

Circular No. 21/2023-Customs

F.No. 394/51/2020-Cus(AS)/e-file-Part(1)
Government of India
Ministry of Finance
Department of Revenue
Central Board of Indirect Taxes and Customs
Customs Policy Wing

Room No. 244-A, North Block, New Delhi

Dated: 14th September, 2023

To,

All Pr. Chief Commissioner/Chief Commissioner of Customs,
All Pr. Chief Commissioner/Chief Commissioner of Customs (P),
All Pr. Chief Commissioner/Chief Commissioner of Customs & GST,
The Directorate General of Human Resource Development,
Webmaster, CBIC.

Madam/Sir,

Subject: Norms for posting of officers and benchmark performance criteria while granting exemption from payment of Cost Recovery Charges (CRC) at Air Freight Stations (AFS) – reg.

Ministry of Civil Aviation issued Policy Guidelines on Air Freight Station (AFS) on 28.10.2014. This initiative of AFS was to create an enabling environment for promoting International Air Cargo operations by reaching out to hinterland regions of the country besides de-congesting the congested Air Cargo terminals. An Air Freight Station (AFS) is an off-airport Common User Facility equipped with fixed installations of minimum requirements and offering services for handling and temporary storage of import and export cargo.

2. Whenever a new Customs facility like ports, airports, inland container depots etc. is notified by the Board in terms of section 7 of the Customs Act, 1962, there is deployment of Customs staff to operationalise the facility. Customs staff is deployed by respective jurisdictional Customs formation on posts created on Cost Recovery basis. Board has issued comprehensive guidelines in respect of posting of Customs officers and staff on Cost Recovery Charge (CRC) basis *vide* Circular No. 02/2021-Customs dated 19.01.2021.

3. Till date there was no functional AFS, however, it is expected that soon AFSs would be ready for operationalization. Presently there are no norms

specified for posting of officers and benchmark performance criteria while granting exemption from payment of Cost Recovery Charges (CRC).

4. In this background, CBIC constituted a Committee of Chief Commissioners of Customs to recommend the norms for staffing of the Customs staff at AFS. The Committee of Chief Commissioners was also entrusted with the task of identifying the performance benchmarks that would make an AFS eligible for the grant of exemption from the payment of cost recovery charges for the Customs staff posted therein.

5. Based on the report, CBIC has obtained the approval of the Competent Authority for the staffing norms for sanction of posts on cost recovery basis at AFS and also for the performance norms that would make an AFS eligible for consideration of exemption from the payment of cost recovery charges. The recommendations as approved are mentioned as below,-

(i) Staffing norms for an AFS:

Category of goods handled by AFS	Deputy/Asst. Commissioner/	Appraiser/ Superintendent	Inspector/ Examiner	STA/ TA	Hawaladar	Total
Both imported and export goods	1	4	2	2	2	11
Only Export goods	1	2	1	2	2	8

(ii) Benchmark performance criteria for grant of waiver from Cost Recovery Charges for an AFS:

Category of goods handled by AFS	Criterion-I: Minimum Annual Volume of Import & Export Cargo per year	Criterion-II: Minimum number of documents -Bills of Entry/Shipping Bills per year
Both imported and export goods	4000 MTs	14,000
Only Export goods	2000 MTs	7,000

(iii) An AFS will become eligible for waiver of cost recovery charges if it achieves both the above mentioned criteria in the preceding two financial years or any one of the criteria in the preceding four financial years.

(iv) The other aspects prescribed for Customs facilities in Board's Circular 02/2021-Customs dated 19.01.2021 such as creation of cost recovery posts payment of cost recovery charges, procedure for granting waiver, withdrawal of waiver granted, de-notification & cost recovery charges etc. will be made applicable to AFS also.

6. These instructions may be brought to the notice of the stakeholders by issuing Trade/Public Notices. Suitable internal orders/instructions may also be issued for the guidance of the officers.

7. Difficulties faced, if any, in implementation of the Circular may please be brought to the notice of the Board.

Hindi version follows.


(Shekhar Kumar)
Addl. Commissioner (Customs)