

Humanitarian Customs: Lessons Learned Regarding Customs Response and Role in Supply Chain Continuity During the COVID-19 Pandemic

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Abstract

This paper, presented at the World Customs Organization (WCO) PICARD Web Conference 2020, analyses the challenges faced by Customs and the key stakeholders in the cross-border supply chain due to the onset of the COVID-19 pandemic. It documents the role of Customs in supply chain continuity by recording policy responses, innovative practices and technological solutions to highlight the initiatives taken for faster release of cargo including emergency relief cargo, hassle-free movement of international passengers and reduction in time and cost for the stakeholders in cross-border supply chains. For disseminating the lessons learned as a way of sharing best practices, the paper discusses how Indian Customs has facilitated the movement of goods while applying appropriate risk management; how Customs has enhanced communication, collaboration and cooperation with their Participating Government Agencies and the private sector; and what measures are being taken by Customs to protect their frontline officers. An analysis by the authors of dwell time data across major customs formations in India proved that the policy responses by the Central Board of Indirect Taxes and Customs (CBIC) yielded positive results through reduction in dwell time from May 2020 onwards. The authors have also analysed in detail the importance and effective role of the WCO in supply chain continuity across the globe during the COVID-19 pandemic.

1. Introduction

Historical evidence suggests that Indian Customs, in its best tradition, has always been adept in balancing the twin objectives of trade facilitation and enforcement (Ramdass & Subramanian, 2018). The outbreak of COVID-19 posed twin challenges to the global customs fraternity – facilitating supply chain continuity and ensuring public health precautions. Starting from the readiness of Customs in the event of a humanitarian crisis to concerns over the impact of trade and movement of people across borders during the crisis, there have been numerous lessons learned in the journey of Customs during the pandemic where policy responses, innovative practices and technological solutions have been utilised to reduce the vulnerability of supply chains to external shocks. This paper analyses the lead role played by Indian Customs in maintaining the continuity of supply chains and discusses the lessons learned as a way of sharing best practices.

2. Background

On 30 January 2020, the World Health Organization (WHO) Director-General declared the novel coronavirus outbreak a public health emergency of international concern (PHEIC), WHO's highest level of alarm. On 11 March 2020 the WHO characterised the novel coronavirus disease (COVID-19) as a pandemic. Subsequently, there were several lockdown announcements across the world leading to wide-scale disruption in movement of goods and services.

3. Challenges faced by Customs at the onset of COVID-19

Before analysing the policy responses and strategy to ensure supply chain continuity, it is appropriate to provide an overview of the challenges faced by Customs at the onset of COVID-19 as identifying the problem is a first step in solving it. Accordingly, the authors enumerated the challenges as follows:

1. Health concerns of frontline customs officers working at borders, airports, seaports, Container Freight Stations (CFS) and Inland Container Depots (ICD) during the onset of COVID-19.¹
2. Due to labour and transport unavailability, loading/unloading and transport of cargo was affected, which led to congestion inside the ports, CFS and ICD.
3. Logistics problems due to lockdown. Due to non-availability of public transport and restriction imposed on the movement of vehicles, free movement of people and goods were affected.
4. Lesser availability of staff due to staffing rationalisation from Customs and stakeholders for effective clearance of cargo.
5. Clearance of critical medical supplies and relief material on time.
6. Due to courier issues, there were delays in getting crucial EXIM (export and import) documents from other countries for clearance purposes. Delays made trade file the bills of entry very late which could attract a heavy late fee from Customs.
7. Heavy detention demurrage was incurred by trade due to non-clearance of the goods from ports. This created additional financial burdens for trade and pressure for the port and customs authorities in reducing congestion.
8. Crowding at customs offices, since much of the work required the physical presence of trade to get hard copies signed by the officers and physical submission of documents like bonds, bank guarantee and licences to Customs as per the rules and regulations prescribed in the act. This created concerns for the spread of COVID-19 among the staff.
9. A lot of time-sensitive legal work such as issuance of adjudication orders and show-cause notices were affected due to lockdown and restrictions.
10. Unscrupulous elements attempting to take advantage of the COVID-19 situation to illegally import/export restricted goods that are high in demand like gold, medical supplies and medical equipment. Numerous attempts to smuggle contraband like narcotic drugs and psychotropic substances. With minimum staff, controlling smuggling activities also posed a major challenge.

4. Role of Customs in supply chain continuity

Supply chain continuity is very important for businesses to plan and execute work and day-to-day operations in a timely and cost-effective manner. Getting the right product, in the right quantities, in the right condition, delivered to the right place, at the right time and at the right cost (Swamidass, 2000) is essential for business to thrive successfully. Hence, responsive stakeholders in the supply chain and coordination are necessary for supply chain continuity.

Stakeholders in cross-border supply chains include exporters, importers, shipping lines/airlines, terminals, ports, transporters, couriers, Customs and other participating government agencies (PGAs), steamer agents, custom brokers, CFS, ICD and warehouses (United Nations [UN], 2012). Due to the onset of COVID-19, the continuity of supply chains has been affected and the various challenges faced by stakeholders in cross-border supply chains are:

- **Exporters and importers:** The challenge of getting the product delivered due to logistics problems and labour availability; late filing of bills due to late receipt of documents, and consequently late fees for late filing; additional ground rent, detention and demurrage from ports and CFS, reduced cash flow.
- **Shipping lines/airlines:** Higher detention charges; unable to move the containers due to labour and transport. Delay in issuing delivery orders due to staff availability; and increased charges due to flight and ship availability.
- **Ports/terminals/CFS/ICD:** Congestion due to non-removal of containers due to shortage of labour and transport; increase in port charges on containers because of overstay; shipping lines skipping ports due to lack of yard space. Delay in movement of sensitive cargo like temperature-sensitive cargo, explosives stored in high-risk areas, perishable goods with the potential to put public safety and food safety at risk.
- **Transporters:** Non-availability of labour/drivers; travel restrictions imposed by governments; increased procedural issues like getting an e-PASS for movement; non-availability of, for example, shops for food on the road discourages drivers to go ahead with long journeys.
- **Couriers:** Delivery by international couriers affected due to fewer staff, less cargo flights and local transport; domestic courier movement also affected.
- **Warehouses:** Labour, transport, congestion; certain warehouses fall under the containment zone classification.
- **PGAs:** Legal requirements of timely submission of documents delayed due to COVID-19; fewer staff due to non-availability of transport; less frequent application of ICT technologies in some agencies and the consequent requirement for manual intervention; protecting officers from COVID-19.
- **Custom brokers:** Labour, transport, increased procedural issues like getting e-PASSes for movement of their staff, reduced business opportunities due to less import/export.

In this backdrop, various facilitation measures have been taken by Indian Customs to ensure uninterrupted supply of both essential commodities and other commodities while balancing security and public health concerns by applying the risk management principles as advocated by the WCO instruments and standards such as the SAFE Framework of Standards to Secure and Facilitate Global Trade (World Customs Organization [WCO], n.d.-a) and Chapter 5 Annex J of the Revised Kyoto Convention (WCO, 2011). The following analysis on the role of Indian Customs in supply chain continuity is based on the summary of measures taken to combat COVID-19 and to ensure smooth customs clearances by the CBIC.

4.1 Application of ICT technologies

The CBIC has leveraged ICT technologies to serve trade better during these testing times. Indian Customs is a forerunner in the application of ICT technologies (Mishra et al., 2007) and the necessary framework and capability in the case of any contingency already existed. To ensure the smooth supply of essential goods and emergency medical consignments during the lockdown, 24/7 customs clearance was made effective (Central Board of Indirect Taxes and Customs [CBIC], 2020a; CBIC, 2020q). The ICT technologies played an enabling role in this regard and provided the platform for Customs to communicate, collaborate and cooperate with their PGAs and the private sector on a real-time basis.

Connectivity for online clearance is supported by pertinent WCO instruments such as the WCO Single Window Compendium (WCO, n.d.-c) and exists in the Indian Customs Single Window Interface for Facilitating Trade (SWIFT) involving 44 departments/agencies associated with clearances of import and export goods. To ameliorate the problems faced by trade and industry, a new avatar of a single window concept 'a dedicated online single window COVID-19 helpdesk' for EXIM trade was unveiled by the Government of India recognising the urgent need for proactive measures to mitigate the anticipated adverse impact at the onset of the outbreak of the novel coronavirus. Importers/exporters are empowered to intimate a brief description of issues hampering trade or issues affecting speedy clearance by specifying the commodity involved, port of import/export and the relevant ministry/department/agency involved. The issue is then referred to the relevant ministry/department/agency through the single window mechanism for quicker resolution.

To incorporate innovative practices to minimise human interface and maximise social distancing, the CBIC introduced e-delivery of the PDF-based GatePass and Out of Charge copy of the Bill of Entries to custom brokers/importers across India (CBIC, 2020h; CBIC, 2020b).

Further, personal hearings with respect to any proceeding under the Customs Act 1962 were allowed to be conducted by video conferencing mechanisms (CBIC, 2020k); requests and documents from importers/exporters were accepted via email to avoid physical visits and contact between trade and customs officers; and CBIC and zonal Chief Commissioners promptly monitored the situation through video conferences with customs stations and trade to resolve any emerging issues.

4.2 Paperless documentation

Increased focus has been given to electronic documents and deferring submission of physical documents. The fact that the National Portal of Indian Customs, the Indian Customs Electronic Gateway (ICEGATE), on a daily average received 5,800,000 hits with around 50,000 documents submitted online and 12,461 e-payment transactions made, is testimony to the use of the electronic platform during the pandemic. Further 1,647 user grievances were also redressed through the portal.²

In addition, the CBIC rolled out Pan-India faceless assessment.³ Envisioned to be a game-changer, 'Turant Customs', a flagship program of Indian Customs, is an innovative step to tackle the daunting task of processing 12.5 million customs-related documents by balancing facilitation and enforcement, national security and revenue generation. This is a next-generation reform aimed at improving the ease of doing business. Customs has implemented the first two phases of faceless assessment across Chennai, Bengaluru, Mumbai and New Delhi. In addition, the CBIC launched the e-Office, a paperless initiative with a view to ensure efficiency and transparency in tax administration.

4.3 Measures to ease the financial burden to stakeholders

Shipping lines have been asked not to levy detention charges on containers held up for reasons attributable to lockdown measures.⁴ All major ports have been directed not to levy penalties, demurrage, charges, fees or rental on any port user (such as traders, shipping lines, concessionaries and licensees) for any delay in berthing, loading/unloading operations or evacuation/arrival of cargo caused due to reasons attributable to lockdown measures.^{5,6}

Likewise, customs airports have been asked to waive demurrage charges by 50 per cent by airport operator/cargo terminal operators for the lockdown period.⁷ Zonal Customs Chiefs have asked local custodians (ICD and CFS) to exempt demurrage charges during the lockdown period. In addition, to tackle pending refund claims to provide immediate relief and liquidity to business entities and especially Micro, Small and Medium Enterprises (MSMEs) for Brand Rate fixation and consequent disbursal of the claim, a special drive was undertaken by the Customs Zones to dispose of the pendency so that no application received up to 31 May 2020 was pending at the end of the drive on 30 June 2020 (CBIC, 2020f).

4.4 Extension of time limits relating to compliance

The time limit for filing of appeals, furnishing of returns or any other compliance under the Customs Act or Customs Tariff Act, expiring from 20 March 2020 to 29 June 2020, was extended to 30 June 2020.⁸ Exemption from the Integrated Goods and Services Tax (IGST)/compensation cess on goods imported against Advance Authorization/Export Promotion Capital Goods Scheme (EPCG) was extended to 30 March 2021 (CBIC, 2020c). To allow duty free import against the existing Export Performance Certificates for the financial year 2019–20, their period of validity was extended to 30 September 2020 (CBIC, 2020m). Time limits for the last date of re-export in Drawback were extended by six months to provide relief from COVID-19 (CBIC, 2020n).

Letters of Intent (LOIs) issued by the CBIC to various promoters for setting up ICDs/CFSs expired during the lockdown period. As a facilitation measure, with the approval of the Inter-Ministerial Committee, the validity of such LOIs were extended to 31 August 2020. To ease the burden of compliance on Authorized Economic Operators (AEOs), the AEO certificates that were expiring between 1 March 2020 and 31 May 2020 were extended to 30 June 2020.

4.5 Relaxation of procedures

To address the difficulties faced due to non-availability of stamp papers during the lockdown period, the requirement of different types of customs bonds was dispensed with. Traders can submit undertakings on plain paper in lieu of bond (CBIC, 2020d). With the subsequent extension of the lockdown period in the wake of the pandemic, and to continue the relief against the difficulties faced due to non-availability of stamp papers during this period, the facility of submitting undertakings on plain paper in lieu of bond was extended to 30 June 2020 (CBIC, 2020i; CBIC, 2020j; CBIC, 2020p). Goods imported under free trade agreements were allowed to be cleared without producing original certificates of origin (CBIC, 2020g). This step goes a long way towards ensuring a trust-based compliance system.

4.6 Emergency clearance of relief cargo and essential commodities

As a relief measure, queue prioritisation of relief consignments used for fighting COVID-19, such as medical equipment, drugs and pharmaceuticals, testing kits and personal protective equipment (PPE), was ensured. Basic customs duty and health cess was exempted from goods such as ventilators, masks, PPE and testing kits, as well as the inputs used in manufacturing these items (CBIC, 2020f). Import clearance of edible oils and food grains was facilitated based on visual examination to avoid delay caused by the analysis report (Food Safety and Standards Authority of India [FSSAI], 2020). However, the risk was balanced by the issue of a final 'No Objection Certificate' on receipt of the analysis report.

The gestures by the Government of India in providing relief measures to other countries battling the pandemic through specific export shipments of critical drugs, pharmaceuticals, testing kits and PPE is well recognised and actively facilitated by Customs at the borders. Some of these shipments are donations from the Government of India. A special mention is made here of the quick facilitation of shipments of essential drugs like hydroxychloroquine and paracetamol to multiple countries, including on a grant basis.

4.7 On-ground facility for seamless clearance of passengers

Customs contributed to the success of the Vande Bharat Mission⁹ by ensuring seamless clearance of thousands of passengers. Customs also facilitated repatriation of stranded nationals of other countries through various ports and airports, helping them with procedures and swift clearances. Meerut Customs Zone and Delhi Customs Zone of Indian Customs set up on-ground facilities at designated places for the smooth processing of Indian citizens who returned from affected countries. Special arrangements were made for clearance of passengers coming from affected countries. Separate channels were created at the airports, port terminals and land customs stations for such passengers.

4.8 Customs-led coordination

Customs operations are declared as an essential service to facilitate seamless cross-border movement of consignments during the lockdown period and nodal officers actively collaborated with concerned ministries/departments/agencies through an online single window COVID-19 helpdesk for ensuring the continuity of supply chains. Mention must be made of the customs-led coordination leading to permission for movement of customs brokers and transporters, and allowing functioning of warehouses across the country during the lockdown period.

Concerns expressed by trade were given top priority and EXIM trade-related responses requiring inter-ministerial coordination were taken up by the CBIC at high level forums such as the Empowered Group of Secretaries looking into COVID-19 related issues. This has resulted in positive outcomes on the concerns expressed by Indian Customs such as quicker availability of labour in ports, issue of passes to customs brokers, and movement and storage of consignments and conveyances. Within the department, the Indian Customs Ease of Doing Business Dashboard (ICEDASH) provided real-time visibility into clearance times helping to analyse the functioning of various customs formations relating to supply chain continuity.

Regarding movement of goods and conveyances, innovative practices were adopted through interdepartmental coordination with police and municipal administrations, especially at the Custom House level. For instance, the Chennai Custom House at the beginning of the lockdown period in March 2020 decided to issue passes mentioning details of vehicles and containers carrying EXIM cargo. They made arrangements with police authorities to permit the movement of customs-cleared cargo and vehicles based on the customs pass.¹⁰ To facilitate trade on the internal taxes front, the CBIC

quickly rolled out remote and secure access to the CBIC-GST application over the internet through Directorate General of Systems and Data Management (DG Systems), which enabled the central GST officers working from home during the lockdown to disburse GST refunds expeditiously to address the important issue of cash flow to the industry, especially to MSMEs.

Further, importers and their agents were better coordinated to clear goods from customs areas to reduce congestion. Special teams were formed to oversee the reduction of congestion in customs-notified areas.

4.9 Ensuring health and safety of frontline officers

Customs offices were assigned a contingency fund to take care of the health and safety of frontline officers; to provide a safe work environment through, for example, PPE and maintenance of hygiene; to render financial assistance to lower-paid officers and to provide community outreach in and around the workplace.

Staggering of office hours and a roster system was introduced to rationalise staffing. A dedicated COVID-19 Task Force was formed to cater for the health and safety of officers.

The government sanctioned an ex gratia financial assistance amounting to INR500,000 for immediate assistance to families of customs officers in case of death of officials/staff attributable to infection by COVID-19 contracted while on duty.

4.10 Additions to existing infrastructure

The CBIC coordinated with the port and airport authorities and other custodians to aid in ensuring that ample space was available for storing EXIM cargo in the customs area. New additions were made to reduce congestion within customs limits. For instance, Gopalpur port was made a notified port for exports to benefit under the Advance Authorization/EPCG Scheme and other export promotion schemes (CBIC, 2020n).

4.11 Local best practices for handling congestion

Innovative practices according to local requirements were taken up at the Custom House level to facilitate trade by faster clearance using the available resources. For example, the efforts to reduce congestion at Chennai port by the swift on-ground action of Indian Customs involved permitting evacuation of import containers to CONCOR ICD, Tondiarpet, by rail, an ad hoc arrangement to handle congestion during the lockdown period. M/s Container Corporation of India Ltd (CONCOR) acted as a service provider in handling containers and supply of rakes for the carriage of containers – with the objective of evacuating containers en masse by rail and facilitating trade and reduced transit time at an economical tariff. Chennai port also coordinated with the terminal operators inside the port in effectively utilising the Extended Gate Common User Facility.¹¹

4.12 Contributions to the underprivileged members of the community

Customs offices across India generously contributed to the distribution of food and relief material to the underprivileged members of the community in the lockdown period. Masks and sanitisers were provided to local residents. Food materials and cooked food were distributed daily by custom houses. Preventive medicines suggested by the government were purchased and distributed for the health and safety of the underprivileged members of the community.

5. Lessons learned regarding the response of Customs

Customs all over the world is responsible for controlling and facilitating the import and export of goods and passenger movements and its role is linked to nation building and security. In the contemporary era, the role of Customs has shifted from revenue collection to trade facilitation, apart from enforcing various trade laws and government regulations at the border. Movement of goods and persons necessitates its active involvement at seaports, land ports, airports and land borders.

The first act initiated by many countries as a response to COVID-19 was border control to contain its international spread. Passengers were subjected to screening, quarantine and isolation. The customs officers' response to any new outbreak is significant in controlling its spread. During the severe acute respiratory syndrome (SARS) pandemic of 2003, the A/H1N1 influenza pandemic of 2009 and other major disease outbreaks, customs officers played a significant role in assisting the nation to control the spread of disease.

Due to their frontline role at the border, customs officers are a high-risk occupational group in a pandemic like COVID-19 and are vulnerable to infection. To reduce their vulnerability and in response to the risk all customs officers were provided with safety materials like face masks, sanitisers and PPE kits from December 2019 (the start of the pandemic) to the present. Apart from insisting on maintaining general preventive measures, specific office-related preventive measures continue to be provided for maintaining the proper health of customs officers. Employees aged over 50, pregnant employees and employees who have underlying medical conditions are not given any frontline work requiring direct contact with the public. Office hours, lunch hours and breaks are staggered to rationalise staffing.

For organisational support, a COVID Task force headed by a Joint Commissioner-level officer was formed to assist and counsel staff including officers, contingent staff, security officers and their family members. Arrangements were made with hospitals for treatment of customs staff in case of illness due to COVID-19. Preventive medicines suggested by the government were distributed to all staff as an emergency precaution. All emergency helplines related to COVID-19, details of COVID-19 testing centres, laboratories and the designated hospitals treating COVID-19 patients were compiled and handed to all staff so that in case of urgency they have all the information available to enable them to help and also to guide other citizens.

A roster system is followed. Officers attend the office on alternative days and those remaining are encouraged to work from home. Seating is arranged in such a way that there is sufficient distance between members of staff. Online communication from trade is encouraged and physical meetings and physical handling of files are mostly avoided through the application of ICT technologies and related measures.

While trade facilitation and faster clearances with minimum interference is the immediate need in times of crisis like the COVID-19 pandemic, a holistic system that can identify potential threats like smuggling of prohibited/restricted goods is also necessary. Some unscrupulous elements always try to exploit humanitarian crisis situations and supply chain vulnerabilities to smuggle prohibited/restricted goods, which could have a potential impact on the social and economic condition of the country.

Effective risk management strategies have evolved throughout the years after the implementation of the Indian Customs Electronic Data Interchange (EDI) System (ICES) and has really helped Indian Customs to respond to the challenges and to rise to the occasion to deliver positive results. Non-intrusive methods like scanning of goods and risk profiling based on various risk parameters identified

by the National Risk Management Division, as well as local risk management at an individual port level through Local Risk Manager, have helped in focusing risk-based consignments and in the faster facilitation of other consignments. Contraband goods such as narcotic drugs and psychotropic substances have been seized at seaports, airports and international courier terminals. Goods violating intellectual property rights (IPRs), counterfeit goods, various restricted and prohibited goods were also seized under the Customs Act, 1962 during the COVID-19 period.

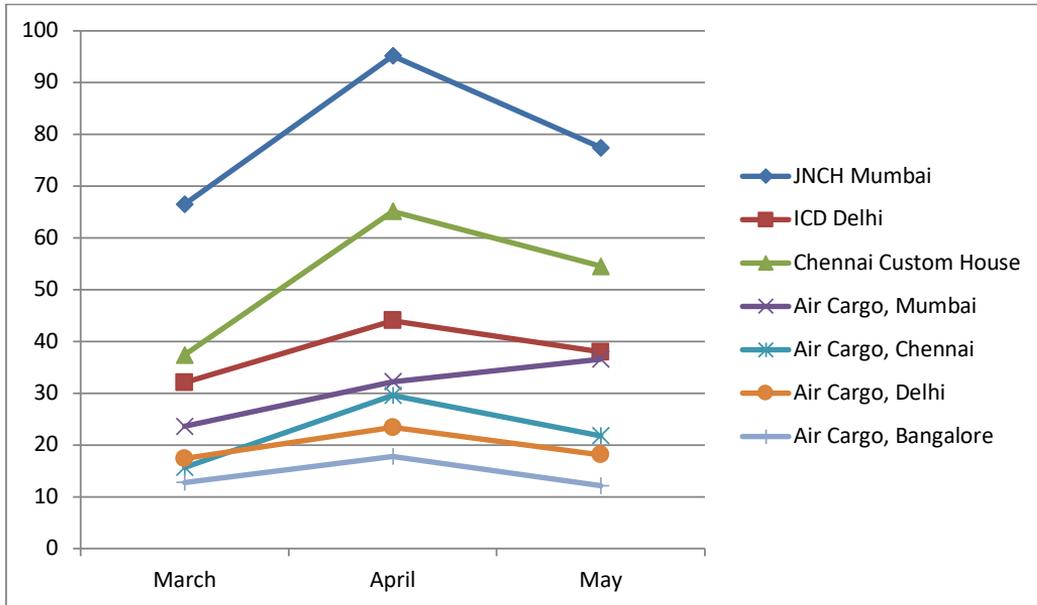
At the same time, an Emergency Standard Operating Procedure (SOP) to facilitate faster clearance of essential commodities through ensuring a Right Queue mechanism was urgently required. Lifesaving goods in the event of crisis could be assessed by a separate queuing system as a priority. The EDI System can be suitably modified to capture the Harmonized System of Nomenclature (HSN) details of the relief goods (medicines and medical equipment).

The CBIC sensed the gravity of the pandemic and its likely impact on the global supply chain very early and took several proactive measures to ensure the smooth operation of all customs locations in India, that is, seaports, airports, land customs stations, foreign postoffices and courier terminals, while following social distancing and other health-related guidelines of the government, issued from time to time. With IT framework such as ICEGATE, ICEDASH and e-Sanchit, Customs could respond early to reduce the vulnerability of supply chains and it leveraged technologies to serve the taxpayers during these challenging times.

To promote trade facilitation and the seamless flow of legitimate consignments, monthly meetings of the Customs Clearance Facilitation Committee (CCFC) and the Permanent Trade Facilitation Committee (PTFC) were held online by customs formations for quicker resolution of issues concerning trade. Frequent video conferences were held with MSMEs and various trade organisations like the Federation of Indian Export Organisations (FIEO) to address the problems faced by trade. The meetings were attended by all stakeholders and their suggestions and issues were discussed and resolved in the meeting which resulted in better coordination for cargo movement. Guidelines/Circulars were issued for clarity in coordination with all the PGAs and private sector participants to fast-track cargo clearance. The Indian Customs Single Window Project that has evolved overtime has contributed immensely to communication, cooperation, collaboration and coordination with PGAs and private sector participants for facilitating the speedy movement of goods while applying appropriate risk management.

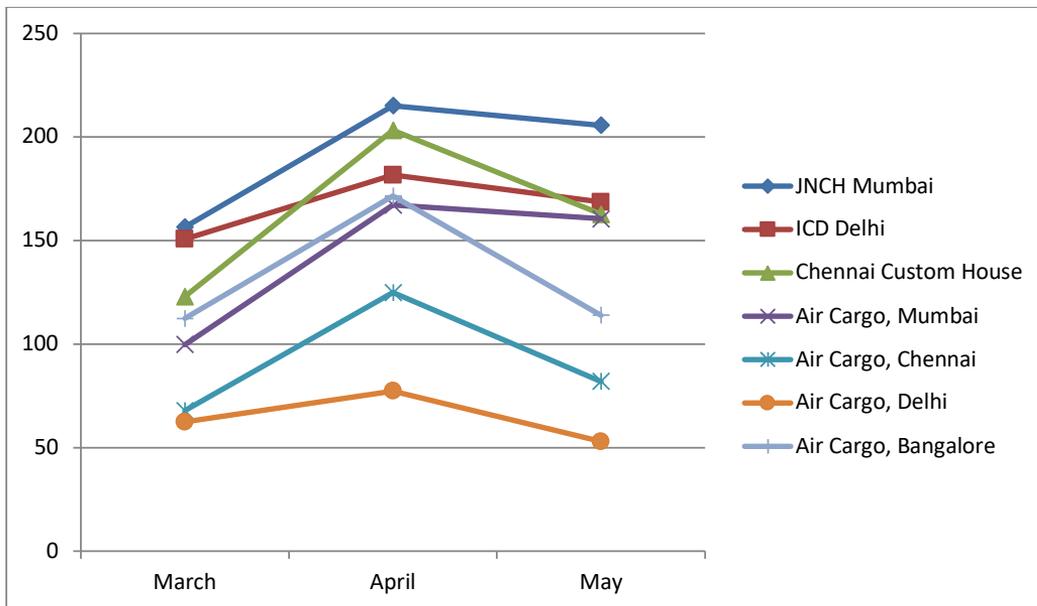
Movement of cargo will ensure the continuity of business and will reduce the strain on the national economy. Movement of relief cargo and essential goods, especially food and the medical supply chain, are of paramount importance during a pandemic. The data analysis depicted in Figures 1 and 2 illustrates the reduction in dwell time across the country from May 2020¹² in response to the policy initiatives of Indian Customs that started in March 2020¹³ to ensure supply chain continuity. After the initial negative impact due to COVID-19, one can see the signs of improvement in dwell time.

Figure 1: Comparison of dwell time in March, April and May 2020 in six major customs stations in India. (Green channel) (Y axis, dwell time, measured in hours).



Source: Central Board of Indirect Taxes and Customs (CBIC), Government of India, 2020, Archived Reports. https://www.cbic.gov.in/htdocs-cbec/dwell-time/archived_dwell_time

Figure 2: Comparison of dwell time in March, April and May 2020 in six major customs stations in India. (Red channel) (Y-axis, dwell time, measured in hours).



Source: Central Board of Indirect Taxes and Customs (CBIC), Government of India, 2020, Archived Reports. https://www.cbic.gov.in/htdocs-cbec/dwell-time/archived_dwell_time

It is heartening to note that the dwell time in May 2020 reduced drastically from the peak in April 2020¹⁴ and is trending towards pre-COVID levels. It could be concluded that the reduction in time taken by Customs for clearance of goods, *ceteris paribus*, has resulted in the overall reduction of clearance time.

6. The international perspective: efforts taken by the WCO towards global supply chain continuity

The WCO is the sole intergovernmental organisation on customs matters. With 183 member customs administrations, representing 98 per cent of world trade, the role of the WCO is significant in ensuring global trade facilitation (WCO, n.d.-d). During the COVID-19 pandemic, the WCO has undertaken numerous efforts to safeguard the global supply chain by partnering with international organisations (WCO, n.d.-b). These steps have helped to mitigate the overall impact of the pandemic on the socioeconomic conditions of people.

In this regard, the partnership of the WCO with WHO for faster clearance of essential medical supplies and critical response products on priority is significant. The Harmonized System (HS) Classification of those medical supplies deemed critical by WHO was updated. To give this widespread publicity, this updated list of HS classifications was uploaded to the WCO website as well (WCO, 2020e; 2020h).

Further, the WCO partnered with the World Trade Organization (WTO) to facilitate seamless border trade in goods and ensure that there is minimal disruption. Member countries were urged to take targeted, proportional, transparent and non-discriminatory border action, if any (WCO, 2020d). This aided faster global recovery and eased cross-border trade flow substantially.

To enable MSMEs to take advantage of opportunities in the global market and adapt to new post-COVID commercial realities, the WCO contributed to the improved and expanded Global Trade Helpdesk rolled out by the WTO, the International Trade Centre (ITC) and the United Nations Conference on Trade and Development (UNCTAD) (WCO, 2020o).

As the voice of the international customs community, the WCO, in association with the International Maritime Organization (IMO), facilitated smooth cargo movement in a coordinated manner.¹⁵

In addition, the WCO teamed up with the Universal Postal Union (UPU) owing to the rerouting of postal traffic from the air to surface transportation (road and rail) (WCO, 2020j). The coordination between customs administrations and Designated Postal Operators (DPOs) was of critical importance in safeguarding the global postal supply chain.

Since much of the traffic was routed through roads during the pandemic, the coordination of the WCO and the International Road Transport Union (IRU) gained significance. Various international standards were implemented, like the Convention on the International Transport of Goods under cover of TIR Carnets (UN, 1975). The TIR Convention was implemented to ensure movement of essential goods and personnel with minimum checks and less contact (WCO, 2020f). This helped balance public health concerns with smooth cargo movement.

To facilitate railway transport, the WCO partnered with the Organisation for International Carriage by Rail (OTIF) and the Organisation for Cooperation between Railways (OSJD) to temporarily accept electronic documents and defer submission of paper-based documents to a later date (WCO, 2020l). This was in congruence with the WCO Revised Kyoto Convention (RKC) (WCO, 1999).

Another major role of the WCO is in the field of prevention of cross-border movement of illicit goods during the pandemic. The WCO launched an Intellectual Property Rights (IPR) Customs Enforcement Network Communication Platform (IPR CENcomm Group) for data sharing aimed at prevention

of trafficking of counterfeit medical supplies and fake medicines (WCO, 2020c). Further, in March 2020, the WCO participated in a collaborative enforcement effort named Operation Pangea XIII along with Interpol, Europol, customs administrations, police forces and other law enforcement agencies, which led to the seizure of 37,258 counterfeit medical devices (WCO, 2020a). The Global Regional Intelligence Liaison Office (RILO) Network continued to provide intelligence and operational support to WCO members during the COVID-19 crisis (WCO, 2020b).

The frameworks created in member customs administrations with the help of the WCO helped them in discharging their duties during COVID-19. Detection of a shipment containing around 100 falsely declared COVID-19 test kits by Cambodia's Air Cargo Control Unit in Phnom Penh (WCO, 2020g), established under the framework of the United Nations Office on Drugs & Crime (UNODC)-WCO Container Control Programme (CCP), is a case in point. Further, the UNODC-WCO CCP ensured capacity building to member administrations to ensure supply chain security (WCO, 2020m).

Further, to ensure the urgent and immediate response to cross-border movement of goods, the WCO collaborated with the International Chamber of Commerce (ICC) (WCO, 2020k). This partnership along with other governmental agencies ensured continuity of global supply chains and facilitated trade.

In addition, to deal with disruptive scenarios, the WCO initiated the COVID Project with the support of Japan (WCO, 2020n). A collection of best practices in dealing with such emergency situations along with ensuring business continuity was highlighted.

Finally, various tools and instruments have been promoted by the WCO through its COVID-19-dedicated webpage (WCO, n.d.-b) to strengthen supply chain continuity along with ensuring integrity. These tools include:

- Resolution of the Customs Cooperation Council on the Role of Customs in Natural Disaster Relief (WCO, n.d.-b)
- Guidelines to Chapter 5 of Specific Annex J to the International Convention on the Simplification and Harmonization of Customs Procedures, as amended (WCO RKC) (WCO, n.d.-b)
- Annex B.9 to the Convention on Temporary Admission (Istanbul Convention)
- Istanbul Convention Handbook (WCO, n.d.-b)
- HS Classification reference for COVID-19 medical supplies (WCO, n.d.-b)
- List of national legislation of countries that have adopted temporary export restrictions on certain categories of critical medical supplies in response to COVID-19 (WCO, n.d.-b)
- List of WCO Members' practices in response to the COVID-19 pandemic (WCO, n.d.-b).

7. Conclusion

Due to its inherent interconnected nature, the effective functioning of all the stakeholders in the supply chain is imperative for its continuity and efficiency. Customs is a key stakeholder in the cross-border supply chain; "Borders divide, Customs connects" (WCO Vision Statement). COVID-19 saw the Indian Customs take a sovereign lead role in facilitating the smooth movement of relief consignments, personnel and their possessions and in strengthening supply chains for sustainability of people and prosperity at the same time as applying appropriate risk management.

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Notes

- 1 The necessity of maintaining motivation levels to keep the pace of ease of doing business is paramount in this time of crisis as the fear factor started affecting the attendance and performance of the Customs staff.
- 2 Data from CBIC's ICEGATE website, August 2020. <https://icegate.gov.in/>
- 3 Central Board of Indirect Taxes and Customs (CBIC). (2020, June 5). Notification No 50/2020 (N.T.) and Notification 51/2020, Circular No. 28/2020 & Instruction No. 9/2020.
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- 5 Ministry of Shipping, Government of India. (2020, March 31). Letter No. PD-14300/4/2020-PD VII.
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- 7 Ministry of Civil Aviation Government of India Order date 01.04.2020 issued under F. No. AV29012/41/2020-ER.
- 8 Government of India Ordinance dated 31.03.2020.
- 9 The Vande Bharat Mission was started by the Government of India to return Indians from different parts of the world who were stranded due to suspension of regular international flights in the wake of the coronavirus crisis.
- 10 Parthiban, M.M. (2020, March 30). D.O.C. No. S. Misc. 339/2019-PG. Office of the Principal Commissioner of Customs, Custom House, Chennai.
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- 12 Dwell time (May 2020). CBIC Website. https://www.cbic.gov.in/htdocs-cbec/dwell_time#:~:text=Dwell%20time%20is%20the%20measure,clearance%20is%20provided%20by%20Customs.
- 13 Dwell time (March 2020). CBIC Website. https://www.cbic.gov.in/htdocs-cbec/dwell-time/dwell_time_mar2020
- 14 Dwell time (April 2020). CBIC Website. https://www.cbic.gov.in/htdocs-cbec/dwell-time/dwell_time_apr2020
- 15 World Customs Organization (WCO). (2020, April 17). Joint WCO-IMO statement on the integrity of the global supply chain during the COVID-19 pandemic. http://www.wcoomd.org/en/media/newsroom/2020/april/joint-wco_imo-statement-on-the-integrity-of-the-global-supply-chain.aspx

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