

Humanitarian Customs: Lessons learnt regarding
Customs response and role in supply chain
continuity during COVID -19 pandemic

(This paper was presented in WCO PICARD Web Conference 2020)

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Abstract

This paper analyses the challenges faced by Customs and the key stakeholders in the cross-border supply chain due to the onset of COVID-19 pandemic. It documents the role of Customs in supply chain continuity by recording policy responses, innovative practices and technological solutions to highlight the initiatives taken for faster release of cargo including emergency relief cargo, hassle free movement of international passengers and reduction in time and cost for the stakeholders in cross-border supply chain. For disseminating the lessons learnt as a way of sharing best practices, the paper discusses how Customs have facilitated the movement of goods while applying appropriate risk management; how Customs have enhanced communication, collaboration and cooperation with their Partner Government Agencies and private sector and what are the measures taken by Customs to protect their frontline officers. An analysis by the authors of dwell time data across major Customs formations in India prove that the policy responses by CBIC yielded positive results through reduction in dwell time from May 2020 onwards. Authors have also analysed the importance and effective role of WCO in supply chain continuity across the globe during COVID -19 pandemic in detail.

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1.Introduction:

Historical evidence suggests that Customs, in its best traditions, has always been adept in balancing the twin objectives of trade facilitation and enforcement.¹ The outbreak of COVID-19 posed twin challenges to global Customs fraternity-facilitating supply chain continuity and ensuring public health precautions. Starting from the readiness of customs in the event of a humanitarian crisis to the concerns on the impact of trade and movement of people across borders during the crisis, there have been numerous lessons learnt in the journey of Customs during COVID-19 pandemic where policy responses, innovative practices and technological solutions have been utilised to reduce the vulnerability of supply chain to external shocks. This paper analyses the lead role played by Indian Customs in maintaining the continuity of supply chain and discusses the lessons learnt as a way of sharing best practices.

2. Background:

On 30 January 2020, the WHO Director-General declared the novel corona virus outbreak a public health emergency of international concern (PHEIC), WHO's highest level of alarm. On 11 March 2020 the WHO characterized the novel corona virus disease (COVID-19) as a pandemic. Subsequently, there were several lockdown announcements across the world leading to wide-scale disruption in movement of goods and services.

3. Challenges faced by Customs at the onset of COVID-19

Before analysing the policy responses and strategy to ensure supply chain continuity, it would be appropriate to have an overview of challenges faced by Customs at the onset of COVID-19 as identifying the problem is a first step in solving it. Accordingly, the authors enumerate the challenges as follows,

1. Health concerns of frontline Customs officers working at borders, airports, sea ports, Container Freight Stations(CFS) and Inland Container Depots(ICD) during the onset of COVID-19.¹
2. Due to labour and transport unavailability, loading/unloading and transport of cargo got affected which led to congestion inside the ports, CFS's and ICDs.
3. Logistics problems due to lock-down. Due to non-availability of public transport and restriction imposed on movement of vehicles, free movement of people and goods are affected.
4. Lesser availability of staff due to man power rationalisation from Customs/stakeholders side for effective clearance of cargo.
5. Clearance of critical medical supplies and relief material on time.
6. Due to courier issues, there was delay in getting crucial EXIM documents from other countries for clearance purposes. Delay has made the trade to file the bills of entry very late which could attract heavy late fee from Customs.
7. Heavy detention demurrage incurred by the trade due to non-clearance of the goods from port. This created additional financial burden for the trade and pressure for the port and Customs authorities in reducing congestion.

¹The necessity of maintaining the motivation level to keep the pace of ease of doing business is paramount in this crisis time as fear factor started affecting the attendance and performance of the Customs staff.

8. Crowding at customs offices since many of the work required physical presence of the trade to get the physical copies signed by the officers and physical submission of documents like bond, bank guarantee and licences to Customs as per rules and regulation prescribed in the act. This created concerns for spread of COVID-19 among the staff.
9. Lot of time bound legal works such as issuance of adjudication order, show-cause notices got affected due to lockdown and restriction.
10. Unscrupulous elements attempting take advantage of COVID situation to illegally import/export restricted goods which are highly in demand like gold, medical supplies and medical equipments. Lot of attempts to smuggle contrabands like narcotic drugs and psychotropic substances. With minimum staff, controlling smuggling activities also posed a major challenge.

4. Role of Customs in Supply Chain continuity:

Supply chain continuity is very important for the business to plan and execute the work and day-to-day operations in a time bound and cost-effective manner. Getting a right product, in the right quantities, in the right condition, delivered to the right place, at the right time and at the right cost (Swamidass P.M, 2000) is essential for the business to thrive successfully. Hence, responsive stakeholders in supply chain and coordination are necessary for supply chain continuity.

As per Trade Facilitation Implementation Guide, stakeholders in cross-border supply chains include the exporters, importers, shipping lines / airlines, terminals, ports, transporters, couriers, Customs and other participating government agencies (PGA's), steamer agents, custom brokers, CFS, ICD, warehouses, etc. Due to the onset of COVID-19, continuity of supply chain got affected and the various challenges faced by the stakeholders in cross-border supply chain is illustrated below:

Exporters and Importers: The challenge of getting the product delivered due to logistic problems and labour availability; late filing of bills due to late receipt of documents, and consequently late fee for late filing; additional ground rent, detention and demurrage from port and CFS, reduced cash flow.

Shipping lines/airlines: Higher detention charges; unable to move the containers due to labour and transport. Delay in issuing delivery orders due to less staff availability; and they charged more due to less flights and ship availability.

Ports/terminals/CFS/ICD: Congestion due to non-removal of containers due to shortage

of labour and transport; increase in port charges on containers because of overstay; shipping lines skipping ports due to lack of yard space. Delay in movement of sensitive cargo like temperature sensitive cargo, explosives stored in high-risk areas, perishable goods had the potential to make public safety and food safety at risk.

Transporters: Non-availability of labour/drivers; Travel restriction imposed by the governments; Increased procedural issues like getting e-PASS for movement; Non-availability of shops for food etc on the road discouraged drivers to go ahead with long travel.

Couriers: Delivery by international couriers got affected due to less staff, less cargo flights and local transport; domestic courier movement was also affected.

Warehouse: Labour, transport, congestion; certain warehouses fell under containment zone.

Partner Government Agencies: Legal requirements of timely submission of documents which is delayed due to COVID; less staff due to non-availability of transport; less application of ICT technologies in some agencies and the consequent requirement for manual intervention; protecting officers from COVID;

Custom Brokers: Labour, transport, increased procedural issues like getting e-PASS for movement of their staff, reduced business opportunities due to less import/export.

In this backdrop, various facilitation measures have been taken by Indian Customs to ensure uninterrupted supply of essential commodities and other commodities while balancing security and public health concerns by applying the risk management principles as advocated by WCO instruments and standards such as SAFE framework of standards and Chapter 5 Annex J of the Revised Kyoto Convention. The following sectional analysis on the role of Indian Customs in supply chain continuity is based on the summary of measures taken to combat COVID-19 and ensure smooth Customs clearances by CBIC.

4.1. Application of ICT technologies:

CBIC has leveraged ICT technologies to serve the trade better during the testing times due to COVID-19. Indian Customs is a forerunner in the application of ICT technologies (Mishra *et al*, 2007) and the necessary framework and capability in the case of any contingency already exists. To ensure smooth supply of essential goods and emergency medical consignments during the lock down, 24*7 Customs clearance was made effective.² The ICT technologies played an enabling role in this regard and provided the platform for

² CBIC Instruction No.02/2020-Customs dated 20.02.2020 and Instruction No. 08/2020 dated 01.06.2020

Customs to communicate, collaborate and cooperate with their Partner Government Agencies and private sector on real time basis.

Connectivity for online clearance is supported by pertinent WCO instruments such as WCO Single Window Compendium and is already existing in Indian Customs Single Window Interface for Facilitating Trade (SWIFT) involving forty-four Departments/agencies associated with clearances of import and export goods. To ameliorate the problems faced by the trade and industry, a new avatar of single window concept 'a dedicated online single window COVID-19 helpdesk' for EXIM trade has been unveiled by the Government of India recognizing the urgent need for proactive measures to mitigate the anticipated adverse impact at the onset of outbreak of Novel Corona virus.

Importers/exporters are empowered to intimate a brief description of issues hampering trade or issues affecting speedy clearance by specifying the commodity involved, port of import/export, relevant Ministry /Department/Agency involved. The issue is then referred to the relevant Ministry/Department/Agency through the single window mechanism for quicker resolution.

In an effort to incorporate innovative practices to minimize human interface and maximize social distancing, CBIC has introduced e-delivery of PDF based Gate-pass and Out of Charge copy of BoE to custom brokers/importers across India.³⁴

Further, personal hearing with respect to any proceeding under Customs Act, 1962 are allowed to be conducted by video conferencing mechanism;⁵ requests and documents from importer/exporter are being accepted via email to avoid physical visit and contact between the trade and customs officers; CBIC and zonal Chief Commissioners promptly monitored the situation through videoconference with customs stations and trade to resolve any emerging issue.

4.2. Paperless Documentation

Increased focus was given for electronic documents and deferring submission of physical documents to a later date. The fact that National Portal of Indian Customs, ICEGATE on a daily average received 5,800,000 hits with around 50,000 documents submitted online and 12,461 e-payment transactions made is a testimony to the use of electronic platform during the pandemic. Further 1,647 user grievances were also redressed through the portal.²

³ CBIC Government of India Circular No. 19/2020-Customs dated 13.04.2020

⁴ CBIC Circular No. 15/2020-Customs Dated 28.02.2020

⁵ CBIC Government of India F. No. 390/Misc/3/2019-JC dated 27.04.2020

Alongside, CBIC rolled out pan-India faceless assessment.⁶ Envisioned to be a game-changer, “Turant Customs”, flagship programme of Indian Customs, is an innovative step to tackle the daunting task of processing 1.25 crore customs related documents by balancing facilitation and enforcement, national security and revenue generation. This is a next-generation reform aimed at improving the ease of doing business. Customs has implemented first two phases of Faceless Assessment across Chennai, Bengaluru, Mumbai and New Delhi. In addition, CBIC launched e-Office, a paperless initiative with a view to ensure efficiency and transparency in tax administration.

4.3. Measures to ease the financial burden to stakeholders

Shipping Lines have been asked not to levy detention charges on containers held up for reasons attributable to lockdown measures.⁷ All major ports have been directed not to levy penalties, demurrage, charges, fee, rental on any port user (traders, shipping lines, concessionaries, licensees etc.) for any delay in berthing, loading/unloading operations or evacuation/arrival of cargo caused due to reasons attributable to lockdown measures.⁸⁹

Likewise, customs airports have been asked for waiving of demurrage charges at 50% by airport operator/cargo terminal operator for the lockdown period.¹⁰ Zonal Customs Chiefs have asked local custodians (Inland Container Depots and Container Freight Stations) to exempt demurrage charges during the lockdown period. Further with a view to tackle pending refund claims so as to provide immediate relief and liquidity to the business entities and especially MSMEs for Brand Rate fixation and consequent disbursal of the claim, a special drive had been undertaken by the Customs Zones to dispose off the pendency so that no application received upto 31.05.2020 is pending at the end of the drive on 30.06.2020.¹¹

4.4. Extension of time limits relating compliance:

The time limit for filing of appeal, furnishing of return, or any other compliance under the Customs Act or Customs Tariff Act, which was expiring from 20th March 2020 to 29th June 2020, has been extended up to 30th June 2020.¹² Exemption from IGST /compensation cess on goods imported against Advance Authorization/ EPCG has been

⁶ CBIC Government of India Notification No 50/2020(N.T.) and Notification 51/2020 dated 05.06.2020, Circular No. 28/2020 dated 05.06.2020 and Instruction No. 9/2020 dated 05.06.2020

⁷ Directorate General of Shipping, Government of India Order no. 07/2020 dated 29.03.2020

⁸ Ministry of Shipping Government of India letter No. PD-14300/4/2020-PD VII dated 31.03.2020)

⁹ Chairman CBIC Government of India letter No.03/CH(IC)/2020 dated 24.02.2020

¹⁰ Ministry of Civil Aviation Government of India Order date 01.04.2020 issued under F. No. AV29012/41/2020-ER

¹¹ CBIC Government of India Instruction No.03/2020 Customs dated 09.04.2020

¹² Government of India Ordinance dated 31.03.2020

extended upto 30.03.2021.¹³ To allow duty free import against the existing Export Performance Certificates for FY 2019-20, their period of validity has been extended upto 30.09.2020.¹⁴ Extension of time limits for last date of re-export in Drawback by 6 months to provide relief from CoVID.¹⁵

Letters of Intent issued by CBIC to various promoters for setting up of ICDs/CFSs were expired during the lockdown period. As a facilitation measure, with the approval of the Inter-Ministerial Committee, the validity of such LOIs have been extended up to 31 August 2020. To ease the burden of compliance on the AEO's, the AEO certificates that were expiring between 01.03.2020 and 31.05.2020 have been extended to 30.06.2020.

4.5. Relaxation of procedures

In order to address the difficulties faced due to non-availability of stamp papers during the lock-down period, the requirement of different types of customs bond has been dispensed with. Traders can submit undertaking on plain paper in lieu of bond.¹⁶ With the subsequent extension of lockdown period in wake of Covid-19 crisis, and in order to continue the relief against the difficulties faced due to non-availability of stamp papers during the lock-down period, the facility of submitting undertaking on plain paper in lieu of bond has been extended to 30.06.2020.¹⁷ Goods imported under free trade agreements were allowed to be cleared without producing original certificate of origin.¹⁸ This step goes a long way towards ensuring a trust-based compliance system.

4.6. Emergency clearance of relief cargo and essential commodities

As a relief measure, queue prioritisation of relief consignments used for fighting COVID-19, such as medical equipment, drugs and pharmaceuticals, testing kits, PPEs, is ensured. Basic customs duty and health cess has been exempted to goods such as ventilators, masks, personal protection equipment, testing kits as well as inputs used in manufacturing these items.¹⁹ Import clearance of Edible oils and Food Grains is facilitated based on visual examination to avoid delay caused by the analysis report.²⁰ However, the risk is balanced by the issue of final No Objection Certificate on receipt of analysis report.

¹³ CBIC Government of India Notification No. 18/2020- Customs dated 30.03.2020

¹⁴ CBIC Government of India Notification No. 23/2020 dated 14.05.2020

¹⁵ CBIC Government of India Notification No. 24/2020 – Customs dated 21.05.2020

¹⁶ CBIC Government of India Circular no. 17/2020-Customs dated 03.04.2020

¹⁷ CBIC Government of India Circular 21/2020 dated 21.04.2020, Circular 23/2020 dated 11.05.2020 and Circular 26/2020-Customs

¹⁸ CBIC Government of India Circular no. 18/2020-Cus dated 11.04.2020

¹⁹ CBIC Government of India Notification no. 20/2020-Cus dated 09.04.2020

²⁰ Food Safety and Standards Authority of India 's direction dated 03.04.2020 issued under F. No. 1-1771/FSSAI/Imports/2018

The gestures of Government of India in providing relief measure for other countries battling with the pandemic through specific export shipments of critical drugs, pharmaceuticals, testing kits, personal protection equipment etc. is well recognized and are actively facilitated by customs at the borders. Some of these shipments are donation from the Government of India. Special mention is to be made here on the quick facilitation of shipments of essential drugs like Hydroxychloroquine and Paracetamol to multiple countries including on grant basis.

4.7. On-ground facility for seamless clearance of passengers

Customs has contributed to the success of Vande Bharat Mission by ensuring seamless clearance of thousands of passengers. Customs has also facilitated repatriation of stranded nationals of other countries through various ports and airports, helping them with procedures and swift clearances. Meerut Customs Zone and Delhi Customs Zone of Indian Customs set up on-ground facilities at designated places for the smooth processing of Indian citizens who returned from affected countries. Special arrangements have been made for clearance of passengers coming from affected countries. Separate channels were created at the airports, port terminals and land customs stations for such passengers.

4.8. Customs-led coordination

Customs operations are declared as an essential service to facilitate seamless cross-border movement of consignments during the lock down period and nodal officers actively collaborated with concerned Ministries/Departments/Agencies through online single window COVID-19 helpdesk for ensuring the continuity of supply chain. Mention must be made of the Customs-led coordination leading to permission for movement of customs brokers and transporters, and allowing functioning of warehouses across the country during the lock down period.

Concerns expressed by trade are given top priority and EXIM trade related responses requiring inter-ministerial coordination are taken up by CBIC at high level forums such as Empowered Group of Secretaries looking into COVID-19 related issues. This has resulted in positive outcomes on the concerns expressed by Indian Customs such as quicker availability of labour in ports, issue of passes to Customs brokers, and movement and storage of consignments and conveyances. Within the department, ICE DASH (Indian Customs EoDB Dashboard) provided real-time visibility into clearance times helping to analyse the functioning of various Customs formations relating to supply chain continuity.

Regarding movement of goods and conveyances, innovative practices are adopted through inter-departmental coordination with police and municipal administration, especially at Custom House level. For instance, the Chennai Custom House at the

beginning of lock down period in the country in March, 2020 has decided to issue pass mentioning details of vehicles and containers carrying EXIM cargo and made arrangements with police authorities to permit the movement of Customs cleared cargo and the vehicles based on the Customs pass.³To facilitate trade on the internal taxes front, CBIC quickly rolled out remote and secure access to CBIC-GST application over internet through DG Systems which enabled the Central GST officers working from home during the lock down to disburse GST refunds in right earnest to address the important issue of cash flow to the industry, especially to MSMEs.

Further, importers and their agents have been personally followed to clear the goods from customs area so as to reduce the congestion. Special teams have been made to oversee the work of reducing the congestion in the customs notified areas.

4.9. Ensuring health and safety of frontline officers

Customs offices have been assigned contingency fund to take care of health and safety of frontline officers; to provide a safe work environment through PPEs, maintenance of hygiene etc; to render financial assistance to the lower rung officers in view of COVID-19 pandemic and community out-reach in and around the workplace.

Staggering of office hours and roster system was followed to rationalize the man power. A dedicated COVID-19 Task Force was formed to cater to the health and safety of officers.

Government has sanctioned special package of Rs 5 lakh for immediate assistance to families of customs officers who may in an unlikely situation succumb in their valiant fight against COVID-19.

4.10. Additions to existing infrastructure

CBIC has coordinated with the port and airport authorities and other custodians and helped to ensure that ample space is available for storing EXIM cargo in the customs area. New additions are made to reduce congestion within Customs limits. For instance, Gopalpur port has been made as a notified port for exports to benefit under AA/ EPCG scheme and other export promotion schemes.²¹

4.11 Local best practices for handling congestion:

Innovative practices according to local requirements are taken up at Custom house level to facilitate trade by faster clearance using the available resources. The efforts to

²¹ CBIC Government of India Notification No. 25/2020- Customs dated 21.05.2020

reduce congestion at Chennai port by the swift on-ground action of Indian Customs is illustrated as an example in this regard:-

- Permitting evacuation of import containers to CONCOR ICD, Tondiarpet by rail is an adhoc arrangement to handle the congestion during lockdown period. M/s Container Corporation of India Ltd(CONCOR) acted as a service provider in handling containers and supply of rakes for carriage of containers – with the objective of evacuating containers en-mass by Rail and facilitating trade and reduced transit time at economical tariff. Chennai port also coordinated with the Terminal Operators inside port in effectively utilising the Extended Gate Common User Facility.⁴

4.12. Contributions to the poor and needy

Customs offices across India have generously contributed in distribution of food and relief material to poor and needy in the lockdown period. Mask, sanitizers are provided to local residents. Food materials, cooked food to poor and needy were distributed on a daily basis by Custom houses. Preventive medicines suggested by the Government were purchased and distributed to the poor people for their health and safety.

5. Lessons learnt regarding Customs response:

Customs all over the world is responsible for controlling and facilitating import and export of goods, passenger movement and their role is linked to nation building and security. In the contemporary era, the role of Customs has shifted from revenue Collection to trade facilitation, apart from enforcing various trade laws and Government Regulations at the border. Movement of goods and persons necessitates their active involvement at Sea Port, land Port, Airport and land borders.

The first thing, many Countries have initiated as a response to COVID-19 is border control to contain the international spread. Passengers were subjected to screening, quarantine and isolation. Customs officer's response to any new outbreak is significant in controlling the spread. During SARS – (Severe Acute Respiratory Syndrome) pandemic of 2003, A/H1N1 Influenza pandemic in 2009 and other major disease outbreaks, Customs officers played a significant role in assisting the nation in controlling the spread.

Due to their front line role in border, Customs officers are a high risk occupational group for a pandemic like COVID-19 and are vulnerable to get affected by the disease. In order to reduce vulnerability and in response to the risk all Customs officers have been provided with all safety materials like face mask, sanitizers, PPE kits etc, from the initial period of COVID i.e. December 2019 to till date. Apart from insisting on maintaining general preventive measures, specific office related preventive measures are provided for maintaining proper health of the Customs officers. Old employees, aged more than 50,

pregnant employees and employees who have underlying medical conditions are not given any front line work requiring direct contact with public. Staggering of office hours, lunch hours/coffee breaks are done to rationalise the manpower.

For organizational support, COVID Task force headed by a Joint Commissioner level officer is formed to assist and counsel the officers, contingent staffs, securities etc., and their family members. Arrangements are made with hospitals for treatment of Customs staff in case of them affected by the disease. Preventive medicines suggested by Government have been distributed to all the Staffs as an emergency precaution. All emergency helpline related to COVID, details of COVID testing centres, laboratories and the designated hospitals treating COVID 19 patients are compiled and handed over to all the staffs so that in case of urgency they have all the information available with them and this will enable them to help and guide the other citizens also.

Roster system was followed and officers attended the office on alternative days and the remaining are encouraged to work from home. Seating arrangement is made in such a way that there is sufficient space between two persons. Online communication from the trade is encouraged and physical meeting and physical handling of files are mostly avoided through the application of ICT technologies and related measures.

While trade facilitation and faster clearances with minimum interference is the need of the hour in times of crisis like COVID-19 pandemic, a holistic system which can identify potential threats like smuggling of prohibited/restricted goods is necessary. Some unscrupulous elements always tried to exploit the humanitarian crisis situation and supply chain vulnerabilities to carry out smuggling of prohibited/restricted goods which could have a potential impact on the social and economic condition in the country.

Effective risk management strategies evolved throughout the years after the implementation of ICES has really helped Indian Customs to respond to the challenges and to rise to the occasion to deliver positive results. Non-intrusive methods like scanning of goods, risk profiling based on various risk parameters identified by National Risk Management Division, as well as local risk management at individual port level through Local Risk Manager has helped in focussing the risk based consignments and other consignments are facilitated faster. Contraband goods such as narcotic drugs and psychotropic substances have been seized in sea port, airport and international courier terminals. Goods violating intellectual property rights (IPRs), counterfeit goods, various restricted and prohibited goods were also seized under Customs Act, 1962 during the COVID period.

At the same time, an Emergency SOP to facilitate faster clearance of essential commodities through ensuring a Right Queue mechanism is the need of the hour. The life

saving goods in the event of crisis can be assessed by a separate queuing system on priority. EDI System can be suitably modified to capture the HSN details of the relief goods (medicines and medical equipments).

CBIC sensed the gravity of the pandemic and its likely impact on the global supply chain at the very initial stage, and took a number of proactive measures to ensure smooth operation of all customs locations in India, viz., seaports, airports, land customs stations, foreign post offices and courier terminals, while following social distancing and other health related guidelines of the Government, issued from time to time. With the IT framework such as ICEGATE, ICE DASH and e-Sanchit, Customs could make early response to reduce the vulnerability of supply chains and leveraged technologies to serve the tax payers during the challenging times.

To promote trade facilitation and seamless flow of legitimate consignments, monthly meetings of Customs Clearance Facilitation Committee (CCFC) and Permanent Trade Facilitation Committee(PTFC)were held online by Customs formations for quicker resolution of issues concerning trade. Frequent video conferences were held with MSMEs and various trade organisations like FIEO to address the problems faced by trade. The meetings were attended by all the stakeholders with their suggestions; the issues faced by the stakeholders were discussed and resolved in the meeting which resulted in better coordination for cargo movement. Guidelines/Circulars were issued for clarity in coordination with all the Partner Government Agencies and private sector participants to fast track the cargo clearance. The Indian Customs Single Window Project evolved through time has contributed immensely in communication, cooperation, collaboration and coordination with Partner Government Agencies and private sector participants for facilitating speedy movement of goods while applying appropriate risk management.

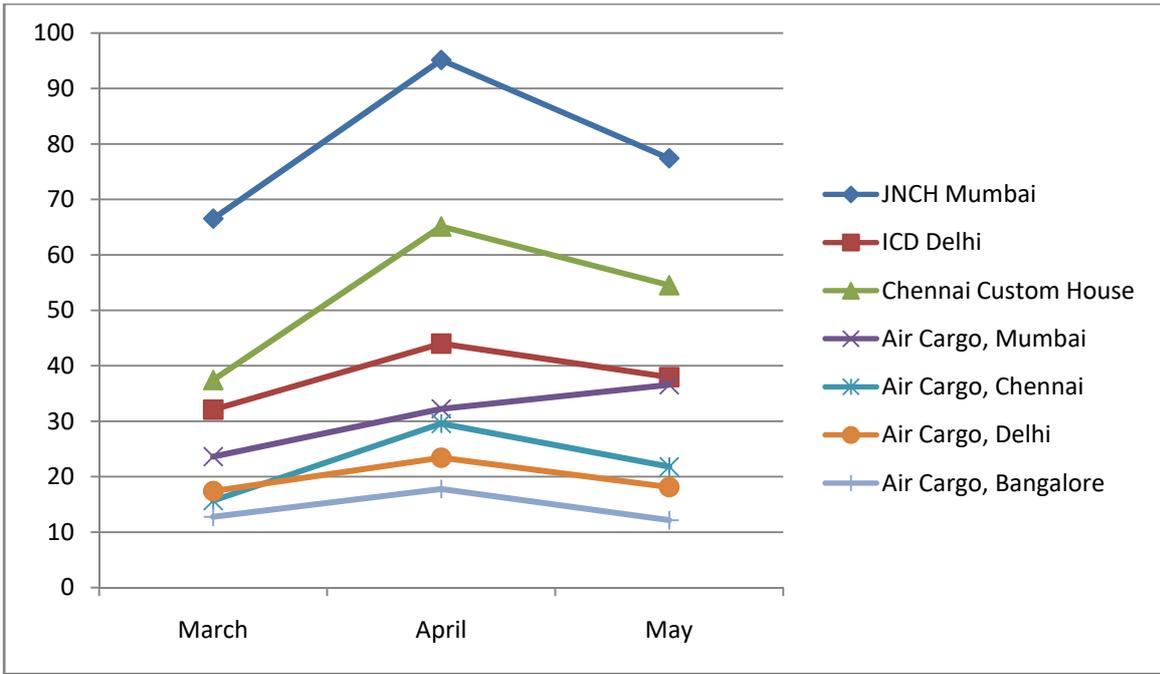


Fig 1: Comparison of *Dwell time* in March, April and May 2020 in 6 major customs stations in India. (*Green channel*) (measured in hours)

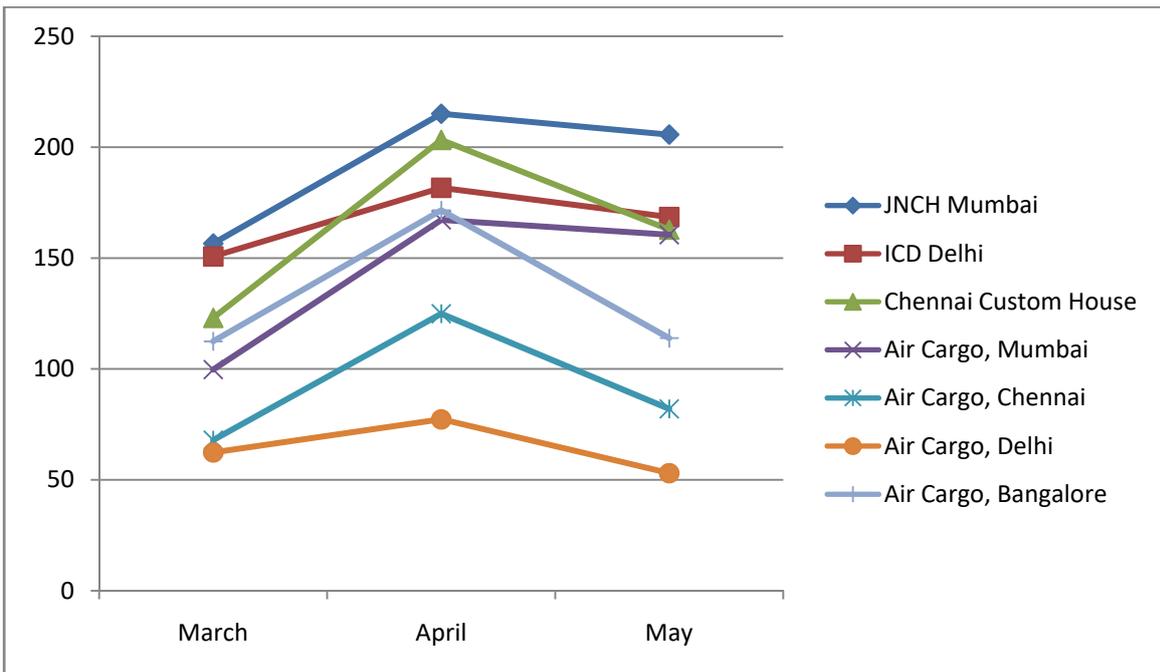


Fig 2: Comparison of *Dwell time* in March, April and May 2020 in 6 major customs stations in India. (*Red channel*) (measured in hours)

Movement of cargo will ensure the continuity of business and will reduce the strain on national economy. Movement of relief cargo and essential goods, especially food and medical supply chain are of paramount importance during the outbreak of pandemic. The above data analysis depicted in Figures 1 and 2 illustrates the reduction in dwell time across

the country from the month of May 2020⁵ in response to the policy initiatives of Indian Customs starting from the month of March 2020⁶ to ensure supply chain continuity. After the initial negative impact due to COVID-19, one can see the signs of improvement in dwell time visually. It is heartening to note that the dwell time in May 2020 has reduced drastically from the peak in April 2020⁷ and is trending towards the pre-COVID levels. It could be concluded that the reduction in time taken by Customs for clearance of goods, *ceteris paribus*, has resulted in the overall reduction of clearance time.

6. International perspective: Efforts taken by WCO towards global supply chain continuity

WCO is the sole intergovernmental organisation on Customs matters. With 183 member Customs administrations, occupying 98% of world trade, the role of WCO is very significant in ensuring global trade facilitation.⁸ During the COVID-19 pandemic, WCO has undertaken numerous efforts to safeguard the global supply chain by partnering with international organisations.⁹ These steps have helped to mitigate the overall impact of the pandemic on the socio-economic conditions of the people.

In this regard, partnership of WCO with WHO for faster clearance of essential medical supplies and critical response products on priority is significant. The HS Classification of those medical supplies deemed critical by WHO were updated. In order to give widespread publicity for the same, this updated list of HS classification was uploaded in the WCO website as well.¹⁰

Further WCO partnered with WTO to facilitate seamless border trade in goods and ensure that there is minimal disruption. Member countries were urged to take targeted, proportional, transparent and non-discriminatory border action, if any¹¹. This aided faster global recovery and eased the cross border trade flow substantially.

To enable MSMEs to take advantage of opportunities in the global market and adapt to new post-COVID commercial realities, WCO contributed to the improved and expanded Global Trade Helpdesk rolled out by WTO, UNCTAD and ITC.¹²

As the voice of the International Customs community, WCO in association with IMO(International Maritime Organisation), facilitated smooth cargo movement in a coordinated manner.¹³

In addition, WCO teamed up with UPO(Universal Postal Union) owing to the rerouting of postal traffic from air to surface transportation(road & rail).¹⁴ The coordination

between Customs Administration and Designated Postal Operators(DPOs) was of critical importance in safeguarding the global postal supply chain.

Since much of the traffic was routed through roads during the pandemic, coordination of WCO and International Road Transport Union(IRU) gains significance. Various international standards like TIR Convention were implemented to ensure movement of essential goods and personnel with minimum checks and less contact.¹⁵ This helped balance public health concerns with smooth cargo movement.

In order to facilitate railway transport, WCO partnered with Organisation for International Carriage by Rail(OTIF) and Organisation for Cooperation between Railways(OSJD) to temporarily accept electronic documents and defer submission of paper based documents till a later date.¹⁶ This was in congruence with WCO Revised Kyoto Convention(RKC).

Another major role of WCO is in the field of prevention of cross-border movement of illicit goods during the pandemic. WCO launched an IPR CENcomm Group for data sharing aimed at prevention of trafficking of counterfeit medical supplies and fake medicines.¹⁷ Further, in March 2020, WCO participated in a collaborative enforcement effort named Operation Pangea XIII along with Interpol, Europol, Customs administrations, Police forces and other law enforcement agencies which led to the seizure of 37,258 counterfeit medical devices.¹⁸ The Global RILO Network continued to provide intelligence and operational support to WCO Members during the COVID-19 crisis.¹⁹

The frameworks created in member Customs administrations with the help of WCO helped them in discharging their duties during COVID-19. Detection of a shipment containing around 100 falsely declared COVID-19 test kits by Cambodia's Air Cargo Control Unit in Phnom Penh,²⁰ established in the framework of the UNODC-WCO Container Control Programme (CCP), is a case in point. Further, WCO through its Container Control Programme (CCP) of United Nations Office on Drugs & Crime(UNODC) ensured capacity building to member customs to ensure supply chain security.²¹

Further in order to ensure urgent and immediate response to cross-border movement of goods, WCO collaborated with International Chamber of Commerce (ICC).²² This partnership along with other Governmental agencies ensured continuity of global supply chain and facilitated trade.

Also to deal with the disruptive scenarios, WCO initiated COVID Project with the support of Japan.²³ A collection of best practices in dealing with such emergency situations along with ensuring business continuity was highlighted.

Finally, various tools and instruments have been emphasised by WCO through its COVID-19 dedicated web-page²⁴ to strengthen the supply chain continuity along with ensuring integrity. Few such tools are:

- Resolution of the Customs Cooperation Council on the Role of Customs in Natural Disaster Relief²⁵
- Guidelines to Chapter 5 of Specific Annex J to the International Convention on the Simplification and Harmonization of Customs Procedures, as amended (Revised Kyoto Convention)²⁶
- Annex B.9 to the Convention on Temporary Admission (Istanbul Convention);
- Istanbul Convention Handbook²⁷
- Harmonized System (HS) Classification reference for COVID-19 medical supplies²⁸
- List of national legislation of countries that have adopted temporary export restrictions on certain categories of critical medical supplies in response to COVID-19²⁹ and
- List of WCO Members' practices in the response to the COVID-19 pandemic.³⁰

7. Conclusion

Due to inherent interconnected nature, effective functioning of all the stakeholders in the supply chain is imperative for its continuity and efficiency. Customs is a key stakeholder in the cross-border supply chain as borders divide Customs connects (WCO Vision Statement). COVID-19 saw the Indian Customs taking a sovereign lead role in facilitating the smooth movement of relief consignments, personnel and their possessions and strengthening supply chain for sustainability of people and prosperity at the same time applying appropriate risk management.

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