

## Unified Single Window Clearance System

The Unified Single Window Clearance System is being worked upon by the Government of India and is set to start by March 31, 2021. This clearance system would be applicable for all approvals and clearances in the country.

### What is the Single Window System?

Given below are the main objectives behind unifying and creating a single window system:

- The single window clearance system being developed will be 'very effective' and enable the potential investor to interact with all the ministries whose approvals are required, at the Centre as well as in the States
- To restrict the clearance from different stakeholders, the creation of a **centralized Investment Clearance Cell** was proposed by Department for Promotion of Industry and Internal Trade (DPIIT), and is being formulated
- This cell would provide an end-to-end facilitation support
- Digital access will be made available to regulators, facilitators and policymakers, all at a single point. This would be irrespective of their geographical location or time difference
- The Investment Clearance cell is being planned as a **One-stop digital platform** to obtain all requisite central and state clearances/approvals required to start business operations in India
- This Unified Single Window Clearance System will make the approvals transparent and also time saving

### Single Window System - A Brief Background

In India, there are several IT platforms which have been allocated the duty for clearances, and investors need to visit multiple stakeholders to each approval. Foreign Investment Facilitation Portal (FIFP) and state single-window clearances are few such platforms.

Foreign Investment Facilitation Portal (FIFP) is administered by the Department for Promotion of Industry and Internal Trade ([DPIIT](#)), which comes under the Ministry of Commerce and Industry. To facilitate Foreign Direct Investment (FDI), it is the only online interface between Government and investors.

Thus, to simplify this clearance system, the Government of India decided to launch a Unified clearance system.

Related Links	
<a href="#">Union Budget - Important Economic Terms</a>	<a href="#">Foreign Investment Promotion Board (FIPB)</a>
<a href="#">Global Innovation Index (GII)</a>	<a href="#">Foreign Contribution Regulation Act (FCRA)</a>

[Foreign Exchange Management Act \(FEMA\)](#)[Ease of Doing Business Report by World Bank](#)

## Unified Single Window Clearance System - Key Points

- A GIS enabled land bank under Industrial Information System (IIS) is being developed
- It was launched on August 27, 2020, in a phased manner with integration of 6 States Haryana, Uttar Pradesh, Telangana, Gujarat, Odisha and Goa
- All the other states and related Government Departments and Ministries are also being taken on board for the single window system
- This entire project comes under the Ministry of Commerce and Industry. Upsc aspirants must note that the Union Minister for Commerce and Industry (as in 2020) - Mr. Piyush Goyal

## About Foreign Direct Investment (FDI)

- Foreign direct investment (FDI) is an investment made by a company or an individual in one country into business interests located in another country
- In India, a decent part of the economy is generated through these foreign investments
- FDI allows new innovations, policies, ideas, etc. into a country and ultimately results in the economic growth
- There are two major routes through which India gets FDI:
  - **Government Route** - Prior approval from the Government of India is mandatory for the foreign entity
  - **Automatic Route** - The prior approval of RBI or the Government is not required

To know more about the functions, objectives, framework, and benefits of [Foreign Direct Investment](#), candidates can visit the linked article.

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