

Eligible Manufacturer Importer (EMI) Scheme

Prelims: Current events of national and international importance | Government policies and interventions

Why in News?

Recently, as announced in the Union Budget 2026-27, India has announced a deferred Customs Duty payment facility.

- EMI Scheme is a **Trust-Based Customs Facilitation Scheme**.
- **Aim** - This measure enables Eligible Manufacturer Importers (EMIs) to clear imported goods **without having to pay Customs duty** at the time of clearance.
- **Launched By** - Central Board of Indirect Taxes and Customs.
- **Under** - Section 47(1) of **Customs Act, 1962**.
- **Governed By** - Deferred Payment of Import Duty Rules, 2016.
- It Promote compliance under the **Authorised Economic Operator (AEO) framework**.

AEO (Authorised Economic Operator) is a trade facilitation programme implemented by the Central Board of Indirect Taxes and Customs under the World Customs Organization framework.

- **Key Features - Allows** - Clearance of imported goods without upfront customs duty payment for certain manufacturers, eases pressure on their working capital.
- Encourages progression to AEO-T2/AEO-T3 status.
- **Eligibility Criteria** - Strong Customs and GST compliance, turnover, sound financial standing and a clean past track record.
- Existing AEO-T1 entities (including MSMEs) are eligible if conditions are met.
- **Validity** - **1 April 2026 - 31 March 2028**
- Applications open from 1 March 2026 (via AEO portal)

- **New category** - The scheme creates a new category, Eligible Manufacturer Importers (EMIs), with duty payable on a monthly basis instead of at import.
- **Benefits** - Improve working capital and liquidity.
- Encourage domestic production and exports.
- Enhance Ease of Doing Business.

Quick Facts

- **AEO three Tiers** - AEO T1, AEO T2, AEO T3, where AEO T3 is the highest level of accreditation for Exporters and Importers.
- There is one more category of AEO- LO that covers all other entities in the supply chain other than the importers and exporters.

AEO T1	AEO T2	AEO T3
<p>AEO-T1 is the entry-level certification. It is granted to importers and exporters who demonstrate a satisfactory level of compliance with customs laws and procedures.</p> <p>Benefits</p> <ul style="list-style-type: none"> • Direct port delivery / direct port entry • Reduced examination of cargo • Faster customs clearance • Priority in processing refunds and drawback claims • Deferred duty payment facility (subject to eligibility) 	<p>Granted after detailed compliance verification. Higher level of benefits than AEO-T1.</p> <p>Includes:</p> <ul style="list-style-type: none"> • Reduced examination of consignments • Priority customs clearance • Deferred duty payment (for eligible importers) • Faster refunds and drawback processing. 	<p>Highest level of certification. Extensive validation of security standards, compliance history, and internal controls.</p> <p>Benefits include:</p> <ul style="list-style-type: none"> • Minimal physical inspection • Priority treatment in customs clearance • Recognition under Mutual Recognition Agreements (MRAs) with other countries

References

1. [PIB | Eligible Manufacturer Importer \(EMI\) Scheme](#)
2. [ET | Eligible Manufacturer Importer \(EMI\) Scheme](#)



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