

Bilateral agreement at G-20 summit

2230. SHRI N. BALAGANGA: Will the Minister of FINANCE be pleased to state:

(a) whether Government had inked any bilateral agreement with any country in the concluded G-20 meeting in France; and

(b) if so, the details thereof and the reaction of Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA):

(a) No Sir.

(b) Does not arise.

Trade facilitation by electronic data interchange

2231. SHRI D. BANDYOPADHYAY: Will the Minister of FINANCE be pleased to state:

(a) the details of steps taken by Government in the last three years to speed up trade facilitation through major ports and airports by electronic data interchange;

(b) whether electronic processing of bills of entry and shipping bills have been introduced in the major custom houses and airport complexes;

(c) if so, whether the documentation processes are being synchronised electronically to bring in line with the best practices followed by the OECD countries to ensure fast track movement of import and export of goods; and

(d) if so, the details of the practices adopted to reduce time and cost overrun in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): The Electronic Data Interchange (EDI) has been introduced in Customs to speed up trade facilitation.

(a) The Electronic Data Interchange (EDI) system in Indian Customs comprises three applications viz., **Indian Customs EDI Systems (Indian Customs Electronic Data Interchange System (ICES) version 1.5), Risk Management System (RMS) and Indian Customs EDI Gateway (ICEGATE)** e-commerce portal. In the last three years, the EDI system has been migrated to a robust and secure consolidated IT infrastructure environment. Three National Data Centres have been set up at Delhi and Chennai and a nationwide Wide Area Network (WAN) covering over 500 buildings has also been established. A new, secure Local Area Network (LAN) has been set up at 1200 buildings across the country, involving over 3000 offices. In addition, an Enterprise Data Warehouse has been set up to facilitate informed policy decisions by centralized provision of Customs, Central Excise and Service Tax data from all automated locations. The new upgraded centralized applications cover all major customs locations in the country.

ICES 1.5 and ICEGATE handle the filing of Bills of Entry, Shipping Bills, Import and export General Manifests, amendments queries, replies, messages with custodians, transshipment and

transit procedures, information related to arrival and departure of vessels, goods registration intimation through internet for enabling examination/inspections, document tracking to ascertain the status of clearance etc. The key features of trade facilitation are centralized bond and license management, message exchanges with banks, ports, custodians and Directorate General of Foreign Trade.

(b) Yes, Sir, ICES 1.5 and ICEGATE serve about 6.7 lakh importers/exporters and handle more than 83% of all Customs clearance documents accounting for nearly 98% of all imports and exports in the country. Customs automation now covers 103 Customs locations, covering all the major sea ports, ICDs and air cargo complex locations, in the country.

(c) Automation by Indian Customs adheres to the international best practices as per World Customs Organisation (WCO) and World Trade Organisation (WTO) of which India is a member. The best practices followed by OECD countries are also aligned to the recommendations by WCO and WTO.

(d) The details of some of the significant International best practices followed by Indian Customs, which have facilitated handling of electronic documents, include:—

- (i) Automated clearance of import and export consignments based on the Harmonized System of Nomenclature and GATT valuation procedures.
- (ii) Automated calculation of duty, generation of bank Challan for duty payment and its electronic transmission to Banks.
- (iii) E-payment facilities.
- (iv) Introduction of Risk Management System (RMS) and Accredited Clients Program (ACP) with facility for post clearance audit.
- (v) Facility of electronic cargo tracking.
- (vi) Electronic payment of duty drawback into exporters' bank accounts.
- (vii) Introduction of Authorized Economic Operators program.
- (viii) Introduction of Automated Recordation and targeting System at all major Customs locations to administer and protect the intellectual property rights.

Expenditure on Jammu and Kashmir

†2232. SHRI SHREEGOPAL VYAS: Will the Minister of FINANCE be pleased to state:

(a) the percentage of entire expenditure of the Jammu and Kashmir State being borne by the State itself as compared to the average of other States; and

(b) the total amount of money spent by the Centre for the State in last three years?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA):

(a) According to Reserve Bank of India's publication titled "State Finances: A Study of Budgets

†Original notice of the question was received in Hindi.