

Foreign Investment Facilitation Portal (FIF)

May 25, 2022

In news- The Foreign investment facilitation portal (FIF), launched in June 2017 following the abolition of the Foreign Investment Promotion Board (FIPB), has disposed of 853 foreign direct investment (FDI) proposals in the last five years.

About FIF portal-

- The Foreign Investment Facilitation Portal is the new online single point interface of the Government of India for investors to facilitate FDI.
- This portal is administered by the Department of Industrial Policy & Promotion (DIPP), Ministry of Commerce & Industry.
- This portal will continue to facilitate the **single window clearance of applications which are through the approval route.**
- The proposals filed on FIF Portal are forwarded to the concerned Administrative Ministry and are also simultaneously marked to the Ministry of External Affairs (MEA) and RBI for comments and to the Ministry of Home Affairs (MHA) for necessary security clearance, wherever required as per the FDI Policy/ FEM Regulations.

Functions of FIF portal-

- To impart greater transparency in the approval process of the FDI.
- To improve the communication, reduce paperwork, speed up processing and inform the investor through SMS/email.
- To upload the approval letters in standard format on the Portal itself for the benefit of the investors.
- To transmit the guidelines and press release related to

FDI Policy to the investors.

Foreign Investment Promotion Board (FIPB)

- The FIPB was an inter-ministerial body under the Department of Economic Affairs in the Ministry of Finance.
- FIPB was **chaired by the Economic affairs Secretary.**
- It was initially constituted under the Prime Minister's Office (PMO) in the wake of the economic liberalization drive of the early 1990s.
- The recommendations of the FIPB were approved through a **3-tier approval mechanism**—
 - FIPB as a committee of senior officials to examine and make recommendations;
 - Empowered Committee on Foreign Investment (ECFI) chaired by the Finance Minister for deciding on the recommendations of the FIPB for projects in which the total investment in the project was up to Rs. 300 crore;
 - the Cabinet Committee on Foreign Investment (CCFI) for deciding on the recommendations of the FIPB for projects in which the total investment was more than Rs. 300 crore.
- The **eleven notified sectors/activities requiring government approval are** – *Mining, Defence/cases relating to FDI in small arms, Broadcasting, Print media, Civil Aviation, Satellites, Telecom, Private Security Agencies, Trading(Single, Multi brand and Food Products), Financial services not regulated or regulated by more than one regulator/ Banking Public and Private (as per FDI Policy) and Pharmaceuticals.*