

**GOVERNMENT OF PAKISTAN
(REVENUE DIVISION)
CENTRAL BOARD OF REVENUE**

Islamabad, the 18th June, 2001

**NOTIFICATION
(CUSTOMS)**

S.R.O. 450(I)/2001.-¹[In exercise of the powers conferred by section 219 of the Customs Act, 1969 (IV of 1969), section 50 of the Sales Tax Act, 1990, section 40 of the Federal Excise Act, 2005 and section 237 of the Income Tax Ordinance, 2001 (XLIX of 2001), the Federal Board of Revenue is pleased to make the following rules, namely:-]

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²[CHAPTER-XLVI

TRANSIT REGIME IN PAKISTAN

AZERBAIJAN-PAKISTAN TRANSIT TRADE RULES

Sub-Chapter-I

Preliminary

1137. Definitions.-(1) In this chapter, unless there is anything repugnant in the subject or context,-

- (i) **"bill of lading"** means the document issued by shipping line containing details about the type, quantity, and destination of the goods;
- (ii) **"bilateral trade"** means exchange of goods and services between two countries, passing through third country or directly;
- (iii) **"border stations"** means Chaman, Torkham, Kharlachi, Ghulam Khan, Taftan, Gabd, Mand, Sost and any other Customs station notified by the Board for the purposes of the transit trade;
- (iv) **"bulk cargo"** means cargo usually dropped or poured as solid or liquid, into a bulk carrier's hold and includes dry and liquid bulk cargo;
- (v) **"cabotage"** means transport of goods loaded in the territory of the State of the Contracting Party for unloading at a location within the territory of the State of the same Contracting Party;
- (vi) **"cargo"** means goods including vehicles;
- (vii) **"carriers"** means legal or natural person responsible for the transport of cargo goods including vehicles by rail, road, either directly or by using a third party, and by whom or in whose name a contract of carriage for hire or reward has been concluded;
- (viii) **"container"** means an article of transport equipment,-
 - (a) fully enclosed to constitute a compartment intended for containing goods;
 - (b) of a permanent character and accordingly strong enough to be suitable for repeated use;

¹ Existing preamble substituted and shall be deemed always to have been so substituted vide SRO 831(I)/2018 dated 2nd July, 2018. At the time of substitution was as under:-
"In exercise of the powers conferred by section 219 of the Customs Act, 1969 (IV of 1969), the Central Board of Revenue is pleased to make the following rules, namely:--"

² Added vide SRO 25(I)/2025, dated 16th January, 2025.

- (c) specially designed to facilitate the transport of goods by one or more modes of transport without intermediate reloading;
- (d) designed for ready handling, particularly when being transferred from one mode of transport to another;
- (e) designed to be easy to fill and to empty; and
- (f) demountable bodies are to be treated as containers;
- (ix) **"contracting parties"** means Pakistan and Azerbaijan;
- (x) **"cross-border authorization"** means a document issued after completion of all customs formalities allowing the cross-border of vehicles transporting transit cargo at land customs border stations;
- (xi) **"cross border traffic"** means traffic originating from the territory of the State of one contracting party that ends up in the territory of the State of other Contracting Party;
- (xii) **"cross stuffing"** means transfer of goods from one container to another container or any other mode of transportation which is approved for TIR operations, in the approved places within premises of customs-ports, terminals or off-dock terminals under customs supervision and shall also include transfer of bulk or non-containerized reverse transit cargo into open trucks of approved transport operators at land border station;
- (xiii) **"customs control"** means measures applied to ensure compliance with the laws and regulations relating to the importation, transit and exportation of goods which the Customs are responsible for enforcing;
- (xiv) **"custom transit"** means the customs procedure under which goods are transported under customs control from one customs office to another;
- (xv) **"customs security"** means encashable financial guarantee acceptable to Customs, submitted by the traders or their authorized agents or brokers on transit goods for an amount equivalent to the import levies of the host country, as per prescribed rules;
- (xvi) **"dangerous goods"** means goods posing a significant risk to health and environment, security and property when being transported or lying inside storage;
- (xvii) **"examination of goods"** means the process of physical ascertainment by Customs of nature, origin, condition, quantity and value with reference to transit documents;
- (xviii) **"external user registration office"** means the office designated by the relevant Ministry of Republic of Azerbaijan for registration of entities and other users based in Azerbaijan with the Customs Computerized System in Pakistan;
- (xix) **"home country"** means for transport operators, the country of establishment, and for vehicles, the country of registration;
- (xx) **"host country"** means the country where transportation of goods is performed;
- (xxi) **"import duties and taxes"** means the customs duties and all other duties, taxes and other charges levied in accordance with domestic legislation on or in connection with the importation of goods, but not including the cost of services rendered;
- (xxii) **"inspection of goods"** means the superficial process of confirmation that the marks and numbers of bulk in open cargo and container number and seal numbers of containerized cargo, are in accordance with the particulars provided in the bill of lading;
- (xxiii) **"international transport"** means transport between the territories of the States of the Contracting Parties (bilateral traffic) or through the territory of the State of the other Contracting Party (transit traffic);

- (xxiv) **"intermodal freight transport"** means movement of goods in one and the same loading unit (container) which successively uses two or more different modes of transport, without the goods themselves being handled;
- (xxv) **"licensing authority"** means the respective Director of Transit Trade, where an applicant, based on his or her business address, has applied for issuance of transport operator's license;
- (xxvi) **"logistics facilitation center"** means a transit office at Torkham, Chaman, Taftan, Ghulam Khan and Gwadar regulating issuance of permits to Pakistani registered transport operator and movement of foreign registered vehicles;
- (xxvii) **"means of transport"** means road vehicles and railways rolling stock and other means as agreed between the Contracting Parties aimed at transporting goods;
- (xxviii) **"multimodal transport" or "combined transport"** means the movement of goods using more than one mode of transportation, but under the terms of a single contract;
- (xxix) **"national treatment"** means the treatment, a Contracting Party shall grant according to its national legislation, to services and services suppliers of the other contracting party, not less favorable than that which it accords to its own like services and service suppliers;
- (xxx) **"office of departure"** means any Customs office at which a Customs transit operation commences;
- (xxxi) **"office en-route"** means any Customs office through which goods in transit pass during the course of a Customs transit operation;
- (xxxii) **"office of destination"** means any Customs office at which a Customs transit operation is terminated;

Explanation.-If the office of departure is Karachi, the office en-route shall be Torkham, Chaman, Ghulam Khan and the Azerbaijan Customs office at their border, and office of destination shall be Customs Station inside territory of Azerbaijan where Goods Declaration is filed;
- (xxxiii) **"oversized and bulky cargo"** means any heavy or bulky object including animals which because of its weight, size or nature cannot be carried in a closed vehicle or closed container;
- (xxxiv) **"prohibited goods"** means the goods prohibited to be carried under the transit trade under any law for the time being in force;
- (xxxv) **"port of entry or exit" or "border crossing point"** means the territory (part of the territory) of border railway stations and highways, custom-ports and terminals, river ports, airports (aerodromes) Border Customs Stations open for international relations, as well as persons, vehicles, goods, other property, livestock across the State Border of the States of the Contracting Parties other specially equipped place where border customs and other types of control of goods, seeds, planting material, other products of animals and plants are carried out;
- (xxxvi) **"phyto-sanitary control"** means the inspection intended to prevent the spread and the introduction across national boundaries of pests, plants and plant products;
- (xxxvii) **"prescribed transport route"** means the land route prescribed by the Board for transportation of transit goods within the frontiers of Pakistan;
- (xxxviii) **"revolving insurance guarantee"** means a revolving insurance guarantee with one year validity to be submitted to the concerned Directorate of Transit Trade to cover the leviable duty and taxes on transit goods while passing through the territory of Pakistan;

- (xl) **"road transport permit"** means a document issued by a competent authority of one Contracting Party that allows vehicles registered in the territory of the State of the other Contracting Party to enter or exit or transit through its territory;
 - (xli) **"sealing"** means affixing of PCCSS seal on transit goods under Customs General Order 3/2020 dated 17.04.2020 and issuance of transport note electronically;
 - (xlii) **"system"** means the Pakistan Customs Computerized System (CCS) that is in operation in the Customs offices as per Board's instructions;
 - (xliii) **"Directorate of Transit Trades"** means the formations established in the Directorate General of Transit Trade specifically to handle the transit trade related affairs;
 - (xliv) **"shipper"** means any natural or legal person by whom or in whose name a contract of carriage of goods has been concluded with a carrier, or any person by whom or in whose name the goods are actually delivered to the carrier in relation to the contract of carriage of goods;
 - (xlv) **"transit goods TG-GD"** means the goods declaration filed electronically by the importer or his authorized Customs agent under these rules for cargo meant for transit to or from Azerbaijan;
 - (xlvi) **"transit cargo"** means goods including vehicles imported or exported by Azerbaijan for transit across Pakistan under section 129 of the Act;
 - (xlvii) **"transit goods"** means the goods whether commercial or non-commercial transited through Pakistan, to and from Azerbaijan;
 - (xlviii) **"transport note"** means the duly prescribed document containing sealing information generated by the Customs Containerized Sealing Unit (CCSU) or the Customs sealing staff at port of entry;
 - (xlix) **"transport operator" or "TO"** means Pakistan Railways or such other carrier including a bonded carrier duly licensed by the licensing authority or customs authorities of the Contracting Parties, to carry out international transport operations between the territories of the Contracting Parties, or between its home country and to or from a third country through the territory of the other Contracting Party;
 - (l) **"transport unit"** means aircrafts, freight containers of international specifications transported by road, railway wagons or road vehicles including trailers and semi-trailers;
 - (li) **"tax identification number"** means a unique number issued by relevant Ministry of Republic of Azerbaijan to identify a specific taxpayer;
 - (lii) **"user ID office"** means the designated office in the Directorate General Transit Trade for registration and issuance of user IDs to the respective traders or users;
 - (liii) **"user ID"** means a unique user identifier as may be allocated to a foreign trader intending to transit his goods through territory of Pakistan as per procedure prescribed by the Directorate General of Transit Trade to access the Customs Computerized System;
 - (liv) **"vehicle"** means any rigid road vehicle, articulated vehicle, unaccompanied trailer or semi-trailer; and
 - (lv) **"veterinary-sanitary inspection"** means the inspection applied to animals and animal products with a view to protecting the life and health of persons and animals, as well as that carried out on objects or goods which could serve as a carrier for animal disease.
- (2) The words and expressions used, but not defined herein, shall have the same meanings assigned thereto in the Act.