



भारत सरकार /Government of India
मंत्रिमण्डल सचिवालय/ Cabinet Secretariat
राष्ट्रपति भवन/ Rashtrapati Bhawan

Subject: 6th Meeting of National Committee on Trade Facilitation.

Please find enclosed herewith a copy of the minutes (DoC.No. 26/2022-CA.IV) of the 6th meeting of National Committee on Trade Facilitation (NCTF) held under the chairmanship of the Cabinet Secretary on **Thursday, the 25th August, 2022 at 3.00 p.m.** in Committee Room, Cabinet Secretariat, Rashtrapati Bhawan for information and necessary action.

2. D/o Revenue may circulate the minutes to all the Members of NCTF. Action taken on the recommendations may kindly be uploaded on e-SamikSha web portal.

(Ravindra Pratap Singh)
Director
Tel: 2301 3507

D/o Revenue (Shri Tarun Bajaj, Secretary)
Cab. Sectt. ID No. 216/2/2/2016-Cab.IV dated 26th August, 2022

CABINET SECRETARIAT
RASHTRAPATI BHAWAN

MINUTES OF THE MEETING OF NATIONAL COMMITTEE ON TRADE
FACILITATION

Doc. No.26/2022-CA. IV

Copy No.... of 4

Venue: Cabinet Secretariat, Rashtrapati Bhawan

Date of meeting: Wednesday, 25th August, 2022

Time of Meeting: 03:00 PM

Subject:- 6th Meeting of National Committee on Trade Facilitation (NCTF) – reg.

Reference: (i) Note from Central Board of Indirect Taxes and Customs (CBIC),
D/o Revenue received on 22.08.2022 via e-mail.

(ii) PPT from CBIC received on 25.08.2022 via e-mail.

The 6th meeting of the National Committee on Trade Facilitation (NCTF) was held under the chairmanship of Cabinet Secretary on the above subject. The list of participants is at **Annexure-I**.

2. Revenue Secretary, in his introductory remarks, stated that under the aegis of NCTF, India has now become fully compliant with WTO Trade Facilitation Agreement (TFA). He highlighted the improvements w.r.t international benchmarks.

3. Chairman CBIC observed that considerable progress has been made towards Ease of Doing Business and transparency. There has been improvement in Release Time for Imports and Exports. Going forward, he stressed the need to focus on EXIM cost reduction, increase in the efficiency of regulatory approval processes of Partner Government Agencies (PGAs), and improvements in logistics and infrastructure, and achieve cargo release time targets.

4. JS, Customs made a presentation covering the progress since 5th NCTF meeting, fulfilling the commitments under FTA, key findings of National Time Release Study 2022, National Trade Facilitation Action Plan (NTFAP) 2020-23, benefits of trade facilitation measures and next generation trade facilitation reforms (**details at Annexure – III**). He pointed out that after Customs clearance, considerable time is spent on logistics resulting in longer Release Time. Secretary, Ministry of Ports, Shipping & Waterways stated that delay is observed in movement of cargo from Container Freight Station (CFS) to terminal. DPIIT is working on RFID real time tracking system, which will enable better monitoring.

5. Members of Trade were requested to give their feedback. While appreciating the Ease of Doing Business efforts of the government, they made specific suggestions for trade facilitation (**details at Annexure – II**).

6. Commerce Secretary suggested conduct of a study for E commerce sector similar to Time Release Study. He suggested that a common portal may be created that would

act as single repository for country/FTA wise tariff as well as procedure related information. He also suggested that the Steering Committee under NCTF should meet more often to resolve pending infrastructure, technology and regulatory issues impacting cross border trade.

7. Cabinet Secretary complimented D/o Revenue for fulfilling the WTO commitments as well as implementing other initiatives aimed at trade facilitation. He observed that further improvements need to be made in respect of indicators such as Release Time for Imports and Exports and the goal should be to match the best in the world in trade facilitation.

8. After detailed deliberations, the Committee recommended the following:

- (i) All stakeholders should mandatorily comply with the Standard Operating Procedure (SoP) issued in 2020 for issuing any new **Non-Tariff Measures (NTMs)**. NTMs issued prior to issuance of SoP be immediately notified to CBIC for issuance of Centralized Control Number. Secretary Revenue may hold a meeting with the Departments concerned to expedite the notification of remaining NTMs to CBIC.
- (ii) All the Partner Government Agencies (PGAs) should integrate their Risk Criteria with the Indian Customs **Risk Management System (RMS)** for improving the overall facilitation percentage. Animal Husbandry should finalise their risk parameters and share the same with Indian Customs RMS. These actions may be completed in a month's time.
- (iii) DoR should strive to complete the full scale roll out of CBIC's **Single Window Phase-II** well before the present timeline of December, 2023. Secretaries of the PGAs concerned should appoint a nodal officer for each PGA to expedite the process of integration.
- (iv) In respect of **Drawback claims**, CBIC should put in place a mechanism by November 2022 to ensure that the amounts get regularly credited into the exporters' accounts within 3 working days.
- (v) Physical Infrastructure at **Land Customs Station (LCS)/Integrated Check Post (ICP)** should be strengthened to facilitate the cross border trade with the neighbouring countries. Ongoing infrastructure augmentation including at Chennai, ICP Petrapole and ICP Raxaul should be expedited. Home Secretary may hold a meeting on **Land Ports Authority** to strengthen the infrastructure at LCS/ICPs in a time bound manner.
- (vi) A committee comprising Member CBIC, representatives from Ministry of Ports, Shipping & Waterways and other stakeholders should examine the reason for **high release time** after customs formalities.
- (vii) The issue of time taken at payment stage by importers should be discussed in detail by Chairman CBIC with representatives of trade and appropriate measures taken to bring it down and suggest suitable measures for timebound implementation.
- (viii) The Steering Committee, co-chaired by Revenue Secretary and Commerce Secretary should interact with the trade on regular basis to explain trade

facilitation initiatives undertaken and take forward NTFAP, and address the issues raised by trade.

- (ix) While bringing customs administration in **SEZs** on the Customs National Portal, DoR should ensure that the quality of service presently available in SEZs is not impacted negatively.
- (x) DoR should closely monitor Implementation of the remaining 36 action points under the **NTFAP 2022-23**, within the stipulated time line.
- (xi) Suggestions given by the Trade may be taken up for appropriate action. Revenue Secretary and Chairman CBIC may hold a follow up meeting with the representatives of trade bodies in this regard. Action Taken Report in this regard may be presented in the next meeting.

The meeting ended with a vote of thanks to all participants.

List of Participants:

Shri Rajiv Gauba, Cabinet Secretary
 Shri Tarun Bajaj, Secretary, D/o Revenue
 Shri Vivek Johri, Chairman, CBIC (D/o Revenue)
 Shri Rajiv Talwar, Member (Customs), CBIC (D/o Revenue)
 Shri Srikant Nagulapalli, Joint Secretary, Cabinet Secretariat
 Shri Gaurav Masaldan, Joint Secretary (Customs), CBIC (D/o Revenue)
 Shri Ravindra Pratap Singh, Director, Cabinet Secretariat
 Shri R. Ananth, Deputy Secretary (Customs), CBIC (D/o Revenue)
 Ms. Pooja Sharma, Joint Commissioner (Customs), CBIC (D/o Revenue)
 Shri Yashvir Yadav, Deputy Commissioner (Customs), CBIC (D/o Revenue)

Participated through Video Conference:

Sr. No.	Ministry/Department/Organisation	Officer Concerned
1	M/o Ports, Shipping & Waterways	Dr. Sanjeev Ranjan, Secretary
2	M/o Textiles	Shri Upendra Prasad Singh, Secretary
3	M/o Environment, Forest & Climate Change	Ms. Leena Nandan, Secretary
4	D/o Health & Family Welfare	Shri Rajesh Bhushan, Secretary
5	D/o Commerce	Shri B.V.R. Subrahmanyam, Secretary
6	M/o Road Transport & Highways	Shri Giridhar Aramane, Secretary
7	M/o Home Affairs	Dr. Dharmendra Singh Gangwar, Secretary (Border Management)
8	M/o Civil Aviation	Shri Rajiv Bansal, Secretary
9	D/o Animal Husbandry & Dairying	Shri Jatindra Nath Swain, Secretary Shri G.N. Singh, Joint Secretary
10	Deptt. for Promotion of Industry & Internal Trade (DPIIT)	Shri Anurag Jain, Secretary
11	Railway Board	Ms. Jaya Verma Sinha, Additional Member (Traffic)
12	D/o Agriculture & Farmers Welfare	Dr. Abhilaksh Likhi, Additional Secretary
13	D/o Consumer Affairs	Ms. Nidhi Khare, Additional Secretary Shri Anupam Mishra, Joint Secretary
14	Land Port Authority of India (LPAI)	Shri Aditya Mishra, Chairman
15	Directorate General of Foreign Trade (DGFT)	Shri Santosh Sarangi, DGFT Shri S.B.S Reddy, Additional DGFT
16	Federation of Indian Export Organisations (FIEO)	Dr. Ajay Sahai, DG & CEO
17	Associated Chambers of Commerce and Industry of India (ASSOCHAM)	Shri Suhail Nathani, Chairman Shri Yashpal, Sr. Executive
18	Federation of Freight Forwarders' Associations of India (FFFAI)	Shri Shankar Shinde, Chairman Shri Dushyant Mulani, Chairman-Elect.
19	Federation of Indian Chambers of Commerce & Industry (FICCI)	Dr. Pritam Banerjee, Member-FICCI Logistics Committee
20	Textiles Committee	Shri Ajit B. Chavan, Secretary

21	PHD Chamber of Commerce and Industry (PHDCCI)	Shri Pradeep Multani, President Dr. Ashok Khanna, Former President Dr. S.P. Sharma, Chief Economist, DSG
22	The Confederation of Indian Industry (CII)	Shri Ajay Shriram, Chairman, CII Task Force on Ease of Doing Business, and Chairman & Senior Managing Director, DCM Shriman Ltd. Shri M. Ponnuswami, Chairman, MSME Sub-Committee, CII Southern Region and Chairman & Managing Director, Pon-Pure Chemicals Ltd. Shri Marut Sen Gupta, Deputy Director General, CII Dr. Danish Hashim, Principal, EoDB& MNCs, CII

The representatives from Trade expressed their appreciation for the work done by all the ministries for trade facilitation and to further enhance the trade facilitation made following suggestions.

- (1) Authorised Economic Operator (AEO) scheme may be extended and aligned with similar schemes of other countries with whom India has entered into Free Trade Agreements.
- (2) Shipments of AEOs are being examined on frequent basis and CBIC is requested to look into the matter to accord enhanced facilitation levels to the AEO clients.
- (3) Publishing of confidential trade data in public domain by companies should be checked and penal provisions may be invoked as per law against the defaulters.
- (4) The frequency of scroll generation of Remission of Duties and Taxes on Exported Products (RoDTEP) and Rebate of State and Central Taxes and Levies (ROSCCTL) should be increased.
- (5) There is inordinate delay in uploading shipping bills for exporters at Land Customs Stations.
- (6) Create a paperless and faceless trading ecosystem and strengthen the effectiveness of the online grievance redressal mechanism for trade facilitation related matters.
- (7) All the PGAs should set defined timelines for clearances of goods/issuance of NOC.
- (8) Uniformity should be brought in Customs procedures at different ports.
- (9) Re-examine and review the current provisions related to rejection of AEO applications / renewals based on 'current assets' and 'Show Cause Notice invoking limitation'.
- (10) Difficulties are faced by trade due to difference in use of Harmonised System of Nomenclature (HSN) code between the Customs and GST regime.
- (11) The process of issuance of Certificates of Origin should be fully digitised to overcome the signature mismatch issue in the manual process.
- (12) BIS standards are not accessible digitally to Customs for adherence by exporters.
- (13) The PGAs should accord enhanced facilitation to the AEO clients in order to reduce the average release time of cargo.
- (14) Efforts should be made to reduce cost of doing business and minor offences should be decriminalized.
- (15) Scope of the RoDTEP scheme should be reviewed to include more sectors and the rates of RoDTEP should be reviewed.
- (16) Data privacy and data sharing laws should be strictly implemented to maintain industry competitiveness.
- (17) Standardised examination order should be issued to field formations by CBIC.
- (18) Currently the cargo handling, shipping and logistics cost is very high in India which needs to be regulated by the Ministry of Port, Shipping and Waterways to reduce the overall cost of doing Business and make Indian exports globally competitive.
- (19) Bring more transparency regarding charges levied by shipping lines by creating a common dashboard.
- (20) The exercise of PGAs integration in Single Window should not lead to creation of parallel systems by both Customs and PGAs resulting in duplication of efforts/time at the end of traders.



Agenda

- 1 Overview of NCTF
- 2 Compliance status of 5th NCTF action points
- 3 Key Findings of National Time Release Study 2022
- 4 Compliance status of NTFAP 2020-23 Action Points
- 5 Working Groups- Mandate and Progress
- 6 Trade Facilitation Initiatives beyond NTFAP
- 7 Way Forward

Compliance status of Decision points of 5th NCTF Meeting(1/2)

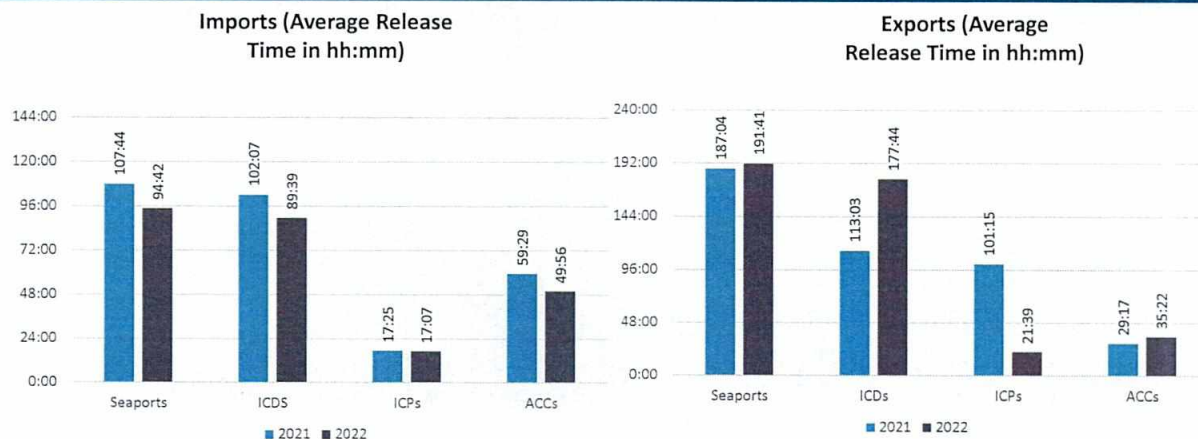
S No	Tasks to be undertaken	Compliance Information
1	The pan India launch of the CBIC's Turant Customs programme including Faceless Assessment may be advanced to 1st November 2020.	<ul style="list-style-type: none"> The pan India launch of the CBIC's Turant Customs programme including Faceless assessment vide CBIC Circular No. 40/2020- Customs, which mandated rollout of Faceless Assessment at all India level w.e.f. 31.10.2020.
2	All stakeholders should work towards complying with Category B commitments by December 2021.	<ul style="list-style-type: none"> All Trade Facilitation Agreement (TFA) Category B Commitments have been complied with and this has been acknowledged and notified by the WTO.
3	CBIC's Single Window phase II project should be fast tracked.	<ul style="list-style-type: none"> The Compliance Information Portal has been launched in August 2021 API integration for seamless data exchange regarding License, Permit, Certificates and other authorizations (LPCO) with Partner Government Agencies (PGAs) is under process.
4	The National Trade Facilitation Action Plan 2020-23 should be brought into force by 15.09.2020, after due consultation with the stakeholders.	<ul style="list-style-type: none"> The final National Trade Facilitation Action Plan(NTFAP) 2020-23 containing 66 points has been published and circulated. Action points in the NTFAP have been assigned and communicated to the respective Working Groups and to the stakeholders for ensuring compliance.
5	NCTF Secretariat shall regularly interact with trade bodies and other stakeholders to understand the difficulties faced by the trade and rectify glitches encountered by them	<ul style="list-style-type: none"> Regular interaction with trade bodies and other stakeholders 108 webinars held in FY 2021-22 covering major Trade Facilitation reforms to generate awareness among the trade.

3

Compliance status of Decision points of 5th NCTF Meeting(2/2)

S No	Tasks to be undertaken	Compliance Information
6	All PGAs should be integrated with the Indian Customs RMS in a time bound manner, along with access to the RMS for uploading vital certifications and documents.	<ul style="list-style-type: none"> 4 Major Partner Government Agencies (FSSAI, WCCB, DCGI and PQ) have already been integrated with Customs RMS. National Customs Targeting Centre,(NCTC) has also been actively engaging with these agencies for further refinement of risk-based selectivity to bring down interdiction levels. For issuing LPCOs(License/Permit/Certificates/Other authorizations), Single Window Phase II is under process.
7	All PGAs shall notify their existing NTMs to the NCTF Secretariat by 15th September 2020. The SOP for notifying NTMs should be operationalized within 15 days.	<ul style="list-style-type: none"> The SoP for Non Tariff Measures(NTM) was circulated to all the stakeholders on 15.09.2020 with a request to follow the approved SOP before notifying any new NTMs. All Partner Government Agencies (PGAs) have reported compliance to the adoption of SOP for NTM. NTM Cell, CBIC is assigning Centralized Control Numbers to NTMs shared by PGAs.
8	At least 90% of IGST refunds/Drawback may be credited within a time period of 3 days. Further, the refund may be deposited into the customer account in T+2 days.	<ul style="list-style-type: none"> CBIC issued Instruction No. 21/2020-Customs vide F no. 609/41/2018-DBK dated 16th December 2020 regarding time bound process of duty drawback claims within time limit of 3 days. Also to expedite the disbursement process, RMS has been implemented for processing of duty drawback claims vide circular dated 15.07.2021.
9	The Indian Customs EDI system is to be introduced in the SEZs in a time bound manner.	<ul style="list-style-type: none"> As mandated in the budget 2022 announcement, Customs Administration of SEZs shall be fully IT driven and function on the Customs National Portal with a focus on higher facilitation and with only risk-based checks. The Hon'ble FM has announced the reform to be implemented by 30th September 2022.

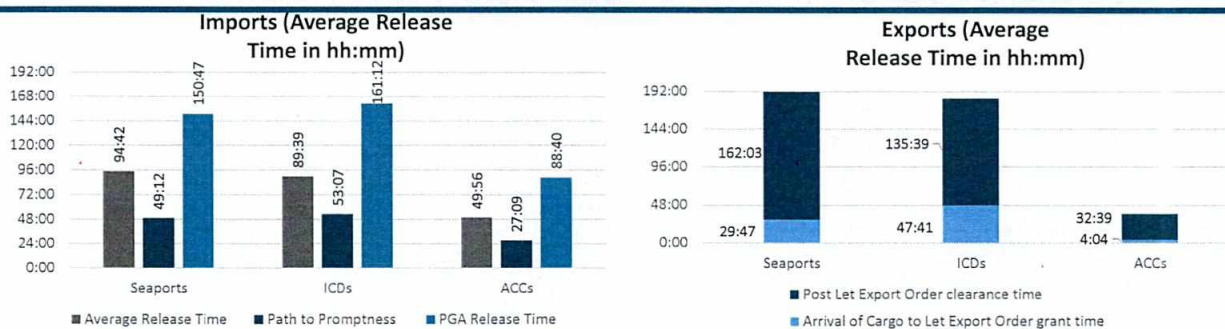
Key Highlights: National Time Release Study 2022 (1/2)



*The Export Release Time has been captured based on Cargo Arrival to departure
 *The Import Release Time has been captured based on Entry Inward to Out of Charge data

[Distance travelled towards NTFAP target](#)

Key Highlights: National Time Release Study 2022 (2/2)



Import Analysis:

- Across all field formations, Path to Promptness comprising Advance Bill of Entry(BE), RMS(Risk management System) facilitated and AEO(Authorized Economic Operator), leads to lowest release times, and BEs marked to PGAs takes maximum release time (except for CDRUG).

Export Analysis:

- Across all field formations, Post LEO(Let Export Order) clearance time is the highest. It highlights the high logistics time associated in Export cycle.

[Stage-wise Analysis](#)

Summary of compliance under NTFAP 2020 – 23

Status	Cat B	TFA Plus	Total
No. of action points	14	52	66
Complied	14	16	30
Ongoing/ Partially complied	0	36	36
% compliance	100%	31%	45%

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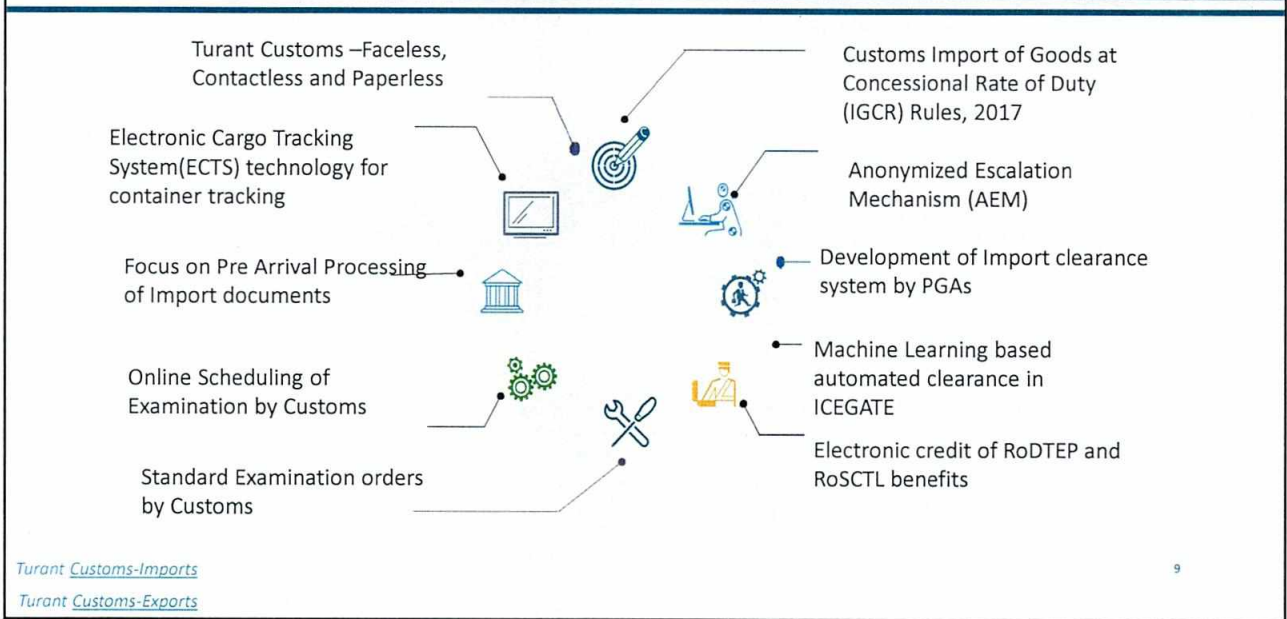
[Pending Points Description](#)

Working Groups: Mandate and Progress

Working Group	Mandate	Progress	Action Owners
Infrastructure Upgradation	Co-ordinate infrastructure issues related to Road, IT, Railways, Ports, etc and to identify & resolve existing infrastructure gaps	<ul style="list-style-type: none"> Engagement with Logistics operators-Logistics Excellence awards Development of ULIP (Unified Logistics Interface Platform) & LPPT(Logistics Planning and Performance Monitoring Tool) Development of Import clearance system for PGAs Development of Port process checklist for Seaports & ACC 	<ul style="list-style-type: none"> Ministry of Road Transport and Highways Department for Promotion of Industry and Internal Trade Ministry of Ports, Shipping and Waterways Ministry of Railways Ministry of Civil Aviation
Outreach	Outreach and publicity of TF measures	<ul style="list-style-type: none"> Monthly Newsletters issued by DG Taxpayer Services(DGTS) More than 108 seminars organized by DGTS Increased adoption of social media by CBIC, Dept of Commerce for TF measures Increase in UNTF(United Nations Trade Facilitation) survey Gender inclusiveness indicator to 66.7% in 2021 vs. 0% in 2019 	<ul style="list-style-type: none"> DG of Taxpayer Services, CBIC
Time Release Study	Conducting National TRS annually	<ul style="list-style-type: none"> Conducted National TRS 2022 	<ul style="list-style-type: none"> NCTF Secretariat, CBIC
PGA Regulation & Procedures	Coordination amongst PGAs for adoption of TF measures	<ul style="list-style-type: none"> Implemented SOP for NTM(Non Tariff Measures) Enquiry Points established by all PGAs 4 PGAs integrated with Customs RMS Complied with all the Cat B articles of TFA 	<ul style="list-style-type: none"> All PGAs CBIC DGFT

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Trade Facilitation Initiatives beyond NTFAP



Way Forward for NCTF

	Action owner	Time-period
Regulatory Full compliance with the SOP for issuing any NTM by the PGAs	All PGAs	Short term
Technology Integration of Risk criteria of PGAs with Customs RMS and Facilitation to AEO's by PGAs Customs Administration of SEZs to be fully IT driven and functional on the Customs National Portal Developing end to end technology solution for management of bonds and sureties Implementation of Single Window II for facilitating paperless exchange of LPCO amongst agencies E-Bill of Lading adoption in logistics ecosystem Enhance adoption of intelligent nonintrusive technologies for reduced examination	PGAs CBIC and DoC CBIC CBIC DPIIT CBIC	Medium term Medium term Medium term Long term Long term Long term
Infrastructure Operationalization of Parking Plaza at Chennai Seaport Co-ordinated Infrastructure management at ICPS- Construction of 2nd Trade Gate at ICP Petrapole Installation of cargo scanners at ICP Petrapole & ICP Raxaul	Chennai Port LPAI LPAI	Medium term Long term Long term

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*Short term: upto 6 months; Medium term:6-12 months ; Long term:12-24 months

Proposed NCTF structure

Existing structure and lacunae's

- India's NCTF has been set up in compliance of article 23.2 of the WTO TFA and its mandate is to undertake domestic coordination for Trade Facilitation.
- Currently, it is chaired by the Cabinet Secretary and the NCTF Secretariat works through ad-hoc Working Groups

Ad-hoc Working Groups



Working Groups Re-organization

- In order to implement next generation TFA Plus commitments, in place of 5 Working Groups, the Revenue Secretary may hold biannual meetings with the PGAs and various line ministries to resolve pending infrastructure, technology and regulatory issues impacting cross border trade.

11



NTFAP 2020-23 Action points Partially complied/Ongoing(1/2)

#	NTFAP Action Point	#	NTFAP Action Point
1	Increasing AEO programme acceptance	10	Use chatbot for trade facilitation and provision of information under Article 1
2	Security declarations in ACC Export processes	11	Develop end-to-end technology solution for management of bond and sureties
3	Curtailling pricing irregularities in Shipping	12	Enhanced export clearance system under Turant Customs
4	Prior intimation of non-tariff measures by PGAs	13	Integrate Form INV 1 (GST) invoice reference number with Shipping Bill to reduce manual documentation and eliminate data entry mistakes.
5	Operationalize a system for uniform application of NTMs by publication on periodic basis digitally	14	Develop a common electronic Customs system for clearance
6	Digitize bill of lading and create a common platform for banks, shipping lines, traders, CHAs and Customs wherein activities such as BL release, BL endorsement and issuance of eDO can be operationalized and status reflected to all stakeholders	15	Enhance adoption of intelligent non-intrusive technologies for reduced examination.
7	Customs tariff notifications simplification	16	Implement electronic processing of customs clearances across in all customs stations.
8	Implement BBIN Agreement	17	Adoption of e-sign in customs environment
9	Implement National Single Window Phase II	18	Expedite the development of National Air Cargo Community System (NACCS) ¹³

[NEXT](#)

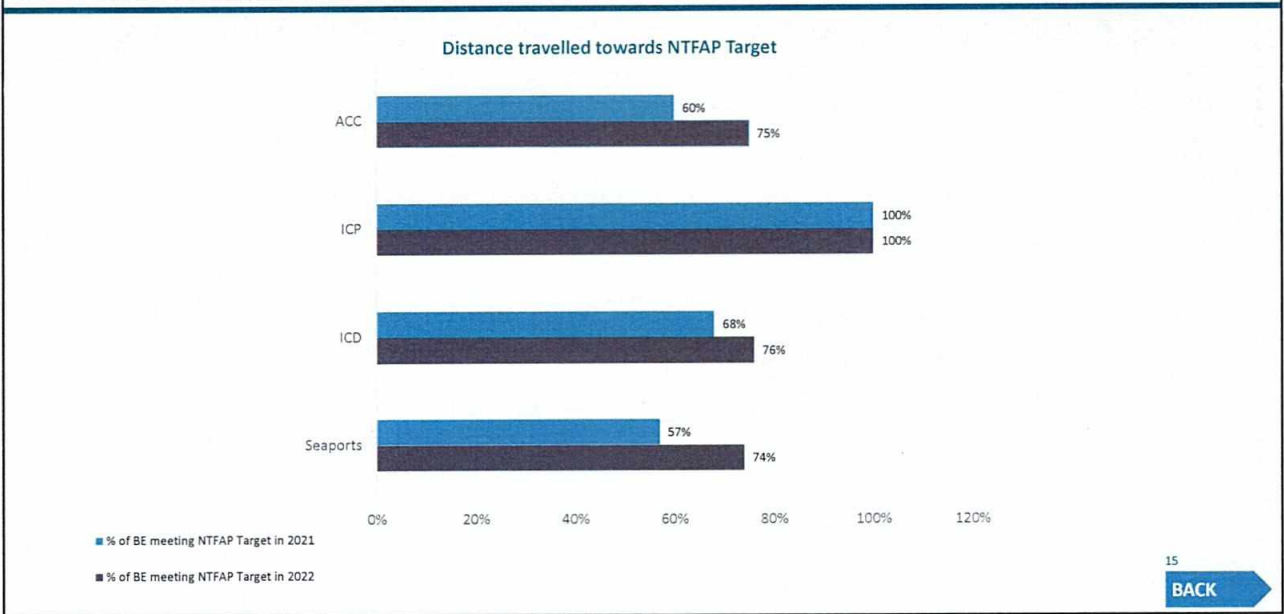
NTFAP 2020-23 Action points Partially complied/Ongoing(2/2)

#	NTFAP Action Point	#	NTFAP Action Point
19	Design and implement Land Port Community System to integrate various stakeholders at ICP. The system should be centralized network-based solution with adequate measures for 24x7 availability and data backup	28	Enhance and upgrade cross border trade infrastructure at land borders
20	Development of National Logistics Portal (Marine) to provide end to end trade facilitation for shipping ecosystem.	29	Provide security equipment like handheld metal detectors, door frame metal detectors, barriers and rotary mirrors to discourage manual frisking and verification by central security forces at Land Ports
21	Develop API based interface to integrate Sarathi, Vahan and Fastag with PCS and NACCS	30	Improve cargo handling efficiency at ICPs
22	Deploy smart gate in major ports to facilitate faster movement	31	Implement Standardized Sampling solution across all customs zone.
23	Establish centralized parking plazas at Port providing adequate reefer and Non reefer goods examination facility, adequate parking space, reefer plug points and other facilities for trade and logistics stakeholders	32	Increase share of DPD/DPE by rail
24	Road development for improving last mile connectivity and conducting maintenance and widening of existing approach roads	33	Management of freight into Ports/Airports via dedicated midnight freight corridors
25	Rail and Road Gates efficiency improvement at ports	34	Infrastructural and operational improvements required at Kolkata Port
26	Promote integration of ICDs with freight corridors and augment railways infrastructure connecting major seaports to decrease turn-around time of rakes	35	Consider feasibility of establishing AFS near prominent export oriented industrial clusters/ consumption zones
27	To undertake a detailed gap analysis in infrastructure and resolve issues related to the logistics and infrastructure improvement at LCS/ ICP	36	Access the requirement of additional infrastructure to reduce wagon placement and removal time at major seaports and ensure fast transit of container rakes from hinterland to seaports

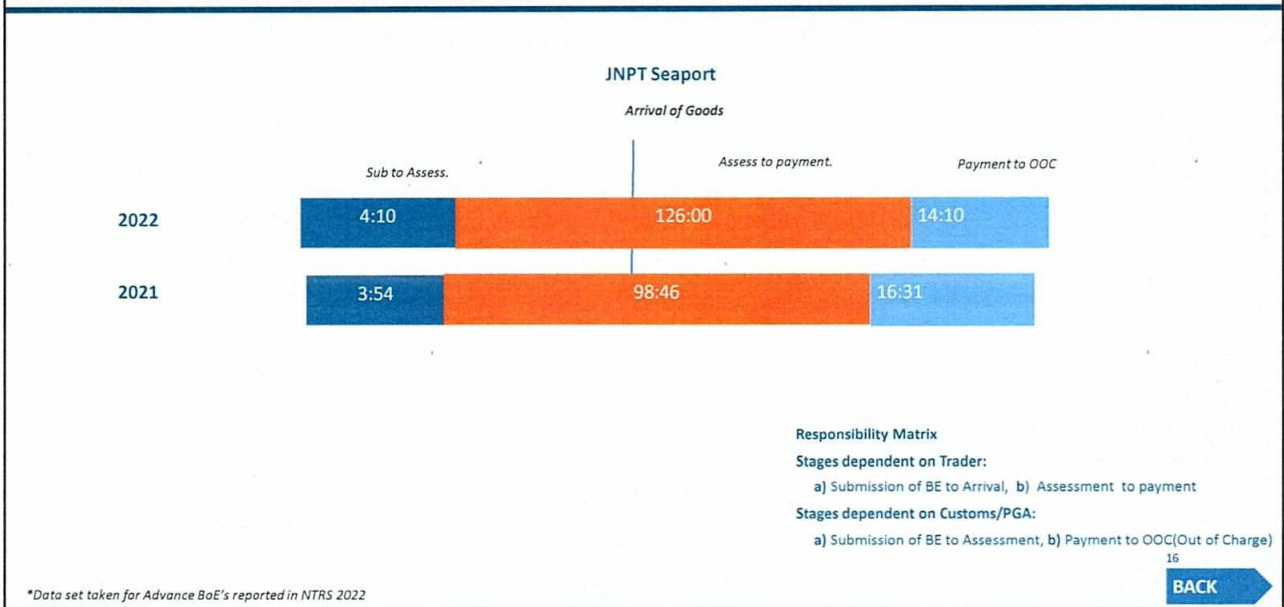
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Distance Travelled to NTFAP Target-Imports



Stage Wise Analysis-Case study for JNPT

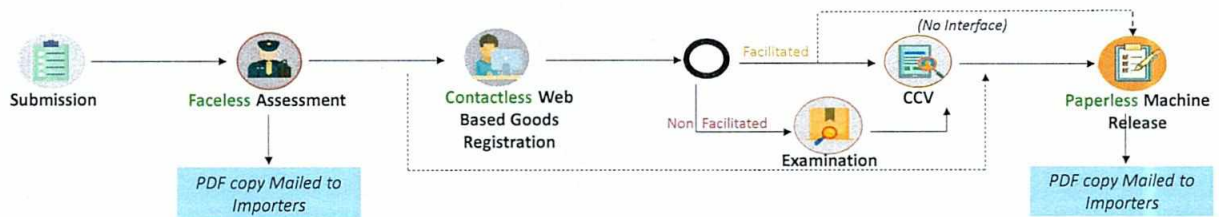


Turant Customs – Process Flow for Imports

Pre Turant Customs process



Turant Customs process



*CCV – Customs Compliance Verification

Turant Customs – Process Flow for Exports

Pre Turant Customs process



Turant Customs process

