



Streamlining Trade: Nigeria Customs Launches Authorised Economic Operator (AEO) Programme

Introduction

On February 14, 2025, the Nigeria Customs Service (NCS) formally launched the Authorised Economic Operator (AEO) Programme following a successful pilot phase that began in September 2024. During the pilot, participating businesses reportedly saved over 100 million and experienced a 66.9% reduction in average customs clearance time. The full rollout now expands access to a wider pool of eligible businesses, including Small and Medium-sized Enterprises (SMEs).

What is the AEO Programme?

The Authorised Economic Operator (AEO) Programme is an internationally recognised certification initiative developed under the World Customs Organization's SAFE Framework of Standards. It aims to facilitate secure, efficient, and simplified cross-border trade by certifying businesses—known as “trusted traders”—that demonstrate consistent customs compliance, secure supply chain practices, and strong internal controls. Certified AEO businesses benefit from reduced inspections, faster clearance, and priority processing at customs.



The AEO Programme will gradually replace the former Fast Track Scheme (FTS), which focused primarily on manufacturers and offered limited benefits. Unlike FTS, the AEO scheme expands access to a wider range of businesses across the supply chain- including SMEs- while offering more flexible eligibility criteria and broader operational advantages.

Key Benefits of AEO Certification

AEO-certified businesses can expect:

- Faster customs clearance and reduced physical inspections
- Priority treatment for documentation and inspections
- Lower compliance costs
- Improved efficiency and competitiveness

These benefits are intended to reduce transaction delays, strengthen operational planning, and improve cross-border trade reliability.

Implications for Nigeria's Trade Landscape

1. Improved Trade Efficiency: With clearance times reduced from an average of 168 hours to 43 hours during the pilot phase, the programme is expected to significantly lower logistics costs and

boost productivity across the import-export value chain.

2. Stronger International Trade Relations:

The alignment with global trade standards positions Nigeria to negotiate mutual recognition agreements with foreign customs authorities, increasing access for Nigerian goods and fostering trade trust.

3. Expanded Access for SMEs:

Opening the programme to SMEs allows a broader range of businesses to participate in international trade on more competitive terms. This is particularly significant for Nigeria's SME sector, which contributes nearly 48% to national GDP.

Looking Ahead

The launch of the AEO Programme signals a broader shift toward modern, digitised customs operations in Nigeria. As the programme scales, it could play a key role in attracting investment, promoting exports, and improving Nigeria's overall ease of doing business.

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As Nigeria's trade landscape evolves, understanding how to qualify for and benefit from the AEO certification will be key for businesses seeking operational efficiency and cross-border competitiveness. For legal advisory on trade facilitation, customs compliance, and navigating the AEO Programme, contact us at info@scp-law.com or visit www.scp-law.com.

