



## Case Study

### National Committee on Trade Facilitation India

*Article 23.2 of the WTO TFA: “Each Member shall establish and/or maintain a national committee on trade facilitation or designate an existing mechanism to facilitate both domestic coordination and implementation of the provisions of this Agreement.”*

#### 1. Introduction

In India, the Union Cabinet approved the formation of a new National Committee on Trade Facilitation (NCTF) as per Article 23.2 of the WTO TFA with the Cabinet Secretary (India’s highest executive) as its Chair on 17 February 2016. The NCTF was established in India on 11 August 2016. It is the lead body for driving trade facilitation measures across all ministries. Its mandate is to finalize a National Trade Facilitation Action Plan and monitor the work of TFA implementation and domestic coordination in the country. The composition of the NCTF includes all major stakeholders from the Government and private sectors. The first meeting of the National Committee on Trade Facilitation was chaired by the Cabinet Secretary, GOI, on 28 October 2016.

#### 2. Structure of the Committee

The NCTF in India has a three-tiered structure:

- (1) National TF Committee – includes representatives of all stakeholders;
- (2) Steering Committee – a subset of the National Committee, with a core group of public and private membership;
- (3) Working Groups – small & ad-hoc groups of experts from relevant institutions working on a specific trade facilitation measure or project.

It was decided at the first meeting of the Steering Committee, held on 16 November 2016, to set up the following four Working Groups:

- (i) Working Group on Legislative Changes – to identify areas where changes are required in our policy, regulatory and legal frameworks, so as to dynamically improve the level of compliance of our Category A commitments and fulfill the Category B commitments;
- (ii) Working Group on Infrastructure Augmentation – to identify and upgrade our present infrastructure gaps with a view to reducing transaction costs and times at critical sea ports, airports and land Custom stations, as infrastructure is the prime enabler for trade facilitation;



**(iii) Working Group on Time Release Study – to study the dwell-time patterns of import-export cargo across major ports, airports, inland container depots (ICDs) and land Customs stations (LCSs) in India in a multi-modal framework with reference to air, land and sea modes of transportation, and to suggest an Action Plan for measuring and publishing the average release times for import and export goods so as to recommend ways to reduce the overall cargo dwell time, which is also an overarching policy objective;**

**(iv) Working Group on Outreach - to disseminate and publish information pertaining to WTO-TFA and trade facilitation measures undertaken by the Government in general across the country. This will be a collaborative effort between Government officials and private stakeholders on a user-friendly platform/interface.**

### **3. Role of Customs and Level of Participants**

**Having been instrumental in the establishment of the NCTF, Customs is now playing a leading role in its operation:**

**(1) the NCTF Secretariat is housed in the Central Board of Excise and Customs;**

**(2) the Joint Secretary (Customs) is the Member-Secretary of the NCTF;**

**(3) the Steering Committee is co-chaired by the Secretary (Revenue), Ministry of Finance. The Member (Customs) monitors the Working Groups as the facilitation coordinator.**

### **4. Challenges and Solutions**

**One of the challenges was to determine the optimal size of the NCTF in terms of its member composition. This was resolved by ensuring that the necessary flexibility is accorded within the overall structure of the NCTF to co-opt new members and representatives of the State Governments on specific trade facilitation issues, as and when required.**

**Ensuring inter-ministerial co-ordination and collaboration was another challenge. This was resolved by setting up the NCTF Secretariat to act as a nodal point to leverage the smooth flow and exchange of information between the various ministries and their associated departments. This, too, has been aided to a great degree by promoting regular consultations and discussions between the various participants. In addition, a consensual approach was adopted, with increased deliberations and consultations between all stakeholders concerned.**



Procuring meaningful engagement between the various stakeholders was another challenge. This was resolved to a great extent by increasing awareness about the TFA and the Government's associated trade facilitation measures, neutralizing apathy, involving all stakeholders in agenda-setting, and specifying the overall direction of the Committee as regards its composition and functioning. The minutes of each meeting were carefully and comprehensively drafted, and duly circulated to all members.

A major challenge was to make our Trade Facilitation Action Plan comprehensive and over-arching in its ambit, and make it an effective tool for trade facilitation measures for all stakeholders. This was ameliorated to a great extent by incorporating the recommendations from all Working Groups, Government organizations and trade associations, and drawing up a benchmark of standards that was amalgamated into the Action Plan. This was simultaneously mapped with relevant TFA Articles. It has helped in meeting some major policy objectives of the Government of India, such as improvement in the "Ease of Doing Business" rankings, reduction in transaction costs and times, enhanced digitization, a simple, transparent and predictable legal regime, and improved investment climate.

#### 5. Relevant Documentation such as Terms of References

- The Terms of Reference of the National Committee on Trade Facilitation are attached as Annex A.
- The Terms of Reference of the Steering Committee are attached as Annex B.

#### 6. Contact person for the NCTF

Mr. L. Satya Srinivas, Joint Secretary (Customs), E –mail: [jscus@nic.in](mailto:jscus@nic.in),  
Telephone: +91-011-23092978

If you require any further information, please contact Ms Hermie George, Technical Attaché in the WCO Compliance and Facilitation Directorate ([hermie.george@wcoomd.org](mailto:hermie.george@wcoomd.org)).