

GOVERNMENT OF INDIA MINISTRY OF FINANCE OFFICE OF THE COMMISSIONER OF CUSTOMS No.1, WILLIAMS ROAD, TIRUCHIRAPALLI- 620 001.

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PUBLIC NOTICE No. 27/2015

Sub: Improving Ease of doing business – Issuance of Electronic Delivery Orders – Reg

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Kind attention of all Importers, Exporters, Custodians, Shipping Lines, Airlines, Customs Brokers, Steamer Agents and Stakeholders are invited to Board Circular No. 24/2015-Customs dated 14.10.2015 issued in F. No. 450/226/2014-Cus IV (copy enclosed) wherein a system is introduced for 'Electronic Messaging for issuance of Delivery Order' instead of paper based delivery orders.

- 2. At the stakeholders are invited to discuss the feasibility of introducing this system and arrange for the pre-requisite infrastructure to implement the electronic messaging so that the customs clearance process can be further simplified towards achieving ease of doing business.
- 3. Any suggestions or difficulties in this regard, may be brought to the notice of the undersigned.

(Issued from File C.No. VIII/09/05/2013-Cus.Pol dated 15.12.2015)

(K.C. JOHNY) COMMISSIONER

Encl: Copy of Circular No. 24/2015-Customs dated 14.10.2015

To

- 1. As per mailing list
- 2. Commissionerate website
- 3. Notice Board, Trichy.

Copy submitted to: The Chief Commissioner of Customs (Prev.), Trichy.

Circular No. 24 /2015- Customs

F.No. 450/226/2014- Cus IV Government of India Ministry of Finance Department of Revenue Central Board of Excise and Customs

New Delhi, Dated: 14.10.2015

To

All Chief Commissioner of Customs / Customs (Preventive)

All Chief Commissioners of Customs and Central Excise All Commissioners of Customs

All Commissioners of Customs and Central Excise

Sir / Madam,

Subject: Improving Ease of Doing Business - Issuance of Electronic Delivery

As part of Government's initiatives for improving "Ease of Doing Business", several facilitation measures are being taken by the Central Board of Excise & Customs. After consultation with stakeholders, it has emerged that introduction of electronic messaging for issue of Delivery Order instead of a paper based Delivery Order will result in considerable simplification in the Customs Clearance process, and can demonstrably reduce transaction costs and time taken in the clearance of Cargo. The use of electronic Delivery Orders was also identified at the first Central Customs Clearance Facilitation Committee meeting held on 28 July 2015 as an important trade facilitation measure.

- Before Importers or their Customs Brokers are allowed to pick up their import 2. cargo, they are required to pay the Shipping Line/Airline or Consol Agent, the freight and Delivery Order Charges (or D.O. charges). Once these charges are collected, the latter will in turn send to the Custodian the Delivery Order while also advising the importer or the Customs Broker of the issuance of the Delivery Order.
- Traditionally, Airline and Shipping Lines have allowed the pick-up of import cargo by conveying a paper-based Delivery Order in a format acceptable to the Custodian. The importer or his Customs Broker visits the counter of the Shipping Line/Airline or Consol Agent, pays the 'D.O. Charges, collects a paper copy of the Delivery Order, and hand carries it to the office of the Custodian. Recently, however, steps have been taken by some Shipping Lines and Airlines in co-operation with Custodians to provide the Delivery Order electronically in mutually agreed formats, allowing the entire process to be completed electronically, without the importer or his Customs Broker having to visit either
- To implement the electronic Delivery Order System, as a prerequisite, the Custodian should have the technical capability to implement an electronic messaging system for the receipt of electronic Delivery Order. Shipping Lines, Airlines and Consol

Agents should have the capacity to generate electronic Delivery Order in the require format.

- 5. Apart from the above prerequisites, it will facilitate trade if Shipping Lines, Airlines and Consol Agents can adopt a system of electronic invoicing of all charges along with the facility to conclude the payment process using e-Payment facilities. It is only then that the importer or his Customs Broker can avoid the mandatory personal visit to the office/counter of the Shipping Line/ Airline or Consol Agent.
- 6. The introduction of electronic Delivery Order or electronic Payment of D.O. Charges do not change any of the current Customs procedures. Besides, all other procedures followed by the Custodians, i.e., due diligence involved in the verification of the Delivery Orders, obtaining 'Out of Charge' from Customs, and issuance of 'Gate Pass', etc will continue.
- 7. In respect of some categories of imports, namely unaccompanied baggage, Direct Delivery, and one-time individual importers, the Shipping Line/ Airline may retain manual (i.e. paper copy) of the Delivery Order, if desired. Further, if for technical reasons, in case of any failure of the system of electronic transfer of Delivery Order, the concerned Shipping Line/ Airline or Consol Agent may issue manual Delivery Order, as a purely temporary measure, in order to avoid any difficulty or delay in clearance of imported goods.
- 8. It is expected that elimination of hard-copy Delivery Order and implementation of the proposed online system of Delivery Order would enable Shipping Lines, Airlines and Consol Agents to issue Delivery Order at the earliest possible time in the process of unloading of cargo.
- 9. Secure electronic transmission of Delivery Order would enhance the overall security and transparency of the cargo clearance process. Custodians and carriers should ensure smooth implementation of this trade-friendly measure, while ensuring that no difficulty is faced by any importer (or their authorized representative) in obtaining Delivery Orders or completing any other formalities for clearance of goods.
- 10. To encourage the implementation of electronic Delivery Order, Chief Commissioners of Customs may play the role of facilitators with the help of forums such as the CCFC. Commissioner of Customs, Air Cargo Complex, Sahar, had adopted a two-stage process to implement the scheme. In the first stage, a Public Notice was issued inviting members of the Trade to participate in trials, followed by another Public Notice for the full scale launch. The relevant Public Notices 05/2015 and 09/2015 may be found on Commissioner of Customs ACC, Sahar's website http://www.accmumbai.gov.in/aircargo/miscellaneous/pn 2015 16.html#.
- 11. All Customs formations may take necessary steps to bring the stakeholders together in order to encourage the implementation of electronic transmission of Delivery Orders.

Difficulty faced, if any, may be brought to the notice of the Board at an early date. 12.

Yours faithfully

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(A.K.Sapra) OSD (Customs IV)