Ministry of Finance

Memorandum on Pilot Project for Electronic Cargo Tracking System to facilitate transit cargo movement between India and Nepal to be signed

The project will be supported by the Asian Development Bank (ADB) under the South Asia Subregional Economic Cooperation (SASEC) Trade Facilitation Strategic Framework

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A Memorandum of Intent (MOI) on India-Nepal Electronic Cargo Tracking System (ECTS) Pilot Run will soon be signed by the Governments of India and Nepal to facilitate movement of traffic-in-transit belonging to Nepal from the port of arrival in India to Nepal. The India-Nepal pilot aims to demonstrate the benefits, especially in terms of reduced costs, of the ECTS system.

The pilot project will be supported by the Asian Development Bank (ADB) under the South Asia Subregional Economic Cooperation (SASEC) Trade Facilitation Strategic Framework, and its success will serve as the basis for its use in other SASEC corridors as well as in inland movement of cargo.

Currently clearance is done through physical inspection and it is time-consuming as well as costly for business. The MOI will include use of Electronic Cargo Tracking System (ECTS) to follow the cargo (containers and full-body trucks) as it moves from port of arrival through India, to the Nepal border. ECTS will lead to reduced cost and time as it speeds up cargo clearance at border crossings.

Electronic Cargo Tracking System uses technology such as satellite positioning systems, cellular communications, radio frequency (RF) identification, web-based software and others, to ensure the security of cargo and avoid any interference in transit.

ECTS pilots have already been done along the Kolkata-Jaigaon-Phuentsholing route between India and Bhutan, and for inland transshipment in India.

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