

Minutes of the meeting with Participative Government Agencies (PGA) chaired by Special Secretary (Logistics), on 15th Jan 2018, 1500 hrs at #141 Committee Room, Udyog Bhawan, New Delhi-11

The meeting was attended by the following officers from the PGAs that are required to issue statutory clearance to EXIM consignments at Ports/Airports/Land Ports:

1. Sh SP Sahu, Commissioner (Single Window), CBEC
2. Pradeep Pillai, Dy Dir, Deptt of Atomic Energy
3. Sh SK Yadav, Director (Imports), FSSAI
4. Sh OP Verma, Dy Dir, Directorate of Plant Protection, Quarantine & Storage
5. Sh SR Raja, US, M/o Agriculture, Cooperation and Farmers Welfare
6. Sh Himanshu Chauhan, Dy ADG, Directorate General of Health Services, MoHFW
7. Sh Pankaj Malik, Jt Dir, Textiles Committee
8. Ms Shilpi Chauhan, Astd Dir, Textiles Committee
9. Sh Navneet Pratap Singh, Asstt Drug Controller, CDSCO
10. Dr Binitha, Astd Dir, WCCB
11. Dr S Rajesh, Asstt Dir, WCCB
12. Ms Rupa Dutta, EA, DoC
13. Sh Anant Swarup, JS(Logistics), DoC
14. Sh Keshav Chandra, JS(Logistics), DoC
15. Sh DP Mohapatra, Addln DGFT, DoC
16. Sh SK Ahirwar, Director (Logistics), DoC
17. Sh Aman Sharma, Director (Logistics), DoC

No representative from Animal Quarantine & Certification Services attended the meeting. This may be checked whether the meeting notice was received or not.

Department of Atomic Energy official informed that the representative from Atomic Energy Regulatory Board (AERB) should be requested to attend the next meeting as AERB is the agency responsible for issuing import and export licenses for radioactive items.

The agenda of the meeting was to understand the functioning of the PGAs and request the respective agencies to work out a time bound action plan to reduce the processing time, make their entire operations online and transparent.

- A. At the outset, SS(Logistics) welcomed the PGA officials and highlighted that the aim of this deliberation was to work out a time bound action plan to reduce the time taken by PGAs to issue EXIM clearance and make their functioning completely paperless, faceless and transparent. SS(Logistics) appealed to all PGAs to become participants in this initiative of the Government to transform the entire Logistics sector in the country.
- B. SS(Logistics) also requested the PGAs to submit a detailed action plan in their respective domains.
- C. The following issues were discussed during the meeting:
 1. It was informed that AERB has an online portal for issuing Import license and NOC for export; a timeline of 15 days is specified for issuing the license. However, due to absence of AERB on the Customs Automatic License Verification System, original import license is required to be submitted to Customs for clearance; this leads to increase in Port dwell time.

2. FSSAI has defined the requirement of sampling for High Risk and Low Risk items. Depending on the past performance of importers sampling requirement is specified viz 100% inspection to begin with and if no violation is reported then the importers moves to 25% inspection category and then to 5% category. It was informed that 24x7 FSSAI inspection facility is available only at Mumbai & Delhi Airports. The average time taken by FSSAI from the point of receiving the Bill of Entry through SWIFT system to issue to NoC is 6.9 days; 3-4 days being taken by the testing labs and the remaining time for processing. Not all information required by FSSAI is presently punched by the importer in the Bill of Entry. This leads to a situation where additional information/documents required by FSSAI have to be filed by the importer on the FSSAI portal, thereby leading to delays.
3. It was shared that the import license issued by the Drug Controller is completely online. However, after the Bill of Entry is referred to DC, physical documents have to be submitted by the importer. However, unlike FSSAI, after the sample has been drawn, the Drug Controller allows the release of consignments to the importer on receipt of Letter of Guarantee that the importer shall not use the consignments till the final clearance is issued by DC. FSSAI has this kind of arrangement only for highly perishable items.
4. It was informed by the Directorate of Plant Protection, Quarantine & Storage officials that although PQ has presence in 63 ports, fully equipped labs are available only at 6 ports. As a result, they have to impose restrictions on import of items such as seeds from these 6 ports only. Unlike DC and FSSAI, PQ does not have a system of risk assessment based on the past performance of importers and risk is defined by the category of item imported. It was also informed that in case of any violation, the local PQ officer has the decision to decide on the 1st violation only; subsequent violation by the same importer shall be referred to the Ministry of Agriculture for clearing the consignment; this being a major reason for delay.
5. Port Health Officer informed that their role is limited to screening and clearing the vessels (ships/trucks/aircrafts) and crew coming from countries that have been identified by WHO as areas of a major outbreak of communicable diseases.
6. The officials from Textile Committee informed that there was a delay of almost one week in receiving the samples from the date of receipt of Test Memo (containing details of Bills of Entry) from Customs. Commissioner, Customs informed that the requirement for hazardous dyes testing has come down significantly after they have removed the requirement for such testing in case the origin country has already banned the use of hazardous dyes.
7. Wildlife Crime Control Bureau officials informed that they are present on ports located at metros cities only and have only 9 inspectors in total, across the country. It was shared that their work can be expedited if it is made mandatory for importers and exporters to mention scientific (botanical and zoological) names of consignments on the Bill of Entry and Bill of Export. Commissioner Customs informed that very soon scientific names shall be made mandatory on ICEGATE.

D. Following Action points emerged from the deliberations held during the meeting:

1. All PGAs to prepare a detailed document in the following format for submission to Logistics division by 30th Jan 2018:

| Present Status (indicative examples) | Time taken for processing | Targeted processing time | Timeline for achieving the target |
|---|---------------------------|--------------------------|-----------------------------------|
| Average Time taken for drawing sample | | | |
| Average time taken for sending the sample for testing | | | |
| Average time taken by testing lab | | | |
| Average time taken for paperwork for issuing NoC etc | | | |

Also, a roadmap to simplify and e-enable the entire PGA approval process shall also be submitted. The idea is to do a complete business process reengineering by PGAs.

2. FSSAI may consider implementing Drug Controller kind of a system for releasing consignments after sampling on the basis of Letter of Guarantee by the importer.
3. FSSAI takes a long time for clearance at JNPT. This may be reduced in the next three months. FSSAI shall submit a detailed action plan to this effect by 30th Jan 2018
4. Customs and PGAs may work out a system for sending SMS alerts to all stakeholders (importers, concerned PGA officials etc) as soon as a certain Bill of Entry is referred to a particular PGA.
5. Directorate of Plant Protection, Quarantine & Storage may simplify processes for processing cases of second and subsequent violation; it can consider decentralizing the power currently vested with the Agriculture Ministry.
6. All PGAs may consider extending the same benefits as extended by Customs to Authorized Economic Operators viz extend the automatic PGA clearance to AEOs
7. All PGAs may expand their presence to all ports and operate 24X7. If this is not possible then shifting to an alternate operating model viz as followed by US FDA in which green channel is provide to consignments that originate from sources that are certified by recognized certifying agencies. Or consider accrediting private labs and institutions for performing the function on a user fee model.
8. All the PGAs may re-look at the documentation requirement with a view to simplifying them. The redundancy should be removed and the simplified documents should be digitized. The PGAs may develop a digital ecosystem

(preferably a common system) where all the documentation and processing is done online and the need for a human interface is avoided.

This issues with the approval of SS(Logistics)

(Aman Sharma)
Director (Logistics)

Copy to:

1. SS(Logistics)
2. Concerned PGAs
3. Concerned Secretaries of Ministries/Departments