

PRESS NOTE: CBIC INTRODUCES MACHINE RELEASE OF GOODS

India has been improving consistently in the World Bank's EoDB rankings over the past 5 years and one of the key drivers has been the initiatives under Trading across Borders (TAB), where India jumped substantially from 146 to 68 in the last two years. The Government has now set the target of breaching the top 50 mark in TAB this year.

Keeping with the Government's objective of furthering ease of doing business, particularly in trading across borders, the Central Board of Indirect Taxes and Customs has introduced **Machine based automated clearance** of imported goods.

At present, the imported goods are available for examination or clearance to the officer after the applicable duties are paid by the importer. Time Release or dwell time studies conducted by the department have shown that a major contributor to dwell time today is the time taken by the importer to pay the duties.

Under the new dispensation, the Customs officer will be able to do all compliance verification such as examination of goods even before duties are paid, and once the importer pays the duty, the Customs System would automatically give the clearance or "Out of Charge" to the imported goods.

The new initiative has been launched as a pilot at two ports, Chennai and Nhava Sheva **from 06.02.2020** and will soon be rolled out to all ports across India, including the Inland Container Depots, Airports etc.

With this new initiative, the CBIC has taken yet another step towards realizing the Government's objective of further reducing the dwell time in Customs clearance with the use of IT driven reforms.

On one hand, this new initiative will fasten the Customs processes by not waiting for the duty payment and on the other, it will give additional time to importer who will now be able to pay the duties even while the goods are being verified by the Customs officer.
