



Electronic Exchange of Customs Data

Why in News

Recently, the **Department of Posts, Government of India (India Post)** and **United States Postal Service** signed an **agreement for electronic exchange of customs data** related to postal shipments between the two countries.

Key Points

- **Objective:** The primary objective of this agreement is to facilitate **'ease of exports'** for small and large exporters through postal channels from different parts of the country.
- **Features:** The agreement will make it **possible to transmit and receive electronic data of international postal items prior to their physical arrival at the destination** and would **enable customs clearance of postal items in advance** in line with the evolving global postal framework.
 - **Exchange of Electronic Advance Data (EAD)** will be a key driver towards **promoting mutual trade** with emphasis on the exports.
 - **USA is the top export destination for India** (~17%) which is also reflected in exchange of goods through postal channels.
 - In 2019, around 20% of international **Express Mail Service (EMS)** and 30% of Letters & Small Packets transmitted by India Post were destined to the USA whereas 60% of the Parcels received by India Post were originated from the USA.
- **Benefit:** This will fulfill a major demand of the export industry to expedite customs clearances of export items and will contribute towards making India an Export Hub for the world.
 - The agreement will also improve the performance of postal services in terms of reliability, visibility and security.

India Post

- India Post is the **trade name for the Department of Posts (DoP)**, a government-operated postal system in **India under the Ministry of Communications**.
- With 1, 55,531 Post Offices, the DoP has the most widely distributed postal network in the world.
- **Functions:**
 - Delivering mails, accepting deposits under **Small Savings Schemes**, providing life insurance cover under Postal Life Insurance (PLI) and Rural Postal Life Insurance (RPLI) and providing retail services like bill collection, sale of forms, etc.
 - It also acts as an agent for the Government of India in discharging other services for citizens such as **Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS)** wage disbursement and old age pension payments.

Source: PIB

