NEWSLETTER

DIGITIZATION OF CUSTOMS CLEARING PROCEDURES An Enabling Environment for Indian Exporters

In order to simplify documentation for exports and imports through digitization, Department of Revenue, CBIC has undertaken several initiatives like Single Window Interface for Trade (SWIFT) and adoption of digital signature.

A large number of documents that trade, transport and regulatory agencies are required to submit/receive in the process of live customs clearances are now being processed online. The Indian Customs Electronic Data Interchange System (ICES) is operational at 245 major customs locations handling nearly 98% of India's import and export consignments. The objective of ICES is to have internal automation of the Custom House for a comprehensive, paperless, fully-automated customs clearance system and an online, real-time electronic interface with the above-mentioned stakeholders through ICEGATE.

Although the customs clearance documentation process is online, many Indian exporters are unable to export their shipments in time since the announcement of the 21-day lockdown subsequent to the COVID-19 crisis. Many private ports have invoked the force majeure clause as the absence of operational staff is delaying the physical discharge of goods to be shipped.

Additionally, transport operators are facing a shortage of truck drivers as despite of the government's clarification that transportation of all goods, without distinction of essential and non-essential will be allowed, transport operations have been impacted. In the absence of livelihood opportunities, many drivers have fled to their hometowns.

While the restoration of supply chains may come about soon, exporters are also facing the problem of obtaining quality and pre-shipment inspection certificates, certificate of origin (CoO) etc. The government has requested the customs authorities and other competent authorities in the trade partners with whom India has a trade agreement to allow the eligible imports under preferences on a retrospective basis subject to the subsequent production of the CoOs by the Indian exporters.

The Directorate General of Foreign Trade (DGFT) also operates a common digital platform as a single point access for CoOs for all FTAs/PTAs for all agencies and all products. It is designed to facilitate exports through a secure, electronic, paperless CoO issuance process wherein designated CoO issuing agencies are required to work through the portal.

It is remarkable that the government is building a well-integrated, seamless, efficient, reliable and cost-effective logistics network by leveraging best-in-class technology and processes. However, many Indian exporters are naive about the digital mode of customs clearance procedures and are largely dependent on the expertise of Custom House Agents in transporting their cargo.

If India wants to become the export-hub of the world in future, it becomes imperative that Indian exporters become cognizant about the steps taken by the government towards enabling ease of doing trade and improving their business competitiveness.

For any COVID-19 related Export or Import issue, a Helpdesk has been operationalized by DGFT in the Department of Commerce, Ministry of Commerce and Industry. Exporters/importers may directly flag their issues through any of the following channels:

Contact@DGFT Platform (http://rla.dgft.gov.in:8100/CRS_NEW/)

Email: dgftedi@nic.in Call at Toll free number: 1800-111-550

NOTIFICATIONS

RBI

- Amendment to Master Direction (MD) on KYC
- Realisation and Repatriation of Export Proceeds-Relaxation
- Line of Credit to the Government of the Republic of Burundi
- Foreign Exchange Management (Amendment) Regulations, 2020

Press Information Bureau, Government of India

- Government of India launches ArogyaSetu App to track Covid 19 infection
- Exchange Rate Notification
- GST Revenue Collection for March, 2020
- Revision of ceiling price of Scheduled formulations
- Medical Devices notified as Drugs w.e.f. 1st April 2020
- Major Ports not to levy any penalties on any Port user for delay caused due to COVID-19

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