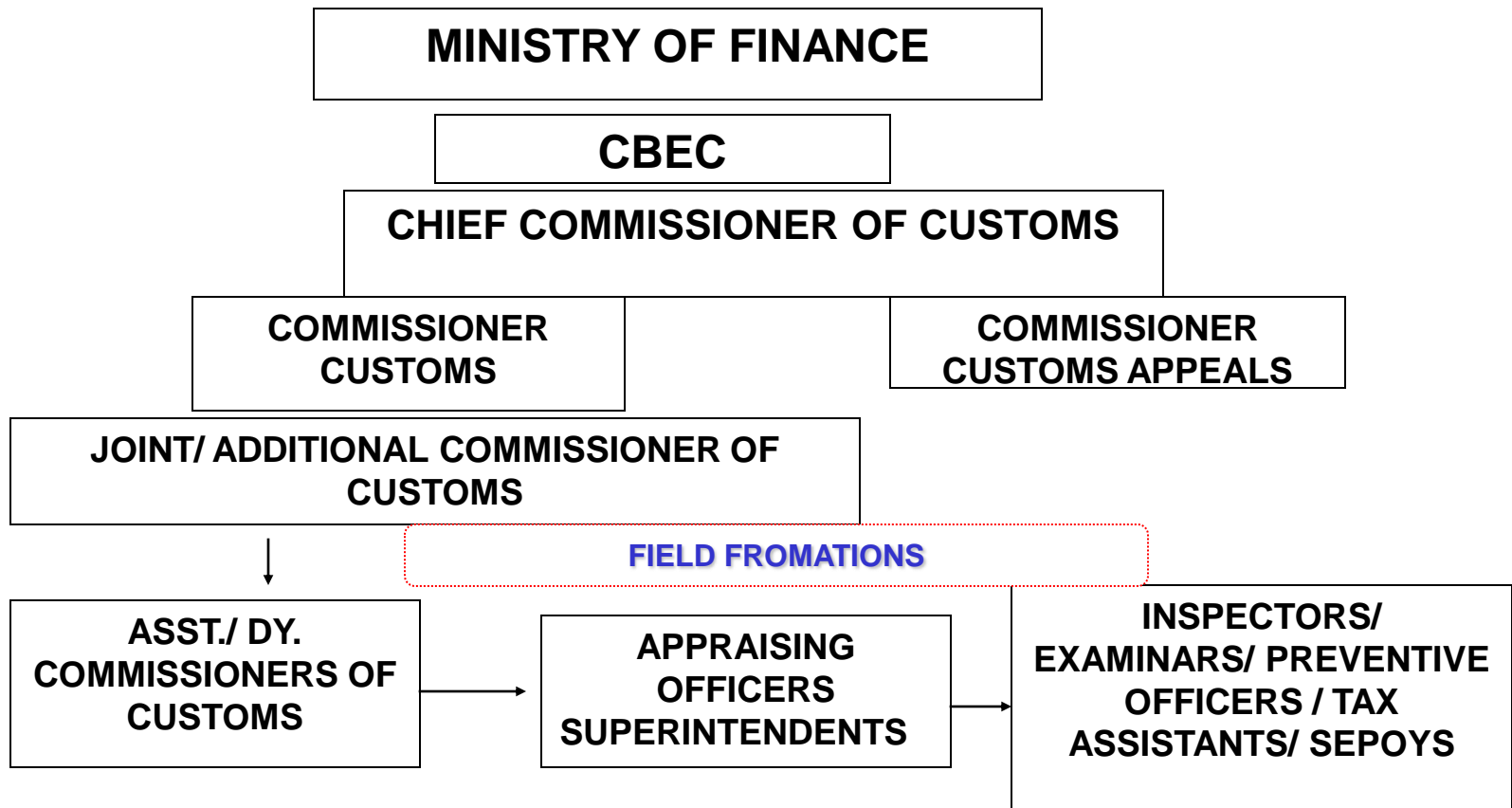


# Role of Customs in MultiModal Transport and customs facilitation at Indian Border check post

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# Set up of Central Board of Excise and Customs(CBEC) and its field formations



# WHY INTERFACE WITH CUSTOMS?

# CUSTOMS ROLE IN EXIM TRADE

- All Import/ Export Cargo To Enter / Exit Through Notified Customs Stations Only
- PORTS/ AIRPORTS/ LAND CUSTOMS STATIONS for Entry and Exit of Exim Cargo to be NOTIFIED by CUSTOMS
- Operators of Customs notified Port/ Air Cargo Are Appointed As Custodians of Exim Cargo
- Import/ Export cargo are subjected to examination, valuation, assessment for collection of customs duty/ to enforce the restriction/ regulations imposed by EXIM policy/ Allied acts
- Custodians to Release the Cargo Only After Getting Customs Out of Charge Order (Import)/ Let Export Order(export)

# **STAGES OF INTERACTION WITH CUSTOMS DEPTT SINCE THE CONCEPTUALIZATION OF THE PROJECT**

- Permission to start the ICD/CFS – Meeting of Inter-Ministerial Committee (IMC)
- Issue of notifications under relevant provisions of the Customs Act, 1962
- Posting of customs staff on cost recovery basis
- Electronic Data Interchange (EDI) system installation

# THE PROACTIVE APPROACH

- Standardisation of guidelines for all custodians of seaport and aircargo complexes on the lines of the guidelines framed for custodians of ICDs/CFS.
- Liberalization in rules relating to furnishing of bonds/bank guarantees by Central and State Government Undertakings and other categories of Carriers/Custodians.

- Requirement of submission of invoices at gateway ports for cargo to be transhipped waived.
- Value of transshipment bond to be furnished permitted to be calculated on basis of average no. of TEUs transhipped per trip/average value of cargo per container transhipped in past/time taken on receipt of proof of landing etc.

- Introduction of system of a running mother bond to be maintained at the gateway port, bank guarantee for transhipments to be waived for all major shipping lines, ICDs/ CFS and other reputed Importers.
- The requirement of filing Transhipment Permits(TPs)done away with. Automatic transhipment of containers to hinterland ICDs/ CFS on the basis of the IGM filed at the port of Import for all ICDs / CFS linked by EDI system.
- Introduction of single window system for issue of TPs for ICDs/CFS without EDI connectivity.



- Examination of containers meant to be transhipped to another port/airport/ICD/CFS only on receipt of specific intelligence about misdeclaration of goods in IGM or likelihood of contraband in the containers to be transhipped – order for examining such containers must be issued in writing by JC/Addl. Commissioner
- Requirement of Customs seal on containers at gateway ports waived if one time bottle seal of shipping lines or their agents is intact with the serial no. of seal being intimated to the Customs Department.

- Introduction of Risk Management System (RMS) in all major ports/ ICDs with EDI connectivity for quicker assessment and delivery of Import Cargo.
- Self assesment scheme for accelerated clearance of Import/ Export on accredited clients program.
- Special Import counters/ examination area for accredited Importers/ Exporters to reduce the dwell time of containers at ports.
- To facilitate faster train movement, filing of applications for TPs at Ports permitted on Saturdays.
- Allowing private operators to run container trains between hinterland ICD /CFS and major ports taking away the monopoly of CONCOR for running container trains.

# Bonded Trucking

- Movement of export cargo by container/trucks from hinterland to gateway airports for export by air permitted in August 1998.
- Movement of import cargo in container/trucks between airports/CFS/ICDs etc. permitted in Oct. 1999.
- In July 2000, CBEC further clarified that unaccompanied baggage could also be moved by containers/trucks to airport from ICDs/CFS and vice versa

# Consolidation/Reworking of LCL Cargo At Gateway Ports

- While bonded trucking of LCL export cargo was permitted as also further consolidation at gateway ports, from June 2000, permission granted for consolidation/assimilation of LCL cargo at Inland ICDs/CFS and movement of this cargo from ICDs/CFS to HUB points for further reworking and exports to destination ports.
- In April 2001, a procedure prescribed for utilization of the containers bringing LCL cargo for reworking to the gateway ports, whereby LCL cargo arriving from various foreign ports can be restuffed in containers for different ICDs/CFS.

# Export Procedures

- Factory stuffing of export cargo in containers  
The six monthly renewal of permission for factory stuffing of export cargo in containers scrapped. Permission now granted on one time basis but if anything adverse is noticed against the exporter, the permission can be withdrawn.
- Movement of export cargo from one port to another by rail  
Movement of export cargo after its clearance at originating port by rail to another port for export there from permitted since December'2001.

## CUSTOM FACILITATION OF EXIM CARGO AT INDIAN BORDER CHECKPOST

- Delivery of Import manifest / Import report
- Import report to be submitted to Border Customs within 12 hours of arrival.
- Delay in filing the report within the prescribed time limit without sufficient cause calls for penalty
- Provision for making amendments in the report if proper officer is satisfied that there was no fraudulent intentions in filing incorrect/ incomplete report.
- Import goods not mentioned in the report not to be unloaded in any customs station without the permission of proper officer.
- Unloading of Import goods and loading of export goods to be done only at places duly approved by customs.

- Export to Bangladesh and Nepal by Land Customs Station (LCS) from ICDs/CFS

In March 2002 CBEC permitted export of goods by rail/road through LCS after clearance and all other formalities being completed at hinterland ICDs/CFS. The LCS to pass the export cargo without any further examination if container seals are found intact.

- Movement of goods through rail also begun between India and Nepal from 14<sup>th</sup> July 2004.
- Negotiations with Bangladesh are on to start a similar rail movement.

# Coastal Shipping

- Carriage of transshipment containers alongwith domestic containers permitted on coastal transshipment vessels to reduce cost of export subject to onetime bottle seal at port of loading and clear marking "FOR COASTAL CARRIAGE ONLY" and other prescribed conditions.
- Carriage of coastal cargo from one Indian Port to another port in India in Indian Flag foreign going vessel operating in routes covering more than one Indian port to a port outside India alongwith containers carrying imported/exported goods permitted since Feb'2002.



# Key Issues Requiring a Proactive Approach

- Payment of cost recovery charges for customs staff posted at ICD/CFS
- Simultaneous notification of export promotion schemes alongwith the new terminals.
- Payment of charges for occupation of custodian's space for confiscated/detained goods
- Attitudinal changes

**THANK YOU**