

Directorate General of Shipping issues Advisory for bringing in Transparency in Transaction Costs in Exim trade

Copy of DGS Circular No. I of 2016, dt. 07-09-2016

The Ministry of Shipping, [MoS], Govt. of India [Gol] had, vide its office Memorandum F.No. SD-11018/4/2015-MD dated 05.02.16, constituted a committee under the chairmanship of Shri Vatsalya Saxena, Deputy DG of Shipping, Gol, Directorate General of Shipping, also comprising representatives from shipping lines such as the Shipping Corporation of India Ltd. (SCI), the Container Shipping Lines Association (CSLA), & other stakeholders such as the Federation of Ship Agents Association of India (FEDSAI) and various other entities drawn from the Import/ Export trade bodies such as Inland Importers & Consumers Association (IICA), Metal Recycling Association of India (MRAI), Mumbai Zone Brokers' Association (MBA), Northern India Shippers' Association (NISA), Western India Shippers' Association (WISA), etc. to identify and examine grievances that have arisen in the calendar year 2015 and to submit its report including recommendations and necessary instructions for their implementation, to the Ministry of Shipping, Gol.

2. The said committee considered the issue of the transparency and reasonableness of various charges levied by the shipping lines/carriers for the carriage of EXIM goods. In a series of meetings held in this regard on 23.02.16, 14.03.16, 15.03.16, 22.03.16 & 07.04.16, there was a general consensus among the stakeholders in the said committee meeting and they unanimously recommended that the following charges should not be levied by shipping lines/carriers:

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| 2.1. Winter season surcharges | 2.14. Urgent examination expenses |
| 2.2. Survey charges | 2.15. ENS charges |
| 2.3. Lo Lo charges | 2.16. Late DO release charges |
| 2.4. Cost recovery charges | 2.17. BL print charges at destination |
| 2.5. Vessel traffic charges | 2.18. DO revalidation charges |
| 2.6. Container monitoring charges | 2.19. Import General Manifest (IGM) charges |
| 2.7. Detention invoice release charges | 2.20. Empty return at different port charges |
| 2.8. Late DO charges | 2.21. Empty yard offloading charges |
| 2.9. CFS receiving charges | 2.22. Destuffed delivery charges |
| 2.10. Supply chain security fee | 2.23. Inland Hauling Charges (IHC) |
| 2.11. CBL pass through charges | 2.24. Terminal Handling Charges (THC) |
| 2.12. Warehouse special charges | 2.25. Change of Destination (COD) charges |
| 2.13. Transporters union charges | |

3. The said committee submitted its report on 19.05.2016 to the Ministry of Shipping, Gol.

4. The Director General of Shipping (DGS), Gol, had convened a meeting of the Committee members and allied stakeholders on 08.08.16 to work out the modalities to implement the recommendations of the Committee in its report dated 19.05.16. In the meeting, the foregoing recommendations were reconfirmed by the Committee members and stakeholders.
5. In view of the consensus among the various stakeholders such as shipping lines, EXIM associations & trade bodies as mentioned in para I above, the shipping lines are hereby advised that the charges as listed in para 2 above should not be levied by shipping lines/carriers/agents for the transportation of EXIM goods, as a good/best practice.
6. This issues with the approval of the Director General of Shipping and Additional Secretary to the Govt. of India.

(Subhash Barguzer
Deputy Director General of Shipping(MTO))

Setting up of 'Customs Clearance Facilitation Committee' (CCFC) for Land Customs Stations and Inland Container Depots

Copy of CBEC Circular No. 44/2016-Customs, dt. 22-09-2016

Please refer to Board's Circular No.13/2015-Customs dated 13th April, 2015 with respect to setting up of Customs Clearance Facilitation Committees at each sea port and airport tasked with the responsibility of ensuring expeditious Customs clearance of imported and export goods.

2. With a view to have similar administrative arrangements for facilitation of trade in the **Land Customs Stations**, CCFCs shall be set up in the following Commissionerates having jurisdiction over various Land Customs Stations:

- (i) Commissionerate of Customs (Preventive) Amritsar; (ii) Commissioner of Customs (Preventive) Kolkata;
- (iii) Commissioner of Customs (Preventive) Patna; (iv) Commissioner of Customs (Preventive) Shillong.

The CCFCs shall also be set up in the Commissionerates having jurisdiction over the Inland Container Depots.

3. The CCFC would be headed by the Principal Commissioner of Customs or Commissioner of Customs for their respective jurisdictions. Its membership would include the senior-most jurisdictional functionary of the following departments/agencies/stakeholder:

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| (i) Food Safety Standards Authority of India/
Port Health Officer (PHO) | (ii) Plant Quarantine Authorities |
| (iii) Animal Quarantine Authorities | (iv) Drug Controller of India (CDSO) |
| (v) Textile Committee | (vi) Custodians |
| (vii) Land Ports Authority of India (for CCFC in LCSs) | (viii) Forest and Wild Life Authorities |

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(ix) Railways/CONCOR

(x) Border Security Agencies (for CCFC in LCSs)

(xi) Pollution Control Board

(xii) Any other Department/Agency/stakeholder to be co-opted on need basis.

4. The terms of reference for the CCFC will be as follows:

- (i) Ensuring and monitoring expeditious clearance of imported and export goods in accordance with the timeline specified by the parent Ministry/Department concerned;
- (ii) Identifying and resolving bottlenecks, if any, in the clearance procedure of imported and export goods;
- (iii) Initiating Time Release Studies for improvement in the clearance time of imported and export goods;
- (iv) Having internal consultations to speed up the clearance process of imported and export goods and recommending best practices thereto for consideration of CBEC/Departments/Agencies concerned; and
- (v) Resolving grievances of members of the trade and industry in regard to clearance process of imported and export goods.

The CCFC shall meet once a month or as considered necessary by the chair.

5. The establishment of the CCFC and its terms of reference be given wide publicity by issue of suitable Trade Notice/Public Notice. The said Trade Notice/Public Notice should indicate the contact details of the chair of the CCFC. A copy of the order establishing the CCFC may be endorsed to the Board. It is suggested that the CCFC meetings be held in, or as close as feasible, to the major LCS in the jurisdiction. This will facilitate a greater understanding of the issues.

6. The Chief Commissioners of Customs/Customs and Central Excise concerned may periodically review the working of the CCFC and its impact on reducing delays in the Customs clearance time of imported and export goods and in resolving related trade grievances.

7. A copy of this Circular is being sent to all administrative Ministries/Departments/State Governments concerned for issue of suitable directions to their officers to inform the Chief Commissioners of Customs/Customs and Central Excise concerned of the senior most functionary who shall be a member of the CCFC. Further, the Ministry/Department concerned is also being requested to prepare a Standard Operating Procedure (SOP) and specify a time line for according clearances.

8. Difficulty, if any may be brought to the notice of the Board.

(A.K. Sapa)
OSD Customs-IV