

Office Memorandum

Subject: Facilitating imports and exports through postal channel

This is regarding facilitating imports and exports through postal channel. Subsequent to the Posts-Customs conference on 11th May 2018 in Vigyan Bhawan, Customs has issued the various orders/notifications (copy attached) which are useful for postal channel. Department of Posts has also issued an O.M. of even no. dated 28.08.2018 in this regard. Based on the recommendations of the High level Committee of Secretaries, constituted for examining various issues pertaining to e-commerce, Department of Posts has to provide facilities to handle cross border e-commerce packages. Hence the number of FPOs in the country was decided to be increased in order to cater the needs of e-Commerce companies, particularly MSMEs. Hence the activation of Custom notified sites for FPO is very essential and have to be accorded top priority. Orders/notifications and various actions to be performed in this regard are as follows:

- (i) **Exports by Post Regulations, 2018:** Apart from defining 'eCommerce' the regulations provided for Postal Bill of Exports which can be used by exporters while exporting through postal channel.
- (ii) **Clearance of goods through FPOs:** CBIC has issued orders for their Commissioners on various issues related to Posts including use of new CN 22/CN 23 Forms, introduction of services by Customs Brokers for IEC holders and Standard Operating Procedure.
- (iii) **Procedure for e-commerce exports through Post and clarification on personal imports:** The letter is important as it clarifies personal imports. In addition, it has provided for procedure to be followed at FPOs for postal exports and how the exporters can claim their GST refunds.
- (iv) **Gazette Notification on Foreign Post Offices:** (a) The Gazette notification dated 31st March, 2017 has listed out 19 cities where postal facilities can be used for exports and imports facilitation in terms of Customs presence as notified by Customs. (b) Customs vide notification dated 31st December, 2018 has notified Foreign Post Office facility at additional locations.

2. Significance of the orders:

As we are aware, the majority of international mail traffic is shared by private players. Since the individual mails are on decline, the commercial exports as a result of cross border eCommerce transactions or otherwise has been the main factor behind surge in the international shipments going out of India, a very small percentage of which is handled by India Post. The Customs has now enabled postal channel for use by commercial exporters conveniently in the