



## India's Trade Facilitation Reforms - TFA and Beyond





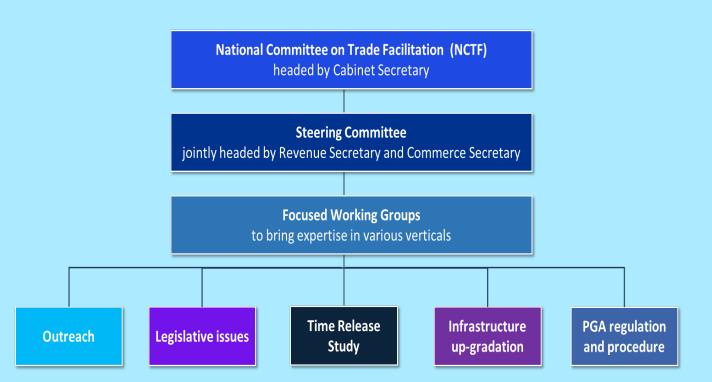
Central Board of Indirect Taxes and Customs (CBIC)

## Agenda

- 01 Institutional mechanism for Trade Facilitation India's NCTF
- 02 Commitments under WTO TFA
- **03** Regulatory Reforms
- 04 Technology Reforms
- 05 Infrastructural Reforms
- 06 Trade Facilitation Reforms-Unique to India
- 07 Impact of Trade Facilitation reforms

### Institutional mechanism for Trade Facilitation – India's NCTF

Article 23.2 of TFA: Each Member shall establish and/or maintain a national committee on trade facilitation or designate an existing mechanism to facilitate both domestic coordination and implementation of the provisions of this Agreement



- Structure of NCTF is all inclusive with the representation from private industry, women traders and government stakeholders from various line Ministries.
- NCTF follows a goal-based approach and acts as the custodian of trade facilitation in the country
  - Develop and implement National Trade
    Facilitation action plan
  - Conducts evaluative TRS studies to measure the impact on release time
  - Conducts Surveys to evaluate the perception of trade

### Commitments under WTO TFA

 Category A (72%)
 Commitments which India was complying with, on the date of ratification of TFA
 Category B (28%)
 Commitments which were to be complied in time period of 5 years

India has been implementing TF plus measures since 2017 through creation of NTFAP 2017-20 and NTFAP 2020-23. Now India is in the process of drafting NTFAP 2023-26 to take it forward.



### Regulatory Reforms - beyond TFA

Indian customs introduced the '**Turant Customs**' programme as a key initiative to enable faster clearance and reduce the cost as well as compliance burden involved in the EXIM trade.

#### **Faceless Customs**

- Anonymous Customs Assessment
- Remote Customs Assessment
- Uniform Customs Assessment
- Faster Customs Assessment

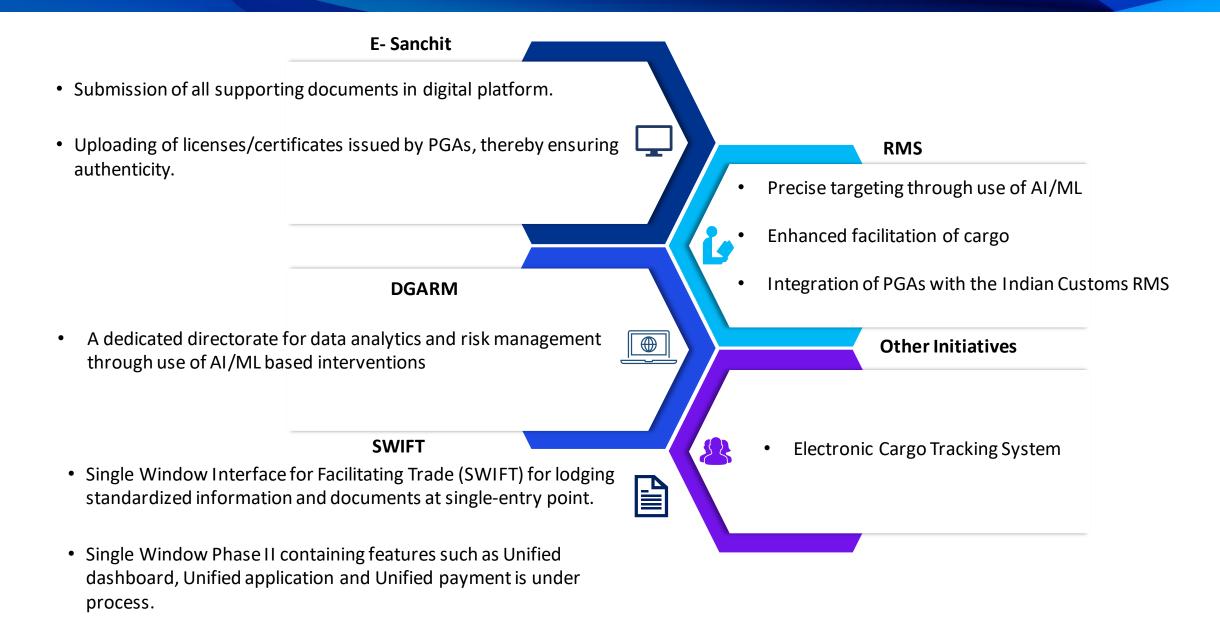
### Paperless Customs

- Electronic submission of all supporting documents on E-sanchit platform
- Provision of NOC through SWIFT platform for clearance of Imports.

### **Contactless Customs**

- Web based goods registration by importer
- Automated queuing and machine enabled customs out of charge
- Online video interface only when necessary
- Turant Seva Kendra for document verification

### Technology Reforms - beyond TFA



### Infrastructural Reforms- beyond TFA

PM Gati Shakti National Master Plan addresses last mile road and rail connectivity between economic zones and customs ports

Focus on promoting non Intrusive examination of cargo through installation of scanners

containers

Infrastructure . . . . . . . . . ... Improvement सात बेहरु पतन व्यार केंद्रीय पर्किंग प्ल **DPD and DPE Infrastructure** in form of Container yards at ports and Centralized parking plaza (CPP) for faster clearance of Factory Stuffed

100% RFID Based EXIM Containers tracking in Country

> **Conversion of Land Customs Stations to Integrated Check Posts** which houses all regulatory

agencies, such as immigration, customs and border security at one place

Upgradation of Central Revenues Control Laboratories (CRCL)

### Trade Facilitation Reforms-Unique to India



#### Anonymised Escalation Mechanism

User submit grievances pertaining to delay in Bill of Entry clearance under faceless assessment



#### **Scorecard for CBs**

An EODB scorecard system has been implemented which contains performance of Custom brokers based on 5 various parameters for each month. It sensitize the customs brokers about facilitation measures taken to reduce time & cost of clearance

#### ICETAB

Provides the shed officers mobile access to the ICES application to facilitate in the examination of cargo and help them submit their examination report in ICES immediately on completion of the examination



#### Compliance Portal (CIP)

Provide free, easy, and quick access to information on all Customs procedures and regulatory compliance for nearly 12,000 Customs Tariff Items

Information

#### Body worn camera

To Improve transparency, boarding officer will wear a boarding Jacket fitted with Body Worn Camera ("BWC") having a video/audio recording facility

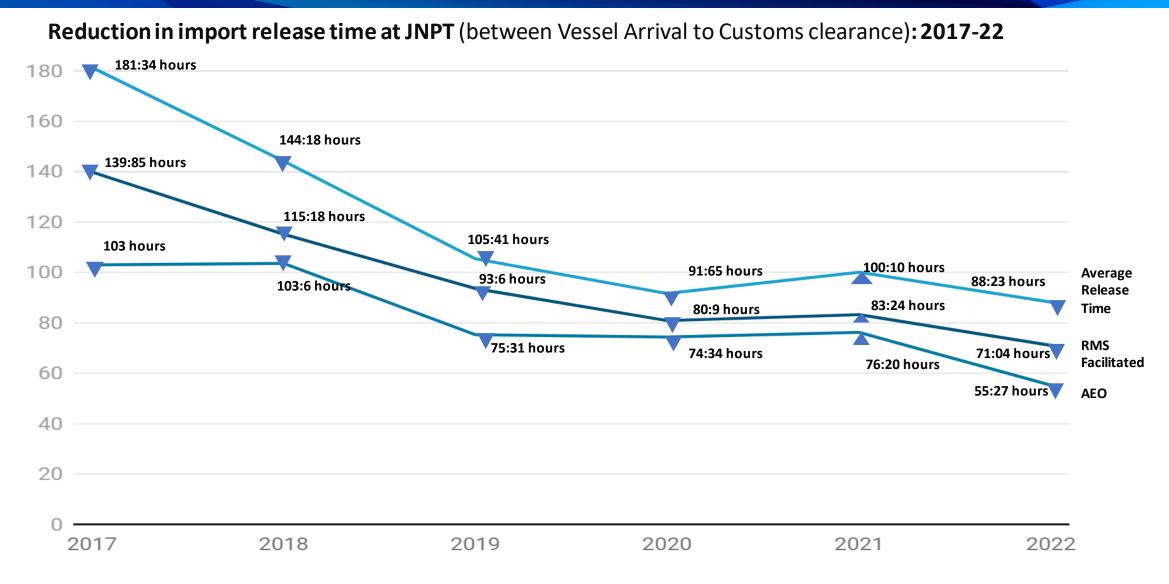


#### **QRcode-based sampling**

Assist in monitoring the activities at the various stages of entire sampling process chain of the samples

drawn for testing at ports laboratory

### Impact of TF Reforms – Reduction in Overall Release Time (1/2)

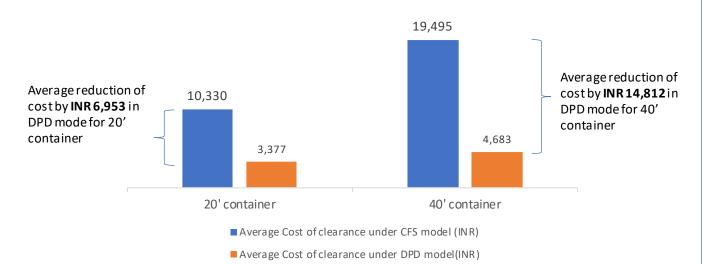


AEO and RMS facilitated data represent a sub-set of the all-in-one average time | Source: 2017, 2018, 2019, 2020 TRS published by JNCH, National TRS 2021 & 2022

### Impact of TF Reforms – Reduction in Cost and time (2/2)

- A recent survey, to determine the cost benefits of the DPD scheme, was conducted by CII at the Jawaharlal Nehru Port. The result indicate that:
- Average of INR 6,953 saved by importer in DPD mode as compared to CFS clearance for 20' container and INR 14,812 for 40' container
- Approximately 5-7 days are saved by importer in DPD mode as compared to CFS clearance

### Comparison of Cost of Container in CFS and DPD for Imports clearance



#### Comparison of time of Container in CFS and DPD for Imports clearance

Under CFS Model		Under DPD model
	1.5 days at terminal and 5-7 days at CFS	2 days at terminal only

# Thank You