



**IMPLEMENTING  
TRADE FACILITATION  
AGREEMENT**

**Indian Experience**

**Perspective and Priorities**

# BORDER CLEARANCE ECOSYSTEM



PGAs	Food Safety
Drug Controller	Quarantine
Environment	Wild life
Textile	Security
Telecom	Radiation

Trade facilitation - Government and Private Stakeholders need to work in tandem

# TFA IMPLEMENTATION: INSTITUTIONAL MECHANISM

- In India, a Three-Tier mechanism for implementation envisaged:



- NCTF is mandated with roll out of annual implementation plan

# NCTF GOVERNANCE STRUCTURE DESIGN PRINCIPLES

## Wide Representation

TFA requires multiple stakeholders to come together in order to ease cross border trade and build the National Trade Facilitation plan.

## Coordination

The Structure should facilitate coordinate with various agencies at various levels to achieve common goals.

## Flow of Information

The structure should facilitate flow of information and knowledge sharing between different agencies and regions.

## Decision Making Authority

The structure should be able to facilitate decision making processes.

## Public and Private Ownership

The structure should have representation from both public and private stakeholders.

# Responsibility Matrix



## Cross Border Procedures

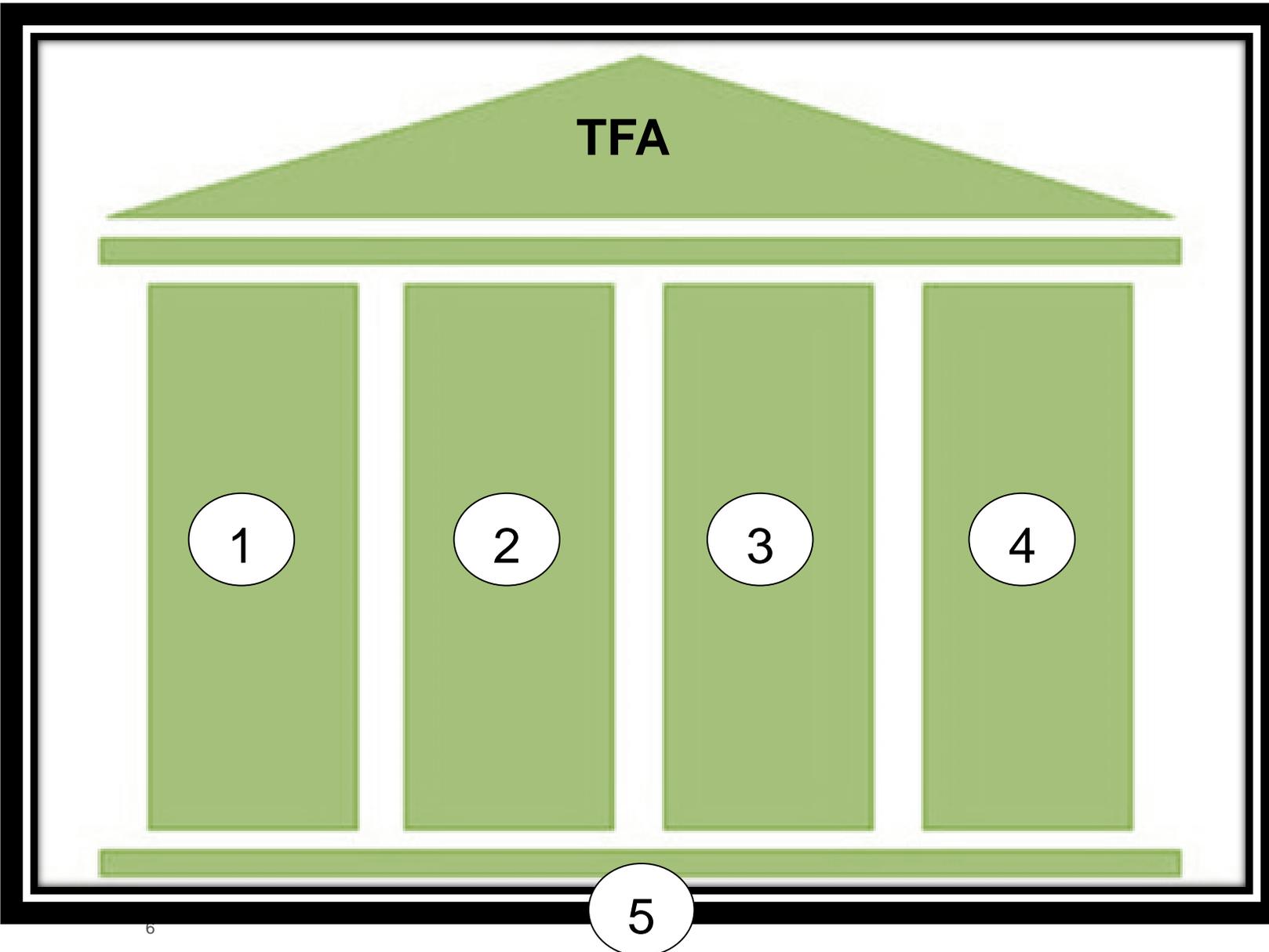
Regulatory Agencies:  
Customs (Ministry of Finance)  
DGFT (Ministry of Commerce)  
FSSAI and CDCSO (Ministry of Health)  
Animal and Plant Quarantine (Ministry of Agriculture)  
Bureau of Standards (Ministry of Consumer Affairs)  
Textile Committee (Ministry of Textiles)  
Wireless Planning and Coordination (Ministry of Communication and IT) and  
Wildlife Crime Control Bureau (Ministry of Environment and Forests)

## Infrastructure and Logistics



Ministry of Shipping  
Ministry of Civil Aviation  
Ministry of Railways  
Ministry of Roadways and Highways  
Ministry of Commerce  
Ministry of Finance

# FOUR PILLARS AND FOUNDATION OF TFA



- 1 **Transparency**  
(Access to Information)
- 2 **Technology**  
(Digital and Detection technologies)
- 3 **Procedures**  
(Simplification, Standardization, Harmonization and Risk based approach)
- 4 **Infrastructure**  
(Augmentation in Sea Ports, Airports, Railways, Roads, Land Borders)
- 5 **Coordination**  
(Inter-Ministry and Inter-Agency)

# TFA PILLARS

## Transparency

Publication of Information

Enquiry Points

Prior consultation

Opportunity to Comment

Measures to Enhance Impartiality

## Technology

Improve IT based Services and Compliance

Single Window and Coordinated Border Management

Globally Networked Customs

Non-Intrusive Inspection Technologies

Scanners, X-ray machines, Radiation and Nuclear Portals

# TFA PILLARS

## Procedures

Uniformity and clarity in Procedures

Uniform documentation requirements

Special procedures for Perishables

Faster clearance for e-commerce shipments

Pre-arrival processing and Risk based approach

## Infrastructure

Poor infrastructure at Sea Ports and Airports

Inadequate infrastructure at CFSs and ICDs

Poor road conditions and congestion

Insufficient rail connectivity to major ICDs

Lack of testing laboratories at all ports



## Adhoc Working Groups under NCTF

- ✓ **Collaborate with Trade**
- ✓ **Increase Awareness**
- ✓ **Officers of all Agencies**
- ✓ **Trade and Industry**

### Outreach

### Legislative Changes

- ✓ **Gaps in Legislation for Category B Articles**
- ✓ **Improve Standards for Category A Articles**

- ✓ **Improve Risk Assessment**
- ✓ **Identify procedural bottlenecks**
- ✓ **Identify Stakeholder responsibility**
  - ✓ **WCO Methodology**

### Time Release Study

### Infrastructure

- ✓ **Sea Ports and Airports**
- ✓ **Roads and Railways**
- ✓ **Inland Container Depots**
- ✓ **Land Customs Stations**

# TFA Action Plan – A glimpse at priorities ...1

## Improve standards of Category A Articles

### Article 1.2

Developing a single holistic portal which can host all Regulatory information on behalf of Government

### Article 1.3

Put in place call-centres, which act as Enquiry points, in all Ministries to handle trade queries. Provide backend support from officers having domain knowledge

### Article 2.1

Make a consultation process compulsory before Rules or Regulations are changed

### Article 7.6

Bring down the overall cargo release time – below 3 days for Sea cargo, below 2 days for air cargo and same day for ICDs and Land Customs Stations

### Article 10.2

Create a central repository of original documents in each sea port, airport, Inland Container Depot or Land Customs Station

Convert Category B to A at the earliest

# TFA Action Plan – A glimpse at priorities ...2

## Short Term – Medium Term and Long Term

**Article 7.5**

Strengthen Post Clearance Audit System in Customs.

**Article 7.7**

Increase the number of Authorized Economic Operators

**Article 7.8**

Streamline e-commerce policy and minimize documentation requirement

**Article 7.9**

Expedite procedures for perishable goods and augment cold storage infrastructure

**Article 12**

Encourage connectivity and co-operation with other Customs administrations. Promote Globally Networked Customs

TFA Plus – infrastructure, logistics, policy and procedures by various Ministries

## What have we done so far?

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- ✓ Brought cargo release time and transparency as centre of focus in addition to Revenue Collection
- ✓ Enhanced process efficiency by implementing several modernised procedures
  - ✓ SWIFT, Pre-Arrival processing, Direct Port Deliveries (Imports), Direct Port Exit (Exports), Integrated Risk Management, Revamped AEO scheme, Deferred Payment, Reduce paper and rely on digital signatures
- ✓ Renewed and intensive focus on Digital Customs - New Investment into IT Infrastructure and Applications – Technology Refresh through Project Saksham
- ✓ Better coordination amongst various stakeholders in the border clearance ecosystem
  - ✓ Customs Clearance Facilitation Committees – feeding information to NCTF
- ✓ Extensive outreach, perception survey and capacity building efforts

# Vision

Transform cross border clearance eco-system through efficient, transparent, risk based, coordinated, digital, seamless and technology driven procedures which are supported by state-of-the-art sea ports, airports, rail, road and other logistics infrastructure.

# Outcome

Increase Ease of Doing Business	
Enhance Digitization – Shift towards Paperless Environment	Faster
Ensure Simple, Transparent and Predictable Legal Regime	Easier
Improve Investment Climate through better infrastructure	Cheaper



**Thank You**

