT THE DOCUMENTS IN CHINA?



When importing from a Brazilian AEO

When a company in China **imports** goods from a Brazilian AEO company, it needs to insert the TIN (Trader Identification Number) code of the Brazilian exporter into the "Overseas Consignor Code" item in the "Overseas Consignor" column of the Import Declaration Form and in the "Consignor AEO Code" column of the Maritime and Air Freight Manifest, respectively.

After confirming the identity of the Brazilian AEO, the Chinese Customs will provide mutual recognition benefits.

When exporting to a Brazilian AEO

When a company in China **exports** goods to a Brazilian AEO company, it needs to insert the TIN (Trader Identification Number) of the Brazilian Consignee into the "Overseas Consignee Code" item in the "Overseas

Consignee" column of the Export Declaration Form and in the "Consignee AEO Code" column of the Maritime and Air Freight Manifest, respectively.

How to inform the TIN: "Country Code (BR) + Operator Identifier Code in the Country (CNPJ - 14 digits)", such as in "BR12345678000101".

Trade Identification Number (TIN) structure:

Brazilian ISO Code

BR 12345678000101

National Register of Legal Entities (CNPJ) is the identifying code defined by the Brazilian Customs, without special characters



**MUTUAL RECOGNITION ARRANGEMENT REGARDING THEIR
AUTHORIZED ECONOMIC OPERATORS – AEO - BETWEEN**



**SPECIAL SECRETARIAT OF THE FEDERAL REVENUE
FEDERATIVE REPUBLIC OF BRAZIL**



**GENERAL ADMINISTRATION OF CUSTOMS
PEOPLE'S REPUBLIC OF CHINA**