

**Increased Cooperation Among Customs and Tax Authorities of Different Countries Needed for Smooth Flow of Goods Across Borders : Chairman CBEC.**

The Chairman, Central Board of Excise and Customs (CBEC) Shri Najib Shah inaugurated the 11th Asia Europe Meeting (ASEM) of the Directors' General-Commissioners of Customs at Dona Paula near Panaji in Goa today. Speaking on the occasion, Shri Shah stressed the need to increase cooperation among Customs and Tax Authorities of different countries and said that efficient customs controls over international movement of goods lead to the promotion of certainty and predictability. To achieve this, the emphasis is shifting to automation, single window clearance, and risk management to facilitate the movement of legitimate goods and to focus resources on high-risk areas, he added.

The Chairman said that in India, it is the declared policy to share information among Customs, Excise, Service tax and the Direct tax departments. Recognizing the primacy of Customs, the Indian government has appointed inter-agency Customs Clearance Facilitation Committees at the local and national levels to set trade facilitation on a path of continuous improvement, Shri Shah said.

Representatives from 44 countries and two International Organisations : European Union and ASEAN Secretariat are participating in two- day 11th Asia Europe Meeting (ASEM) of the Directors' General-Commissioners of Customs organised by the Central Board of Excise and Customs, Ministry of Finance.

**Following are the salient features of the Inaugural Address of Shri Najib Shah, Chairman, CBEC:**

1. ASEM, is a process encompassing vast areas of international cooperation on issues related to security, environment, WTO negotiations, culture and much more. It complements the existing bilateral and multilateral fora between Asia and Europe and works informally with the objective of enhancing the synergies between two continents.
2. When ASEM began in 1996, the focus was on prevention of illicit trade in drugs and commercial frauds and simplification and harmonization of customs procedures. Thereafter, in the context of enforcement, customs co-operation to fight against drugs/ chemical precursors/ money laundering/ commercial fraud / and IPRs continued to remain in focus.
3. In 2003, the Seoul initiative added impetus to the efforts towards the harmonization of Customs procedures in Asia. Priority was also attached to Trade Facilitation and Security through Customs Partnership in ASEM. The fight against counterfeiting at national and international levels received a boost in the 6th ASEM at Scotland. Raising public awareness, having the required legislation in place and improving information exchange in this area formed important pillars for ASEM.
4. The next turning point came with the Yokohama Declaration in 2007 where for the first time the priority areas were defined. These were-
  - . Trade Facilitation and Security
  - . Enforcement of IPRs
  - . Protection of our Societies And Environment and
  - . Fight against Fraud.

It was recognized that the role of Customs in a changing environment and in an era of new challenges needed to be aligned to the current issues.

5. At Greece, in 2009, the Heraklion Declaration continued on the path of priority areas which had already been identified, adding to them standardisation and simplification, capacity building and visibility of ASEM . The need for closer co-operation with the business community was also recognised and 'involving business ' gained ground in our process of dialogue and consultation.

6. These priority areas continued to envelop ASEM in 2011 as well and took the shape of the VIENNA Declaration in 2013 where there was a consensus that the umbrella issues of Trade Facilitation /Combating Counterfeiting & IPR enforcement /Protecting the Society and the Environment/Involving Business and Communication and Visibility should continue to be the main pillars of ASEM.

7. Reduction of transaction costs is an important factor towards trade facilitation. Ways should be discovered to make Customs the foremost enabler in creating an environment towards paperless trade. 'Digital India' is a flagship program of the Government of India. It envisages complete digitization of government processes and business to government interface. There is a high degree of convergence between digitization of Customs eco-system and the coordinated border management approach. In this digital era, building systems to support digital handshake with every stakeholder (i.e logistics operators, banks, other regulatory agencies) so as to ensure paperless movement of cross border trade is one of the main concerns of every Customs Administration. The maturity of digital handshake with partner agencies within a country would automatically pave way a digital handshake with partner customs administrations, wherever it found beneficial, through either bilateral or multilateral arrangement. Asian, as well as European Customs administrations need to learn a lot from each other in this endeavor.

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