

**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:-]

.

.

**²[CHAPTER-XXV
AFGHANISTAN-PAKISTAN TRANSIT TRADE RULES**

**Sub-Chapter-I
Preliminary**

.

.

600. Definitions.-In this Chapter, unless there is anything repugnant in the subject or context,-

- (i) **“Afghan transit group”** means a section established in a Collector ate of Customs specifically to handle the transit trade related affairs;
- (ii) **“Agreement”** means Afghanistan-Pakistan Transit Trade Agreement, (APTTA) 2010;
- (iii) **“Authority”** means the Afghanistan-Pakistan Transit Trade Coordination Authority (APTTCA) established by the contracting parties for the implementation and monitoring of the agreement;
- (iv) **“bilateral trade”** means exchange of goods and services between two countries;
- (v) **“cargo”** means goods including vehicles;
- (vi) **“border stations”** means Chaman, Torkham, Sost, Wahga and any other Customs stations notified by the Board for the purposes of Afghan Transit Trade;
- (vii) **“carriers”** means legal or natural person responsible for the transport of goods including vehicles by rail, road, either directly or using a third party, and by whom or in whose name a contract of carriage for hire or reward has been concluded;
- (viii) **“commercial transit cargo”** means goods including vehicles imported by private Afghan importers under valid jawaznama for transit across Pakistan to Afghanistan under section 129 of the Act;
- (ix) **“container”** means standardised receptacle or loading unit for freight to enable (i) loading and unloading; (ii) movements by one or more modes of transport, without intermediate reloading; and (iii) locking and sealing;
- (x) **“contracting parties”** means Pakistan and Afghanistan;
- (xi) **“Customs”** means the Government Service which is responsible for the administration of the Act and the rules made there under and the collection of import

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 After CHAPTER XXIV, Chapter XXV was added vide SRO 601(I)/2011 dated 13th June, 2011

and export duties and taxes and which also has responsibility for the application of other laws and regulations relating, inter alia, to the importation, transit and exportation of goods;

- (xii) **“Customs office”** means that Customs administrative unit competent for the performance of the Customs formalities and the premises approved for that purpose by the respective contracting parties;
- ³[(xiii) **“customs security”** means encashable financial guarantee, acceptable to Customs, submitted by the traders or through their authorized brokers, on transit goods, for an amount equivalent to the import levies of the host country;]
- (xiv) **“Customs transit”** means procedure through which goods are transported under Customs control from one Customs office of one contracting party to Customs office of other contracting party under suspension of payments of taxes and duties;
- (xv) **“dangerous goods”** means goods posing a significant risk to health and environment, security and property when being transported or lying in storage;
- (xvi) **“domestic legislation”** means the entire body of national or local laws and rules and regulations in force in respective countries of the contracting parties;
- (xvii) **“examination of goods”** means the process of physical ascertainment by Customs of nature, origin, condition, quantity and value with reference to transit documents submitted, with understanding that this definition is applicable to only up to five percent of the consignments of transit goods under risk management system;
- (xviii) **“Form-A”** means Transport Note as prescribed under Custom General Order No. 4 of 2007, dated the 31st March, 2007;
- (xix) **“freight forwarder”** means a natural or legal person having a contract of freight forwarding services with a shipper;
- (xx) **“import duties and taxes”** means 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;
- (xxi) **“inspection of goods”** means the superficial process of confirmation that the marks and numbers of bulk in open cargo and container number and seal number for the containerized cargo are in accordance with the particulars furnished in the goods declaration or bill of lading;
- (xxii) **“international transport”** means transport between the territories of the two contracting parties (bilateral traffic) or through the territory of the other contracting party (transit traffic);
- (xxiii) **“heavy, bulky or over size goods”** means any heavy, bulky or oversize goods which can not normally be carried in a closed vehicle or container and any such goods on which Pakistan Customs Container Security System (PCCSS) Bullet seal cannot be affixed;
- (xxiv) **“host country”** means the country where transportation of goods is performed;
- (xxv) **“licensing authority”** means the Collector of Customs (Appraisalment), Karachi or any authority approved by the Board;
- (xxvi) **“means of transport”** means road vehicles and railway rolling stock;

³ Substituted for “customs security” means encashable financial guarantee acceptable to Customs, submitted by the traders or their authorised brokers or owners of the vehicles, on transit goods or vehicles, for an amount equivalent to the import levies of contracting parties” vide SRO 18(I)/2012 dated 5th January, 2012

- (xxvii) **“National treatment”** means a contracting party that shall grant treatment to services and service suppliers of the other contracting party, no less favourable than that which it accords to its own like services and service suppliers;
- (xxviii) **“non-commercial transit cargo”** means all goods including vehicles other than the Commercial Transit Goods, including cargo of diplomatic missions, Afghan Government, NGOs, UN agencies, European Commission, excluding that belonging to ISAF or NATO, US Army or other military forces stationed in Afghanistan;
- (xxix) **“office of departure”** means any Customs office at which a Customs transit operation commences;
- (xxx) **“office en-route”** means any Customs office through which goods in transit pass during the course of a Customs transit operation;
- Explanation.*-If office of departure is Karachi, the office en-route shall be Torkham/Chaman and Afghan customs office on other side of the border and office of destination shall be customs station inside Afghanistan where Afghan goods declaration is filed;
- (xxxi) **“office of destination”** means any Customs office at which a Customs transit operation is terminated;
- (xxxii) **“PCCSS”** means Pakistan Customs Container Security System that encompasses sealing as well as de-sealing of transit cargo transiting throughout Pakistan;
- (xxxiii) **“permit”** means a document issued by an authority notified by the Ministry of Interior in this regard, identifiable by the biometric device, whereby the driver and cleaner of a vehicle shall be allowed to cross border;
- (xxxiv) **“port of entry or exit”** means an officially designated location at seaports, airport and or Customs stations where Customs officers or employees are assigned to accept declarations of merchandise and vehicles, control import and exports, clear passengers, collect duties and enforce the various provisions of Customs, immigration and related laws;
- (xxxv) **“prescribed time”** means time prescribed under these rules for transportation of transit goods;
- (xxxvi) **“prescribed transport route”** means the land route prescribed for transportation of transit goods within the frontiers of Pakistan;
- (xxxvii) **“protocol”** means a document attached to the Agreement setting out specific technical and administrative arrangements;
- (xxxviii) **“sealing”** means affixing of PCCSS seal on transit goods and issuance of Form-A electronically as well as manually;
- (xxxix) **“shipper”** means any natural or legal person by whom or in whose name or on whose behalf a contract of carriage of goods has been concluded with a carrier or any person by whom or in whose name or on whose behalf the goods are actually delivered to the carrier in relation to the contract of carriage of goods;
- (xl) **“shipper seal”** means the seal affixed on container by the shipper from the port of loading;
- (xli) **“TAD” or “temporary admission document”** means a document issued by a competent authority of one contracting party on a prescribed format that allows vehicles registered in the territory of the other contracting party to enter or exit or transit through its territory;
- (xlii) **“third country”** means a country that is not a contracting party to the Agreement;

- (xliii) **“transit goods”** means the goods whether commercial or non-commercial transited through Pakistan to and from Afghanistan;
- (xliv) **“transit country”** means a country through the territory of which the transit traffic passes;
- (xlv) **“transport for own account”** means a transport operation that is an ancillary activity of an enterprise aimed at moving the goods that are the object of its commercial activity in vehicles owned by the enterprise and operated by its employees;
- (xlvi) **“transport operator (TO)”** means Pakistan Railways or bonded carriers duly licensed by customs authorities of the contracting parties or such other carriers as are approved from time to time to carry out international transport operations between the territories of the contracting parties or between his home country and to or from a third country through the territory of the other contracting party;
- (xlvii) **“transport unit”** means aircrafts, freight containers of international specifications transported by road, railway wagons or road vehicle including trailers, semi-trailers; and
- (xlviii) **“vehicle”** means any rigid road vehicle, articulated vehicle, unaccompanied trailer or semi-trailer.