



[ESTD. 1962]

Federation of Freight Forwarders' Associations in India

National Apex Body of CUSTOMS BROKERS' ASSOCIATIONS IN INDIA

FFFAI/CIR/117/2020

09.05.2020

To: All Trade Bodies/ Association

(ASSOCHAM/ CII/FIEO/FICCI/IMC/PHD Chamber of Commerce/All Export Council/importer-Exporter)

Dear All,

Lockdown in India is almost completing six weeks now, the entire movement has been curtailed. However despite huge cost on economy, it is important to stay safe and keep Coronavirus away.

FFFAI is proud to convey that, in the past one month, Custom Brokers have risked their lives and have been forefront to undertake the clearance of import/export cargo at the Customs locations across the country.

Whenever the trade and industry have been ready for acceptance of goods, amongst all the stakeholders Custom Brokers have honoured the requirement; in spite of the challenges prevailing.

We wish to highlight the challenges that are faced while undertaking export and import clearances.

- a) Curtailed operation by importer/ exporter, leading to factories and warehouses being shut.
- b) Availability of transport trucks in less numbers at increased cost.
- c) Non-availability of public transportation, such as trains, buses, auto rickshaw, taxis, metro etc., for Custom Broker staff to commute. Even two wheelers are not permitted by local police.
- d) Many Shipping Lines, Airlines, Freight Forwarders, NVOCCs are operating in partial manner, thus there is delay in issuance of delivery orders and availability of documents.
- e) Non-availability of basic amenities for Custom Brokers and staff to work in Customs
- f) Major Custodians of cargo like ports, port terminals, air cargo terminals, CFSS, ICDs, Land Custom Station etc., have very less manpower and equipment to carry out cargo handling operations. This had led to non-traceability of containers and packages, delay in flight segregation, delay in container grounding movement for examination and delivery.

The above factors have resulted in tremendous increase in cost of operations and delay in clearance.

Custom Authorities across the country have been very supportive to the trade, by waiving the late submission fee in Imports. However, due to minuscule staff availability in Customs, there is delay in assessment and generation of out of charge.

FFFAI had made several representations for waiver of container detention charges, ground rent charges and demurrage charges with Ministry of Shipping and CBIC. We are happy to announce that based on our representation Ministry of Shipping, and CBIC have issued the directive which has led to many shipping lines announcing the waiver of container detention charges, this will help to reduce the transaction cost.





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Further we solicit your understanding that due to current situation prevailing at the ground level with stakeholders, there is delay in clearance of import/ export goods; due to shortage of manpower with all the stakeholders, very less availability of transport vehicles, non-availability of public transport to commute. Hence for any delay in clearances Custom Brokers should not be held responsible.

Considering the above it is hereby submitted that, due to the considerable cost escalations in process of custom clearance of export/ import goods in the country, we request for your active support for the following:-

- i) To provide advance/ immediate payment to Custom Brokers for cost of clearance including the reimbursement charges which are paid to various stakeholders.
- ii) Reimbursement of additional charges which are incurred by Custom Brokers while carrying out import / export clearance.

Before I end, we wish all the stakeholders best of health and Safe keeping.

Thanking you,

Yours truly,

For Federation of Freight Forwarders' Associations in India

Sd/-

A.V.Vijayakumar
Chairman

