F. No.296/07/2016-CX.9
Govt. of India
Ministry of Finance
Department of Revenue
(Central Board of Excise and Customs)

New Delhi, the 05<sup>th</sup> September, 2016

## **OFFICE MEMORANDUM**

Please find enclosed a press release issued by Central Board of Excise and Customs on --- "facilitation of trade relations and people to people contact between the BBIN countries initiated w.e.f. 05.09.2016", for taking necessary action at your end.

**Encls**: As above

(Manish Mohan Govil) Commissioner Co-ord.[CBEC] Phone No. 011- 2309 3667

Sh. D.S. Malik, ADG (M&C), Ministry of Finance, North Block, New Delhi.

## **PRESS RELEASE**

A new chapter in Customs Cooperation between India, Bangladesh, Bhutan and Nepal was opened today (5<sup>th</sup> September 2016), as a cargo laden truck of Bangladesh of readymade garments, imported by Marks and Spencer India, rolled into Customs Inland Container Depot, Patparganj, Delhi. Though the vehicle entered India through Petrapole Land Customs Station, the customs clearance is being done at ICD, Patparganj. The vehicle was affixed with GPS tracking equipment at Petrapole and the cargo was sealed electronically. This helped in live tracking of the vehicle as it moved from Petrapole to New Delhi, with an alert mechanism in any tampering of the cargo container. This also marks the first step by Indian Customs at adopting cutting edge technology in facilitating and securing transhipment of import cargo. It also represents a milestone in demonstrating the regional value change effect in south Asia with a top multi-national retail chain in India importing goods manufactured in Bangladesh.

- 2. This is part of a trial run under a Motor Vehicles Agreement for the Regulation of Passenger and Cargo Vehicular Traffic (MVA) which was signed between Bangladesh, Bhutan, India and Nepal (BBIN) in Thimphu, Bhutan, on 15 June 2015 by the Hon'ble Transport Ministers of the four countries.
- 3. The MVA allows cargo vehicles registered in any one of the BBIN countries to cross borders and enter any of the other BBIN countries, along agreed routes. Consequently, border congestion is reduced and trade can clear cargo at a location proximate to them. Such seamless movement can help in faster and cheaper movement of goods. As the MVA also covers movement of passenger vehicles, it will deepen people-to-contact and boost tourism.
- **4.** Three countries, viz., Bangladesh, India and Nepal have currently ratified the MVA and Bhutan is in the process of completing its ratification formalities. To help in finalization of Protocols that would facilitate trade and maintain balance with effective controls, the countries had agreed to conduct trial runs of vehicles, in terms of the MVA.
- 5. The first cargo trial run was conducted between Kolkata and Agartala through Bangladesh between November 1 3, 2015, by DHL. The 2<sup>nd</sup> Trial Run trial run of vehicles is being conducted from Dhaka to Delhi from 29<sup>th</sup> of August 2016 to 10<sup>th</sup> September 2016. The Trial Run is being conducted under real-life conditions expected to be applied for operations under the BBIN MVA and the experience gained during the trial run would be used in fine-tuning the procedures, documentation and other operating provisions.
- 6. In a function at ICD Patparganj, which was presided over by Shri Vivek Johri Chief Commissioner of Customs, Delhi Zone, Sh Johri stated that "This is yet another measure in a series of trade facilitation initiatives taken by the Government recently to help businesses cut transaction costs. The compulsion to tranship goods at the borders with our neighbouring countries has been a major and longstanding pain point hindering free flow of trade. The measure would not only relieve that pain but also allow the BBIN region to more fully exploit its potential for integration through trade."
- 7. CMD of CWC Mr Harpreet Singh, Officials from Bangladesh High Commission, Ministry of External Affairs, Ministry of Road Transport and Highways, were also present. Country Head for Marks and Spencer's Ms Nidhi Dua welcomed the trade facilitation move.

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