INDIAN CUSTOMS EDI SYSTEM

BROCHURE

National Informatics Centre
Ministry of Electronics & IT (MeitY)
A-Block, CGO Complex, Lodhi Road
New Delhi

Directorate General of Systems & Data Management
Central Board of Indirect Taxes and Customs
Department of Revenue
Ministry of Finance
CR Building, IP Estate New Delhi

सत्यमेव जयते

Ministry of Electronics & Information Technology
Government of India

National Informatics Centre

Indian Customs EDI Systems (ICES)

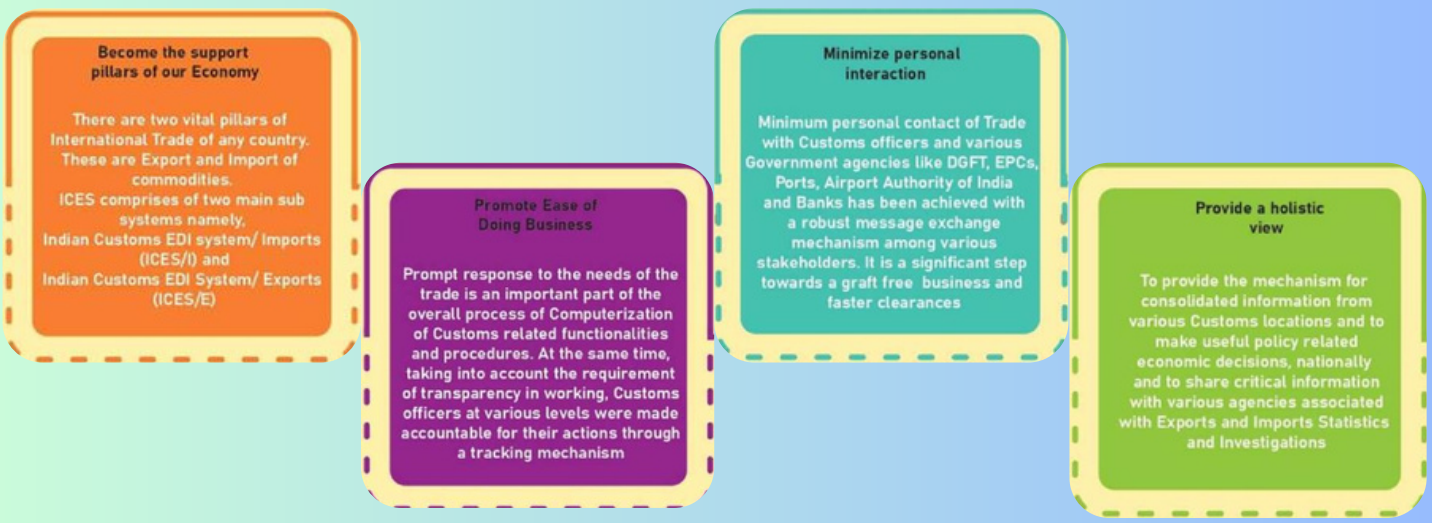
ICES: Introduction

The journey of the Indian Customs EDI Systems (ICES) had a humble beginning in the form of a feasibility study conducted jointly by NIC and the Department of Revenue in December 1992. This was to explore options to automate the procedures of Indian Customs at various locations across the country. The pilot project was launched in May 1995 at Delhi Customs House which included Electronic Data Interchange(EDI) as a key element for connecting all the stakeholders involved in international trade with the Customs houses, electronically. The small step taken towards implementation of ICES 1.0 at a single site in 1995 has been consolidated over the years and the ICES 1.5 application is now running successfully at 260 (Approx) customs locations and 300 (Approx) Special Economic Zone (SEZ) locations.

ICES: Objectives

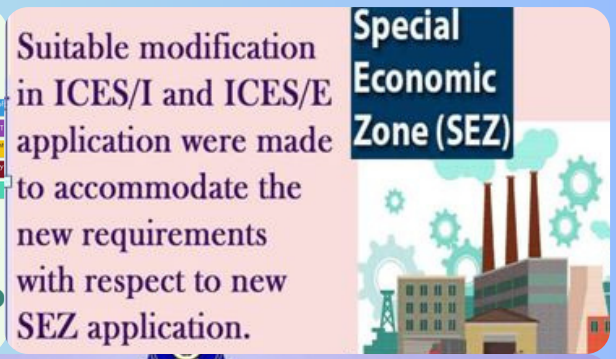
The main objectives set for the Indian Customs EDI System:

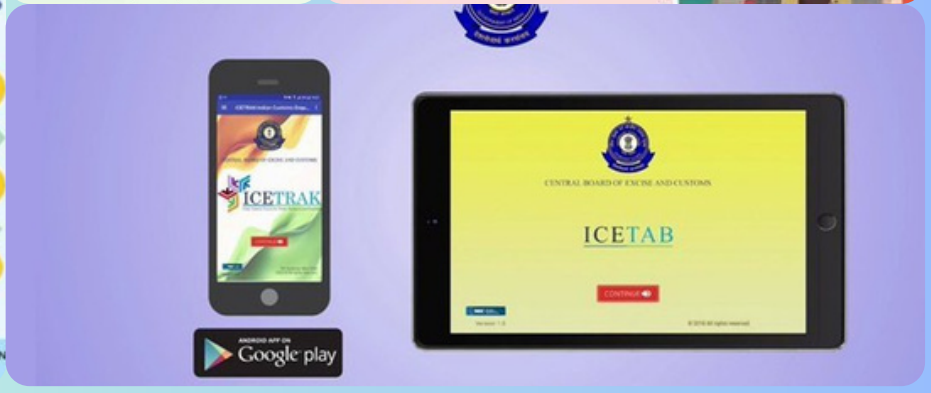
- Computerization of customs-related functions including import/export, general manifest control, ex-bond clearance of warehouse goods, goods imported against export promotion schemes, and monitoring of export promotion schemes.
- To exchange information with trading partners like ports, DGFT, airlines, shipping lines, shipping agents, banks, participating government agencies, DRI, DGCIS, DoV, and many more government and non-government agencies.
- To become vital pillars of the Indian Economy and to improve ease of doing business.
- Reduce interaction of the trade with Government agencies
- Guiding principles for ICES are facilitation, accountability, consistency, transparency and simplification



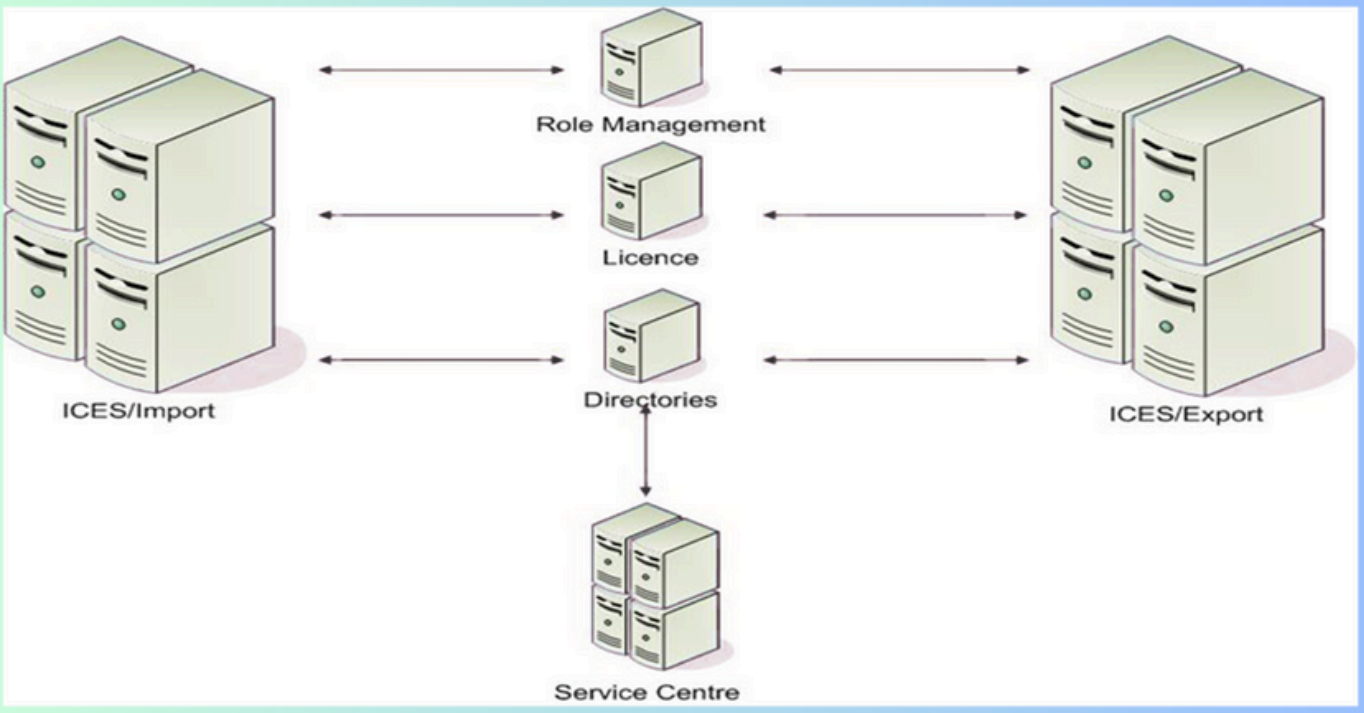
MAJOR EVENTS DURING THE LIFESPAN OF ICES

1995	Launch of the ICES 1 . 0 Application	2000	Y2K Transition
2005	Risk Management System introduced in Imports Clearance	2007	Introduction of Online Customs Duty Payment Facility
2013	Risk Management System introduced in Exports Clearance.	2017	Single Window and Successful Rollout of the GST regime
2018	E-sanchit (E-storage of Documents)	2019	TURANT Customs
2020	Faceless Assessment Application	2024	On boarding of Special Economic Zones
2024	Launching of ICETAB	2025	Sea Cargo Manifest and Transshipment Regulation (SCMTR)





ICES 1.0:The Pioneering Version



Developed by reengineering the core processes in Indian Customs

Introduced paperless work flow and automated customs clearance

Electronic exchange of information with the trading partners like Ports, DGFT, Airlines, Shipping Lines/ Shipping Agents, Customs House Agents/Importers/ Exporters, Banks, CFS Operators, DGCIS, RBI etc.

System calculation of imports duties, exports incentive drawback, duty foregone etc. and digital payments

UPGRADE TO ICES 1.5

A major exercise was initiated in 2009 to migrate the then existing de-centralized version of the ICES Application to a Uniform Centralized software which culminated successfully with the launch of ICES 1.5 or central server based application.

Consolidation of Data for National Level MIS

Single sign-on and central management of sites/users by National System Manager

Centralized Directory Management

Centralized License and Bond Management

Standardized procedures across the country

Key Stakeholders

- Central Board of Indirect Taxes and Customs – Ministry of Finance.
- Customs House Agents (CHA) / Importers / Exporters.
- Banking Institutions.
- Directorate General of Foreign Trade (DGFT).
- Reserve Bank of India.
- Directorate General of Commercial Intelligence and Statistics (DGCIS).
- Airlines/Shipping Lines/Shipping Agents.
- Custodians of Cargo (Sea, Air, Inland Container Depots, Land Customs Stations).
- Single Window Agencies such as WCCB, AQCS, FSSAI, CDSCO etc.
- Department of Valuation (DOV).

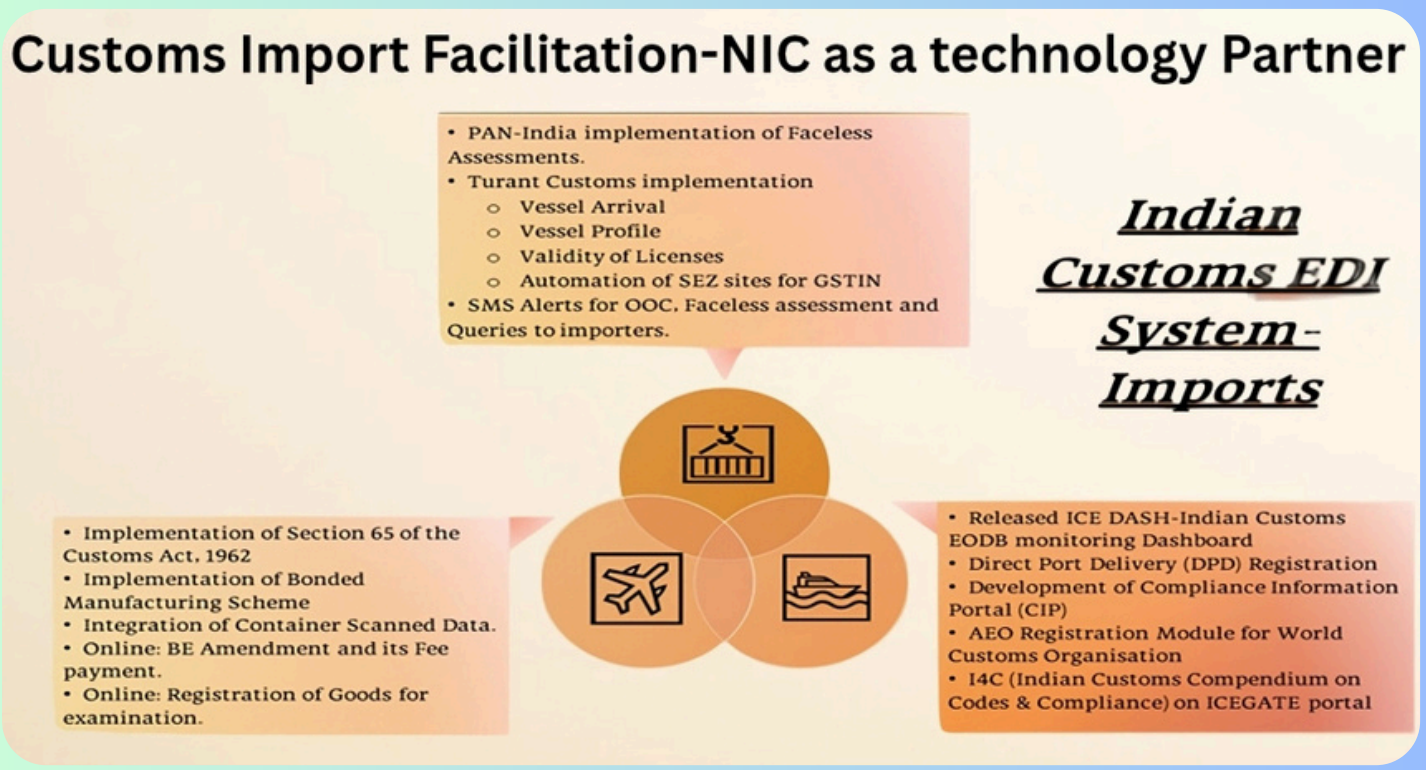
ICES 1.5: At a Glance

- Automates more than 99% of India's Exports and Imports
- Major catalyst in speedy and transparent customs clearances
- Dynamics of the trade have been diligently incorporated with enough scope for future scaling up and provisioning for changes in Business Logic and government policies.
- Electronic messaging resulting in minimized data capture
- Secure data sharing between different agencies
- Accountability through Time-Stamping
- SMS/Email-based update on the Status of the document to Importers/Exporters
- Harmonized business relationships with Customs community members, namely Ports, DGFT, Airlines, container depots etc.
- Achieve centralized application control
- Deferred Duty Payment for specified Importers registered AEO
- Message Exchange with Custom House Agents/ Importers/ Exporters, Banks, Dry Port Operators, DGCIS, RBI etc.
- Integration of the Advance Passenger Information System (APIS) with the purpose of electronically collecting passenger details from airlines for international flights arriving and departing from India to enhance border security and combat smuggling

ICES 1.5: Major Modules

ICES - Imports:

- Imports Declaration.
- Online duty payment & GST Refund.
- Faceless, Paperless import document processing.
- Data exchange with government agencies.
- Union Budget implementation every year.
- Import License
- Bank challan for Duty
- Airways Bill / Bill of Lading
- Locational Information of goods
- Out of Charge



ICES 1.5: Major Modules

ICES - Exports:

- Exports Declaration.
- Assessment and Let Export Order.
- Incentive Disbursement.
- Foreign Exchange.
- Tight Coupling with DGFT for licenses.
- Union Budget implementation every year.
- No appraising for non-drawback SBs
- No separate application filing for DBK SBs
- DBK automatically released after EGM filed
- DBK, RODTEP, ROSCTL credited to the exporter's account in the bank
- RMS facilitation for exports consignments

ICES 1.5: Other Modules

ICETAB:

An application that enables customs officers to perform real-time, paperless examination and clearance tasks. With its user-friendly interface and seamless integration with other customs systems, ICETAB ensures quick and transparent uploading of examination reports.

Special Economic Zone (SEZ):

A Special Economic Zone (SEZ) is a specifically designated area within a country that operates under different economic regulations than the rest of the nation, with the aim of attracting foreign investment, boosting exports, and promoting rapid economic growth. The online operations of SEZs are integrated into the Indian Customs EDI System (ICES) to streamline and automate customs processes. ICES provide real-time updates and comprehensive data management, enabling SEZ businesses to manage logistics efficiently and comply seamlessly with regulatory requirements.

Remote EDI System (RES):

RES is windows based series of packages which facilitates the Custom House Agents / Importers / Exporters in preparation of Bill of Entry, Shipping Bill, Import Report, Export Report, Consol Manifest declarations in the format acceptable to ICES for remote submission at Customs House through Indian Customs EDI Gateway (ICEGATE).

Foreign Post Office (FPO):

The application is developed to digitize all postal imports and their electronic clearances, and it is integrated with ICES. The application integrates with India Post (DoP) systems through APIs and aims to digitize the entire process. This includes handling the receipt of Customs declarations as Electronic Advance Data (EAD), tracking arrival information from the Department of Post, and ensuring the delivery of goods to the recipient after completing all customs procedures.

Sea Cargo Manifest and Transhipment Regulations:

The Sea Cargo Manifest and Transhipment Regulations (SCMTR) seek to bring about transparency, predictability of movement, and advance collection of information for expeditious clearance. The new regulation stipulates changes in timelines and requirements for advance notice by shipping lines (vessels) arriving in and going out of India.

Advance Passenger Information System (APIS):

The Advance Passenger Information System (APIS) is a critical tool for enhancing border security and combating smuggling. It compiles the passenger details and flight information, from airlines for all international flights arriving and departing from India. These details are shared with Indian Customs and other security agencies to identify potential suspects by cross-matching data with watch lists, including Look Out Circulars (LOCs) and red corner notices. APIS has been instrumental in tracking smuggling activities involving gold, narcotics, illegal cash, and other contraband.

ICES 1.5: Performance Indicators

ICES 1.5: Benefits

- Minimize personal interaction of Trade with Customs officers and various Government agencies like DGFT, EPCs, Ports, Airport Authority of India, and Banks. This has been achieved with a robust message exchange mechanism among various stakeholders
- Consolidation of Data for National Level MIS.
- Accuracy, transparency, accountability, and better supervision.
- Standardized procedures across the country.
- Reduced cost of processing documents.
- Electronic clearances provided quicker cargo releases, resulting in reduced dwell time.
- Improved Security and Risk Management.
- Harmonized business relationships with Customs Community members, namely Ports, DGFT, Airlines, Container Depots, etc.
- Electronic messaging resulting in minimized data capture.
- Secure data sharing between different agencies.