

NATIONAL TIME RELEASE STUDY

Prelims: Economics- Trade

Mains: GS-III- Indian Economy and issues relating to planning, mobilization of resources, growth, development and employment.

Why in News?

► The Department of Revenue, Ministry of Finance, as part of its strategic commitment to improve global trade, is conducting India's first National Time Release Study (TRS) between 1st – 7th August.

National Time Release Study:

► The TRS is an internationally recognized tool advocated by World Customs Organization to measure the efficiency and effectiveness of international trade flows.

► This initiative for accountable governance, will measure rule based and procedural bottlenecks (including physical touchpoints) in the clearance of goods, from the time of arrival until the physical release of cargo.

► The aim is to identify and address bottlenecks in the trade flow process and take the corresponding policy and operational measures required to improve the effectiveness and efficiency of border procedures, without compromising efficient trade control.

How it will be done:

► Previously individual customs formations had been independently conducting TRS studies at the port level. The national TRS has taken this a step further and evolved a uniform, multi-dimensional methodology which measures the regulatory and logistics aspects of the cargo clearance process and establishes the average release time for goods.

► The exercise will be conducted at the same time across 15 ports including sea, air, land and dry ports which cumulatively account for 81% of total Bills of Entries for import and 67% of Shipping Bills for export filed within India. The national TRS will establish baseline performance measurement and have standardized operations and procedures across all ports.

► Based on the results of the TRS, government agencies associated with cross border trade will be able to diagnose existing and potential bottlenecks which act as barriers to the free

flow of trade, and take remedial actions for reducing the cargo release time. The initiative is on ground lead by the Central Board of Indirect Tax and Customs.

Benefits:

- Expected beneficiaries of this initiative will be export oriented industries and MSMEs, who will enjoy greater standardization of Indian processes with comparable international standards.
- This initiative will help India maintain the upward trajectory on Ease of Doing Business, particularly on the Trading Across Borders indicator which measures the efficiency of the cross-border trade ecosystem. Last year India's ranking on the indicator improved from 146 to 80.

