Circular No. 36/2017-Customs

F. No: 450/08/2015-Cus.IV
Government of India
Ministry of Finance
Department of Revenue
(Central Board of Excise and Customs)
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Room No.227-B, North Block,
New Delhi, 28th August, 2017

To,

All Principal Chief Commissioner/Chief Commissioner of Customs & Central Excise
All Principal Commissioner/Commissioner of Customs & Central Excise
All Principal Chief Commissioner/Chief Commissioner of Customs/Customs (Preventive) All Principal Commissioner/Commissioner of Customs / Customs (Preventive)

IndiaCode

Subject: Implementing Electronic Sealing for Containers by exporters under self-sealing procedure prescribed vide circular 26/2017-Customs dated 1st July 2017-reg.

In continuation of the Board circular 26/2017-Customs dated 1.7.2017 regarding self-sealing of containers by exporters using electronic seals, the Board has approved the following procedure which shall be adhered to by exporters opting for self-sealing.

2. Procedure

(a) The exporters who were availing sealing at their factory premises under the system of supervised factory stuffing, will be automatically entitled for self-sealing procedure. All exporter AEOs will also be eligible for self-sealing. It is clarified that all those exporters who are already operating under the self-sealing procedure need not approach the jurisdiction Customs authorities for the self-sealing permission.

(b) The permission to self-seal the export goods from a particular premise, under the revised procedure, once granted shall be valid unless withdrawn by the jurisdictional Principal Commissioner or Commissioner of Customs if non-compliance to law, rules and regulations is noticed. In case the exporter makes a request for a change in the approved premise (s), then the procedure prescribed in circular 26/2017-Cus shall be followed, and a fresh permission granted before commencement of self-sealing at the new premises.

(c) With respect to para 9 (v) of the circular 26/2017-cus, Principal Commissioners / Commissioners would be required to communicate to Risk Management Division (RMD) of CBEC, the IEC (Importer Exporter Code) of the following class of exporters:
(i) exporters newly granted permission for self-sealing;
(ii) exporters who were already operating under self-sealing procedure;
(iii) exporters who were permitted factory stuffing facility; and
(iv) AEOs
The categories mentioned in c(ii), (iii) and (iv) may be communicated to RMD by 20-09-2017.

(d) Under the new procedure, the exporter will be obligated to declare the physical serial number of the e-seal at the time of filing the online integrated shipping bill or in the case of manual shipping bill before the container is dispatched for the designated port/ICD/LCS.

(e) Exporters shall directly procure RFID seals from vendors, conforming to the standard specification mentioned in para 3 below. Since the procedure seeks to enhance integrity of transportation of goods, the exporters will be required to obtain seals directly. They shall provide details such as IEC etc., at the time of purchase for identification as well as for using the standard web application necessary to support an RFID self-sealing ecosystem.

(f) In case, the RFID seals of the containers are found to be tampered with, then mandatory examination would be carried out by the Customs authorities.

3. Standard Specification of the Seal:

(a) The electronic seal referred to in Para 9 (vii) of the Circular No. 26/2017-Customs dated 01.07.2017 shall be an "RFID tamper proof one-time-bolt seal", each bearing a unique serial number. The exporters shall be responsible for procuring the seals at their own cost for use in self-sealing.

(b) Each seal shall be a one-time-bolt-seal bearing a unique serial number and brand of the vendor in the format ABCD XXXX XXXX, where ABCD stands for the brand of the vendor and X (8 digit) is a numerical digit from 0-9.

(c) The RFID seal shall conform to ISO 17712:2013 (H) and ISO/IEC 18000-6 Class 1 Gen 2 which is globally accepted in industrial applications and can be read with the use of UHF (i.e. 860 MHz to 960 MHz) Reader-Scanners.

(d) The manufacturer or vendor, as the case may be, shall be in possession of certifications requireda for conformance of the ISO standard ISO 17712:2013 (H) namely, clauses 4, 5 and 6. Before commencement of sales, the vendor shall submit self-certified copies of the above certifications to the Risk Management Division (RMD) and all the ICDs/ Ports where he intends to operate along with the unique series of the seals proposed to be offered for sale.

4. Application, Record Keeping and Data Retrieval System

(a) It is clarified that the information sought from the exporter in para 9 (vii) of the circular 26/2017-Customs shall now be read as:

- IEC (Importer Exporter Code)
- Shipping Bill Number
- Shipping Bill Date
- e-seal number
- Date of sealing
- Time of sealing
- Destination Customs Station for export
- Container Number
- Trailer- Truck Number

It is further clarified that the information need not be mounted "in the electronic seal" but tagged to the seal using a 'web / mobile application' to be provided by the vendor of the RFID seals. Data once uploaded by the exporter should not be capable of being overwritten or edited.

(b) All vendors will be required to transmit information in para (a) above to RMD and the respective destination ports / ICDs of export declared by the exporter. The arrangements for transmission of data may be worked out in consultation with the RMD and nodal Customs officer at each ICD / Port.

(c) All vendors shall be required to make arrangements for reading / scanning of RFID one- time-Bolt seals at the Customs ports/ ICDs at their own cost, whether through handheld readers or fixed readers.

(d) The integrity of the RFID seal would be verified by the Customs officer at the port /ICD by using the reader-scanners which are connected to Data Retrieval System of the vendor.

(e) Since all ICDs / ports where containerized cargo is handled would require reader scanners, Principal Commissioners or Commissioners exercising administrative control over such ports/ ICDs shall notify the details of the nodal officers for the smooth operation of this system.

(f) The transaction history of the self-sealing should be visible to the exporters for their reference.

(g) The vendor shall also undertake to integrate the information stored on the data retrieval server with ICEGATE at his own cost on a date and manner to be specified by the Directorate General of Systems, New Delhi.

5. The new self-sealing procedure shall come into effect from 1.10.2017. Till then the existing procedure shall continue. All field formations are advised to immediately notify an officer of the rank of Superintendent to act as the nodal officer for the self-sealing procedure. He shall be responsible for coordination of the arrangements for installation of reader-scanners, whether fixed or hand-held.

6. Difficulties anticipated/concerns, if any, should be brought to the notice of the Board immediately.

7. Hindi version follows.

Yours faithfully

(Zubair Riaz)
Director(Customs)