



OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS
CUSTOM HOUSE :: PORT AREA :: VISAKHAPATNAM :: 530 035

F. No. P3/11/2015 – Stats

Date: 24.10.2017

MINUTES OF THE CCFC MEETING

The 17th meeting of the Customs Clearance Facilitation Committee was held on 13.10.2017 at 4.00 pm in Conference Hall, 1st Floor, Custom House, Visakhapatnam. **Dr. D.K. Srinivas, Commissioner of Customs**, chaired the meeting.

1. **List of Participants:**

Customs Department

S.No.	Name S/Shri	Designation
1	Sudhakar Mishra	Additional Commissioner of Customs
2	H.S. Naskar	Deputy Commissioner of Customs
3	Dipak C. Zala	Deputy Commissioner of Customs
4	Ch. Hari Krishna Reddy	Assistant Commissioner of Customs
5	P. Gopichand	Assistant Commissioner of Customs
6	P.V.S.S. Srinivas	Assistant Commissioner of Customs
7	T. Ravi Varma	Assistant Commissioner of Customs
8	B. Narendra Kumar	Assistant Commissioner of Customs
9	G.V.S.R. Sarma	Assistant Commissioner of Customs
10	Joginder Singh Mor	Assistant Commissioner of Customs (Authorised Officer for FSSAI).
11	G.V.V.S. Kumar	Chemical Examiner (Grade-II)

Other Government Agencies

12	P.L. Haranadh	Deputy Chairman, Visakhapatnam Port Trust
13	K. Rajendra Kumar	Joint Director, Visakhapatnam Port Trust
14	Ratna Shekar	Sr. DTM, Visakhapatnam Port Trust
15	Umakanta Nayak	Plant Protection Officer, Plant Quarantine
16	K Shyam Babu	Superintendent, CWC-CFS

Trade

17	Anil Narayanan	Vice President, VCTPL
18	J.V.V. Prasad	Dy, Manager, VCTPL
19	G. Rambabu	Director, Gateway CFS
20	G. Sravan Kumar	Director, Sravan CFS
21	K Naveen	General Manager, Sravan CFS
22	P. Babu Rao	President, Visakhapatnam Customs Brokers Association
23	K. Sampath Kumar	Vice President, Visakhapatnam Customs Brokers Association
24	M. Venu Gopal	Secretary, Visakhapatnam Customs Brokers Association.
25	Bobby Lawrence	Secretary, VCLA, Visakhapatnam
26	Rohan Kumar	Manager, Maersk Line

2. At the outset Chairman welcomed all the members.

3. Shri P.V.S.S. Srinivas, Assistant Commissioner of Customs made a power point presentation on *Time Release Study of Import Clearance and Export Clearance at Visakhapatnam Seaport*. The study was made for the three months period from July to September, 2017. The analysis of all stages of import clearance and export clearance was presented.

The analysis reflected that the dwell time for most of the stages of import and export clearances was satisfactory. However, Chairman observed that there is scope for improvement in stages like *Submission to Assessment and Assessment to payment of duty* on the import front and *EGM to Drawback* on the export front. Chairman urged the action owners concerned to strive for reduction of dwell time in these stages of import/export clearances.

4. Additional Commissioner, Customs brought out the agenda of the meeting. The pending points of the previous CCFC meeting held on 28.6.2017 and the points sponsored for the present meeting were taken up for discussion.

Point No. 1**Implementation of RFID system –**

VCTPL authorities were asked to coordinate with all CFS' and implement RFID system as part of "Ease of Doing Business" in the previous meeting. Chairman enquired about the status of implementation. Shri Anil Narayanan, Vice President, VCTPL informed that the RFID system is implemented by most of the CFS' and installation of the said system is under way in CONCOR-CFS. The Vice President, VCTPL assured Chairman that the implementation of RFID system between VCTPL and all CFS' would be completed in a month's time.

Action Owners : VCTPL / All CFS'

Point No. 2**i) Disposal of unclaimed/uncleared cargo pending for want of PQ clearance –**

Chairman enquired from the representative of Plant Quarantine Office whether there was any progress or reply received from the Joint Secretary, Ministry of Agriculture on this issue. Shri U. Nayak, Plant Protection Officer informed that no reply has been received and that private parties cannot be bidders for the unclaimed/uncleared cargoes pending for want of PQ clearance. Chairman directed that the matter be escalated to higher level informing that the efforts of the local PQO and Customs were in vain and as such, the issue be taken up in the agenda of the National CCFC.

Action Owners : Customs / PQO

ii) Reduction of time for test reports –

The Chemical Examiner was directed in the previous meeting to reduce time for test reports in all cases including ilmenite which should be reported in 2 days time. The Chemical Examiner (Grade-II) could not confirm the position properly. Chairman directed the Chemical Examiner to prepare and submit a statement reflecting the number samples received and the time taken for the issue of test reports with a break-up reflecting reports given within 24 hours / between 24 hours and 48 hours / beyond 48 hours.

Action Owner : Chemical Examiner, Customs Lab

Point No. 3**Point sponsored by VPT – Issue of PNs by Visakhapatnam Custom House on the lines of JNCH, PN Nos. 152/2016, 157/2016 and 174/2017 –**

i) JNCH, PN No. 152/2016 – This PN relates to the doing away with the printing of GAR7forms/TR-6 Challans, TP copy, Shipping Bill (Exchange Control copy and Export Promotion copy) and Bill of Entry (Exchange Control copy).

Chairman informed the Dy. Chairman, VPT that printing copies of the above mentioned Forms/Challans/TP/SB/BE is not being done in Visakhapatnam Custom House in keeping with Board's Circular No. 55/2016-Customs, dated 23.11.2016 and a PN No. 38/2017, dated 14.9.2017 has also been issued in this regard by Visakhapatnam Custom House.

ii) JNCH, PN No. 157/2016 – This PN is regarding the facility extended by way of expediting the grant of Entry Inwards in ICES before boarding of the vessel by the Boarding Officer.

Chairman informed the Dy. Chairman, VPT that Visakhapatnam Custom House PN No. 18/2015, dated 15.10.2015 provides the facility to Steamer Agents to obtain the signature of the Boarding Officer on the Entry Inward application on production of the *Last Port Clearance* and *ILH Receipt* of the vessel. This application is to be taken to Main Gate Officer at Jubilee Gate for grant of Entry Inwards in ICES. Therefore, the Steamer Agent can complete the Entry Inwards sufficiently in advance which in turn enables the Importer/Customs Broker also to obtain the *Out of charge* for BEs in advance of commencement of cargo discharge from the vessel. The discharge of cargo from the vessel can only commence after completion of draught/ullage survey which is mandatory.

: 4 :

Chairman impressed upon the Dy. Chairman, VPT that the facility of expeditious grant of Entry Inwards in ICES already exists and in spite of this a study would still be made to look into the need of improving the existing facility.

Action Owners : Customs

iii) **JNCH, PN No. 174/2016 –**

This PN is regarding the "Standard Operating Procedure" (worked out on the basis of consultation with representatives from all Terminal Operators under JNCH) followed for movement of containers to and from the Port Terminal.

Chairman informed the Dy. Chairman, VPT that the PN is specific to the ground position of JNPT and the trade operating in the jurisdiction of JNCH and there is no necessity of issuing such a PN here keeping in mind the present scenario at Visakhapatnam.

Point No. 4

Sponsored by VPT – Reduction of non-working time at Berths for vessels due to incidences leading to rise in TRTs of vessels called on account of M/s CIL, per m.t. WAWASAN RUBY and m.t. AMI, which have taken 7 hours and 5 hours respectively to commence discharge operations.

The Additional Commissioner presented the *Statement of Facts* of the above mentioned two vessels and asserted that the time between *berthing* and *discharge commencement* in respect of M.T. WAWASAN RUBY was 4 hours 20 minutes and not 7 hours and in respect of M.T. AMI it was 4 hours 25 minutes and not 5 hours as pointed out by VPT. Further, the time delay computation is actually to be reckoned from the moment the Ullage Survey is completed which indicates that the vessel is ready for commencement of discharge. The time between *Ullage Survey completion* and *Discharge Commencement* was 2 hours in respect of M.T. WAWASAN RUBY and 1 hour 55 minutes in respect of M.T. AMI.

Chairman emphasised the need for avoidance of delays from the perspective of the Government's initiatives on "Ease of Doing Business" as also the concern of VPT in TRTs of vessels and assured that the bottlenecks in the system would be identified and set right so that the rare delays as above do not repeat in future.

Point No. 5

Sponsored by VCTPL – Clearance of Raw Cashew Nuts at Visakhapatnam.

VCTPI requested not to insist for PHO report for clearance of *Raw Cashew Nuts* as is being followed in Tuticorin and also there being no mention in this regard in FSSAI Circular No. 3/2011, dated 6.1.2011.

The Additional Commissioner informed that FSSAI, Circular dated 2.8.2012 notifies the parameters and method of analysis for imported food samples as per Food Safety and Standards Regulations, 2011 and the list of such items include *Cashew Nuts / Raw Cashew Nuts* at S.No. 7. It is therefore mandatory to test imported Raw Cashew Nuts. Further, the instructions contained in Board's Circular No. 3/2011-Customs, dated 6.1.2011 are also to be followed for clearance of Raw Cashew Nuts.

Chairman informed that he had spoken to his counterparts at Tuticorin and Cochin to ascertain the procedure being followed there for clearance of imported Raw Cashew Nuts. Chairman assured that a uniform practice would be put in place to create a level playing field.

Point No. 6

Action Owners : Customs

Sponsored by VCTPL –

VCTPL suggested that cargo movement approval permission known as Transshipment Approval permission (TSA) be auto generated from ICEGATE and provided to CFS' and Terminal through email to enable delivery of containers faster.

The Additional Commissioner informed that CFS' and VCTPL are at present not having message exchange in respect of TSA from PCS. Therefore, printouts are being taken from Custom House and submitted at VCTPL for delivery of containers. This issue was also taken up with Joint Director, DG Systems on 6.10.2017 in Custom House, Visakhapatnam and he assured to take up the same.

Chairman opined that PCS is not working on real time basis and there are high chances of missing information because of large volumes of messages being sent in one go. Chairman directed the Assistant Commissioner (EDI) and officers of EDI Section to look into the issue and find a solution if possible.

Action Owners : Customs

Point No. 7

Sponsored by Customs - WTO Trade Facilitation Agreement

Chairman informed that the WTO Trade Facilitation Agreement (TFA) is a rule based, multilateral agreement containing provision for enhancing transparency and availability of rule and regulations, simplification and harmonization of procedures for expeditions clearance of goods. With the guidance of the Cabinet Secretary, the National Trade Facilitation Action Plan (NTFAP) 2017-2020 has been drawn. The Action Plan includes major objectives of the Government of India for promoting trade and development, key performance indicators and 76 trade facilitation measures with definite timelines for their implementation. Each activity is identified with a lead agency responsible for its execution with one of the three timelines – Short Term (0 – 6 months), Mid Term (6 – 18 months) and Long Term (18 – 36 months). The Action Plan also aims to bring down the overall cargo release time for imports and exports.

Chairman emphasised the need to sensitize all the stakeholders involved in the flow of goods in the supply chain and make them aware of their responsibilities for implementing the facilitation agenda. In this regard, a workshop would be conducted shortly in Visakhapatnam Custom House for all Customs Brokers, Steamer Agents, Shipping Lines, Government agencies concerned and all other stake holders.

Point No. 8

Chairman asked all members present whether there are any other points for discussion. The Dy. Chairman, VPT put forth the point that the Shipping Lines are not issuing e-Delivery Orders through PCS. Chairman directed the Shipping Lines to start issuing e-Delivery Orders at Visakhapatnam through Customs and Port platforms as they were already doing it at Nhava Sheva and Chennai on real time basis.

Action Owners : All Shipping Lines

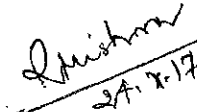
Point No. 9

Chairman discussed with the Dy. Chairman, VPT regarding the availability of Office of The Assistant Drug Controller at Visakhapatnam. The Dy. Chairman, VPT informed that office space was already offered by VPT with maximum rent rebate (as is applicable to Government agencies) so as to enable the Assistant Drug Controller to start functioning at Visakhapatnam. However, the Hyderabad Zonal office has not yet posted the ADC and is still pressing for reduction of rent.

Chairman stated that there is an expected growth of import/export of pharma products through seaport and airport and the presence of ADC is absolutely required at Visakhapatnam. Therefore, the issue needs to be persistently pursued with the Hyderabad Zonal Office to ensure that the ADC takes charge at Visakhapatnam at the earliest.

Action Owners : Customs / VPT

The meeting concluded with the Chairman thanking all the members.


24.12.17
(SUDHAKAR MISHRA)
ADDITIONAL COMMISSIONER OF CUSTOMS

To

All members.

Copy to:-

CCO, Visakhapatnam Zone.

✓ EDI (for uploading to website)

AC / AO (Docks)

Chemical Examiner, Customs Lab.

General Preventive

AC / AO (Gr.)