CHAPTER VII

CUSTOMS RULES, 2001
(S.R.O.450(I)/2001, DATED 18.6.2001)

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MEMORANDUM

CUSTOMS RULES 2001 NOTIFIED VIDE S.R.O.450(I)/2001, DATED 18.06.2001.

S.No.	Subject	Old Notification No. and Date	Rules No.	Page No.
(1)	(2)	(3)	(4)	(5)
1	**Passenger's Baggage** (Import)Rules. [Omitted] Vide SRO.666(I)/2006, dt. 28.06.2006	570(I)/98 dt.12.06.1998		
2	Customs concessions to **privileged personne**l arriving under various foreign aid programme or projects	C.No.10(34)Cus-III/58 dt.18.4.1963	38-42	301
3.	**Prior Release** of Urgent consignments (Imports and Export) Rules.	S.R.O.61(I)/94 dated 22.1.1990	43-48	302
4	Registration of **Auctioners** and Auction Procedure Rules.	663(I)/96 dt. 07.08.1996	49-75	306
5	**Temporary Importation of Motor** Vehicles Rules.	974(I)/79 dt.23.10.1979	76-85	313
6	**Frustrated** Cargo Export Rules	3(I)/70, dt 2.1.1970	86-89	315
7.	**Customs** Agents (Rules)	S.R.O.13(I)/71 dated 8.1.1971	90-106	315
8	**Customs Valuation** (Determination of Value of Imported Goods Rules).	1369(I)/99 dt.24.12.1999	107-125	328
9	Importers (Maintenance of) Accounts Rules.	375(I)/2000 dt. 17.06.2000	126-132	336
10	**Customs Recovery** Rules.	677(I)/92 dt. 02.07.1992	133-215	338
11	The **Drawback** (Same State Goods) Rules.	2(I)/72 dt.30.12.1972	216-219	356
12	Duty **Drawback**(Claim Payment) Rules.	905(I)/98 dt. 12.08.1998	220-224	358
13.	Export Processing Zone **(EPZ)** Rules		225-236	359
14	**Manufacturing in Bond** Rules.(**Omitted**)	1140(I)/97 dt.06.11.1997	237-263	
15.	Rules regarding duty free clearance of raw hides and skins imported for the manufacture of goods meant wholly for export.	S.R.O.1319(I)/96 dated 24.11.1996	264-278	364
16	**Common Bonded** Warehouse (Conventional)Rules (**Omitted**)	843(I)/98 dt. 23.07.1998	279-295	

17.	**Duty and Tax Remission (DTRE)** for Export Rules.	S.R.O.185(I)/2001 dated 21.3.2001	296-307	368
18.	Determination of Imported Materials and Fixation of Rates for Repayment or Duty Drawback Rules**(IOCO)**.	S.R.O.186(I)/2001 dated 21.3.2001	308-313	382
19	**Deferment of Import duties** (Power, gas and energy Projects) Rules.	36(I)/94 dt.15.01.1994	314-321	389
20	Deferment of Import Duty (**ships for scrapping)** Rules.	245(I)/93 dt.31.03.1993	322-324	389
21.	**Transshipment**	S.R.O.286(I)/2007 dated 31.03.2007	326-341	394
22.	**Warehousing**.		342-363	419
23.	**Landing and Clearing** of parcels Rules.		364-376	440
24.	**Alternate Dispute** Resolution.	S.R.O.623(I)/2004, dated 19-07-2004	377-386	442
25.	**Transportation of cargo**	S.R.O.198(I)/2005 dated 8.2.2005	387-391	444
26.	**Arrival and Departure of vessels**	S.R.O.210(I)/2005 dated 28.2.2005	392-419	445
27.	**Reference to High Court**	S.R.O.563(I)2005, dated 06.06.2005	420	455
28.	**Repayment of Customs duty**	S.R.O.714(I)/2005 dated 13.7.2005	421	
29.	**Pakistan Customs Computerized System Customs Computerized System**	S.R.O.704(I)/2007 dated 14.07.2007	422-556	457
30.	**Transport of POL Products to Afghanistan**	S.R.O.943(I)/2007, dated 14.09.2007	557-569	535
31.	**ATA Carnet Rules**	S.R.O.1157(I)/2007 dated 08.11.2007	570-591	541
32.	**Mutilation or Scrapping of Goods**	S.R.O.449(I)/2011 dated 20.05.2011	592-597	572
33.	**Afghanistan – Pakistan Transit Trade Rules**	S.R.O.601(I)/2011, dated 13.06.2011	598-652	573
34.	**Shipping Agents Rules**	S.R.O.1220(I)/2015 dated 04.12.2015	653-669	608
35.	**Disposal of Overstayed Non-Prohibited Bore arms and ammunition**	S.R.O.209(I)/2016 dated 09.03.2016	670-677	621
36.	**Enforcement of Intellectual Property Rights (EIPR)**	S.R.O.170(I)/2017 dated 16.03.2017	688-686	623
37.	**Transports Internationaux Routiers (TIR) Rules**	S.R.O.1066(I)/2017 dated 20.10.2017	687-716	632
38.	**Appeals and Allied Matters**	S.R.O.648(I)/2018 dated 24.05.2018	717-737	647
39.	**Risk Management System Rules**	S.R.O.1010(I)/2020 dated 04.02.2020	738-739	656

40.	**Authorized Economic Operator Rules**	S.R.O.1114(I)/2020 dated 26.10.2020	740-752	658
41.	**Electronic Auction (e-auction)**	S.R.O.1174(I)/2020 dated 26.10.2020	753-780	685
42.	**De minimis rules for imported goods**	S.R.O.1109(I)/2020 dated 22.10.2020	781-788	693
43	**Advance Ruling**	**S.R.O.1213(I)/2020 dated 11.11.2020**	789-798	693
44	**Transportation of Coastal Goods Rules**	S.R.O.180(I)/2021, dated 09.02.2021	799-812	696
45	**Forfeiture of Property Rule**	S.R.O.05(I)/2021, dated 04.01.2021	813-824	699
46	Import and Export of E-Commerce Rules	S.R.O.14(I)/2021 dated 06.01.2021	825-836	702
47	**China Pakistan Economic Cooridor (CPEC)**	S.R.O.264(I)/2021 dated 24.021.2021	837-869	704
48.	**Export Facilitation Scheme 2021**	S.R.O.957(I)/021 dated 30.07.2021	871-910	732
49.	Transit Regime in **Pakistan Uzbekistan**-Pakistan Transit Trade Rules	S.R.O. No.1466(I)/2021 Dated 11.11.2021	911-982	758
50.	**Contract for the International Carriage of Goods by Road (CMR) Rules**	SRO.2039(I)/2022 dated 04.11.2022	982-1018	790
51.	**Tajikistan -Pakistan Transit Trade Rules**	SRO.560(I)/2023, dated 05.05.2023	1019-1090	803
52.	**Tracking and Monitoring of Cargo Rules, 2023**	SRO.966(I)/2023 dated 02.08.2023	1091-1123	842

GOVERNMENT OF PAKISTAN
REVENUE DIVISION
CENTRAL BOARD OF REVENUE

NOTIFICATION

Islamabad, the 18th June, 2001.

(CUSTOMS)

S.R.O 450(I)/2001.- [94][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:-]

CHAPTER I

PRELIMINARY

1. Short title and commencement.-(1) These rules may be called the Customs Rules,2001.

(1A) Scope.- Unless specifically provided in the rules for Pakistan Customs computerized System, 2005, these rules shall apply.

(2) They shall come into force at once.

2. Definitions.-(1) In these rules, unless there is anything repugnant in the subject or context,-

(a) "account" means all books, records, correspondence, bank and other financial statements;
(b) "Act" means the Customs Act, 1969 (IV of 1969);
(c) "appropriate officer" includes officers superior to an appropriate officer;
(d) "Collector", "Additional Collector", "Deputy Collector" and "Assistant Collector", respectively, means Collector of Customs, Additional Collector of Customs, Deputy Collector of Customs and Assistant Collector of Customs appointed under section 3 of the Act in relation to an area of his jurisdiction;
(e) "duties" includes customs-duty leviable under the First Schedule to the Customs Act, 1969;
(f) **"**importer" means a person who imports goods;
(fa) "Pakistan Customs Computerized System Customs Computerized System" means the Customs Computerized System as defined in clause (ia) of section 2 of the Customs Act, 1969 (IV of 1969);
(g) "related persons" means such persons only if,-

(i) they are officers or directors of one another's business;
(ii) they are legally recognized partners in business;
(iii) they are employer and employee;
(iv) one of them directly or indirectly controls the other;
(v) both of them are directly or indirectly controlled by a third person;
(vi) together they directly or indirectly control a third person; or
(vii) they are members of the same family; and
(viii) any person who directly or indirectly owns, controls or holds five per cent or more of the outstanding voting stock or shares of business of both or each of such related person.

Explanation I.- The expression "person" also includes a legal person.

Explanation II.- Persons who are associated in the business of one another and that one is the sole agent or sole distributor or sole concessionaire, however described, of the other, shall be deemed to be related for the purpose of these rules, if they fall within the criteria herein before specified for related persons.

Explanation III.- One person shall be deemed to control another when the former is legally or operationally in position to exercise restraint or direction over the other.

(h) "stay", for Pakistani nationals, means the duration of continuous living abroad; and, for foreign nationals, means the duration of their valid visa for stay in Pakistan;

(i) "vehicle" means a motor-car, motor-cycle, van, microbus, bus, pick-up, jeep, truck, self-driven caravan and tractor with trailer or semi-trailer or caravan.

(2) The words and expressions used and not defined herein shall have the meaning assigned to them in the Act or in the respective Chapters of these rules.

CHAPTER II

[Omitted]

CHAPTER III

PRIVILEGED PERSONNEL

38. In this chapter, the expression "privileged personnel" means all foreign experts, consultants or technicians visiting and resident in Pakistan under a proper Aid Agreement in which provision for the application of these Customs concessions has been made. The expression includes only such personnel as are either directly in the employment of the foreign aid giving Government or Agency or who serve in Pakistan under contract or agreement with such Government or Agency and whose salaries and travelling expenses to and from Pakistan are paid by the foreign Government or Agency. It does not include personnel in the employment of the Federal or Provincial Government.

CUSTOMS CONCESSIONS

39. The following customs concessions shall be extended to the privileged personnel, namely:-

(a) Import free of custom duty and sales tax of articles for the personal use of the privileged person or members of his family forming part of his personal and household effects including one car per family on his first arrival in Pakistan. The time limit for import will be six months, extendable by the Collector of Customs for a maximum period of [25][eighteen] months from the date of the arrival of the person concerned;

(b) [11][Omitted;

(c) Omitted]

(d) in addition to the above, a privileged person shall be allowed to import on payment of duty and taxes foodstuff and consumable stores including liquor and tobacco up to a C&F value of two hundred U.S.$ per month but the value of liquor will not exceed one hundred U.S.$ per month. [80][However, import of alcoholic beverages shall be subject to Import Policy Order.]

Note: The privileged personnel may import the monthly quotas prescribed in clauses (a) and (b) of rule 39, for a maximum period of six months at a time.

40. Articles imported customs-duty and sales tax free shall normally be re-exported and shall not be sold or otherwise disposed of within Pakistan except with the prior approval of the Government or in terms of the regulations prescribed by the Government.

41. If any other durable articles such as airconditioners, refrigerators, deep freezers, VCR ,DVD, washing machines, etc., are disposed of in Pakistan, customs-duty and sales tax, etc., shall be payable on the original value at the rate applicable to the goods in question at the time of import. The privileged personnel shall be responsible for the payment of customs-duty and sales tax and other charges before parting with the articles; provided that no customs-duty and sales tax shall be payable if sold after three years from the date of import.

42. In order to avail of the concessions under this chapter , a privileged personnel shall furnish to the Customs authorities a certificate duly signed by the Administrative Ministry of the Government of Pakistan concerned both in respect of personal and household effects, etc., imported on first arrival and subsequent monthly imports of foodstuffs, consumable stores, liquors, and tobacco in accordance with the prescribed quotas. The Administrative Ministry concerned shall verify that the conditions in the rules have been satisfied before issue of the certificate. The Administrative Ministry shall also be generally responsible to ensure that all the other conditions as per this chapter have been satisfied between the time of arrival and departure of privileged personnel:

Provided that a foreign employee of an industrial venture shall be entitled to import free of customs-duties and other taxes food stuff (excluding alcoholic beverages) upto C&F value of one hundred US $ per month subject to the condition that he shall produce a certificate from his employer to the effect that he has been employed in his industrial venture in Pakistan for a tenure of ___ years, from _____ to ___. The monthly quota may be imported for a period of six months at a time.

CHAPTER IV

PRIOR RELEASE

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

(i) "application" means an application filed under rule 44 of this chapter;
(ii) "appropriate officer" means an officer of Customs not below the rank of an Assistant Collector appointed in this behalf;
(iii) "prior release" means the delivery of an urgent consignment prior to submission of a bill of entry or a bill of export under the Act;
[94][(iv) perishable goods" means goods that rapidly decay due to their natural characteristics, in particular in the absence of appropriate storage conditions;
[94][(v) "urgent consignment" means a consignment of [94][perishable goods] any of the following goods imported for home consumption, or meant for export provided that the appropriate officer of Customs is satisfied that these require immediate and rapid clearance as a matter of priority, namely:-

(a) human body organs or any part thereof, blood and blood plasma;
(b) perishable medicines e.g., insulin, etc;
(c) life saving drugs in nominal quantities, duly supported by medical prescription;
(d) live animals and live plants;
(e) newspapers, journals and other news materials;
(f) radioactive materials;
(g) replacement parts of computers, machines and drilling equipment (e.g. drilling bits);

(h) any other goods, urgently required, with the approval of the Collector of Customs, in writing, on case to case basis; and

(i) fertilizer imported by the Fertilizer Import Department, Ministry of Food and Agriculture.

44. Application for prior release.- (1) The importer or exporter of urgent consignment shall present an application, in triplicate, in the form as set out in Appendix I to this Chapter to the appropriate officer.

(2) The appropriate officer shall cause the application to be scrutinized with reference to declarations made in the application, by taking into account the degree of urgency with which the goods are needed, the nature and value of consignment and particular circumstances relating to it.

(3) The appropriate officer shall, after satisfying himself in this regard, accept the application for prior release by making an endorsement to this effect on all the three copies of the application.

(4) After the application for prior release is accepted by the appropriate officer, the particulars of the consignment shall be entered in a register, in the form as set out in Appendix II to this Chapter maintained for this purpose, and the serial number of the register shall be taken as prior release number.

(5) The prior release number and date shall be endorsed on all copies of the application and the prior release shall be deemed to have been allowed only after the entries in the register and endorsement of the application have been recorded.

45. Admissibility of prior release.- (1) Prior release shall not be admissible in cases where Import General Manifest or Export General Manifest, as the case may be, was filed two days or more prior to the submission of application for grant of prior release.

(2) The facility of prior release shall be allowed to only those importers or exporters of urgent consignments who have sufficient balance of amount available in their accounts maintained as current or personal ledger accounts to pay the duties:

Provided that the importers or exporters, who are not maintaining such accounts shall be eligible to avail the facility of prior release on furnishing a bank guarantee or a pay order of a sum equivalent to the duties assessed provisionally by the appropriate officer and such pay order shall remain in the custody of the appropriate officer and shall be utilized towards finalization of assessment.

(3) Bank guarantee shall stand discharged after all leviable customs-duties and taxes have been deposited.

(4) No prior release shall be allowed if a previous case of the same importer or exporter is pending finalization for more than fifteen days.

46. Manner of prior release in case of imported goods.- (1) A file for each application shall be maintained and shall contain all relevant documents and correspondence relating to the respective clearance.

(2) The examination staff, deputed for the purpose, shall examine the urgent consignment on priority and in compliance with the examination order and examination report shall be recorded on reverse of the original application.

(3) The examining officer, if he is satisfied that the import of the goods is not prohibited or is not in breach of any restrictions or conditions applicable to the import of such goods, may make an order for provisional clearance of the same pending presentation of bill of entry.

(4) The examination staff shall also endorse the original and duplicate copies of application with the words "examined", affix their signatures and shall return the duplicate to the importer.

(5) At the time of delivery of urgent consignment, the officer of Customs shall record the effect of delivery under his signatures on original and duplicate copies of the application. The original copy of the application shall be retained by such officer and forwarded at the earliest to the appropriate officer while the duplicate copy of the application shall be returned to the importer to accompany the urgent consignment, and for his record.

(6) The importer of urgent consignment shall, at the time of the prior release of such goods, present a bill of entry for home consumption and other necessary documents to the appropriate officer and shall pay the whole or differential amount of leviable duties, if any, within ten days of the prior release on the basis of which the appropriate officer shall finalize the provisional assessment.

47. Manner of prior release in case of exported goods.- (1) A file for each application shall be maintained and shall contain all relevant documents and correspondence relating to respective clearance.

(2) The examination staff, deputed for the purpose, shall examine the urgent consignment on priority in compliance with the examination order and examination report shall be recorded on the original application.

(3) The examining officer, having verified that the export of the goods is not prohibited or is not in breach of any restrictions or conditions applicable to the export of such goods, may make an order for provisional clearance of the same pending presentation of bill of export.

(4) The examination staff shall also endorse the original and duplicate copies of application with the words "examined", affix their signatures and shall return them to the exporter.

(5) At the time of loading, the an officer of Customs shall record the effect of loading, under his signatures, on the original and duplicate copies of the application. The original copy of application shall be retained by such officer and shall be forwarded at the earliest to the appropriate officer while the duplicate copy of application shall be returned to the exporter for his record.

(6) The exporter of urgent consignment shall, at the time of prior release of such goods, present a bill of export and other necessary documents to the appropriate officer and shall pay the whole or differential amount of leviable duties, if any, within ten days of the prior release on the basis of which the appropriate officer shall finalize the provisional assessment.

[94][**47A**. In cases of delay, occurred in the release of perishable goods and upon written request of the importer or exporter, the reasons of such delay may be communicated.]

48. Failure to comply.- In case an importer or exporter of an urgent consignment contravenes any of the provisions of this chapter , penal proceedings under the Act shall be initiated by the appropriate officer and duties, if due, shall be recovered under the relevant provisions of the Act and the defaulter shall not be entitled for the facility of prior release, any more, in future.

Appendix I
[See rule 44(1)]

FORM

To
The Assistant Collector of Customs

SUBJECT: **APPLICATION FOR PRIOR RELEASE OF URGENT CONSIGNMENT**

Dear Sir,

I request for prior release of the goods as per the following particulars: -

1. Flight No./name of the vessel.
2. Date of arrival/departure ETA in case already arrived quote IGM No. and date and Index No.
3. Airway bill/bill of lading number and date.
4. Consignor's name and address.
5. Consignee's name and address. NTN/NIC.
6. Nature of import/export (specify whether commercial, sample, gift, donation, personal mail or other).
7. Import licence/import permit/clearance permit No. and date.
8. Import/Export registration No. and date or NIC No.(in case of import/export by individual).
9. Letter of credit No. and date with Bank and Branch No. Form E. No. in case of exports.
10. Amount of freight (if prepaid).
11. Delivery order No. and date if any (in the absence of delivery order, attach the telex or other documents through which intimation of arrival was received).
12. Description of goods, etc.

Sl. No.	Description of goods.	Quantity/ No. of packages.	Weight Gross/ Net.	HS code.	C&F/ FOB Value.	Rate of customs duty.	Amount of customs duty.	Sales Tax @ 15%.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)

Iqra surcharge @ 5%	Flood Relief surcharge @ 1%	Other Taxes if any	Remarks.
(10)	(11)	(12)	(13)

13. If the goods require any certificate/clearance from the Ministry of Foreign Affairs /Ministry of Health, Plant Quarantine Department/Animal Husbandry Department or any on the concerned agency for their importation/exportation, No. and date of such certificate and attach a copy thereof.
14. Name, address, national identity card No. and Customs permit No. of the person authorized to transact this business on behalf of the importer.
15. How many cases of prior release effected one week earlier or longer period are still outstanding against the importer and the clearing agent.
16. The position of balance amount available in the deposit account (for commercial importer only).
17. No, date and the amount of bank guarantee or pay order.
18. Reasons and justifications warranting prior release. (Please attach documents to prove urgency leading to this request), if any.

Documents Attached:

1. Signature.
2. Name.
3. Designation.
4. Full address.
5. Tel. No. Office.
6. Clearing agent licence No. and date.
19. Report of the custodian about declaration in column no.17 above.
20. Order of the assistant collector of customs
21. P.R.reqn. No. and date.
22. Examination and assessment report.
23. Order of the principal appraiser/superintendent out of charge/allowed/not allowed.

Appendex II.
[See rule 44(4)]

FORM

S.No.	Date of Application.	Description of goods.	Quantity.	Name of importer/ Exporter.	Name of clearing Agent.	Weight Gross	Weight Net
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)

Amount of duties involved						Bill of entry/ shipping Bill No.	Date of filing Bill of entry.	IGM No.	Index No.
Customs duty.	Sales tax.	Iqra surcharge.	Regul-tory duty.	Flood Relief	Fine etc.				
(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)

Amount of duties realized					
Customs duty.	Sales Tax.	Iqra surcharge.	Regulatory duty @ 1%.	Flood Relief Surcharge etc.	Other Taxes/fine.
(19)	(20)	(21)	(22)	(23)	(24)

CHAPTER V

AUCTION

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

(a) "auctioneer" means an auctioneer registered under rule 53;
(b) "bid" means the price offered at an auction by a bidder for goods separately or in lots or a combination of lots of goods put to auction;
(c) "bidder" means the person who gives a bid;
(d) "offer" means a private offer or tender submitted before the auction or after the completion of bidding or acceptance of the bid; and
(e) "officer" means the person who offers a private offer of a tender.

50. Application for registration of auctioneer.- The Collector may invite applications for registration of persons as auctioneers by giving public notice in at least two leading newspapers printed in English and Urdu.

51. Application to be made to the Collector.- Any person who is qualified under rule 52 to be registered as auctioneer may apply to the Collector in response to the notice given under rule 50.

52. Qualification for registration.- A person is qualified to be registered as auctioneer if he,-

(a) is a citizen of Pakistan;
(b) is not less than thirty years of age;
(c) has been engaged in auctioning business for not less than five years and enjoys a good reputation for clean business;
(d) has an established office in Pakistan;
(e) is certified by a scheduled bank to be financially sound;

(f) is a member of the Chamber of Commerce and Industry; and

(g) is an income tax assessee.

53. Registration of auctioneers.- All applications received in response to a public notice published under rule 50 shall be placed before a Selection Committee consisting of the Collector, Additional Collector (Incharge of Auction), and Deputy Collector or the Assistant Collector (Concerned), which may select not more than four persons for registration as auctioneers.

54. Auctioneer to furnish bank guarantee, surety bond, etc.- A person selected for registration, shall furnish to the Collector a surety bond in the name of the President of Pakistan as given in the Schedule to this chapter on a judicial paper for good conduct in the performance of his duties as auctioneer and shall also furnish a bank guarantee for a sum of [94][five hundred thousand] rupees which shall be discharged on the satisfactory termination of the term of his registration.

55. Validation of registration.- The registration shall be valid for a term of five years from the date of registration.

56. Cancellation of registration, etc.- (1) On any complaint made against an auctioneer, or where the Collector is not satisfied with the work of the auctioneer, the Collector, may after giving an opportunity of being heard to the auctioneer, withdraw any auctioneering work allotted to him or suspend such work and debar him from further registration for a specific period.

(2) An auctioneer aggrieved by an order passed under sub-rule (1) may appeal to the [90][Chief Collector] whose decision shall be final.

(3) An auctioneer may apply for cancellation of registration after giving at least three months notice to the Collector.

57. Extension of term.- An auctioneer may be re-registered after the expiry of his term or extended term or the period for which he was debarred under rule 56 as the case may be.

58. Approval of goods for auction.- (1) As soon as the goods at any place in the custody of any person have reached the stage of being sold under the Act, or in the opinion of such person are required to be sold by auction, shall be brought to the notice of the Deputy Collector or the Assistant Collector of the area concerned by that person giving a list of such goods.

(2) The Collector shall, on receipt of such information or on his own motion, pass orders directing the sale of goods referred to in sub-rule (1), after giving due notice to the owner under relevant provisions of the Act, by public auction either departmentally or through an auctioneer and shall cause the reserved price of the goods to be auctioned to be determined in accordance with the provisions of section 25 of the Act, and any duties or taxes which would have been payable under clause (c) of sub-section (2) of that section on the date of fixation of the reserve price of such goods for auction thereof shall be added to this value:

[90][Provided that depreciation in the value of goods, excluding vehicles (Chapter 87), construction machinery and Iron / Steel Products, will be allowed after one month from the date of importation, at the rate of one percent per month during the first year, and at the rate of 2% per month during the 2nd year onwards, up to a maximum of fifty percent, in case of imported goods. In case of seized goods the period shall be reckoned from the date of seizure;]

[90][(2A) Notwithstanding the mechanism contained in the proviso to sub-rule (2), where the Reserve Price is required to be further revised downwards, due to physical condition of the goods, the Reserve Price shall be determined by a committee constituted by the Collector and headed by an officer not below the rank of an Additional Collector, allowing extent of depreciation after taking into consideration, the physical condition

of the goods. [136][The Collector or Director shall ensure that the reserve price of the lots are revised after every three consecutive auctions if found undisposed.]

Explanation.- The reserve price shall consist of the depreciated value, duties and taxes and other charges.]

(3) The following goods shall not be put to auction and be sold or disposed off in the manner as prescribed by the Board, namely:-

(i) arms and ammunition;
(ii) liquor/narcotics and like goods;
(iii) confiscated books, written material which is obscene, subversive, anti-state or anti-religion;
(iv) [90][Omitted]; [102]{omitted]
(v) diplomatic cargo excluding confiscated goods [102][; and
(vi) cigarettespacking whereof does notbear printed graphical health warning in accordance with section 3 of the Cigarettes (Printing of Warning) Ordinance, 1979 (LXXII of 1979).]

(4) No goods shall be withheld from auction unless,-

(i) a court of law issues a specified stay order against such auction;
(ii) the Collector of Customs or the Additional Collector of Customs incharge of auctions orders withholding such auction; or
(iii) the Deputy Collector or the Assistant Collector incharge of auctions orders withholding of such auction, for reasons to be recorded in writing.

59. Value of goods which may be auctioned.- All goods, the aggregate appraised value or the reserve price of which does not exceed one million rupees, may be sold by public auction conducted departmentally at the discretion of the Collector, and all goods, the aggregate appraised value or the reserve price of which exceeds one million rupees, shall be sold by public auction through an auctioneer:

Provided that perishable goods may be sold by the Collector through public auction or a private offer irrespective of its value.

60. Nomination of auctioneer.- The Collector or an officer authorized by him in this behalf shall, by writing under his hand, nominate an auctioneer from amongst the registered auctioneers to conduct auction in respect of the goods referred to in rule 58 and shall give him notice of not less than fifteen days in advance of the place at which and the date on which auction of such goods shall be held.

61. Duties of nominated auctioneer.- The auctioneer nominated under rule 60 shall ,-

(a) make or cause to be made under his supervision and in the presence of an officer authorized by the Collector a detailed inventory schedule of all the goods to be auctioned; and

(b) notify the following by giving an advertisement in the classified columns of one English and one Urdu daily at least seven days in advance of the date of auction, specifying,-

(i) the date, time and place of auction in block letters; and
(ii) the general description of goods to be auctioned:

Provided that no advertisement or public notice in newspapers shall be required in respect of left over of any schedule or goods already notified which may be put to re-auction on display of notice on Notice Board at least two days before the date of auction of such goods;

(c) send a complete inventory or schedule of such goods to all Chambers of Commerce and Industry and to other Associations of importers/traders in that area; and

(d) display such goods or samples thereof at a place or places and in the manner acceptable to the Collector.

(2) All expenses incurred on publicity, preparation of files, schedule of auction and its distribution, display of goods and issuance of delivery orders on final acceptance of a bid or private offer by the competent authority shall be borne by the auctioneer.

62. Commission to which auctioneer shall be entitled.- (1) The auctioneer shall be entitled to a commission on the net proceeds at the rate of ---

(a) on the first one million rupees, one per cent of the proceeds; and
(b) on the amount exceeding one million rupees, half per cent of the proceeds so exceeding:

Provided that the auctioneer shall not be entitled to any commission on any guarantee or earnest money forfeited for non-payment of the balance of the amount of a bid by the successful bidder or on auction through departmental procedures or private offer or on the differential of auction proceeds enhanced by the bidder through the efforts of any officer of the department or as a consequence of rebidding by the competent officer.

(2) The cost of advertisement, sales or delivery of goods, etc., may be deducted from the payable commission by the authorized officer in case of failure of the auctioneer to discharge his functions satisfactorily.

63. Goods may be auctioned in lots.- All goods may be put to bid in convenient lots so as to obtain the highest possible bid:

Provided that the Collector or an officer authorized by him in this behalf may order auction of the goods in combination of various lots or otherwise.

64. Qualification for bidder/tender.- A person can participate in the auction by way of open bid/tender/private offer/rebidding if he:

(a) holds a valid National Identity Card/Company registration certificate and submits a copy thereof;
(b) has not been disqualified by the competent authority to participate in auction; and
(c) observes the discipline and obeys this chapter .

65. Auction to be conducted by or under supervision of auctioneer.- An auction shall be conducted by the auctioneer personally or, under his direct supervision, by one of the members of his staff or, with the prior permission of the Collector in writing, by any other person appointed by the auctioneer in this behalf, in the presence of a Deputy Collector or an Assistant Collector, or any other officer appointed by the Collector for this purpose as per following procedure, namely:-

(a) Before the start of bidding the Auctioneer shall announce the lot number/combination of various lot numbers and the details of the goods. The auctioneer must also describe the procedure and rules prior to the start of auction;

(ii) all auctions shall be on "As is where is" basis. All kind of goods shall be sold as lot or on weight basis. However, all kinds of scrap, metal, rubber/plastic, paper, chemicals, betel nuts, bidi leaves, etc., shall invariably be auctioned and sold on WEIGHT BASIS. In all cases

where the goods are sold on WEIGHT BASIS the weight shall be metric tonne or per kilogram; and

(iii) in case of goods auctioned on lot basis the approximate weight and the number of packages shall also be mentioned to facilitate identification and delivery of lots/goods. However, excess weight other than mentioned in the assessment sheet shall not be delivered except on payment of the differential amount so worked out.

66. Manner of Auction.- The auction shall be conducted in the following manner, namely:-

(i) The first bid shall not be less than 30% of the reserve price notified before or at the time of auction; and

(ii) the bid amounts and the names of the highest and second highest bidders shall be recorded in the file by the Customs staff supervising the auction alongwith its copies of National Identity Card as well as N.T.N. of the successful bidder; and

67. Earnest money payable.- Twenty-five per cent of the amount of the highest bid given at an auction shall be payable by the bidder in each case as earnest money immediately after the fall of the hammer failing which the bid will be cancelled and the goods may be sold to the second highest bidder or the higher offer or re-auctioned, as deemed appropriate.

68. Amount of bid to be paid in office.- The balance of the amount of bid shall be paid by the successful bidder in cash or through bank draft in the National Bank/Treasury as prescribed by the Collector, within a period of seven days excluding holidays, of the final acceptance of the bid:

Provided that an officer not below the rank of Additional Collector may extend the period by not more than seven days, on case to case basis if he considers it to be fit and appropriate:

"Provided further that Collector of Customs may extend the period already extended by the Additional Collector, up to fifteen days on case to case basis if he considers it to be fit and appropriate.

69. Earnest money to be forfeited.- If the balance of the amount of the bid is not paid within the period or extended period specified in rule 68, the earnest money shall be forfeited in favour of the Federal Government, and the goods may be sold by auction or otherwise.

70. Auction through tender or offer.- The bidder or offerer as defined in rule 49, may participate in auction by way of submission of sealed tender/private offer indicating the lot number and enclosing a pay order equal to at least twenty-five per cent of the bid/private offer, in the name of Collector of Customs. The sealed tender/private offer may be opened by the competent authority in presence of the successful bidder in the open auction. This tender/private offer may be accepted by the competent authority if the private offer is higher than the final bid amount in open auction.

71. Auction of perishable/hazardous goods.- Notwithstanding the provisions of this chapter , the Deputy Collector or the Assistant Collector (Auction) after obtaining approval of the Collector may sell the perishable/hazardous goods through private offers or open auction at any time on the request of the person under whose possession/control these goods are lying. The approval of sale/bid in such cases shall invariably be obtained from the Collector.

72. Auctioneer to issue delivery order.- (1) The auctioneer shall on receipt of a certificate issued by the Collector or an officer authorized by him in this behalf to the effect that the whole amount of the bid has been realized, issue under his seal a delivery order giving the name and address of the successful bidder, serial number of general Index Register No. 11. Identity Card Number and N.T.N. of the bidder, the date and place of the auction, the number of the lot, full description and quantity of the goods in respect of which bid was accepted and the price at which such goods were sold.

(2) The successful bidder shall present the delivery order issued to him under sub-rule (1) to the person who is the custodian of the goods auctioned and that person shall give delivery of the goods specified in the delivery order against a receipt from the successful bidder under supervision of a customs officer deputed for the purpose. In case of any dispute regarding delivery of the goods, the decision of the competent officer who had accepted the bid offer shall be final subject to appeal as prescribed under the relevant provisions of the Act.

73. Acceptance of bid.- (1) A bid given at auction shall be subject to acceptance by the Collector or the Additional Collector (Incharge Auction) or Deputy Collector/Assistant Collection (Auction), as the case may be, but the bidder shall have no right to withdraw his bid without the permission of the officer supervising the auction.

(2) Where the amount of the highest bid given at an auction is upto eighty per cent of the reserve price, the Deputy Collector/Assistant Collector (Auction) may accept the highest bid after satisfying that the reserve price and the quantity/condition of goods are appropriate.

(3) Where the amount of the highest bid given at an auction is upto sixty per cent but less than eighty percent of the reserve price, the orders of the Additional Collector shall be specifically obtained.

(4) In case where the amount of the highest bid is less than sixty per cent of the reserve price the orders of the Collector shall be specifically obtained:

Provided that such orders shall be passed within ten days of the date of receipt of twenty-five per cent of the bid amount as earnest money or in such extended period as required in certain cases where an inquiry or test is involved.

74. Refund of adjustments.- (1) The amount of the earnest money shall be adjusted towards the final payment of the whole amount of the bid, but where a bid is not accepted by the appropriate authority, the amount of the earnest money shall be refunded to the bidder.

(2) The balance amount in case of less weight than the announced weight shall be refunded to the bidder [94][within thirty days of the date of rejection of bid] on application after completion of delivery provided the goods had been auctioned on weight measurement basis i.e. per tonne/kg/liter/meter, etc.

75. Power of Collector to cancel auction, etc.- (1) Notwithstanding any thing contained in this chapter , the Collector may --

(i) cancel the whole proceeding of an auction without assigning any reason;

(ii) accept or reject any bid or offer or auction at any time before the goods are delivered to the successful bidder/private offerer. He may also recall the proceedings and recover the goods even after delivery of goods if it is proved that there has been a deliberate attempt to cause loss to the public exchequer; and

(iii) restrict or refuse the entry of persons to the premises where an auction is held or their taking part in the auction.

(2) Notwithstanding the procedures prescribed above, the Collector may issue such general or special orders, regulating the auction as he thinks fit in order to safeguard the public interest.

SCHEDULE

(See rule 53)

SURETY BOND

BY THIS BOND I/WE _____of_____(hereinafter called the obligee (s) am/are held and firmly bound/jointly and severally to the President of Pakistan through the Collector of Customs,_____(hereinafter called the obligor) for the payment to him a sum of Rs. 50,000 (Fifty thousand rupees) as agreed and liquidated damages and not as a penalty;

WHEREAS the obligor has appointed the obligee (s) as Customs Auctioneer(s) under and for the purposes of the Customs Rules 2001, upon the condition that the obligee (s) should enter into a surety bond for the payment to the obligor of sum of Rs. 50,000 (Fifty thousand rupees) as liquidated damages and not as a penalty conditioned as hereinafter provided;

NOW THE CONDITION of the above surety bond is that if the obligee (s) and his/their executor or administrator at all times during the continuance of his/their appointment as Customs Auctioneer (s) under and for the purposes of Customs Rules 2001, perform (s) his/their duties faithfully, diligently and in an incorrupt manner in relation to any auction conducted by him/them in accordance with the said rules and orders, instructions or directions that may from time to time be given to him/them by the appropriate authorities in this behalf, and makes goods without any delay to the obligor all and every sum of money which becomes due to the Government the above surety bond shall be void, but otherwise the same shall remain in full effect.

IN WITHNESS WHEREOF the parties named above have set and subscribed their hand hereunder together with their respective seals in the presence of the witness named below, this _____the day of _____20_____.

Signature, name and address of witness

Signature, name and address and seal of the auctioneer

Signature, name and address of witness

Signature, name and address and seal of the Collector.

PROFORMA OF BANK GUARANTEE TO BE SUBMITTED BY THE AUCTIONEERS UNDER THIS CHAPTER.

WHEREAS the Collector of Customs _____has consented to register M/s _____as auctioneers for five years with effect from _____. This bank guarantee is furnished for working as auctioneer to the satisfaction of the Collector of Customs as per provisions of the subject rules.

In case M/s _____fails to discharge his duties to the satisfaction of Collector of Customs_____M/s-_____(name of the bank) hereby undertakes to make the payment of Rs. 1,00,000 (one lac) on demand by Collector of Customs_____ or any officer authorized by the Collector of Customs on this behalf, without objection or reservation or any reference to any other person/body within 7 days of the isuance of the demand.

In case of M/s _____(name of the bank) fails to make the payment within 7 days of the said demand M/s _____ (name of the bank) shall be liable to pay compensation at the rate of 20 per cent per annum for the period from the date of expiry of 7 days of the date when actual payment is made in the Collector of Custom's_____account. This bank guarantee is valid until _____. However all claims lodged hereunder will be entertained/accepted by M/s. _____(name of the bank) 12 months after the aforesaid validity date.

CHAPTER VI
TEMPORARY IMPORTATION OF MOTOR VEHICLES

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

(a) "expatriate employee" means a foreign national employed in any business undertaking, Government or a Government controlled organization for remuneration;

(b) "importer" means a persons who imports a vehicle under this chapter;

[119,152](c) "tourist" means a foreigner of any of the following categories who has no residence or occupation in Pakistan and whose stay in the country is not likely to exceed three months, namely:-

(i) a person visiting Pakistan for recreation or sight-seeing or is in transit for a short duration;

(ii) a person travelling for domestic or health reasons;

(iii) a person on study or lecture tour or on pilgrimage;

(iv) a person travelling in his individual or representative capacity to attend a meeting or function of any scientific, administrative, educational, social, cultural, sports or religious nature or for giving a performance;

(v) a person travelling for business purposes; and

(vi) a person arriving in the course of a sea cruise whose stay in Pakistan exceeds twenty-four hours;]

(d) "vehicle" means a motor-car, motor-cycle, van, microbus and bus, pick-up, jeep, truck, self-driven caravan and tractor with trailer or semi trailer or caravan.

77. Temporary import of vehicles by tourists, etc.- (1) A tourist who imports a vehicle against carnet-de-passage or a bank guarantee may be given delivery thereof by the officer-in-charge of the Customs-station of entry without payment of customs-duties for its retention in Pakistan for a period of three months if such tourist makes a declaration at the Customs-station of entry to the effect that he will not constructively or substantially transfer the ownership of the vehicles to any other person during his stay in Pakistan:

Provided that if it is not practicable for the tourist to export such vehicle within the said period and he makes an application to the [152][Federal] Board of Revenue before the expiry of that period to this effect, the [152][Federal] Board of Revenue may extend that period not exceeding three months:

Provided further that if the same vehicle re-enters Pakistan within one year after its exit, whether in the name of the same tourist [119](omitted) or in the name of somebody else [119](omitted) temporary release shall not be allowed against carnet-de-passage or a bank guarantee for more than fourteen days except for vehicles operated by recognized foreign tour agencies which shall be allowed re-entry within one year for a period not exceeding three months at one point of time.

(2) Where the export of such vehicle is not possible on grounds of health of the importer, or in circumstances beyond his control, or because of an accident in which the vehicle is involved, the [152][Federal] Board of Revenue may extend the period not exceeding six months, in which case a fresh bank guarantee shall be furnished if the existing bank guarantee does not cover the period of extension:

Provided that if the importer wishes to retain such vehicle beyond period for which permission for retention has been allowed, he shall obtain an import permit from the Ministry of Commerce and shall pay the Customs-duties and taxes leviable thereon on the date of its import [152][at the value determined under section 25 of the Customs Act, 1969 (IV of 1969)].

(3) If a tourist imports a vehicle for passage through Pakistan to a foreign destination, the officer-in-charge of the Customs-station of entry may, in the absence of carnet-de-passage or a bank guarantee, allow the vehicle to pass through Pakistan without payment of customs duties under escort form the Customs-station of entry to the Customs-station of exit on payment of escort charges to be determined by the respective

Collector. The particulars of the vehicle so allowed to pass through Pakistan shall be endorsed on the passport of the importer.

78. Temporary Import if vehicle by Afghan citizen.- No citizen of Afghanistan shall import a vehicle into Pakistan on road pass, but if such person imports a vehicle temporarily he may be given delivery thereof by the officer in-charge of the Customs-station of entry without payment of Customs-duties for its retention in Pakistan for a period of thirty days on recommendation of the Consulate General or Embassy of Pakistan in Afghanistan, based on the lists provided by Director General (Afghanistan) of the Ministry of Foreign Affairs, Government of Pakistan:

Provided that if the importer wishes to retain the vehicles in Pakistan for a further period not exceeding three months from the date of expiry of the original period of the one month, he shall, to the satisfaction of the Collector of Customs or the Deputy Collector of Customs, furnish a bank guarantee from a scheduled bank in Pakistan, of an amount not less than the amount of Customs-duties and taxes leviable on such vehicle enforceable for a period of six months or until such period as the vehicle is exported or otherwise accounted for.

79. Expatriate employee not to import vehicle .- No expatriate employee shall be allowed to import a vehicle under this chapter.

80. Period for retention vehicle to be endorsed .- When delivery of a vehicle is given to an importer, and where the period is extended, a stamped endorsement indicating the period for which the vehicle is allowed to be temporarily retained in Pakistan shall be made on the passport of the importer.

81. Particulars of importer to be recorded and communicated to all customs-station.- [152](1) The number and other particulars of the passport of an importer and of the vehicle imported by him shall be recorded at the Customs-station of entry using the Customs Computerized System and the officer in-charge thereof shall communicate them to the Federal Investigation Agency (FIA) for the purpose enumerated in sub-rule (2) of rule 81.]

(2) The person temporarily importing a vehicle shall not be allowed to leave Pakistan unless he has exported the vehicle, or an import permit has been obtained and the Custom-duties and other taxes in respect of that vehicle have been paid.

[152]**[82. Endorsement relating to export.-** When a vehicle imported under this chapter is exported, the officer in-charge of the Customs-station of exit shall make a stamped endorsement on the passport of the importer of that vehicle accordingly against the endorsement relating to its import and retention in Pakistan and shall record the export in the Customs Computerized System and communicate it to the Federal Investigation Agency(FIA).]

83. Vehicle to be deposited or surrendered.- A vehicle imported under this chapter shall at any time before the expiry of the period for which its retention in Pakistan without payment of Customs-duties was allowed, if not exported or cleared after payment of the said duties, be deposited with any Customs-station for the purpose of export at a subsequent date or be surrendered without any claim in respect of that vehicle.

84. Endorsement relating to deposit or surrender.- When a vehicle is deposited or surrendered under rule 83 the officer in-charge of the Customs-station with which the vehicle is deposited or to which it is surrendered shall make suitable endorsement on the passport of the importer, and in the case of surrender, obtain a receipt of "No claim" from the importer and the vehicle shall be disposed of in accordance with the provisions of the Act.

[152]**[84A. Reconciliation of carnet vehicles.-** At the end of each month, the officer-in-charge of customs-station of entry shall carry out reconciliation of all vehicles entered through that customs-station. Any vehicles which are outstanding after they expiry of the retention period shall be identified and all necessary steps shall be taken for the recovery of duties and taxes thereon, as well as for the seizure of such vehicles.]

85. Seizure of vehicle.- If a vehicle to which this chapter rules apply is not exported within the time allowed for its temporary retention or is not deposited or surrendered under rule 83, it shall, wherever it may be, seized and dealt with in accordance with the provisions of the Act.

CHAPTER VII

FRUSTRATED CARGO

86. Frustrated cargo will be such goods as are brought into a customs-station by reason of inadvertence or mis-direction or where the consignee is untraceable or has dishonored his commitments and the consignor wishes to have it re-shipped to him.

87. The master of the vessel or his authorized agent or the consignor of the goods himself or through his authorized agent shall apply in writing or electronically where Pakistan Customs Computerized System Customs Computerized System is operational to the Collector of Customs concerned for permission to re-export the frustrated cargo.

88. On receipt of an application, the [90][Additional Collector of Customs] shall satisfy himself with reference to the relevant import manifests and other documents that the goods are 'frustrated cargo' as provided in section 138 of the Act.

89. If the [90][Additional Collector of Customs] is so satisfied, he would permit re-export of the frustrated cargo under Customs supervision without payment of duties (whether of import or export) chargeable thereon.

[41&46][CHAPTER VIII

CUSTOMS AGENTS LICENSING

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

(a) **"customs Agent"** means a person granted a customs agent licence by the licensing authority to carry out customs business under these rules;

(b) **"customs business"** means activities involving transactions with the Customs department concerning the entrance or clearance of any conveyance in a Customs Station or Area or Port or any customs [145][(including Pakistan Single Window)] related clearance activities or importation or exportation of goods or baggage, including their classification and valuation, the payment of duties, taxes, or other charges assessed or collected by the Customs on goods by reason of its importation, exportation, transit or transshipment or refund, rebate, or drawback thereof and includes the preparation of documents or forms in any format and the electronic transmission of documents, invoices, bills, or parts thereof, intended to be filed with the Customs in furtherance of such activities or any other activity relating to the Customs Act, 1969 (IV of 1969) or rules made thereunder;

(c) **"Form"** means a form appended to this chapter;

(d) **"licence"** means a licence granted under this Chapter to act as a Customs Agent;

(e) **"licensee"** means a person to whom a Customs Agent licence has been granted under this chapter; and

(f) **"licensing Authority"** means the Collector of Customs or any officer not below the rank of Assistant Collector authorized by Collector to act as licensing authority under this Chapter.

(g) [145]**["self clearance"** means where a person or his employee or his authorized representative transacts customs business without using a customs agent under sub-

section (2) of section 208 read with section 155C of the Customs Act, 1969 (IV of 1969).]

91. Application.- An applicant may submit an application in form "A" along with the following documents to the licensing authority with a treasury challan for [145][five] thousand rupees as application processing fee which shall be non-refundable, namely:-

(a) NTN Certificate;
(b) tenancy agreement or ownership documents in respect of business address;
(c) copy of CNIC (verification of CNIC shall be got conducted by the Collectorate from NADRA);
(d) photographs (4 x Passport Size);
(e) [145][a current valid bank statement from a scheduled bank in Pakistan.]

92. Eligibility to file application.- A candidate is eligible to file application with the licensing authority if he is,-

(a) a citizen of Pakistan;

(b) not below 21 years of age;

(c) a graduate from a recognized university;

(This condition of minimum qualification shall be applicable for licenses which are issued after coming in to force of these rules)

(d) having adequate knowledge of computer to handle the goods declaration (GD) in PRAL or [94][CCS] etc;

(e) not convicted by any court of law;

(f) [145][sound financial record, duly verified by a bank.]

[145]**[93. Qualification test.-** (1) The licensing authority shall put in place a mechanism to scrutinize the applications received and shortlist the eligible candidates. The list of eligible candidates shall be forwarded to Pakistan Custom Academy (PCA) to arrange a qualification test with a view to ascertain the knowledge of the applicants in the Customs law, rules and procedures and computer literacy. A simulation test shall also be conducted to ascertain the aptitude of the applicant for Web Based One Customs (WeBOC) and Pakistan Single Window (PSW).

(2) The examination shall be conducted, at least once a year, by the PCA at Karachi, Lahore, Islamabad, Quetta and Peshawar. Each applicant shall deposit fee of ten thousand rupees, for examination-related expenses in the respective account of the Director General Pakistan Customs Academy (PCA). Further logistics support shall be provided by the Enforcement Collectorates of the respective center of examination.

(3) The applicants shall be required to pass the qualification test in three chances failing which applicant shall not be eligible to avail the test:

Provided that if the applicant is a retired office of Customs of BS-16 or above having more than ten years service and subject to condition that he has not ben removed form the service on disciplinary grounds or dismissed from service, he may be exempted by the licensing authority from the above mentioned test on case to case basis after conducting his interview:

Provided further that a person who has been a partner or director in license for a period not less than ten years with a reputable licensee and have a sound financial background with no conviction and duly authorized by the respective customs agent association, may be exempted by the licensing authority from the above mentioned test on case to case basis after conducting his interview.

(4) The applicants having provisional license shall also appear in the aforesaid examination and if they fail to qualify the test in three chances, their license shall be cancelled.

(5) The licensing authority shall not consider an application for the grant of license, if the applicant fails to secure at least fifty percent aggregate marks alongwith forty percent marks in each subject in the written examination.]

94. Approval of licence.- On qualifying the test, the licensing Authority shall issue approval letter in form "B" for issuance of licence subject to the following, namely:-

(a) deposit as security in the shape of defense saving certificate for rupees [145][five] hundred thousand only for operating in one customs station and rupees [145][ten] hundred thousand only, for operating on a country wide basis, in the shape of Defence Saving Certificates pledged to the Collector of Customs; and

(b) execute a bond in Form "C" for ensuring good conduct and to follow custom rules and regulations and for recovery of any amount adjudged against him or ordered to be paid by him:

[145][Provided that form B shall be linked with Customs computerized system, for generation of automated reminder for renewal.

95. Licence and its conditions.- (1) The Licensing Authority may, on fulfilling all the conditions under these rules, grant a non-transferable licence in form "D" for a period initially for two years which shall be renewable after every two years subject to the prescribed conditions.

(2) The license shall neither be transferable nor can be sub-let and no licensee shall, except with the prior approval of the licensing Authority, bring about a change in the composition of the company, proprietorship or firm, as the case may be.

(3) [94][Subject to the fulfillment of conditions provided for eligibility of applicant in rule 92, change] of status of firm from proprietorship to partnership shall be allowed on submission of partnership deed duly attested by notary public and on successful passing of interview to be conducted by the licensing authority or any officer authorized in this behalf:

[145](3A) Subject to fulfilment of the conditions provided for eligibility of applicant in rule 92, change of status of firm from proprietorship or partnership to company shall be allowed on submission of registration certificate with Securities and Exchange Commission of Pakistan (SECP) under the Companies Act, 2017 (XIX of 2017), and on successful passing of interview to be conducted by the licensing authority or any officer authorized in this behalf.]

(4) Retirement of partner shall be allowed on submission of an additional undertaking that the existing partner may take the responsibility of all previous and future act of the company and shall be responsible for payment of any outstanding government dues accrued on the company before and after retirement of the partner:

[145][Provided that the financial guarantees shall be updated as per prevailing legal condition.]

(5) Dissolution of partnership shall be allowed on submission of dissolution deed and an under taking that the person continuing the firm shall be responsible for the payment of all or any outstanding government dues accrued in the name and title of the firm.

(6) Change of directorship in case of a company shall only be allowed if duly approved by the Security Exchange Commission of Pakistan [94][subject to the condition that no criminal proceedings under Customs Act or Rules made thereunder are pending against the company.]

[145][(7) The applicant shall provide sales tax registration certificate prior to issuance of license or shall upload into the system against a checkbox.]

(8) In the case of the death of an individual licensee, the license may be re-issued to his legal heir if he fulfills the criteria prescribed in rules 92, 93 and 94. The new licensee shall execute a fresh bond for the purpose however the licensing Authority may allow the transfer of the security deposit held in the name of the deceased licensee to the name of new licensee, subject to the liabilities attached to such deposit.

(9) The licensing Authority may, in anticipation of the passing of test or training and examination, as the case may be, grant a provisional license for a maximum period of six months or till such time a fresh examination is conducted on fulfilling conditions laid down in rules 92 and 95.

(10) A license shall be valid for one or all Collectorates, as the case may be, for a period of two years, which shall be renewable after every two years unless revoked earlier in accordance with the provisions of this Chapter [90][:

"Provided that subject to such additional conditions as the licensing authority may impose, the license may be renewed for a period of five years, if it has remained valid for the last 10 years and no criminal proceedings have been initiated or pending against the licensee.]

[145][(10A) A smart card shall be issued in substitution of existing licence booklet, having all the following requisite information, namely:-

(a) licence holder name with photograph;

(b) licence type partnership, proprietorship, Association of Persons (AOP) or company;

(c) issuance and expiry date;

(d) ID card number;

(e) NTN of the license; and

(f) Chal number and name of firm.

(11) In case the licence or a custom permit is lost or damaged, a duplicate copy thereof may be issued on a written request by the licensee, duly supported by the documentary evidence and on payment of fee of five thousand rupees.

96. Renewal of Licence.- (1) An application for the renewal of the licence shall be made to the licensing Authority, two months before its expiry alongwith the following documents, namely:-

(a) an affidavit to the effect that no case of tax fraud and criminal case has been finalized from the court of law or tribunal against the licensee or any of the partners [94][or directors], as the case may be;

(b) information about total number of declarations filed showing declarations of imports and exports separately and detail of cases made out against him;

[145][(c) Proof of payment of renewal fee at a rate of two thousand rupees per year renewal of license for two years or five years, as the case may be; and

(d) certificate of participation, once in every two years in mandatory refresher course from Pakistan Customs Academy (PCA).]

(2) The licensing Authority may refuse to renew the licence if it finds that,-

(a) the licensee has failed to apply for renewal of licence within the prescribed time; or

(b) the licensee has become insolvent or bankrupt or is convicted in cases of tax fraud and criminal cases under any law for the time being in force; or
(c) the licensee becomes mentally retarded or lunatic; or
(d) [145][the licensee's profit based on previous performances has not been satisfactory; or]
(e) the licensee had violated any applicable law or acted in a dishonest manner; or
(f) the previous record of business showed involvement of licensee in any of the offences mention in the Act; or
(g) the licence has been revoked under these rules; or
(h) the licensee, in the previous period of validity of licence, has failed to file sufficient number of declarations and conduct customs business, as prescribed by the Collector.

97. Authorization to sign the documents on behalf of licensee.-(1) A licensee may authorize not more than three permit holders to sign Customs documents [94][and attend hearing] on his behalf.

(2) Such authorization shall be in Form "E" and shall be valid only when accepted by the licensing Authority or an officer authorized on his behalf.

98. Issuance of permits.- (1) The licensee shall apply to the licensing Authority in Form "F" for the grant of Customs permit to such clerks as he employs for conducting business at the Custom House, Customs Station, Port or Airport:

[72][Provided that for Custom stations located in Federally Administered Tribal Areas or Provincially Administered Tribal Areas of the Khyber Pukhtoonkhwa, persons having passed secondary school certificate (matriculation) examination can be employed as clerks, if otherwise eligible.]

(2) Such applications shall bear a court-fee stamp, of the value of fifty rupees and shall be accompanied by three passport size photograph of the clerks whose permits are applied for and such employee has passed at least higher secondary school certificate (intermediate) examination and holds valid CNIC.

(3) A customs permit shall not be transferable and shall be valid for the person for whom it is issued.

(4) A Customs permit shall be issued on form "G" [145][carrying a barcode] and shall be valid for one year unless suspended or earlier revoked in accordance with these rules.

[145][(4A) The barcode shall be registered with the back-end of the system.]

(5) The licensee shall apply for the renewal of the Customs permit of his clerk at least one month before the expiry of the permit.

(6) The licensee shall inform the licensing Authority immediately in case the services of any permit holder are terminated and surrender the Customs permit to the licensing Authority for cancellation.

(7) A customs permit shall be liable to be revoked or suspended at any time by the licensing Authority for any irregularity, misbehavior or for any other reason for which a licence may be revoked or suspended.

(8) The customs permit shall always be carried by the person to whom it has been issued and shall be produced before appropriate officer of Customs on demand.

(9) The licensee shall be responsible for all acts of his authorized representative or any person holding a customs permit on his behalf.

[63][**99. Customs agent to attend course.-** (1) All Customs Agents licensed under these rules shall attend every two years a mandatory Custom Agents Course of six days from the Pakistan Customs

Academy] to be conducted in batches at Karachi, Lahore [94][,Multan, Faisalabad, Sialkot, Quetta, Peshawar] and Islamabad. A fee of rupees [145][six] thousand may be charged by the Pakistan Customs Academy as fee of course [84][for training-related expenses]. The curriculum of the course shall be prescribed by the Pakistan Customs Academy.

(2) The six days mandatory course, referred to in sub-rule (1), shall be conducted with a qualifying benchmark of at least ninety *per cent* attendance during the course. The Customs Agent who does not fulfill this requirement shall repeat the course on re-payment of the prescribed fee.]

100. Maintenance of records.- (1) Each licensee shall maintain, and preserve, complete records of its financial transactions and of all customs documents handled by it and copies of all correspondence, bills accounts, statements and other papers relating to the customs business for a period specified under section 211 of the Act.

(2) The records specified in sub-rule (1) above shall be made available for examination at any time to any officer of customs or sales tax authorized or deputed by the licensing authority under the Act or the rules made there under and no licensee shall refuse access to or taking extracts from the record nor shall conceal, remove or destroy any part of the record.

[145][(3) Separate folders for record maintenance shall be available to the licensee in the system for data storage.]

101. Responsibilities of licensee.- A licensee shall,-

(a) file customs declarations in the prescribed manner and procedure giving detailed description of each item as mentioned in the Customs Tariff;

(b) make himself available at the time of examination of the goods drawing representative sample, counting, weighing etc as and when required for any such purpose;

(c) be responsible for any or all other documents signed by him or his employee or on his behalf or on behalf of his client;

(d) provide complete information and documents as and when required after clearance of the consignments;

(e) pay the evaded amount of duties and taxes in case it is established that evasion has taken place because of his negligence, failure to perform his functions as prescribed under the law or because of connivance or willful act of its employee or permit holder;

(f) furnish an authorization from each of the company, firm or individual, as the case may be, by whom he is employed to act as their customs Agent;

(g) not represent a client before an officer of customs in any matter which the licensee dealt as an officer or employee of the customs or of the facts of which he gained knowledge while in Government service;

(h) not appear, act or plead in any proceedings under sections 179, 193, 194 A or 196 of the Act, for and on behalf of any person other than the person for whom it acted as licensee in relation to maters out of which the proceedings have arisen;

[90][(hh) not appear, act, plead or represent before any officer of Customs, in any proceedings under the Act incidental to a Goods Declaration filed, where he was not Customs Agent at the time of filing of GD, except where accompanied by the importer in person;]

(i) where he knows that a client has not complied with the law or has made any error or omission in any document immediately bring the matter of such non-compliance, error or omission to the notice of the appropriate officer of Customs;

(j) exercise due diligence to ascertain the correctness of any information which he imparts to the custom department or to a client with reference to any customs business;

(k) not withhold information relating to any customs business from the customs or from a client who is entitled to such information;

(l) promptly pay to Government, when due, all sums received for payment of any duty, tax or other debt or obligation owing to the Government and promptly render account to its client regarding any money received from him for Government, or received from it in excess of

Governmental, or the other charges properly payable in respect of the client in its customs business;

(m) not attempt to influence the conduct of any officer of customs in any matter pending before the custom house, custom station, port or airport by the use of force, intimidation, false accusation, duress thereof or by offering any special inducement or promise of advantage, any gift or favor or other thing of value;

(n) not procure or attempt to procure, directly or indirectly, information from the customs records or other Government sources of any kind to which access is not granted by proper authority;

(o) not employ in any capacity, with power of attorney, by delegation or otherwise.-

(i) any individual whose application for licence or customs permit has been refused;

(ii) any individual whose licence or permit has been revoked or whose conduct as a partner, manager, director, officer or employee has been the cause of the revocation of the licence or permit, for the promotion of or in connection with, the work relating to the licence;

(p) produce the actual importer or exporter whenever required and declare his computerized national identity card number, actual office address along with telephone number, tax number and e-mail address;

(q) [145][Omitted];

(r) report immediately to the customs about suspected financial transactions like money laundering or proceeds of crime by its client; [145][and

(s) in case of self-clearance the principal shall apply for transaction based or entity based approval by the licensing authority or a designated officer not below the rank of Assistants Collector, by declaring the names and particulars of this employee or representatives authorized by him in this regard.

102. Action in case of violations.- (1) The licensing Authority may revoke or suspend a license or permit of any Customs Agent for one or more than one of following reasons, namely:-

(a) the licensee has made or cause to be made in any application for any license or permit under this chapter, or report filed with the customs, any statement which was, at the time and in light of the circumstances under which it was made, false or misleading with respect to any material fact, or has omitted to state in any such application or report;

(b) the licensee has been convicted at any time for larceny, theft, robbery, extortion, forgery, counterfeiting, fraud concealment, embezzlement, fraudulent conversion, or misappropriation of funds;

(c) the licensee has knowingly employed, or continues to employ, any individual who has been convicted of any offence referred to under clause (b);or

(d) the licensee has, in the course of its customs business, with intent to defraud, in any manner ,willfully and knowingly deceived, misled or threatened any client or prospective client.

(e) violation by the licensee of any provision of Act or the rules, regulations, notifications, instructions or orders issued there under;

(f) aiding or abetting any individual, firm or company, as the case may be, for violation of any provision of the Act or the rules or regulations made there under;

(g) negligence or inefficiency of the licensee in the discharge of its obligations;

(h) unsatisfactory conduct of the licensee while transacting customs business or in relation to any person who has entrusted it with any customs business;

(i) failure of the licensee to comply with any of the bond executed by him under this chapter;

(j) concealing, removing or destroying by the licensee of its financial and customs business records or refusing to allow an officer of customs to inspect them and take extracts there from;

(k) attempt by the licensee to influence the conduct of any employee in the custom house, custom station, port or airport by the use of force, intimidation, false accusation, duress, bribery or by offering any special inducement or gift;

(l) failure of the licensee to exercise due diligence and due care to apprehend and forestall an untrue declaration in respect of description, content, sort, classification, origin, quality or value of the imported or exported goods by its client;
(m) withholding by the licensee of any information, document or other evidence from an officer of customs which is likely to prevent any fraud or evasion of customs duties and other taxes or dues and the circumvention or contravention of any restrictions imposed by any law for the time being in force;
(n) the licensee has defaulted in making payment of duties and taxes received from their client in time, if any;
(o) the licensee's previous performance has not been satisfactory or has not been true to the customs or towards his clients; or
(p) the licensee's previous record of customs business due to his being concerned in any customs offence is not free from reasonable doubt.

(2) In case of revocation of a licence under sub-rule (1), the licensing Authority may, after issuing show cause notice to the licensee, forfeit the whole or part of the security deposited by the licensee under rule 95 for the settlement of any duty, taxes or any other charges due from him.

(3) The Collector or the licensing Authority, as the case may be, shall not pass any order under sub-rules (1) and (2) to revoke the license or permit unless the licensee is informed in writing regarding the allegations and opportunity of hearing is afforded. While passing an order for revocation of licence, the Collector or the licensing Authority, as the case may be, may also direct forfeiture of the security deposited by the licensee under rule 95.

(4) The licensing authority may, in cases where immediate action is considered necessary against the licensee, suspend his license forthwith after recording reasons in writing pending the final action under the Act and rules made thereunder.

[145][(5) Order-in-original passed by the adjudicating authority shall automatically be uploaded in the WeBOC system and be linked with the licensee's profile.]

103. Appeal.- Any customs Agent, aggrieved by any decision or order of the licensing Authority denying, revoking or suspending a licence or permit under this chapter may prefer an appeal with the Chief Collector within sixty days of the passing of such decision or order.

104. Repayment of security deposit.- The security deposit, if not forfeited under these rule shall be repayable, after [90][three] months from the date of revocation or surrender of the licence, after an application in writing is made, to the person who deposited the same or to the legal heirs, as the case may be.

105. Licence stands revoked.- A licence shall stand revoked, if the licensee,-
(a) is declared insolvent or convicted by a court of law for any offence punishable under the Act or for an offence involving moral turpitude or misappropriation of property or breach of trust under the Pakistan penal Code, 1860 (Act XLV 1860) or any other law for the time being in force;
(b) is involved in a case of tax fraud under any law for the time being in force;
(c) on failure of renewal of license for consecutive five years of last renewal; or
(d) upon filing of an application for cancellation of its license.

106. Savings.- Notwithstanding anything contained in this Chapter, all the licenses issued earlier shall remain operative until their expiry period. Any new licence and the renewal of the existing licenses shall be subject to the provisions of these rules except mentioned otherwise in the rules.

FORM 'A'
[See rule 91]

APPLICATION FORM FOR CUSTOMS AGENTS
LICENCE UNDER CUSTOMS RULES, 2001

Photograph of the owner / MD

To

Collector/The Licensing Authority,
Model Customs Collectorate,
…….

I/We …….. hereby apply for the grant of a Customs Agents Licence to act as customs agent to carryout customs business under the customs Rules, the particulars of the applicant are given below:-

1. Full name of the applicant.
2. Nationality
3. Address and location.
4. CNIC No.
5. Nature of enterprise, private individual, partnership concern, private limited or a limited company.
6. Name of Persons who would be in-charge of work relating to this licence in case of company.
7. Educational qualification of applicant.
8. Details of business experience.
9. Details of experience of Custom clearance work.
10. NTN Number.
11. Sales Tax Registration Number.
12. Name of the Bank account number.
13. Name and designation of employees.

The application fee of Rs.2000/- has been paid in the Treasury vide challan No. _____ dated _____ which is attached.

I/We hereby declare that the particulars finished in this application are correct and I/We have read the Customs Rules, 2001 and I/We agree to abide by them.

Yours faithfully.

Name of applicant

FORM "B"
[see rule 94]

Subject: **GRANT OF CUSTOMS AGENT LICENCE UNDER CHAPTER VIII OF CUSTOMS RULES, 2001 COMPLETION OF FORMALITIES THEREOF.**

Please refer to your application dated _____ for the grant of Customs Agent Licence.

2. Licensing Authority is pleased to grant approval for the issuance of Customs Agent Licence. You are therefore required to complete the remaining formalities and furnish following documents to the

Licensing Authority within 30 days of the issuance of this letter failing which the approval will stand withdrawn/cancelled :-

(a) Deposit a sum of Rs.3,00,000/- (Rupees three hundred thousand only) for operating in one custom station and Rs.700,000/- (Rupees seven hundred thousand only), for operating on a country wide basis in the shape of Defence Saving Certificates pledged to the Collector of Customs;

(b) execute a bond in Form 'C' on stamp paper of Rs.1000 (one thousand).

3. It should be noted that the bond is to be typed on the first page only and if the text is not completed, separate ordinary ledger paper may be used instead of typing on the reverse of the bond paper. It may further be added that the bond is to be signed in presence of two witnesses known to the Custom House.

4. The above formalities should be completed within thirty (30) days from the date of issue of this letter and the bond be submitted to Custom House by _____.

(LICENSING AUTHORITY)

F O R M 'C'
[see rule 94 (b)]

NO:_____ of 20____

Know all the men be these presents that we are held and firmly bound to the President of Pakistan in the sum of Rs._____ (Rupee _____only) for payment where of we hereby bind ourselves and each of us bind himself, our and each of our heirs, executors and administrators firmly by these presents dated this _____day of _____, in the year of 20_____.

Whereas the said M/s. _____ has been authorized to act as Customs Agent under section 207 of the Customs Act, 1969 (IV of 1969) and the said M/s. _____, has agreed to enter into this bound as required by the rules made under section 219 of the said Act, read with item 21 of the First Schedule thereof and whereas the said M/s. _____ has deposited the sum of Rs._____ (Rupees _____) with the President of Pakistan as security for his faithful behaviour and that of his clerks and servants as regards the Custom House Regulations and officers.

Now the condition of the above written bond is such that if the said M/s. _____, and his clerks and servants do all times whilst holding such licence as aforesaid behave themselves in a faithful manner as regards the Custom House regulations and its officers and if the said M/s. _____, and their executors or administrators do and shall at all times make good to the President of Pakistan all the every sums of money which being due to the Government shall be reason of them is misfeasance or negligence of the said M/s. _____, or of his clerks or servants have not been paid to the President of Pakistan then the above written bound shall be void, otherwise the same shall be remain in full force and virtue and it is hereby agreed and declared that President of Pakistan may apply the said sum of Rs._____ (Rupees _____) deposited as aforesaid and it is hereby agreed that the said sum of Rs._____ shall remain the President of Pakistan for six calendar months after the date upon which the said M/s._____, shall cease to act as a Custom Agent as security for the payment of any sums due to Government by reason of any misfeasance or negligence of the said M/s. _____, or his clerks or servants which may not be discovered until after the said and that this bound shall be and remain in full force and virtue until the expiration of the said terms of six months.

Signed, sealed and delivered by the above named in the presence of witnesses.

Signature & Stamp of C/Agent.

Name of the licensee

Witnesses:
1. _____
2. _____

Executed before me this
Day of _____, 20___

FORM 'D'
[see rule 95]

Warnings :- Not Transferable.

C.H.A. Licence No. _____ for Clearing and Forwarding Conveyances, Goods and Baggage.

Photograph of owner or MD

CUSTOMS AGENTS LICENCE TO TRANSACT CUSTOM HOUSE BUSINESS UNDER SECTION 207 OF THE CUSTOMS ACT, 1969

Messers _____ of _____ _____ have been registered in the books of this Customs House / Customs Station / Customs Port / Customs Airport as Customs Agents. They are authorized to transact business at the _____ (*name of the Custom House / Land Customs Station / Customs Port / Customs Airport*) for a period of two years.

Signature of Licensing Authority.

Dated :_____
Full Address:_____
_____
_____ .

RENEWAL

Renewed From	Up to	Signature

F O R M 'E'
[see Rule 97(2)]

FORM OF AUTHORIZATION TO SIGN CUSTOMS DOCUMENTS ETC

From

Mr./ Messrs _____
_____
_____

To

The Licensing Authority
_____

_____

Sir,

I/We _____ owner / MD of Messers _____ have the honor to inform you that I/we have authorized the following assistants, clerks or representatives, clearing agents of _____ to transact Custom business and to sign all the documents related with such business under the licensing rules.

Four specimen signatures of each of these persons are also enclosed for records.

I/We undertake to acknowledge these signatures as if they were those of the firm for all purposes in connection with the aforesaid transactions and to accept any liabilities incurred under the said transactions as if they had in fact been signed by me/our firm.

Application Fee Rs.100 deposition in National Bank of Pakistan through treasury challan (enclosed).

I/We have the honour to be

Sir,

Your most obedient servant/servants

1. Mr. _____ will sign _____
2. Mr. _____ will sign _____
3. Mr. _____ will sign _____
4. Mr. _____ will sign _____
5. Mr. _____ will sign _____

FORM 'F'
[see Rule 98 (1)]

APPLICATION FOR CUSTOMS PERMIT FOR THE EMPLOYEE OF A CUSTOMS AGENT TO TRANSACT CUSTOM HOUSE BUSINESS

To

The Licensing Authority

_____

_____

Sir,

I/We _____ do hereby authorize Mr. _____ whose particulars are given below to transact Custom House business on my / our behalf and I/We accept all responsibility for his act as if they were my / our own.

Particulars of the employee:-

1. Full Name _____ son of _____
2. Age _____
3. CNIC No. _____
4. Residential address _____
5. Educational qualification _____
6. Knowledge of various languages (English, Urdu, or any other local language) _____
7. Serving in the firm as _____

8. Period of Service _____
9. Experience in Customs work _____
10. No. of previous Identity Card, / Customs Permit if held _____
11. Whether at any time convicted by a Court _____
12. Whether at any time Identity Card/Customs Permit was refused by the Customs if so When _____
13. Details of past service if any _____
14. Reasons for leaving the last firm _____
15. _____ (copies of testimonials and certificates enclosed).
16. Signature of the employee _____

Yours faithfully,

(Name of the licensee)

N.B:- This application should be accompanied by three passport size Photograph of the employee.

FORM 'G'
[see Rule 98 (4)]

PASS HOLDER IS NOT A GOVERNMENT EMPLOYEE
Customs Agent / Representative Pass
Not Transferable

Mr. _____S/o_____CNIC no._____of Messer's _____ CHA Licence No. _____ has been registered with Custom House ……. as Customs Agent /Clerk / Assistant / Representative of the Customs Agent for a period from _____to_____.

Signature & Stamp of the Licensing/issuing Authority

Dated _____

NIC No. _____

Pass No. _____

Specimen Signature _____

* Only valid if displayed.
* Valid during working hours to transact business as Customs.
* Agent / authorized representative.
* Liable to cancellation if misused.
* Duplicate copy is not valid.

CHAPTER IX
VALUATION

SUB-CHAPTER-I
(PRELIMINARY)

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

(a) "at or about the same time" means within ninety days prior to the importation or within ninety days after the importation of goods being valued [90][except in cases where Valuation Rulings issued under section 25-A exist, the Valuation Ruling shall remain in field unless rescinded, modified or replaced with a new Valuation Ruling;]

(b) "buying commissions" means fee paid and declared in the bill of entry by an importer to his agent for the service of representing the importer abroad in the purchase of the goods being valued;

(c) "commercial level" means the level of the transaction at which a sale is concluded and includes the sales before and after importation of the goods for example,
sales conducted between a manufacturer and a wholeseller, or between a wholeseller and a retailer, or between a retailer and a customer;

(c) "family" means a group of persons related to each other by marriage, blood or law or adoption and includes all descendants of a common progenitor;

(d) "general expenses" includes direct and indirect costs of marketing the goods after importation;

(f) "produced" includes goods grown, manufactured and mined; and

SUB-CHAPTER II

GENERAL

108. Declaration by the importer.- The importer, or his agent, shall furnish --

(a) a declaration disclosing full and accurate details relating to the value of imported goods; and

(b) any other statement, information or document as considered necessary by the appropriate officer for determination of the value of imported goods under the Act and this chapter.

109. Burden of proof.- (1) Where the appropriate officer has reason to doubt the truth or accuracy of the particulars or of documents produced in support of the declaration, such officer may ask the importer to provide further explanation, including documents or other evidence.

(2) If, after receiving information referred to in sub rule (1) or in the absence of a response, the appropriate officer still has reasonable doubts about the truth or accuracy of the declared value, it may be deemed that the customs value of the imported goods cannot be determined under the provisions of sub-section (1) of section 25 of the Act.

(3) When a final decision is made, the appropriate officer shall communicate to the importer in writing his decision and the grounds therefore.

110. Prohibited methods.- Where the value of imported goods cannot be determined under sub-section (1), (5), (6), (7) and (8) of section 25 of the Act, the customs value shall be determined on the basis of data of imports available with the Customs Department. However no value shall be determined under this chapter on the basis of --

(i) the selling price of the identical goods produced in Pakistan;
(ii) the price of the goods in the domestic market of the country of origin except after allowing deduction of local taxes and profits at each level of sale in the country or exportations;
(iii) arbitrary or fictitious values; or
(iv) the minimum customs values, except those notified under sub-section (4) of section 25 of the Act.

111. Rights of Customs.- Nothing contained in this chapter shall be construed as restricting, or calling in question, the right of the appropriate officer to satisfy himself as to the truth or accuracy of any statement, information, document or declaration presented for valuation purposes by or on behalf of the importer under the Act and rules made thereunder.

112. Rights of importer.- (1) Whenever the appropriate officer is unable to accept the transaction value without further inquiry, he shall give the importer an opportunity to supply such further detailed information as may be necessary to enable him to examine the circumstances surrounding the sale. In this context, the appropriate officer of customs shall examine relevant aspects of the transaction, including the way in which the buyer and seller organize their commercial relations and the way in which the price in question was arrived at, in order to determine whether the relationship influenced the price. Where it can be shown that the buyer and seller, although "related persons" as defined under clause (g) of rule 2 of chapter- I, buy from and sell to each other as if they were not related, this would demonstrate that the price had been settled in a manner consistent with the normal pricing practice of the concerned industry or with the way the seller settles prices for sales to buyers who are not related to him, this would demonstrate that the price has not been influenced by the relationship.

(2) Where it is shown that the price is adequate to ensure recovery of all costs plus a profit which is representative of the firm's overall profit realized over a representative period of time, for example, on an annual basis, in sales of goods of the same class or kind, this would demonstrate that the price had not been influenced.

SUB-CHAPTER III

PRIMARY METHOD OF VALUATION

113. Price actually paid or payable.- (1) The price actually paid or payable is the total payment made or to be made by the buyer to or for the benefit of the seller for the imported goods. The payment need not necessarily take the form of a transfer of money. It may be made by way of letter of credit or negotiable instruments, or by cash or credit or partly by cash and partly by credit and may be made directly or indirectly. As example of an indirect payment would be the settlement by the buyer, whether in whole or in part, of a debt owned by the seller.

(2) Activities undertaken by the buyer on his own account, other than those for which an adjustment is provided in sub-section (2) of section 25 of the Act are not considered to be an indirect payment to the seller, even though they might be regarded as of benefit to the seller. The costs of such activities shall not, therefore, be added to the price actually paid or payable in determining the value of imported goods.

(3) The customs value of imported goods shall not include the following charges or costs, provided that they are distinguished from the price actually paid or payable for the imported goods, namely:-

(i) charges for construction, erection, assembly, maintenance or technical assistance undertaken after importation of goods such as industrial plant, machinery or equipment;
(ii) the cost of transport after importation; and
(iii) duties and taxes in Pakistan.

(4) The price actually paid or payable refers to the price of the imported goods. Thus the flow of dividends or other payments from the buyer to the seller, which do not relate to the imported goods,, shall not be part of the customs value.

114. Restrictions which do not affect value.- Among restrictions which would not render a price actually paid or payable unacceptable are restrictions which do not substantially affect the value of the goods. An example of such restrictions would be the case where a seller requires a buyer of automobiles not to sell or exhibit them prior to a fixed date which represents the beginning of a model year.

115. Restrictions which affect value.- If the sale or price is subject to some conditions or considerations for which a value cannot be determined with respect to the goods being valued, the transaction value shall not be acceptable for customs purposes. For examples:-

(a) the seller establishes the price of the imported goods on condition that the buyer will also buy other goods in specified quantities;
(b) the price of the imported goods is dependent upon the price, or prices, at which the buyer of the imported goods sells other goods to the seller of the imported goods; or
(c) the price is established on the basis of a form of payment extraneous to the imported goods, such as where the imported goods are semi-finished goods which have been provided by the seller on condition that he will receive a specified quantity of the finished goods.

Explanation.- Conditions or considerations relating to the production or marketing of the imported goods shall not result in rejection of the transaction value. For example, the fact that the buyer furnishes the seller with engineering and plans undertaken in Pakistan shall not result in rejection of the transaction value. Likewise, if the buyer undertakes on his own account, even though by agreement with the seller, activities relating to the marketing of the imported goods, the value of these activities shall not be part of the value of imported goods nor shall such activities result in rejection of the transaction value.

116. Transaction value acceptable in case of related parties.- Where the buyer and seller are related, circumstances surrounding the sale shall be examined and the transaction value shall be accepted as the customs value of imported goods provided that the relationship did not influence the price. Where the appropriate officer has no doubts about the acceptability of the price, it may be accepted without requesting further information from the importer. For example, the appropriate officer may have previously examined the relationship, or he may already have detailed information concerning the buyer and the seller, and may already be satisfied from such examination or information that the relationship did not influence the price.

SUB-CHAPTER IV

SECONDARY METHODS OF VALUATION

117. Transaction value of identical goods.- (1) In applying sub-section (5) of section 25 of the Act, the appropriate officer shall, wherever possible use a sale of identical goods at the same commercial level and in substantially the same quantities as the goods being valued. Where no such sale is found, a sale of identical goods that takes place under any one of the following conditions may be used, namely:-

(i) a sale at the same commercial level but in different quantities;
(ii) a sale at different commercial level but in substantially the same quantities; or
(iii) a sale at a different commercial level and in different quantities.

(2) Having found a sale under any one of the conditions referred to in sub-rule (1), adjustments shall then be made, as the case may be, for the following, namely:-

(i) quantity factors only;
(ii) commercial level factors only; or
(iii) both commercial level and quantity factors.

(3) For the purposes of sub-section (5) of section 25 of the Act, the transaction value of identical imported goods means a value, adjusted as provided for in clauses (a), (b) and (c) of sub-section (5) of that section, which has already been accepted under sub-section (1) of the said section 25.

(4) A condition for adjustment because of different commercial levels or different quantities shall be that such adjustment, whether it leads to an increase or a decrease in the value, be made only on the basis of demonstrated evidence that clearly establishes the reasonableness and accuracy of the adjustment, e.g., valid price lists containing prices referring to different levels or different quantities. As an example of this, if the imported goods being valued consist of a shipment of ten units and the only identical goods for which a transaction value exists involved a sale of five hundred units, and it is recognized that the seller grants quantity discounts, the required adjustment may be accomplished by resorting to the seller's price list and using that price applicable to a sale of ten units. This does not require that a sale had to have been made in quantities of ten as long as the price list has been established as being bona fide through sales at other quantities.

118. Transaction value of similar goods.- (1) In applying sub-section (6) of section 25 of the Act the appropriate officer shall, wherever possible, use a sale of similar goods at the same commercial level and in substantially the same quantities as the goods big valued. For the purposes of sub-section (6) of the said section the transaction value of similar imported goods means the value of imported goods, adjusted as provided for in sub-section (2) thereof which has already been accepted under sub-section (1) of that section.

(2) The provisions of Rule-117 shall, *mutatis mutandis*, also apply in respect of similar goods.

119. Deductive value method.- (1) For the purposes of this rule, the expression "unit price at which goods are sold in the greatest aggregate quantity" means the price at which the greatest number of units is sold in sales to persons who are not related to the persons from whom they buy such goods at the first commercial level after importation at which such sale takes place.

Explanation.- (i) When goods are sold on the basis of a printed or advertised price list which grants favourable unit prices for purchase made in larger quantities, the unit price at which goods are sold in the greatest aggregate quantity shall be ascertained as per the following example:-

Sale quantity.	**Unit price.**	**Number of sales.**	**Total quantity sold at each price.**
One to ten units	100	10 sales of 5 units 5 sales of 3 units.	65
Eleven to twenty five units	95	5 sales of 11 units.	55
Over twenty five units.	90	1 sale of 30 units. 1 sale of 50 units.	80

Note.-

(i) In this example, the greatest number of units sold at a price is eighty, therefore, the unit price in the greatest aggregate quantity is ninety.

(ii) In case when there are two separate sales. For example, in the first sale five hundred units are sold at a price of ninety five currency units each. In the second sale four hundred units

are sold at a price of ninety currency units each. In this example, as the greatest number of units sold at a particular price is five hundred, therefore, the unit price of the greatest aggregate quantity shall be ninety-five.

(iii) In case where various quantities are sold at various prices. For example:-

(1) Sales:

Sales Quantity	Unit Price.
(1)	(2)
40 units	100
30 units	90
15 units	100
50 units	95
25 units	105
35 units	90
05 units	100

Total quantity sold.	Unit price.
(1)	(2)
65	90
50	95
60	100
25	105

Note. In this example, the greatest number of units sold at a particular price is sixty-five, therefore, the unit price in this greatest quantity is ninety.

(2) Any sale in Pakistan, as provide in sub-rule (1), to a person who supplies directly or indirectly free of charge or at reduced cost for use in connection with the production and sale for export of the imported goods any of the elements specified in clause (c) of sub-rule (2) of section 25 of the Act shall not be taken into account in establishing the unit price for the purposes of sub-section (7) of section 25 of the Act.

(3) For the purposes of the rules, the phrase "profit and general expenses" as used in sub-clause (i) of Clause (a) of sub-section (7) of section 25 of the Act, shall be taken as a whole for the purpose of determination of value. The figure for the purposes of this deduction shall be determined on the basis of information supplied by or on behalf of, the importer unless his figures are inconsistent with those obtained in sales in Pakistan, of the same class or kind of goods. Where the importer's figures are inconsistent with such figures, the amount for profit and general expenses may be based upon relevant information other than that supplied by, or on behalf of, the importer.

(4) Local taxes payable by reason of the sale of the goods for which a deduction is not made under sub-clause (iv) of clause (a) of sub-section (7) of section 25 of the Act shall be deducted under sub-clause (i) of clause (a) of that sub-section.

(5) In determining either the commissions of the usual profits and general expenses under clause (a) of sub-section (7) of section 25 of the Act, the question whether certain goods are "of the same class or kind" as other goods must be determined on case to cases basis by reference to the circumstances involved. Sales in Pakistan of the narrowest group or range of imported goods of the same class or kind, which includes the goods being valued, for which necessary information can be provided, should be examined. For the purposes of sub-section (7) of section 25 of the Act" goods of the same class or kind includes goods imported from the same country as the goods being valued as well as goods imported from other countries.

(6) For the purpose of clause (b) of sub-section (7) of section 25 of the Act, the "earliest date" shall be the date by which sales of the imported goods or of identical or similar goods are made in sufficient quantity at the established unit price.

(7) Wherever the method of Valuation provided in clause (c) of sub-section (7) of section 25 of the Act is used, deductions made for the value added by further processing shall be based on objective and quantifiable data relating tot he cost of such work. Accepted industry formulas, recipes, methods of construction, and other industry practices would form the basis of the calculations.

(8) The method of valuation provided in clause (c) of sub-section (7) of section 25 of the Act shall normally not be applicable when, as a result of the further processing, the imported goods lose their identity. However, there can be instances where, although the identity of the imported goods is lost, the value added by the processing can be determined accurately without reasonable difficulty. On the other hand, there can also be instances where the imported goods maintain their identity but form such a minor element in the goods sold in Pakistan that the use of this valuation method would be unjustified. Accordingly, each situation of this type must be considered on a case to case basis.

120. Computed value method.- (1) As a general rule, customs-value shall be determined under sub-section (8) of section 25 of the Act on the basis of information readily available in Pakistan. In order to determine a computed value, however, it may be necessary to examine the costs of producing the goods being valued and other information which has to be obtained from the country of manufacture.

(2) For the purposes of this chapter, "cost or value" referred to in clause (a) of sub-section (8) of section 25 of the Act shall be determined on the basis of information relating to the production of the goods being valued supplied by, or on behalf of, the producer. It shall be based on the commercial accounts of the producer, provided that such accounts are consistent with the generally accepted accounting principles applied in the country where the goods are produced. The "cost of value" shall include the cost of elements specified in sub-clauses (ii) and (iii) clause (b) of sub-section (2) of section 25 of the Act. It shall also include the value, apportioned as appropriate under rule 122 of any element specified in clause (c) of sub-section (2) of section 25 of the Act which has been supplied directly or indirectly by the buyer for the use in connection with production of the imported goods. The value of the elements specified in sub-clause (iv) of clause (b) of sub-section (2) of section 25 of the Act which are undertaken in Pakistan shall be included only to the extent that such elements are charged to the producer and no cost or value of the elements referred to in this sub-section shall be counted twice in determining the computed value.

(3) For the purposes of this chapter, the "amount for profit and general expenses" referred to clause (b) of sub-section (8) of section 25 of the Act shall be determined on the basis of information supplied by or on behalf of the producer unless the producer's figures are inconsistent with those usually reflected in sales of goods of the same class or kind as the goods being valued which are made by producers in the country of manufacture for export to Pakistan.

(4) For the purposes of this chapter , the "amount for profit and general expenses" referred to in clause (b) of sub-section (8) of section 25 of the Act shall be taken as a whole. If producer's profit figure is low and the producer's general expenses are high, the producer's profit and general expenses, taken together, shall nevertheless be consistent with that usually reflected in sales of goods of the same class or kind. Where the producer can demonstrate a low profit on sales of the imported goods because of particular commercial circumstances, the producer's actual profit figures should be taken into account provided that the producer has valid commercial reasons to justify them and the producer's pricing policy reflects usual pricing policies in the branch of industry concerned. Where the producer's own figures for profit and general expenses are not consistent with those usually reflected in sales of goods of the same class or kind as the goods being valued which are made by the producers in the country of manufacture for export to Pakistan, the amount for profit and general expenses may be based upon relevant information other than that supplied by, or on behalf of, the producer of the goods.

(5) Where information other than that supplied by, or on behalf of the producer is used for the purposes of determining a computed value, the appropriate officer shall inform the importer, if the latter so requests, of the source of such information, the data used and the calculation based upon such data, subject to the provisions of rule 124.

(6) For the purposes of this chapter , the "general expenses" referred to in clause (b) of sub-section (8) of section 25 of the Act, include the direct and indirect costs of producing and selling the goods for export which are not included under clause (a) of that sub-section.

(7) For the purposes of clause (b) of sub-section (8) of section 25 of the Act whether certain goods are "of the same class or kind" as other goods, must be determined on a case to case basis with reference to the circumstances involved. In determining the usual profits and general expenses under sub-section (8) of section 25 of the Act sales for export to Pakistan of the narrowest group or range of goods, which includes the goods being valued, for which the necessary information can be provided, shall be examined. For the purposes of sub-section (8) of section 25 "goods of the same class or kind" must be from the same country as the goods being valued.

121. Fall back method.- (1) Value of imported goods determined under sub-section (9) of section 25 of the Act, shall, to the greatest extent possible be based on previously determined customs values of identical goods assessed within ninety days.

(2) The methods of valuation, to be employed under sub-section (9) of section 25 of the Act may be inclusive of those laid down in sub-sections (1), (5), (6), (7) and (8) of the said section, but a reasonable flexibility in the application of such methods would be in conformity with the aims and provisions of sub-section (9) of that section.

Explanation.- Some examples of reasonable flexibility are as follows, namely:-

(i) Identical goods --

(a) the requirement that the identical goods shall be imported at or about the same time as the goods being valued, could be flexibly interpreted;
(b) identical imported goods produced in a country other than the country of exportation of the goods being valued could be the basis for customs valuation; and
(c) customs-values of identical imported goods already determined under sub-section (7) and (8) of section 25 could be used.

(ii) Similar goods --

(a) the requirement that the similar goods shall be imported at or about the same time as the goods being valued could be flexibly interpreted;
(b) similar imported goods produced in a country other than the country of exportation of the goods being valued could be the basis for customs valuation; and
(c) customs-values of similar imported goods already determined under sub-sections (7) and (8) of section 25 of the Act could be used.

(iii) Deductive method --

The requirement that the goods shall have been sold in the "condition as imported" as provided in clause (a) of sub-section (7) of section 25 of the Act could be flexibly interpreted, and the ninety days requirement could be administered flexibly.

122. Adjustment of value.- (1) For adjustment of value there shall be two factors involved in the apportionment of the elements as specified in clause (c) of sub-section (2) of section 25 of the Act to the imported goods, namely:-

(i) the value of the element itself, and
(ii) the way in which that value is to be apportioned to the imported goods. The apportionment of these elements shall be made in a reasonable manner appropriate

to the circumstances and in accordance with generally accepted accounting principles.

(2) The value of the elements shall be adjusted as follows, namely:-

(i) if the importer acquired the element from a seller not related to him at a given cost, the value of the element is that cost;
(ii) if the element was produced by the importer or by a person related to him, its value shall be the cost of producing it; and
(iii) if the element had been previously used by the importer, regardless of whether it had been acquired or produced by such importer, the original cost of acquisition or production would have to be adjusted downward to select its use in order to arrive at the value of the element.

(3) Once a value has been determined for the element, it shall be apportioned to the value of the imported goods, as follows, namely:-

(i) the value might be apportioned to the first shipment if the importer wishes to pay duty on the entire value at one time;
(ii) the importer may request that the value be apportioned over the number of units produced up to the time of the first shipment; or
(iii) the importer may request that the value be apportioned over the entire anticipated production where contract or firm commitments exist for that production.

Explanation.- If an importer provides the producer with a mould to be used in the production of the imported goods and contracts with him to buy ten thousand units. By the time of arrival of the first shipment of one thousand units, the producer has already produced four thousand units. The importer may request the appropriate officer to apportion the value of the mould over one thousand units, four thousand units or ten thousand units.

(4) Addition for the elements specified in sub-clause (iv) of clause (c) of sub-section (2) of section 25 of the Act shall be based on objective and quantifiable data. In order to minimize the burden for both the importer and appropriate officer in determining the values to be added, data readily available in the buyer's commercial record should be used in so far as possible.

(5) For those elements supplied by the buyer which were purchased or leased by the buyer, the addition shall be made for the cost of the purchase or the lease. No addition shall be made for those elements available in the public domain, other than the cost of obtaining copies of them.

(6) Payments made by the importer for the right to distribute or resell the imported goods shall not be added to the price actually paid or payable for the imported goods if such payments are not a condition of the sale for export of the goods to Pakistan.

(7) Where objective and quantifiable data do not exist with regard to the additions required to be made under clauses (b), (c), (d) and (e) of sub-section (2) of section 25 of the Act the transaction value cannot be determined under the provisions of sub-section (1) of section 25. As an illustration of this, a royalty is paid on the basis of the price in a sale in Pakistan of a liter of a particular product that was imported by weight in kilograms and made up into a solution after importation. If the royalty is based partially on the imported goods and partially on other factors which have nothing to do with the imported goods, (such as when the imported goods are mixed with domestic ingredients and are no longer separately identifiable, or when the royalty cannot be distinguished form special financial arrangements between the buyer and the seller), it would be inappropriate to attempt to make an addition for the royalty. However, if the amount of this royalty is based only on the imported goods and can be readily quantified, an addition to the price actually paid or payable can be made.

SUB-CHAPTER V
MISCELLANEOUS

123. Use of generally accepted accounting principles.- For the purposes of this chapter, the expression "generally accepted accounting principles" refers to the recognized consensus or substantial authoritative support within Pakistan at a particular time with regard to the following, namely:-

(i) as to which economic resources and obligations should be recorded as assets and liabilities;
(ii) which changes in assets and liabilities should be recorded;
(iii) how the assets and liabilities and changes in them should be measured;
(iv) what information should be disclosed and how it should be disclosed; and
(v) which financial statements should be prepared.

124. Confidentiality.- All information which is by nature confidential or which is provided on a confidential basis for the purposes of customs valuation shall be treated as strictly confidential by the authorities concerned who shall not disclose it without the specific permission of the person or government providing such information, except to the extent that it may be required to be disclosed in the context of judicial proceedings.

125. Dispute settlement.- (1) In case of dispute between the importer and the appropriate officer in respect of the value of the goods being valued, the same shall be resolved in consistence with the relevant provisions of the Customs Act, 1969 (IV of 1969).

(2) Nothing contained in this Chapter shall bar the claim of the importer for provisional release of goods under the section 81 of the Act or claim of the customs to assess the goods under the section 80 of the Act read with section 25 thereof.

CHAPTER X

MAINTENANCE OF ACCOUNTS

126. Persons responsible to maintain accounts:- All importers shall maintain manual or electronic accounts of imports and disposal and supply thereof in the prescribed formats and shall maintain original and copies of contracts, letters of credit, bills of lading, invoices, packing lists and Bills of entry and Goods Declarations for a period of not less than [90][five] years from the date of respective imports as per the following conditions, namely:-

(I) The name, National Tax Number, Sales Tax registration number, and address of the importer as well as complete address with telephone Nos., Fax Nos. etc. of storage premises shall be mentioned on the first page of the register in the form as set out below for maintenance of accounts of imports and disposal thereof;

(ii) importer shall maintain Pakistan Customs Tariff (PCT) heading wise record on daily basis giving complete description with size, length, weight, Article No./Part No. /Patent/S.No; whatever applicable, of each unit and Pakistan Customs Tariff Heading No;

(iii) accounts of imports for commercial purposes or for industrial purposes (inhouse consumption) shall be maintained in the format as set out in Table-I;

(iv) every importer maintaining accounts in the prescribed manner shall extend all assistance to an appropriate officer of Customs enabling him to perform detailed audit or examination of the accounts and related books and record and to obtain attested copies or verify the information on which the determination of the amount of customs duty and taxes paid or payable was made; and

(v) importer shall also prepare and handover transport permit in the format as set out in Table-II which shall be presented by the driver of vehicle or conveyance to the Customs authorities whenever and wherever demanded during the transhipment for satisfaction of the authorities that goods being transported were legally imported.

Register of Goods Imported

First page

Particulars of the importer

Name: _____

Address: _____

_____

E.mail: _____

NTN: _____ Sales Tax Reg. No. _____

Particulars of the storage premises (use separate register for each location)

Address: _____

Phone No._____ Fax No._____

Note :(a) To be maintained by all commercial and industrial importers for every Bill of Entry/Goods Declaration having declared import value exceeding Rs.10,000/-.
(b) To be maintained at the place the corresponding imported goods are stored.

TABLE I

Register of Goods Imported
(Use a separate page for each PCT heading of the goods imported and its description)

Page No. _____

PCT heading.	Description of goods.	Unit.

Date.	Bill of Entry/Goods Declaration / Sales Tax Invoice.		Assessed / Sale Value including Custom Duty and Sales Tax. (Rupees)	Quantity.			Transport Permit, if any.	
	Date.	Number.		Imported.	Sold/ Consumed.	Balance.	Date.	Number.

TABLE II

Transport Permit
(To be issued by an importer of goods for movement of imported goods and accompanied with sales tax invoice/movement advice

Transport Permit No. _____ Date: _____

Particulars of the importer			
Name & Address.	**NTN**	**Sales Tax Reg. No.**	**Address of storage premises.**

Particulars of the buyer		
Name & Address.		**Address of storage premises.**

Sales Tax Invoice*.		**Mode of transport.**	**Route of transport.**	**Transport document**.**		**Remarks.**
Date.	**Number.**	**By road/air/rail.**				

or movement advice number** *(Road Bilty/Airway Bill/Rail Bilty/Any other)**

Signature of importer or his authorized person:_____
Name of signatory: _____
Designation: _____

All transport permits to be accompanied with copy of sales tax invoice

En-Route Checking/Verification					
S.No.	**Date and time.**	**Place of checking/verific**	**Checked/verified by**		
			Name.	**Designatio**	**Signatu**

_____
_____
_____”;

CHAPTER XI

RECOVERY OF ARREARS

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

(i) "Attachment Officer" means an officer, not below the rank of Principal Appraiser or Superintendent [94][or Inspector or Appraiser] of Customs, authorized by the appropriate officer to perform any of the functions under this chapter;

(ii) "Annex" means an annex to this chapter;

(iii) "defaulter" means a person mentioned in the demand note, who has failed to discharge his liabilities of payment of Government dues;

(iv) "demand note" means a note received by the Recovery Officer from the referring authority specifying the details regarding the defaulter and the Government dues;

(v) "execution" means steps taken for the recovery of arrears under this chapter in pursuance of a demand notice;

(vi) "Government dues" means any recoverable amount of customs duty or any tax, duty or other levy being collected in the same manner as customs-duty, an adjudged penalty or fine or any amount unpaid which may be payable under any bond or instrument executed under the Act or such other law or the rules made thereunder;

(vii) "immovable property" means a property which cannot be taken into custody for removal without physically knocking it down;

(viii) "receiver" means a person appointed by the Recovery Officer to manage, run and account for any attached business or property;

(ix) "Recovery Officer" means an officer of customs, notified to be the appropriate officer under sub-section (1) of section 202 of the Act;

(x) "referring authority" means an officer, not below the rank of Assistant Collector of Customs, desiring to recover Government dues through Recovery Officer; and

(xi) "share" means share in a corporation and private limited company and includes stock, debenture stock, debentures or bonds.

134. Government dues to be referred for recovery.- All Government dues shall be referred to the Recovery Officer for recovery if the referring authority is satisfied that these are not recoverable in any other manner or on the expiry of thirty days from the date such dues were adjudged to be final.

135. Demand note.- Where it is decided to make recovery of Government dues under section 202 of the Act, the referring authority shall issue a demand note in the form set out in Annex-I to the Recovery Officer, specifying therein the details of Government dues, certifying that all other formalities under the Act have been completed and there exists no bar or stay order against the proposed recovery.

136. Master register to be maintained by the Recovery Officer.- (1) The Recovery Officer shall maintain a master register, in the form set out in Annex-II wherein every demand note received by the Recovery Officer shall be entered in consecutive numbers.

(2) The Recovery Officer shall authenticate all entries by affixing his signatures.

137. Power to require information to be furnished.- The Recovery Officer may, by a requisition in writing, require any person or organization to furnish any information required for the proceedings under this chapter.

138. Recovery through Government authorities.- (1) The Recovery Officer shall cause recovery of Government dues to be made in terms of sub-section (1) of section 202 of the Act by serving a notice to the Customs, [90][or Inland Revenue] authorities in Annex-III to deduct the Government dues from any money or to detain and sell any goods, belonging to the defaulter which are under their control.

(2) The sale of goods under sub-rule (1) shall be governed by the Chapter V

(3) A copy of the notice sent to the Customs, Central Excise or Sales Tax authorities shall be endorsed to the defaulter.

(4) After issue of the notice and subject to the provisions of sub-rule (2) of rule 139, no further proceedings shall be initiated until thirty days from the date of issue of the notice.

139. Initiation of recovery proceedings.- (1) If the Government dues are not recoverable in the manner specified in rule 138, the Recovery Officer shall serve upon the defaulter a notice in Annex-IV requiring him to pay the dues under sub-section (2) of section 202 of the Act and intimating that in case of default steps would be taken to realize the amount under this chapter.

(2) If the Recovery Officer is satisfied that the defaulter is likely to conceal, remove or dispose of the whole or any part of such of his movable or immovable property, as would be liable to attachment in the process of recovery, and that the realization of Government dues in consequence shall be delayed or obstructed, he may at any time after the issue of the notice under sub-rule (1) direct, for reasons to be recorded in writing, for attachment of the whole or any part of such property.

(3) The Recovery Officer may, if he deems fit, publish notice under sub-rule (1) in one or more newspapers circulated in district of ordinarily place of residence of the defaulter.

(4) The immovable and movable properties of the defaulter shall stand attached in the name of the Federal Government on the expiry of time limit specified in the notice if the payment of government dues is not made within time:

"Provided that either before or after the initiation of recovery proceedings, the Collector of Customs may, if so requested by the person concerned, recover the dues in such instalments as he may deem proper.

140. Mode of service of notice.- All notices or orders served under this chapter, unless otherwise specifically provided, shall be served-

(b) by tendering the notices or orders or sending by registered post to the person for whom it is intended or to his agent, at his last known addresses; or

(ii) if the notice cannot be served in the manner as provided in clause (i), by affixing it on the notice board in the office of the Recovery Officer.

141. Disposal of proceeds of execution.- (1) Whenever Government dues are realized, by sale or otherwise, in execution of notice of recovery, they shall be disposed of in the same manner provided in section 201 of the Act.

142. Determination of disputes.- Except as otherwise expressly provided in the Act or this chapter, any question arising between the referring authority and the defaulter or their representatives, relating to the execution of a notice, discharge or satisfaction of a demand note duly issued under this chapter, or relating to the confirmation or setting aside by an order under this chapter of a sale held in execution of such notice, shall be determined by Recovery Officer, before whom such question arises.

143. Exemption from attachment.- The following shall not be liable to attachment or sale under this chapter, namely:-

(i) The necessary wearing apparel, cooking vessels, beds and bedding of the defaulter, his wife and children, and such personal ornaments, as, in accordance with religious usage, cannot be parted with by any women;
(ii) tools of artisan, and, where the defaulter is an agriculturist, his implements of husbandry and such cattle and seed grain as may, in the opinion of the Recovery Officer, be necessary to enable him to earn his livelihood as such;
(iii) books of account;
(iv) a mere right to sue for damages;
(v) any right of personal service;
(vi) stipends and gratuities allowed to a pensioner of a Government or payable out of any service, family pension fund notified in the Official Gazette by the Federal Government or a Provincial Government in this behalf, and political pensions;
(vii) the wages of labourers and domestic servants, whether payable in money or in kind;
(viii) salary to the extent of first five hundred rupees and one half of the remainder:

Provided that where such salary is the salary of a servant of the Government or a servant of a railway or local authority, and the whole or any part of the portion of such salary liable to attachment has been under attachment, whether continuously intermittently for a total period of twenty-four months, such portion shall be exempt from attachment until the expiry of a further period of twelve months and, where such attachment has been made in execution of one and the same notice, shall be finally exempt from attachment in execution of that notice;

(ix) the pay and allowances of persons to whom the Pakistan Army Act, 1952 (XXXIX of 1952), applies, or of persons other than Commissioned Officers to whom the Pakistan Navy Ordinance, 1961 (XXXV of 1961), applies;

(x) all compulsory deposits and other sums in or derived from any fund to which the Provident Funds Act, 1925 (XIX of 1925), for the time being applies in so far as they are declared by the said Act not to be liable to attachment;

(xi) any allowance forming part of the emoluments of any servant of the Government or of any servant of a railway or local authority which the appropriate Government may, by notification in the official Gazette, declare to be exempt from attachment, and any subsistence grant or allowance made to any such servant while under suspension;

(xii) an expectancy of succession by survivorship or other merely contingent or possible right or interest; and

(xiii) a right to future maintenance.

Explanation 1.- The particulars mentioned in clause (vii), (viii), (ix), (x) and (xii) are exempt from attachment or sale whether before or after they are actually payable, and in the case of salary other than the salary of a servant of a Government or a servant of a railway or a local authority the attachable portion thereof is exempt from attachment until is actually payable.

Explanation 2.- In clauses (vii) and (viii), "wages" and "salary" means the total monthly emoluments, excluding any allowance declared exempt from attachment under the provisions of clause (xi), derived by a person from his employment whether on duty or on leave.

Explanation 3.- In clause (xi), "appropriate Government" means-

(i) as respects any person in the service of the Federal Government, or any servant of Railway Board, a cantonment authority or of the port authority of a major port, the Federal Government; and

(ii) as respects any person in the service of a Provincial Government or servant of any local authority, the Provincial Government concerned.

144. Objections and investigation thereof.- (1) When any objection is raised to the attachment or sale of any property in execution of a notice on the ground that such property is not liable to such attachment or sale, the Recovery Officer shall proceed to investigate into it.

(2) If the Recovery Officer is satisfied that the objection is raised to delay the proceedings, he shall reject the objection, summarily.

(3) Pending investigation, the Recovery Officer may adjourn recovery proceedings upon such terms, as to security or otherwise, as he may deem fit.

(4) The objector shall produce evidence to prove the legitimacy of the objection, failing which the Recovery Officer shall reject the objection.

145. Removal of attachment on satisfaction or cancellation of a demand note.- Where the amount due is paid to the Recovery Officer or the demand note is cancelled, the attachment shall be deemed to be withdrawn and the withdrawal shall, if the defaulter so desires, be proclaimed at his expense, and a copy of the proclamation shall be affixed in the manner provided by this chapter for a proclamation of sale of immovable property.

146. Officer entitled to attach and sell.- (1) The attachment and sale of movable and immovable property may be made by such officer as the Recovery Officer may direct in each case of recovery.

147. Adjournment or stoppage of sale.- (1) The Recovery Officer may adjourn any sale proceedings to a specified day and hour; and an officer conducting any sale proceedings may adjourn such proceedings to a specified day and hour by recording his reasons for such adjournment.

(2) Every sale shall be stopped if, before the lot is knocked down, the amount due is tendered to the officer conducting the sale, or proof is given to his satisfaction that the amount has been paid to the Recovery Officer who ordered the sale.

148. Defaulter not to mortgage, etc., any property.- Where a notice has been served on a defaulter under rule 139, the defaulter or his representative in interest shall not sell, mortgage, change, lease or otherwise deal with any property belonging to him except with the permission of the Recovery Officer.

149. Prohibition against bidding or purchase by officer.- No officer or other person having any duty to perform in connection with any sale under this chapter shall, either directly or indirectly, bid for, acquire or attempt to acquire any interest in the property sold.

150. Assistance for action.- (1) An officer authorized to attach or sell any property or charged with any duty to be performed under this chapter may take alongwith him a contingent of customs staff and sepoys, armed or otherwise, for any assistance he may require in the performance of his duties.

(2) In addition to the force specified in sub-rule (1), such officer may apply to the officer-in-charge of the nearest police station for such assistance as may be necessary in the discharge of his duty.

PART II

ATTACHMENT AND SALE OF MOVABLE PROPERTY

151. Warrant of attachment.- Where any movable property is to be attached, the Recovery Officer shall furnish a warrant, in the form prescribed in Annex-V, to the attachment officer, in writing and signed with his name along with official seal, specifying therein the name of the defaulter and the amount to be realized.

152. Service of copy of warrant.- The attachment officer shall cause a copy of the warrant to be served on the defaulter.

153. Attachment.- If, after service of a copy of the warrant, the amount is not paid forthwith, the officer shall proceed to attach the movable property of the defaulter:

Provided that the standing crops or agricultural produce lying in the field or stored in or near the dwelling house of the defaulter or stored on the land owned, leased or cultivated by the defaulter, which represents the agricultural produce of the land owned, leased or cultivated by the defaulter, shall not be attached.

154. Attachment to be made by actual seizure.- Where the property to be attached is movable property in the possession of the defaulter the attachment shall be made by actual seizure and the officer shall be responsible for due custody thereof.

155. Seizure after personal search.- (1) The attachment officer, if he has reasons to believe that any person is carrying goods liable to seizure or any document relating thereto, may cause search to be made of such person.

(2) When the attachment officer is about to search any person, he shall inform such person about his right to be taken to an officer of customs, not below the rank of Assistant Collector of Customs, or magistrate, and if such person so desires, the attachment officer shall take him without unnecessary delay to the nearest officer of customs or magistrate before searching him and the officer of customs or the magistrate before whom such person is brought shall, if he sees no reasonable ground for search, forthwith discharge the person and record reasons for doing so, or otherwise may direct that such search be made:

Provided that before making a search, the attachment officer shall call upon two or more persons to attend and witness the search and may issue an order in writing to them or any of them so to do, and the search shall be made in the presence of such persons and a list of all things seized in the course of such search shall be prepared by attachment officer and signed by witnesses:

Provided further that a female shall not be searched except by a female.

156. Entry into building or premises.- (1) The attachment officer may break open any inner or outer door or window of any building on reasonable grounds to believe that such building or premises contains movable property liable to seizure.

(2) The action under sub-rule (1) shall be taken when admission to such building or premises is not given and the officer has notified his authority and intention of breaking open.

(3) The officer proceeding under sub-rule (1) shall give all reasonable opportunity to women, if any, of the building or premises to withdraw therefrom.

(4) The attachment officer shall, after seizure of movable property, call upon two or more persons to attend and witness the process and an inventory of all things seized in the process shall be prepared by him and be signed by the witness.

157. Seizure between sunrise and sunset.- Attachment by seizure shall be made after sunrise and before sun-set and not otherwise.

158. Seizure not to be excessive.- The attachment by seizure shall not be excessive, that is to say, the property attached shall be as nearly as possible proportionate to the amount specified in the warrant.

159. Attachment of movable property which cannot be removed due to certain reasons.- Where it is not practicable to seize any movable property, the attachment officer may serve on the owner of goods or any person holding them on his behalf an order that he shall not remove, part with, or otherwise deal with the goods except with the previous permission of the Recovery Officer:

Provided that the attachment officer shall inform the Recovery Officer of the reasons due to which the movable property could not be seized.

160. Storage of seized movable property.- (1) All things, being movable property, seized for the purposes of attachment under this chapter shall, without unnecessary delay, be delivered into the care of the officer of customs authorized to receive the same being the incharge of state warehouse, unless otherwise specifically provided by the Act or rules made thereunder.

(2) If there be no such officer at hand, such things shall be carried to and deposited at the Custom House nearest to the place of seizure.

161. Attachment of negotiable instruments.- When the property is a negotiable instrument not deposited in a court, nor in the custody of a public officer, the attachment shall be made by actual seizure, and the instrument shall be brought before the Recovery Officer and held subject to his orders.

162. Attachment of property in custody of public officer.- Where the property to be attached is in the custody of any public officer, the attachment shall be made by a notice to such officer requesting that such property and any interest or dividend becoming payable thereon may be held subject to the further orders of the Recovery Officer by whom the notice is issued.

163. Attachment of share in movable property.- Where the property to be attached consists of the share or interest of the defaulter in movable property belonging to him and others as co-owners, the

attachment shall be made by a notice to the defaulter prohibiting him from transferring such share or interest or subjecting the same to a charge in any manner.

164. Attachment of property in partnership.- (1) Where the property to be attached consists of an interest of the defaulter, being a partner, in the partnership property, the Recovery Officer may make an order charging the share of such partner in the partnership property and profits, with payment of the amount due under the notice, and may, by the same or subsequent order, appoint a receiver of the share of such partner in the profits, whether already declared or accruing, and of any other money which may become due to him in respect of the partnership, and direct maintenance of accounts and enquiries and make an order for the sale of such interest or such other order as the circumstances of the case may require.

(2) The other partners shall be at liberty at any time to redeem the interest charged or, in the case of a sale being directed, to purchase the same.

165. Sale.- (1) The Recovery Officer may direct that any movable property attached under this chapter or such portion thereof as may seem necessary to satisfy the notice shall be sold.

(2) The sale may be made in one or more lots, as the Recovery Officer may consider desirable and, if the government dues to be realized by sale are satisfied by the sale of a portion of the property, the sale shall be only with respect to that portion of the property and the sale of the remaining shall be stopped.

166. Proclamation of sale.- (1) When any sale of movable property is ordered by the Recovery Officer, he shall issue a proclamation of the intended sale, specifying the time and place of sale and whether the sale is subject to confirmation or not.

(2) The proclamation shall be made in writing in Urdu, English and language of the district where sale is intended and shall be publicized by-

(i) affixing at the notice board in the office of the Recovery Officer;
(ii) affixing at such places as the Recovery Officer may direct; and
(iii) publishing in one or more newspapers through auctioneer appointed under the Act and rules made thereunder.

167. Sale after fifteen days.- Except where the property is perishable or when the expenses of keeping it in custody is likely to exceed its value, no sale of movable property under this chapter shall, without the consent in writing of the defaulter, take place until after the expiry of at least fifteen days from the date on which a copy of proclamation of sale was affixed in the office of the Recovery Officer.

168. Sale by public auction.- Sale by public auction shall be governed by chapter V (Auction) of this chapter.

169. Sale by tender or sealed bids.- The Recovery Officer may, if he deems fit, order sale by tender or sealed bids.

170. Preference for the co-owner.- Where the movable property to be sold is a share belonging to the defaulter and one or more co-owners, of whom one is such a co-owner, the bid of co-owner shall have preference in case the bid of such co-owner and some other person or persons is the same.

171. Transfer of title.- On completion of sale proceedings, the Recovery Officer shall grant to the purchaser a certificate specifying therein the property purchased, the price paid and the name of the purchaser, and the sale shall thereupon become absolute.

172. Irregularity not to vitiate sale.- Any error or irregularity in publishing or conducting the sale of movable property shall not vitiate the sale if the provisions of this chapter have been substantially complied with.

173. Negotiable instrument or share in a corporation.- Notwithstanding anything contained in this chapter, where the property to be sold is a negotiable instrument or a share in a corporation, the Recovery Officer may, instead of directing the sale to be made by public auction, authorize the sale of such instrument or share through a broker.

174. Order for payment of coin or currency notes to the referring authority.- Where the property attached is currency coins or currency notes, the Recovery Officer may, at any time during the continuance of the attachment, direct that such coins or notes, or part thereof, sufficient to satisfy the demand note, be paid over to the referring authority.

PART III

ATTACHMENT AND SALE OF IMMOVABLE PROPERTY

175. Attachment of immovable property.- Attachment of the immovable property of the defaulter shall be made, by the Recovery Officer, by an order prohibiting the defaulter from transferring or subjecting the property to a charge in any manner and prohibiting all persons from taking any benefit under such transfer or charge.

176. Service of order.- A copy of the order of attachment shall be served on the defaulter in the same manner as of service of notices laid down in rule 140 of these rules.

177. Proclamation of attachment.- The order of attachment shall be proclaimed at some place on or adjacent to the property attached by affixing a copy of order of attachment at a conspicuous place and a copy of the order shall also be affixed at the notice board in the office of the Recovery Officer.

178. Sale and proclamation of sale.- (1) The Recovery Officer may direct that any immovable property, which has been attached, or such portion thereof as may be necessary to satisfy the demand note, shall be sold.

(2) Where an immovable property is ordered to be sold, the Recovery Officer shall cause a proclamation to be made in the same manner as provided in rule 166 of these rules.

179. Contents of proclamation of sale.- (1) A proclamation of sale of immovable property shall be drawn up after proclamation of attachment and shall specify the time and place of sale and also specify-

(i) the location of property to be sold;
(ii) as fairly and accurately as possible, the revenue or rent, if any, assessed upon the property or any part thereof; and
(iii) the amount for the recovery of which the sale is ordered.

(2) The proclamation may also specify any other thing which the Recovery Officer considers material for a purchaser to know in order to judge the nature and value of the property.

180. Time of sale.- No sale of immovable property under this chapter shall, without the consent in writing of the defaulter, take place until after the expiration of thirty days from the date on which copy of the proclamation of sale was affixed on the property or in the office of the Recovery Officer, whichever is later.

181. Sale to be by public auction or tender.- (1) The sale shall be made by public auction or by tender to the highest bidder and shall be subject to confirmation by the Recovery Officer.

(2) If the sale is to be conducted through public auction, it shall be conducted by an auctioneer appointed under the provisions of chapter V (Auction)

182. Deposit by purchaser and re-sale in default.- (1) On every sale of immovable property, the person declared to be the purchaser shall pay, immediately after such declaration, a deposit of twenty five percent of the amount of his purchase money to the officer conducting the sale; and in default of such deposit the property shall forthwith be re-sold.

(2) The full amount of purchase money payable shall be paid by the purchaser on or before the fifteenth day from the date of the sale of property.

183. Procedure in default of payment.- (1) In default of payment within the time specified in sub-rule (2) of rule 182, the deposit made under sub-rule (1) thereof shall be kept as deposit to be dealt with under rule 184.

(2) The immovable property shall be re-sold and the defaulting purchaser shall forfeit all claims to the property or to any part of the sum for which it may subsequently be sold.

184. Amount recoverable from purchaser in default.- Any deficiency of price which may happen on a re-sale by reason of a purchaser's default, including all expenses attending such re-sale, shall be recoverable from defaulting purchaser up to the maximum of deposit money and if there is any surplus after meeting the deficiency, the same shall be refunded to the defaulting purchaser.

185. Authority to bid.- All persons bidding at a sale shall be required to declare if they are bidding on their own behalf or on behalf of their principals and, in the latter case they shall be required to deposit their authority, and in default their bid shall be rejected.

186. Application to set aside sale of immovable property.- (1) Where immovable property has been sold in execution of a notice, the defaulter, or any person whose interests are affected by the sale, may, at any time within thirty days from the date of the sale, apply to the Recovery Officer to set aside the sale on his depositing-

(i) for payment to the referring authority, the amount specified in the proclamation of sale as that for the recovery of which sale was ordered with surcharge thereon at the rate of ten per cent per annum, calculated from the date of the proclamation of sale to the date when deposit is made; and

(ii) for payment to the purchaser, as penalty, a sum equal to ten per cent of the purchase money.

(2) Where a person makes an application under rule 187 for setting aside sale of his immovable property, he shall not, unless he withdraws that application, be entitled to make an application under sub-rule (1).

187. Application to set aside sale of immovable property on ground of non-service of proclamation or irregularity.- Where immovable property has been sold in execution of a demand note, the referring authority, the defaulter, or any other person whose interests are affected by the sale, may at any time within thirty days from the date of sale, apply to the Recovery Officer to set aside the sale on the ground that proclamation of attachment or sale was not made in the prescribed manner or on ground of a material irregularity in publishing or conducting the sale:

Provided that-

(i) no sale shall be set aside on any such grounds unless the Recovery Officer is satisfied, on the basis of evidence produced before him, that the applicant has sustained loss by such reasons; and

(ii) an application made by a defaulter under this rule shall be disallowed unless he deposits the amount recover-able from him in execution of demand note.

188. Setting aside of sale where defaulter has no salable interest.- At any time within thirty days of the sale, the purchaser may apply to the Recovery Officer to set aside the sale on the ground that the defaulter had no salable interest in the property sold.

189. Confirmation of sale.- (1) Where no application is made for setting aside the sale under this chapter or where such an application is made and disallowed by the Recovery Officer, he shall, if the full amount of purchase money is paid, make an order confirming the sale and thereupon the sale becomes absolute.

(2) Where such application is made and allowed and where, in the case of an application made to set aside the sale on deposit of amount and penalty and surcharge, the deposit is made within thirty days of sale, the Recovery Officer shall set aside the sale:

Provided that no such order shall be made unless notice of the application has been given to the persons likely to be affected thereby.

190. Return of purchase money in certain cases.- Where a sale of immovable property is set aside, any money paid or deposited by the purchaser on account of the purchase, together with the penalty, if any, deposited for payment to the purchaser, shall be paid to the purchaser.

191. Sale certificate.- (1) Where a sale of immovable property has become absolute, the Recovery Officer shall grant a certificate specifying therein the property sold and the name of the person who at the time of sale was declared to be the purchaser.

(2) The certificate granted under sub-rule (1) shall also state the date on which the sale became absolute.

192. Postponement of sale to enable defaulter to raise amount due under notice.- (1) Where an order or proclamation of sale of immovable property has been made and the defaulter satisfies the Recovery Officer that there are reasons to believe that amount of the note may be raised by mortgage or lease or private sale of such property, or some part thereof, or of any other movable or immovable property of the defaulter, the Recovery Officer may, on the application of the defaulter, postpone the sale on such terms and for such period as he thinks proper, to enable defaulter to raise the amount.

(2) In such a case, the Recovery Officer shall grant a certificate to the defaulter authorizing him, within a period to be mentioned therein and notwithstanding any thing contained in this chapter, to make the proposed mortgage, lease, or sale:

Provided that all money payable under such mortgage, lease or sale shall be paid, not to the defaulter, but to the Recovery Officer:

Provided further that no mortgage, lease or sale under this rule shall become absolute until it has been confirmed by the Recovery Officer.

193. Issue of fresh proclamation before re-sale.- Every re-sale of immovable property, in default of payment of purchase money within the period allowed for such payment, shall be made after the issue of a fresh proclamation in the same manner as provided for the proclamation of sale.

194. Bid of co-owner to have preference.- Where the property sold is a share of undivided immovable property of two or more persons, of whom the defaulter is a co-sharer, the bid of the co-sharer shall have preference in case the bid of such co-sharer and any other person or persons is the same.

PART IV

APPOINTMENT OF RECEIVER

195. Appointment of receiver for business.- (1) Where the property of the defaulter consists of a running business, the Recovery Officer may attach such business and appoint a person as receiver to manage the business.

(2) Attachment of a business under this rule shall be made by an order prohibiting the defaulter from transferring or subjecting the business to a charge in any manner and prohibiting all persons from taking any benefit under such transfer or charge and intimating that the business has been attached under this rule.

(3) Proclamation of attachment under this rule shall be made in the same manner as is provided for proclamation of sale under rule 166 of these rules.

(4) Where the Recovery Officer so directs, such order shall also be published in a newspaper.

196. Appointment of receiver for immovable property.- Where immovable property is attached, the Recovery Officer may, instead of directing a sale of the property, appoint a person as receiver to manage such property.

197. Qualification for receiver.- (1) Any person from general public may be appointed as receiver who has sufficient knowledge of the kind of business or the property for which he is to be appointed as receiver.

(2) Notwithstanding anything contained in sub-rule (1), any officer of Customs, Central Excise or Sales Tax, not below the rank of Principal Appraiser or Superintendent, may be appointed as receiver of the attached business and property.

198. Manner of working of receiver.- (1) Where it appears to the Recovery Officer to be just and convenient, he may by order-

(i) remove any person from the possession or custody of an attached business or property;
(ii) commit the same to the possession, custody or management of the receiver; and
(iii) confer upon the receiver all such powers, as to bringing and defending suits and for the realization, management, protection, preservation and improvement of the property, the collection of the rents and profits thereof, the application and disposal of such rents and profits, and the execution of documents as the owner himself has, or such of those powers as the Recovery Officer thinks fit:

Provided that nothing in this rule shall authorize the Recovery Officer to remove from the possession or custody of business or property any person whom any party to the recovery proceedings has not a right to remove.

(2) The Recovery Officer may by general or special order, fix the amount to be paid as remuneration for the services of the receiver. Provided that the Government officers appointed as receivers shall not be entitled to such remuneration.

(3) Every receiver, not being a Government officer, shall-

(i) furnish such security, if any, as the Recovery Officer thinks fit, to account duly for what he shall receive in respect of the business or property;
(ii) submit his accounts at such periods and in such form as the Recovery Officer directs;

(iii) pay the amount due from him as the Recovery Officer directs; and

(iv) be responsible for any loss occasioned to the business or property by his willful default or gross negligence:

Provided that the government officer appointed as receiver shall furnish all such information as desired by the Recovery Officer regarding the progress of recovery along with accounts of proceeds after such intervals as may be prescribed by the Recovery Officer.

(4) The profits, or rents of such business or property shall, after deducting the expenses of management, be adjusted towards discharge of the Government dues, and the balance, if any, shall be paid to the defaulter.

199. Withdrawal of management.- The attachment and management under this chapter may be withdrawn at any time at the discretion of the Recovery Officer, or if the Government dues are realized by receipt of such profits and rents or are otherwise paid.

PART V

MISCELLANEOUS

200. Application of Chapter XVIII of the Act.- Provisions of Chapter XVIII of the Act shall be followed if any arrests are to be made in pursuance of the provisions of this chapter.

201. Continuance of proceedings.- (1) No proceedings shall cease to be in force by reason of the death of the defaulter.

(2) If, at any time before or after the issue of a demand note to the Recovery Officer, the defaulter dies, the proceedings under this chapter may, except arrest and detention, be continued against the legal heirs of the defaulter who shall be liable to pay, out of the properties left by the deceased defaulter to the extent to which the properties are capable of meeting the outstanding Government dues, and provisions of this chapter shall apply as if the legal heirs were the defaulter.

202. Review.- Any order passed under this chapter may, after a notice to all persons interested, be reviewed by the officer who made the order, or by his successor in office, on account of any mistake apparent from the record.

203. Recovery from surety.- Where any person has, under this chapter, become surety for the amount due by the defaulter and the defaulter fails to pay the dues, such surety may be proceeded against under this chapter as if he were the defaulter.

204. Receipt to be given.- If any amount is received by any officer or other person in pursuance of this chapter, he shall issue receipt of the amount so received.

205. Delivery of property in occupancy of defaulter.- Where the immovable property sold is in the occupancy of the defaulter or of some person on his behalf or of some person claiming under a title created by the defaulter subsequently to the attachment of such property and a certificate in respect thereof has been granted under rule 191 of these rules, the Recovery Officer shall, on the application of the purchaser, order delivery to be made by putting such purchaser or any person whom he may appoint to receive such delivery on his behalf, in possession of the property, and, if need be, by removing any person who refuses to vacate the same.

206. Delivery of property in occupancy of tenant.- Where the immovable property sold is in the occupancy of a tenant or other person entitled to occupy the same and a certificate in respect thereof has been granted under rule 191 of these rules, the Recovery Officer shall, on the application of the purchaser, order

delivery to be made by affixing a copy of the certificate of sale at some conspicuous place on the property, and proclaiming to the occupant that the interest of the defaulter has been transferred to the purchaser.

207. Resistance or obstruction of possession of immovable property.- (1) Where the holder of a certificate granted under rule 191 of these rules or the purchaser of any such property sold in execution of a demand note is resisted or obstructed by any person in obtaining possession of the property, he may make an application to the Recovery Officer, complaining of such resistance or obstruction.

208. Resistance or obstruction by defaulter.- Where the Recovery Officer is satisfied that resistance or obstruction was occasioned without any just cause by the defaulter or by any person at his instigation, he shall direct that the applicant be put into the possession of the property, and where the applicant is still resisted or obstructed in obtaining possession, the Recovery Officer may also, at the instance of the applicant, order the use of force.

209. Resistance or obstruction by a bonafide claimant.- Where the Recovery Officer is satisfied that the resistance or obstruction was occasioned by any person other than the defaulter, claiming in good faith to be in possession of the property on his own account or on account of some person other than the defaulter, the Recovery Officer shall make an order dismissing the application.

210. Dispossession by certificate holder or purchaser.- (1) Where any person other than defaulter is dispossessed of immovable property by the holder of a certificate for the possession of such property or, where such property has been sold in execution of demand note, by the purchaser thereof, he may make an application to the Recovery Officer, complaining of such dispossession.

(2) The Recovery Officer shall fix a day for investigation the matter and shall summon the party against whom the application is made to appear and answer the same.

211. Bonafide claimant to be restored to possession.- When the Recovery Officer is satisfied that the applicant was in the possession of the property on his own account or on account of some person other than defaulter, he shall direct that the applicant be put into possession of the property.

212. Rules not applicable to transferee lite pandente. - Nothing in rule 209 and 210 shall apply to resistance or obstruction in execution of a certificate for the possession of a property by a person to whom the defaulter has transferred the property after the institution of proceedings in which the order was passed or to the dispossession of any such person.

213. Delivery of moveable property, debts and share.- (1) Where the property sold is moveable property of which actual seizure has been made, it shall be delivered to the purchaser.

(2) Where the property sold is moveable property in the possession of some person other than the defaulter, the delivery thereof to the purchaser shall be made by giving notice to the person in possession prohibiting him from delivering possession of the property to any person except the purchaser.

(3) Where the property sold is a debt not secured by a negotiable instrument or is a share in a corporation, the delivery thereof shall be made by a written order of the Recovery Officer prohibiting the creditor from receiving the debt or any interest thereon, and the debtor from making payment thereof to any one except the purchaser, or prohibiting the person in whose name the share may be standing from making any transfer of the share to any person except the purchaser, or receiving payment of any dividend or interest thereon, and the manager, secretary, or other proper officer of the corporation from permitting any such transfer or making any such payment to any person except the purchaser.

214. Execution of documents and endorsement of negotiable instruments.- Where any endorsement or execution of document is required to transfer a negotiable instrument or any share to a purchaser under this chapter, such document shall be executed or endorsement shall be made by the Recovery Officer.

215. Form.- (1) Any notice, proclamation, certificate or order to be issued under this chapter shall be in such from as the Central Board of Revenue may, from time to time, specify.

(2) Until a form referred to in sub-rule (1) is specified by the Central Board of Revenue, the Recovery Officer may issue the notices, proclamations or certificates in the manner as he may deem fit in the circumstances of each case.

Annex I
(See rule 135)

FORM OF DEMAND NOTE

C.No._____

Subject: _____
References: _____
(e.g. Order in Original No; Bank Guarantee No; Insurance Guarantee No; etc.)

Whereas a sum of Rs._____ (Rupees _____ only) as Government dues is outstanding and needs to be recovered from the following;

M/s _____
Address _____
Phone No. _____
N.T.N. No. _____
CCI&E,s Import/Export Reg.No. _____
Known properties _____

2. The above mentioned Government dues are on account of customs duties and other levies collected in the same manner as that of customs duties and details are mentioned in attached schedule. It is certified that all other formalities under the Act and rules made thereunder have been completed and there exists no bar or stay order against recovery. You are, therefore, requested to recover the above mentioned Government dues in terms of section 202 of the Customs Act, 1969 (IV of 1969), and rules made thereunder. Government dues may be remitted to the undersigned as soon as the same are recovered.

(Name)
Assistant Collector of Customs

_____
Seal
_____

To, The Recovery Officer

SCHEDULE

S.No.	Description	Particulars
(1)	(2)	(3)
1.	Sr.No.	
2.	File No.	
3.	Customs Duties	
4.	Regulatory Duty	
5.	Sales Tax	
6.	Import Surcharge	
7.	Iqra Surcharge	
8.	Central Excise Duty	
9.	Agricultural Cess	
10.	Cotton Cess	
11.	Penal Surcharge	

12. Licence Fee
13. Amendment Fee
14. Development Surcharge
15. Storage Charges
16. Establishment Charges
17. Fines
18. Personal Penalties
19. Other (i)
(ii)
(iii)

Annex II
(See rule 136)

FORM OF MASTER REGISTER

1. Sr. No. _____

1. Defaulters Name, Address and Phone No._____

3. Referring authority _____

4. (i) No, date of issue and date of receipt of demand Note_____

(ii) Reference Nos. _____

5. Details of Government dues _____

(i) Customs duties Rs. _____ (Rupees _____ only)
(ii) Regulatory duties Rs. _____ (Rupees _____ only)
(iii) Sales Tax Rs. _____ (Rupees _____ only)
(iv) Import Surcharge Rs. _____ (Rupees _____ only)
(v) Iqra Surcharge Rs. _____ (Rupees _____ only)
(vi) Central Excise duty Rs. _____ (Rupees _____ only)
(vii) Agricultural cess Rs. _____ (Rupees _____ only)
(viii) Cotton cess Rs. _____ (Rupees _____ only)
(ix) Penal Surcharge Rs. _____ (Rupees _____ only)
(x) Licence Fee Rs. _____ (Rupees _____ only)
(xi) Amendment Fee Rs. _____ (Rupees _____ only)
(xii) Development Surcharge Rs. ___ (Rupees _____ only)
(xiii) Storage charges Rs. _____ (Rupees _____ only)
(xiv) Establishment charges Rs. _____ (Rupees _____ only)
(xv) Fines Rs. _____ (Rupees _____ only)
(xvi) Personal penalties Rs. _____ (Rupees _____ only)
(xvii) Other i) Rs. _____ (Rupees _____ only)
ii) Rs. _____ (Rupees _____ only)
(xviii) Total Rs. _____ (Rupees_____ only)

6. Date of issue of notice under rule 138 . _____
7. Date of issue of notice under rule 139 . _____
8. Known properties of the defaulter
(i) Movable _____
(ii) Immovable _____

9. Name and designation of attachment officer ._____

10. Details of movable properties attached.

(i) _____
(ii) _____
(iii) _____

11. Date of proclamation of attachment of immovable properties _____
12. Details of immovable properties attached_____
(i) _____
(ii) _____
(iii) _____ _____
13. Date of appointment of receiver, name of receiver and details of business or properties.

(i) _____
(ii) _____

14. Date of sale of properties and their details . _____
15. Amount of sale proceed or amount of profits alongwith mode of receipt._____

16. Disposal of sale proceeds ._____

1. Date of recovery and details of Government dues show in column 5 recovered alongwith the manner of recovery._____

Annexure III
(See rule 138 (1)

FORM OF NOTICE TO CUSTOMS, CENTRAL EXCISE AND SALES TAX AUTHORITIES

C.No. Date:

Notice under sub-section (1) of section 202 of the Customs Act,, 1969 (IV of 1969).

Subject: _____

Whereas, Government dues amounting to Rs. _____ (Rupees _____ only), are outstanding against M/s _____ (CCI&E,s Import/Export Registration No. _____ and NTN No. _____) which they have failed to pay so far.

2. Now, therefore, in exercise of the powers conferred by sub-section (1) of section 202 of the Customs Act, 1969 (IV of 1969), I do hereby require, all Customs Central Excise and Sales Tax authorities, that with immediate effect and till further orders:-

(a) to deduct the aforesaid amount from any money owing to the said M/s _____ which may be under the control of respective authorities; and
(b) to recover the aforesaid amount by detaining and selling and goods belonging to said M/s _____ which come under the control of respective authorities.

3. The Government dues so recovered should be sent to the undersigned immediately.

Recovery Officer,
_____
Seal _____

To, (i) M/s _____ (defaulter)
(ii) M/s _____ (Clearing agent or representative)
(iii) All other concerned.

Annex IV
(See rule 139(1)

FORM OF NOTICE OF RECOVERY AND ATTACHMENT

C.No. _____ Date: _____

Notice for Recovery under sub-section (2) and (3) of section 202 of the Customs Act, 1969.

Subject: _____

Whereas Government dues amounting to Rs._____ (Rupees _____ only) are recoverable from you (M/s_____) on account of _____ ;

2. And whereas you have failed to deposit the above said Government dues recoverable from you and no recovery could be made in terms of sub-section (1) of section 202 of the Customs Act, 1969 (IV of 1969);

3. And whereas it is believed that the outstanding Government dues cannot be recovered from you in the manner so far followed;

4. Now, therefore, you (M/s _____) are hereby served with this notice in terms of sub-section (2) of section 202 of the Customs Act, 1969 (IV of 1969), to pay the amount within fifteen days from the date of service of this notice, failing which following proceedings under sub-section (3) of section 202 of the Customs Act, 1969 (IV of 1969), will be initiated without any further notice:-

(a) attachment and sale of immovable property; and
(b) appointment of receiver for the management of the movable or immovable property.

5. You (M/s _____) are also directed not to directly or indirectly, sell mortgage, charge, lease or otherwise deal with all movable and immovable property belonging to you except with the permission of the undersigned.

6. You (M/s _____) are also informed that all your movable and immovable properties shall stand attached on the expiry of 15 days of the service of this notice.

7. You are also informed that the attached properties can be seized and sold under the Customs Recovery Rules, 2001 or a receiver can be appointed to manage them. To avoid such a situation it shall be in your own interest to pay the Government dues as early as possible.

(Name)
Recovery Officer
_____
Seal _____

To, (1) M/s _____

(2) M/s _____ (Agent) _____

(3) Other concerned) _____

Annex V
(See rule 151)

FORM OF WARRANT OF ATTACHMENT

C.No. _____ Date _____

Subject: _____

Whereas Mr. _____ (Designation _____), has been appointed as attachment officer in terms of Customs Rules, 2001,
to attach the movable properties of M/s _____ for the recovery of outstanding Government (Name and address)
dues amounting to Rs. _____ (Rupees _____ only), recoverable from the above mentioned defaulter.

Therefore, Mr. _____ (Designation _____), is hereby directed to seize the movable properties belonging to the defaulter while observing the provisions of the Customs 2001 save exceptions as provided under the above said Rules. He is also directed to report to the undersigned about the completion of attachment formalities as soon as these are completed.

Recovery Officer
_____

Seal _____

To,

(i) The attachment officer
_____
alongwith a copy to be served on the defaulter or his agent.

(ii) Notice Board.

[37]**[215-A. Writing off of irrecoverable amount.-** (1) Subject to the provisions contained in the Customs Act, 1969 (IV of 1969), and after following the procedure in the rules under this chapter, the amount which may be payable by way of duty, surcharge, fee, service charges, fine or penalty or any other amount which is adjudged or payable under any bond, guarantee or other instrument executed under this Act or the rules made thereunder, may be written off by the competent authority after recording reasons in writing subject to the following conditions, namely:-

(i) the recovery officer appointed under the rules issues Irrecoverability Certificate that all the steps prescribed under this chapter to recover the arrears have been taken and the arrears could not be recovered; and

(ii) there has not been any serious negligence on the part of some individual official or officer or officers which may possibly call for disciplinary action requiring the orders of any higher authority.

(2) The monetary limits for writing off irrecoverable arrears are as specified in the Schedule below, namely:-

SCHEDULE

Serial No.	MONETARY LIMIT	AUTHORITY TO WRITE OFF	PROCEDURE
(1)	(2)	(3)	(4)
1.	Upto Rs. One million.	Collector	The Collector may write off the arrears on the recommendation of the committee consisting of one Additional Collector and two Deputy Collectors.
2.	Rs. one million to 2.5 million.	Chief Collector	Chief Collector may write off the arrears on the specific recommendations of the concerned Collector.
3.	Rs.2.5 to 10 Million.	Collector with the approval of Member (Customs)	Arrears of more than 2.5 millions required to be written off shall be forwarded to the Board by the Collector clearly stating that all the requirements under the law and the rules have been completed, all possible efforts have been made and there is no lapse on the part of the officials/officers in this behalf
4.	More than Rs.10 million.	Collector with the approval of Chairman, CBR.	Arrears of more than Rs. 10 million required to be written off shall be forwarded to the Board by the Collector clearly stating that all the requirements under the law and the rules have been completed, all possible efforts have been made and there is no lapse on the part of the officials/officers in this behalf

(3) Consolidated statement regarding all sanctions to write off shall be communicated to the Board for bringing to notice any defect of system. Annual statement of all the amounts written off shall be submitted to the Accountant General for reconciliation.]

CHAPTER XII

EXPORTS

SUB CHAPTER (1)

THE DRAWBACK (SAME STATE GOODS)

216. Repayment of duty as drawback in respect of goods other than motor vehicles taken into use between their importation and subsequent exportation shall be made according to the period and the amount specified in the table below:

TABLE

Length of period between date of importation or clearance from bond, amount of duty to be paid as drawback as the case may be, and date of shipment for re-exportation.

S.No.	Period	Amount of duty.
(1)	(2)	(3)
(1)	Not more than 6 months	90% of the duty
(2)	Not more than 12 months	80% of the duty
(3)	More than 12 months but	40% of the duty

	not more than 36 months	
(4)	More than 36 months but not more than 60 months	20% of the duty
(5)	More than 60 months	Nil

217. Where the importer so elects temporary import of construction machinery, imported for approved projects in Pakistan, may be allowed subject to the conditions that:-

(a) the importer shall pay, 20% of the duty, taxes and surcharges involved at the time of clearance, and shall also furnish a bank guarantee, for an amount equivalent to 80% of the amount of customs duty, sales tax, surcharges involved, and additional surcharge at the rate of fourteen per cent per annum on the amount of guarantee, and the bank shall guarantee payment of full or part of the said amount and additional surcharge as and when demanded by the Collector of Customs;

(b) in case the construction machinery is required to be retained for a further period , the importer shall , before the completion of each year from the date of importation, pay in cash further 1/5th of the duty, sales tax, surcharges and the additional surcharge on that amount form the date of guarantee and may get his guarantee reduced accordingly;

(c) on completion of five years from the date of importation or on exportation of the machinery to the satisfaction of the Collector , the guarantee shall be discharged if no amount or additional surcharge remains payable by the party; and

(d) if the goods are not exported to the satisfaction of the Collector, this shall constitute an offence in terms of clauses 10A and 11 of the Table given below sub-section (1) of section 156 of the Customs Act, 1969 (IV of 1969).

218. Repayment of duty as drawback in respect of motor vehicles taken into use between their importation and subsequent exportation shall be made according to the period and the amount specified in the Table below;

TABLE

S.No.	**Length of period between date of importation Or clearance from bond, as the case may be, and date of shipment for re-exportation.**	**Amount of duty to be paid as drawback**
(1)		
1.	Not more than 4 months	75% of the duty
2.	More than 4 months but not more than 8 months	60% of the duty
3.	More than 8 months but not more than 12 months.	50% of the duty
4.	More than 12 months but not more than 24 months.	25% of the duty
5.	More than 24 months but not more than 36 months.	10% of the duty
6.	More than 36 months.	Nil

219. No repayment of duty as drawback shall be made in respect of the following classes of goods when such goods have been taken into use between their importation and subsequent exportation, namely:-

(i) chests imported to be used as containers for tea or rubber;
(ii) exposed cinematography films; and
(iii) articles of wearing apparel.

SUB –CHAPTER (2)

DUTY DRAWBACK (CLAIM PAYMENT).

220. Definitions.- In this sub-chapter, unless there is anything repugnant in the subject or context -

(a) "act" mean the Customs Act, 1969 (IV of 1969), and [103][omitted];
(b) "complete claim documents" means required documents for processing and sanctioning of duty drawback claims, namely:-

(i) application for export duty drawback [103][omitted];
(ii) calculation sheet;
(iii) bank credit advice - In case of non-submission of bank credit advice, a bank guarantee equivalent to the duty-drawback shall be submitted in lieu thereof. In absence of either the bank credit advice or bank guarantee, attested copy of L C shall be submitted in case of exports made against letter of credit;
(iv) airways bill, Bill of Lading, Postal receipt or Cross Border Certificate;
(v) customs certified invoice;
(vi) packing list (if any);
(vii) [103][omitted];
(viii) quadruplicate copy of bill of export/shipping bill containing customs examination report and bearing complete postal address of exporter and National Tax Number;
(ix) For payment through banks. Pre-receipted duty drawback proforma and under taking, as per format Annex-A or Annex-B as laid down in State Bank's circular No. 76; and
(x) [103][omitted];

(c) "Duty drawback" means a claim of refund of import duty, [103][omitted], as envisaged in clause (c) of section 21, sections 37, 39, 40 and 41 of the Customs Act, 1969, [103][omitted];

(d) "Exporter" includes a person who exports goods to any country including Export Processing Zones in Pakistan and files duty drawback claims, [135][Omitted] [130][Omitted];

(e) "Exported goods" means exported items to any foreign country including Export Processing Zones in Pakistan [131][Omitted]; and

(f) The words and expressions used and not defined herein shall have the meanings assigned to them in the Acts.

[103][**221. Processing and sanctioning of duty drawback claims.-** Claims of duty drawback shall be sanctioned by the Customs if the same are complete in all respect and on first in first out (FIFO) basis.

221A. Comprehensive audit.- Comprehensive audit of duty drawback payments shall be carried out by the Directorate General of Post Clearance Audit (PCA) of the Federal Board of Revenue.

221B. Recovery of duty drawback.- Any recovery detected by PCA may be deducted from the next duty drawback claim of the exporter besides initiating recovery proceedings under the recovery rules.]

222. Time frame for payment of duty drawback.- The duty drawback payment of such claims that are complete in all respects shall be made on FIFO basis taking into account the date of filing of claim

223. [103]**[Omitted]**

224. Monthly reporting.- [103](1) A consolidated discrepancy report shall be sent by the Collectorate to SBP on monthly basis.

(2) SBP shall also send a scroll of all the duty drawback payments made to the exporters.]

SUB CHAPTER (3)

EXPORT PROCESSING ZONE.

225. Definitions.- In this sub-chapter, unless there is anything repugnant in the subject or context,-

(a) "Authority" means the Export Processing Zones Authority established under the Ordinance;
(b) "Collector of Customs", in relation to a Zone, means the Collector of Customs, in whose jurisdiction such Zone is established:
(c) "import", in relation to a Zone, means import from abroad and includes goods introduced into a Zone from the Tariff Area;
(d) "investor" and "industrial-undertaking" shall have the same meaning as are, respectively, assigned to them in the Ordinance;
(e) "Ordinance" means the Export Processing Zones Authority Ordinance, 1980(IV of 1980);
(f) "Tariff Area" means any area in Pakistan outside the limit of a Zone; and
(g) "Zone" means such area as is declared by the Federal Government to be a Zone under the Ordinance.

226. Import of goods into the Zones.- (1) subject to sub-rules (7)and(8), any goods can be imported into the Zones from abroad or from the Tariff Area.

(2) A separate bill of entry in respect of goods imported for a Zone along with other documents showing details of the goods as required under the Act and the Rules made thereunder shall be presented to the Customs authorities for assessment and clearance.

(3) Goods imported into a Zone shall be assessed in accordance with the existing procedure.

(4) The exemption granted under Board's Notification No. SRO. 881(I)/80, dated the 23rd August, 1980 shall, be applicable to machinery, equipment, materials to be used solely within the limits of a Zone and goods imported into the Zone for warehousing purposes:

[98][Provided that the investors in Export Processing Zone shall retain machinery for a period of five years from the date of its import into the Zone:

Provided further that the investors in Export Processing Zone shall be allowed to dispose of machinery in the tariff area after filing Goods Declaration subject to the fulfillment of conditions of Import Policy Order upon payment of duty and taxes on the following terms, namely :-

Sr No	Disposal period	Duty and taxes
(1)	(2)	(3)
1	If sold or otherwise disposed of before the expiration of three years from the date of import in EPZ.	Full
2	If sold or otherwise disposed of after three and before four years from the date of import in EPZ	75%
3	If sold or otherwise disposed of after four and before five years from the date of import in EPZ	50%
4	If sold or otherwise disposed of after five years from the date of import in EPZ	0%'

(5) An investor or his licensed clearing agent duly approved and authorised by the Authority shall carry out necessary formalities regarding Customs clearance.

(6) All goods so cleared shall be secured and forwarded to the Zone under Customs supervision, a pass shall be sent with the goods specifying the name of the importer and the clearing agent, if any, number of vehicle, description and quantity of goods with the marks and numbers and contents thereof and, on receipt of the goods in the Zone, the officer of Customs allowing the goods to enter the Zone shall retain the pass.

(7) Admission of goods imported for a Zone shall not be refused except when the goods are liable to restrictions or prohibitions imposed on the grounds of public morality or order, public security hygiene or health or for veterinary or phyto-pathological considerations, or relating to the protection of patents, trade marks or copy-rights.

(8) Hazardous goods may be allowed to be admitted to a Zone only when an area specially designed for its storage is made available within the Zone.

(9) Goods admitted to a Zone may remain there for such period as may be prescribed by the Authority [94][but in no case exceeding two years:

Provided that the Collector of Customs may extend the aforesaid period by one year.]

[98][Provided further that the Chief Collector may consider any further extensions, in exceptional circumstances, on such terms and conditions, as he may deem appropriate:

[123][provided further that after expiry of utilization period, the input goods may be put to auction as per customs laws and rules.]

[35][(10)(a) Import of vehicles shall be allowed without payment of customs-duty and other taxes as per the entitlements given in the table below, namely:-

TABLE

S. No.	**Quantum of investment in EPZ**	**Vehicles allowed**
(1)	(2)	(3)
1.	US$ 10.00 million or more upto US $ 25 million;	03
2.	more than US $ 25 Million but less than US $ 50 Million;	05
3.	equal to or more than US $ 50 Million but less than US $ 75 Million;	10
4.	equal to or more than US $ 75 Million	15

	but less than US $ 100 Million;	
5.	equal to or more than US $ 100 Million but less than US $ 125 Million; and	20
6.	equal to or more than US$ 125 Million,	25

(b) subject to a maximum of one motor car of up to 1600 c.c within the number of vehicles allowed and shall be further subject to the verification of the amount of investment and completion of the project within a time period of three years by the Export Processing Zone Authority.]

(10) Units employing upto 25 workers will be allowed to import or purchase one coaster while units employing more than 25 will be allowed to import or purchase a bus upto 50 seats. Similarly, units with turnover of US $ 5.00 million or more per annum will be allowed to import or purchase one cargo vehicle or truck;.]

227. Introduction of goods into the Zones from Tariff Area.- [94][(1) Goods from the Tariff Area, required for further processing in a Zone, shall be admitted after completion of export formalities, including filing of export GD, which are normally observed for export out of the country. The Importer in the Zone shall file corresponding Import GD for allowing entry of goods in the Zone.]

(2) Goods which are entitled to exemption or repayment of Customs-duties and sales tax on exportation shall qualify for such exemption or repayment immediately after these have been admitted into a Zone in accordance with the provisions of the Board's Notification No. S.R.O..882(I)/80, dated 23rd August, 1980.

228. Export of goods from the Zones .- (1) Any goods removed from a Zone for exportation shall be exported under the export procedure as laid down in the Act and the rules made thereunder [11][…]

(2) Goods cleared for export shall be forwarded to the exporting station under Customs supervision, a pass shall be sent with the goods , specifying the name of the Exporter and the clearing agent , if any, number of vehicles, description and quantity of goods with the marks and numbers and , on receipt of the goods at the exporting station , the officer of Customs allowing the export of goods shall retain the pass.

(3) All Customs formalities regarding removal of goods from the Tariff Area shall be completed at the main Customs Check Post or any place within the Zone approved for this purpose by the Collector of Customs.

(4) Export Processing Zones manufacturers shall be treated at par with the bonded manufacturers in tariff area.

[11][(5) The units established in the Export Processing Zones [23A][excluding M/s. al-Tuwairqi Steel Mills Karachi]shall export only upto twenty per cent of their total production ot tariff areas in Pakistan while eighty per cent shall be exported to other countries.] [94][The condition of supply of twenty percent of the total production to tariff area shall not include the supplies made from the EPZ to tariff area under SRO 492(I)/2009 dated 13.06.2009 or DTRE scheme or Manufacturing Bond scheme or Export Oriented Units scheme [156][or Export Facilitation Scheme(EFS)], as the case may be, as the same are used for manufacture of goods which are eventually exported out of Pakistan.]

[31][S.No.	Name of Unit	Maximum level of Export to tariff area.
(1)	(2)	(3)
1.	M/s Al-Tuwairqi Steel Mills, Karachi	100% of the production

2.	M/s. M/s. Filling & packing Material manufacturing Company (FIPCO), Karachi	50% of the production.]
[45][3.	M/s. MRDL Saindak	100% of the production of magnetite concentrate to Pakistan Steel]
[47][4.	Units established in the Export Processing Zone, Gawadar	50% of the production.]
[50][5	Unaits establishing in the Export Procesing Zone, Risalpur.	30% of the production]

229. Removal of goods from the Zone to Tariff Area.- (1) Removal of imported raw materials, imported goods in the same state and goods produced by investors in a Zone to Tariff

Area for home consumption may be allowed subject to the import restrictions and formalities applicable to imports from abroad , customs-duties and other taxes levied on imports into Tariff Area from the Zone shall be the same as duties and taxes levied on similar imports from abroad .

[94][(2) Any goods permitted by the aforesaid authority for entry into the Tariff Area under sub-rule (1) may be taken out of the Zone after fulfilling all the requirements prescribed under the Act and the Rules made there-under for the direct import from aboard into the Tariff Area. The investor shall file export GD against the goods being exported from Zone to Tariff Area and the importer in the Tariff Area shall also file corresponding Import GD.]

(3) The point in time to be taken into consideration for the purpose of determination of value and the rate of duties and other taxes applicable on goods removed for home consumption shall be determined in accordance with provisions of the Act and the Rules made thereunder.

(4) The goods produced in a zone and removed to Tariff Area for home consumption shall be chargeable to customs-duties in the state in which they enter the Tariff Area .

Explanation. - The normal value of the goods manufactured in the E.P.Z., on entry into the Tariff Area and vice versa shall be assessed as per the provisions of section 25 of the Customs Act,1969.

230. Subcontracting for units of the Tariff Area.- Units operating in a Zone shall be allowed to undertake subcontracting for units of the tariff area subject to payment of duty and taxes on value addition only and sales tax if chargeable on the value of supply with the prior permission of the Collector of Customs on such conditions, restrictions and limitations as may be prescribed by the Collector or as otherwise provided in the Act or the Rules made thereunder:

Provided that in case of chargeability of central excise duty or sales tax, shall be collected in the same manner and time as if it were duty of customs payable under the Customs Act, 1969 (IV of 1969).

[123]**[230A. Subcontracting from units of the tariff area.-**Manufacturing Units operating in a zone and having in house manufacturing facility but requiring some part of manufacturing process to be done in tariff areas shall, subject to the law for the time being in force, be allowed to undertake sub-contracting from the units located in the tariff area with the prior permissions of the Collector of Customs on such condition, restrictions and limitations as may be prescribed by the Collector or as otherwise provided in the Act or the rules made thereunder:

Provided that the manufacturing at the time of applying for sub-contracting shall declare in his application about the process that he intends to get done from a vendor, along with-particulars of the vendor. The vendor shall have a valid sales tax registration being a manufacturer and his name shall be appearing in the sales tax active taxpayers list. The vendor shall have in-house manufacturing facility to perform the stated

manufacturing process. The vendor shall not be changed or added except with prior permission of the Deputy Collector or Assistant Collector concerned. Two sealed and signed samples of the goods shall be retained at the time of the movement of the goods for vending and the same shall be handed over on arrival of the goods after the stated work has been carried on the goods.]

231. Destruction .- Any goods admitted to a Zone on having been rendered unfit for consumption may be allowed to be destroyed or rendered commercially value-less by an officer of Customs not below the rank of an Assistant Collector of Customs in such manner as may be prescribed by the Collector of Customs:

Provided that manufacturer in Export Processing Zone is allowed to remove @ 3% of the total value of export, the defective 'B' grade goods, waste, used packing materials, empty drums and cartons generated or produced in the Zone to tariff area on payment of duties and taxes.

232. Unaccounted goods.- [94][(1)The importer shall maintain proper accounts of the imports, production, export, transfer and wastages of the raw materials and finished goods to the satisfaction of the Collector of Customs.

[94] (2)] If any importer fails to give proper account of the imported goods to the satisfaction of an officer of Customs not below the rank of an Assistant Collector of Customs, the importer shall pay on demand an amount equal to the duties and taxes leviable thereon and shall also be liable to pay penalties imposed for such violation under the Act and the rules made thereunder.

233. Remission of duties.- Subject to the satisfaction of the Collector of Customs, the duties and other taxes, if any, may be remitted in full or in part, as the case may be, in the following cases, namely:-

(i) when any goods are damaged or destroyed by unavoidable circumstances or causes beyond the control of the importer or the owner;
(ii) when the waste or refuse of the goods is destroyed in accordance with rules 231; and
(iii) when goods imported are bona fide samples for study, testing or design.

234. Restriction on removal of goods from the Zones.- No goods shall be taken out from any Zone except as provided in rules 228, 229, 230,[123][230A] and 231, or for transfer to another Zone or to a customs manufacturing bond [156][Export Facilitation Scheme or SRO.492(I)/2009, as the case may be] in a tariff area or for [123][omitted] with the prior permission of the Collector of Customs on such conditions, restriction and Limitation as may be prescribed by him or as other wise provided in the Act or the rules made thereunder.

235. Transfer of ownership .- Transfer of ownership of goods admitted to a Zone may be allowed:

Provided that retail sale of such goods shall not be allowed [46][:]

[46][Provided further that exporters from tariff area may be allowed to purchase goods from within the units in the Zone to be exported to foreign destination directly from Export Processing Zone under the supervision and seal of Export Processing Zone and Customs authorities duly escorted by Customs fulfilling all the related formalities

[94][235A. Transfer of ownership by investor or industrial undertaking.- No transfer of ownership by any investor or industrial undertaking of its unit or cancellation of license shall be finalized by the Authority without prior issuance of NOC from the Collector of Customs.

235B. Audit.- The concerned Collectorate of Customs shall conduct annual audit of units operating in Export Processing Zone.]

236. Security of the Zones.- (1) Each Zone shall be delimited and bounded with secured boundary fending and suitable check posts may be established after approval of the Collector of Customs.

(2) The construction of the check post shall be carried out by the Authority in accordance with the layout plan approved by the Collector of Customs.

(3) The Collector of Customs may impose restrictions on means of access to a Zone and establish the hours of business. The Collector of Customs may keep the means of access to a Zone under permanent or intermittent supervision, and make spot checks on the goods introduced into the Zone to ensure that these are subjected to only authorized operations and to see that no unauthorized goods have been introduced.

SUB -CHAPTER 4

Omitted

SUB-CHAPTER 5

RELEASE OF RAW HIDES FOR MANUFACTURE OF EXPORTABLE GOODS.

264. In this sub-chapter unless there is anything repugnant in the subject or context the term 'Raw Hides' includes the following namely:-

(i) Raw and pickled hides and skins;
(ii) wet blue hides and skins;
(iii) finished leather; and
(iv) accessories, components and trimmings for leather manufacturers.

265. The Collector of Customs may, on the application of an importer of dutiable goods, hereinafter referred to as raw materials, who intends to use the raw materials in the manufacture of goods which are wholly meant for export and makes a declaration to that effect, allow the importer to clear the raw materials, without payment of duty, under bond to a factory which is a private warehouse licensed under the Customs Act, 1969)IV of 1969).

266. (1) Before removal of raw materials for manufacture, the importer shall apply to the Collector within whose jurisdiction the manufacturing bond is located with a Master Specimen Card which should show specimens of all the imported items with complete details of the bill of entry: Before exporting the finished product the same importer shall apply and get a copy of a certified Analysis Card which shall show the quantity of raw materials required for the manufacture of a unit of the goods meant for export; Input, output ratio and wastages, however, shall be mentioned on the analysis card.

(2) The Collector concerned shall retain one copy of the certified analysis card and hand over one such copy to the importer to be produced by him at the time of export clearance of finished goods, and one such copy of certified analysis card is also to be given to,-

(a) the export station for retention in the export section thereof for the purpose of comparison with the manufactured goods at the time of their export; and
(b) the officer-in-charge of the warehouse on the factory premises.

267. The raw materials cleared under rule 265 shall be used only for the manufacture of goods for export in bond under Customs supervision.

268. (1) An importer who desires to clear any raw material under rule 1 shall apply to the Collector within whose jurisdiction the manufacturing unit is located, and the quantitative control ensuring re-export be carried out in terms of value-added goods such as finished leather or leather manufactures, as the case may be.

(2) The importer shall declare separately in the customs into-bond bill of entry the exact quantity and value of the raw materials specifically imported or allocated for the manufacture of goods in bond under Customs supervision.

(3) The importer shall consume the raw materials imported under rule 264, within a period of two years and those supplied free of cost or imported on credit shall be consumed within three years from the date of admission of such raw materials in the factory.

269. Before allowing clearance of any raw material under rule 264, the Customs authorities shall take a note of the raw materials declared under sub-rule (2) of rule 268 and endorse the relative invoices and the bill of entry with the words, "FOR MANUFACTURE IN BOND" in capital letters.

270. After the requirement of rules 265,268 and 269 have been duly complied with and the importer has executed a bond of an amount equal to twice the amount of the duty and taxes chargeable on the raw materials imported by him on such terms and conditions as may be specified by the Collector of Customs, the Collector shall allow clearance of the raw materials and their removal under Customs supervision to the importer's factory which is a private warehouse licensed under the Customs Act, 1969 (IV of 1969).

271. (1)Any wastage or defective goods shall, at the option of the importer, be removed to a place set apart or destroyed under Customs supervision or cleared for home-consumption on payment of the duties and taxes payable in respect of the raw materials.

(2) An importer who desires to re-export raw materials imported for manufacture of goods under this sub-chapter shall re-export the same within the period specified in sub-rule (3) of rule 274.

272. The importer shall maintain proper accounts of the imports, production, export and wastages of the raw materials and finished goods to the satisfaction of the Collector of Customs in separate parts of a register in the following form or in such other form as the Central Board of Revenue may direct, namely:-

PART I

(Materials in bond)

Vessel's name.

(i) IGM No. and date.
(ii) No. of bill of entry and date.
(iii) Description of materials.
(iv) Quantity received.
(v) Value and amount of duties and taxes.
(vii) No. of packages received.

Date of receipt.
Officer's signature and date.

PART II

(In production)

(i) Quantity issued for manufacture.
(ii) Quantity of the goods manufactured.

(iii) Quantity of goods manufactured for export.
(iv) No. of cases packed, sealed and stored in the finished goods in bond for export.
(v) Quantity of each case for export and case No.
(vi) Quantity of goods found defective.
(vii) Quantity of wastage fit to be destroyed.
(viii) Officer's signature and date.

PART III

(Finished goods in bond)

(i) No. of cases transferred in the finished goods in bond.
(ii) Quantity of goods in each case and case No.
(iii) Quantity of goods shipped.
(iv) Reference No. of shipping documents.
(v) Quantity in goods for export in balance in bond.
(vi) Officer's signature and date.

PART IV

(Wastage and defective products)

(i) Quantity of goods found defective on manufacture.
(ii) Quantity of raw materials related to the goods found defective.
(iii) Amount of duties and taxes paid.
(iv) Ex-bond for home-consumption bill of entry No. and date.
(v) Quantity of wastages destroyed.
(vi) Officer' signature and date.

273. The importer shall bear the cost of the Customs staff posted at his bonded premises as Bond Officers as well as for those posted for examination and transport of the export goods at the examination sheds at the wharf or airport:

Provided that, the customs staff shall not be posted for transport of the export goods to the examination at the ports or airports for the consignments the value of which is less than one hundred thousand rupees.

274. The importer shall enter into a general bond, to be prescribed by the Collector of Customs, binding himself:-

(i) to provide such officer all facilities as may be required by the Collector of Customs at his bonded premises;
(ii) to observe rules, procedure and instructions that may be prescribed in respect of manufacture of the goods in bond;
(iii) to maintain detailed accounts in different parts of the register mentioned in rule 272 and to keep the register and the relevant documents open to Customs inspection on demand;
(iv) to pay on demand all duties and taxes together with surcharge at 7 per cent per annum from the date of importation in respect of raw materials which are used otherwise than for the manufacture of goods for export in bond and which are not accounted for to the satisfaction of the Collector of Customs and to pay any penalties imposed by the Collector for violation of this sub-chapter or the Customs Act, 1969;
(v) to pay the cost of Customs staff posted at the bonded premises from month to month within a week's time from the date of demand thereof by the Collector of Customs; and
(vi) to abide by such further conditions imposed by the Collector of Customs as may be necessary for purposes of identification and accounting of the raw materials used in the manufacture of finished goods;

275. 1. the bond under which a particular consignment is cleared shall be discharged when the goods manufactured in bond related to that consignment are shipped and duties and taxes, if any, are paid on all related wastages and remnants cleared for home consumption; and

2. the bill of export related to the export of the goods manufactured in bond shall be endorsed by the words "MANUFACTURED IN BOND" in capital letters.

276. No more than 5 per cent in terms of quantity of the raw materials shall be allowed to account for wastage or defective manufacture and the duties and taxes shall be paid in respect of any wastages or defective goods cleared for home consumption and in case of leather manufacture, leather trimmings and cuttings shall be determined by the Collector of Customs as wastage or part of consumption as decided by him in the certified analysis card.

277. The production and shipment reports, the register maintained under rule 272 and the relevant documents shall be audited after the end of each half year by the Officers of the Audit Organization of the Custom House and a certificate to the effect that the accounts are in order shall be submitted by the Auditor of the Custom House in the first week of the month following the half year of which the accounts have been audited.

278. The repayment of duties shall be allowed on export of manufactured goods on account of other duty paid inputs like tanning and dyeing materials, colours, pigments, linings, buttons and other accessories etc. as given in the specified notification issued by the Central Board of Revenue for the purpose.

Annex-A

SPECIMEN OF CERTIFIED ANALYSIS CARD FOR FINISHED LEATHER AND LEATHER MANUFACTURES

(For Import of Raw, Pickled, or Wet Blue Leather)

Input

_____Skins_____Hides,_____Sq.Ft. of Raw pickled or Wet Blue vide Bill of Entry No._____Dated_____.

Output

(a) *Finished Leather:*
_____Skins_____Hides/_____Sq. Ft. of Finished Leather or

(b) *Leather Manufactuers:*
Style_____
Consumption _____Sq. Ft. Per Unit/_____Skins_____Hides Per Unit.

Wastage

Annex - B

SPECIMEN OF CERTIFIED ANALYSIS CARD FOR LEATHER MANUFACTURES

(For Import of Finished Leather)

Input

_____Skins and Hides _____Sq. Ft. of Finished Leather
Vide Bill of entry No. _____Dated_____

Output

Style Number _____

Consumption

----------Number of Skins/Hides Per Unit.

Or

----------Sq. Ft. Per Unit.

Wastage

Annex C

SPECIMEN OF CERTIFIED ANALYSIS CARD FOR LEATHER MANUFACTUERS
(For Import of Accessories)

Details of Accessories	Name of Styles/Models						
	Style A	Style B	Style C	Style D	Style E	Style F	Style G
Buttons							
Zippers							
2 Side stitching							
Tape							
Fusing							
Stopper							
Cord Ends							
Lining							
Manger Loops							
Fur							
Logo Tags							
Eyelets							
Rivets							
Bicycles							
D Tags							
E Wastage							

SUB CHAPTER 6

Omitted

"SUB-CHAPTER 7

DUTY AND TAX REMISSION FOR EXPORTS

296. Definitions.– (1) In this sub-Chapter, unless there is anything repugnant in the subject or context,–

(a) "acquisition" means import or purchase of foreign origin goods including banned or restricted items within the scope and extent of this sub-chapter or procurement of locally manufactured goods and taxable or excisable services covered under this sub-Chapter provided that acquisition of banned or restricted items shall be subject to prior permission from the Ministry of Commerce;

(b) "Act" means the Customs Act, 1969 (IV of 1969), the [46][Federal Excise Act 2005] and the Sales Tax Act, 1990;

(c) "Appendix" means an Appendix to this sub-Chapter;

(d) "DTRE" means duty and tax remission for exports;

(e) "DTRE applicant" means a person who files an application in the form set out in Appendix I for grant of facilities under this sub-Chapter;

(f) "DTRE user" means a person who has been approved for availing facilities under this sub-chapter by the concerned Regulatory [98][Authority];

[32][(ff) engineering goods" includes goods classified under Chapter 72 to Chapter 96 of the First Schedule of Customs Act, 1969 or as approved by the Engineering Development Board (EDB),]

(g) "export" includes supply of goods,–

(i) by an indirect exporter to a direct exporter;
(ii) [144][Omitted;
(iii) to industrial units, projects, institution, agencies and organizations, entitled to import the same at concessionary rates;] and
(iv) to export processing zones;

(h) "indirect exporter" means a person who has a firm contract or export purchase order from a direct exporter for the manufacture and supply of goods to such exporter;

(i) "input goods" means goods and includes services eligible for acquisition and also includes,–

(a) trims and accessories;
(b) electricity and gas on which sales tax has been paid; and
(c) furnace or diesel oil [94][or coal] [96][or coke of coal of carbon blocks] for the generation of electricity [94][/energy] used or consumed in the manufacture of output goods for export under this sub-chapter;

(j) "import" includes purchase of input goods from export processing [96][zone or export oriented units operating under Notification No. S.R.O. 327(I)/2008, dated the 29th March, 2008] or from a private or public bonded warehouse including manufacturing bond but excluding diplomatic bond;

(k) "Ordinance" means the Income Tax Ordinance, 2001 (XLIX of 2001);

(l) "Pakistan Customs Computerized [68][omitted]" means the Customs Computerized System as defined in clause (ia) of section 2 of the Customs Act, 1969 (IV of 1969);

(m) [53,98][Regulatory Authority" means the Collector of Customs in whose jurisdiction the place of business or manufacturing unit of DTRE applicant, duly registered under the Sales Tax Act, 1990, is located. The Collector may designate an Additional Collector as Regulatory Authority for such cases where total duty and taxes remitted under DTRE approval is upto fifty million Rupees]; and

(n) [32][utilization period" means the period commencing from the date of approval of DTRE application till the date of export of output goods under this sub-Chapter]

(2) The words and expressions used but not defined in sub-rule (1) shall have the meaning assigned to them in the Act or, as the case may be, the Ordinance.

297. Scope of DTRE facility.– (1) The DTRE facility under this sub-Chapter shall be available to,

(a) the persons registered under the Sales Tax Act, 1990, as exporters;

(b) the persons who make value-addition in the manufacture and export of goods in accordance with the prevalent value-addition of the relevant industry [68][but which shal not be less than 15%];

(c) those who act or intend to act as contracted vendors of foreign manufacturers or foreign buyers; and

(d) commercial exporters engaged in the purchase and export of goods in same state either after packing or otherwise.

(2) The DTRE facility under this sub-Chapter shall not be admissible to,–

[57](a) raw sugar and cooking oil or vegetable ghee or their raw materials:

Provided that notwithstanding anything contained elsewhere in these rules,-

(i) the DTRE facility shall be allowed to the manufacturers-cum-exporters of ghee only [96][omitted][77][Omitted];

(ii) [77][the DTRE facility shall be allowed to the manufacturers-cum-exporters to acquire raw materials for the manufacturer and export of Vegetable Ghee not exceeding 1000 Metric Tons [81][per month]];

(iii) the time limit shall be ninety days for utilizing the imported palm oil and this period shall be counted from the date of Import General Manifest (IGM) to export date of the consignment; and

(iv) the exports of ghee shall be allowed in foreign currency only; and.]

b. the goods which are banned or restricted under the prevalent Import and Export Policy Orders on account of national security, public health and cultural, normal or religious considerations.

298. Application for DTRE approval. – (1) A DTRE applicant who intends to obtain DTRE approval under this sub-Chapter on the basis of specific export or supply contract or order shall apply to the Regulatory [98][Authority] in the form set out in Appendix I over the web through [98][WeBOC].

(2) A direct exporter or commercial exporter may obtain advance DTRE approval on the basis of his past export performance for the general class of export products corresponding to the Harmonized System Code and he shall be entitled to acquire input goods to meet his future export-related production requirements for a period of twelve months as substantiated on the basis of bills of export or E Forms duly countersigned by the State Bank of Pakistan or sales tax returns stretching over a period of previous [103][twelve] months.

(3) An indirect exporter who is not currently in possession of any supply order but has been manufacturing and supplying goods to direct or commercial exporter either under DTRE scheme or otherwise may obtain advance DTRE approval on the basis of such past supplies of general class of export products corresponding to the Harmonized System Code for the acquisition of input goods to meet his production and supply requirements for the next twelve months.

(4) An indirect exporter who is in possession of more than one firm supply contract or purchase order from a direct exporter or a commercial exporter may seek consolidated DTRE approval for all such contracts or orders.

299. Input-output ratios and wastages.- (1) In case of goods other than same-state goods, the input-output ratios and wastages under this sub-chapter shall be declared by the applicant as per Appendix I.

(2) Tags and printed materials supplied by a foreign supplier without involvement of foreign exchange from Pakistan shall be allowed to be imported without any quantitative restriction for the purpose of this sub-Chapter.

[32][(3) The Regulatory [98][Authority] [53,54][may, within seven days of] receipt of an application under this sub-Chapter, refer such application to Input Output Coefficient Organization (IOCO) for determination of input-output ratios and wastages, except an application in respect of engineering goods, which shall be referred to EDB, before granting DTRE approval.

[53,54][(4) IOCO or, as the case may be, EDB upon receipt of a reference from the Regulatory [98][Authority], shall determine input-output ratios and wastages, as may be deemed appropriate, and forward

their findings to the Regulatory [98][Authority] within a period of thirty days, or such shorter period as may be specified by the Regulatory [98][Authority] in any specific case:

[96][Provided that if there is no change in previously determined input and output ratio, then the Regulatory [98][Authority] shall uphold the previously determined input-output ratios without sending it to IOCO:][omitted]

Provided further that the Regulatory [98][Authority] may grant provisional DTRE approval pending receipt of response from IOCO or, as the case may be, EDB in this behalf. Such provisional approval shall not in any case be delayed beyond three days after expiry of the due date of receipt of response from IOCO or, as the case may be, EDB:

Provided also that quantity equivalent to hundred percent capacity of the producing or manufacturing unit may be approved provisionally by the Regulatory [98][Authority], as applied by DTRE user, however upto fifty percent quantity may be allowed to be used by the time IOCO or EDB determines output and input ratios.]

(5) In case the IOCO or, as the case may be, EDB fail to forward their findings to the Regulatory [98][Authority] within the prescribed period, the input-output ratios and wastages, as determined provisionally, by the Regulatory Collector shall be deemed to be final till such time that the Regulatory [98][Authority] revises them upon receipt of the aforesaid report at some later stage or for any other reason to be recorded in writing:

Provided that no revision shall be made beyond the expiry of utilization period of input goods as mentioned in rule 305.]

300. Grant of DTRE approval. - (1) On the basis of DTRE application, a Regulatory [98][Authority], if he is satisfied with the bona fides of the DTRE applicant, shall grant DTRE approval and each such approval shall be fed into [98][WeBOC] over the web in the format as given in Appendix II.

(2) The amounts suspended by the Regulatory [98][Authority] in respect of leviable customs-duties, excise duty, sales tax and withholding tax shall be secured [53][for a period of [94][eighteen] months] against,–

(a) indemnity bond along with the post-dated cheque from a direct and indirect exporter;
(b) bank guarantee from a commercial exporter; and
(c) corporate guarantee from exporters in the corporate sector.

(3) The Regulatory [98][Authority] may, at the time of granting DTRE approval,–

[32](a) verify the manufacturing facility of DTRE applicant through inspection and determine the production capacity of such facility by physical survey, in addition to verifying the business turnover from the sales tax profile or other available records of such DTRE applicant to ensure that quantity of the input goods applied for commensurates with the actual production and business capacity of such applicant;; and]

(b) consult the records of Input-Output Coefficient Organization for identical or similar output goods if available to ensure that the input-output ratios and wastages as claimed by the DTRE applicant are as per industry standards.

(4) Where an existing DTRE approval does not cater to the quantitative or other requirements of a contract or supply order due to any valid reasons, the Regulatory [98][Authority] may suitably amend the existing DTRE approval.

(5) Where an exporter proves to the satisfaction of the Regulatory [98][Authority] that export under a separate contract can not be arranged out of his regular production due to valid reasons, past export

performance as well as contract-based DTRE approval may be granted concurrently for the output goods of the same or different description.

(6) Where the indirect exporter is granted DTRE approval on the basis of contract or order entered with a direct exporter or commercial exporter, the entitlement of the direct exporter or commercial exporter to duty suspension under this sub-chapter in respect of his export contract or order with a foreign buyer shall proportionately be reduced to the extent of entitlement of the indirect exporter.

(7) No DTRE application shall be rejected without affording opportunity of being heard to the DTRE applicant.

(8) [97][The Regulatory [98][Authority] shall endorse a copy of the DTRE Approval to Director, Input Output Coefficient Organization (IOCO), Karachi:

[112][Provided that notwithstanding the above provision, the Risk Management System of WeBOC may select DTRE application, on the basis of applicant's profile, for automatic processing and a[pproval against securities specified in this sub-chapter. Such DTRE applications shall be subject to post approval verification by the respective Collectorate.]

301. Amendment, suspension or cancellation of DTRE approval. – (1) A DTRE- user may apply to a Regulatory [98][Authority] for amendment in the previous approval or for its cancellation and each such request shall be decided within ten days of receipt thereof and fed into [98][WeBOC] as per Appendix II.

(2) No request for amendment in the existing DTRE approval shall be rejected and no DTRE approval shall be cancelled without affording to the DTRE applicant or the DTRE- user an opportunity of showing cause in writing and being heard.

(3) The Regulatory [98][Authority] may, on his own or otherwise, suspend any DTRE approval pending his decision to cancel such approval and each such suspension shall be fed into [98][WeBOC] as per Appendix II.

(4) The Collector may, in addition to any other action under the law, require the input goods already acquired or output goods produced under the suspended or cancelled DTRE approval to be dealt with in such manner as he may deem appropriate.

[98][301A. Appeal to the Chief Collector.- Any DTRE applicant aggrieved by any decision or order passed under sub-rule (3) of rule 301 or any other order may prefer an appeal to the Chief Collector of Customs within sixty days of passing of such decision or order.

302. Acquisition of duty free input goods.- (1) A DTRE user shall be entitled to acquire input goods without payment of customs duty, excise duty, sales tax or withholding tax in accordance with his DTRE approval, and all such acquisitions shall be fed into [98][WeBOC] in the following manner, namely:–

(a) if imported, these shall be fed into [98][WeBOC] as per Appendix-IV by the Collectorate through which such input goods have been cleared; and

(b) local input goods shall be reported by the DTRE user to the Regulatory [98][Authority][53][within seven days of its acquisition] for feeding into PACCS as per Appendix IV.

(2) The input goods manufactured or produced in excisable premises shall be supplied against a valid document prescribed under the Federal Excise Act 2005, or the rules made thereunder.

(3) The Regulatory [98][Authority] may allow a DTRE user to utilize his duty and tax-free acquired input goods for his new approval if his previous DTRE approval has been cancelled due to pre-mature

termination or cancellation of the export or supply contract of such input goods have been rendered surplus for any valid reason and each such approval shall be fed by the Collector into [98][WeBOC] as per Appendix II.

[32]**[302A. Drawal of samples.-** [53][Three samples] of imported input goods and output goods meant for export shall be drawn [90][from such consignments selected for physical examination through the Customs Computerized System] at the time of import and export, respectively in the presence of Assistant Collector or Deputy Collector, incharge of concerned Customs station, which shall be signed by such Assistant Collector or Deputy Collector and DTRE approval number and date shall be endorsed thereon. [53][One such signed or endorsed sample in sealed form shall be handed over to the DTRE user or his clearing agent to ensure presenting the same at the time of export for identification purpose. The second sample shall be retained in the Collectorate of Import and third sample shall be sent to the [98](Regulatory Authority,] for record and cross matching or any other purpose as required.] The Assistant Collector or Deputy Collector incharge of concerned Customs station, shall inform the Regulatory Collector about the cases where description or other material particulars in respect of imported input goods or output goods meant for export are different from that declared in Appendix-I and may proceed against the DTRE user in accordance with law:]

[53][Provided [53][further] that in case of a series of identical consignments in which same input goods have been used and export goods are also identical, only one sample may be drawn, if considered sufficient by superintendent or principal appraiser for the purpose of verification of consumption of input goods.".]

[44]["Provided in cases of high value or heavy machinery compo or items where drawal of sample is not feasible, in lieu of such drawal of samples, the Assistant Collector or Deputy Collector in charge of Customs import station or, as the case may be, Customs export station shall –

(a) examine all such consignments and ascertain copies of literature which may comprise catalogues, manuals, brochures, product information leaflets etc. which reasonably explain the specifications of goods for import, or as the case may be, export, under DTRE. Such literature shall bear signature and stamp of DTRE user alongwith particulars such as user's name, DTRE approval number and date, GD number and date, etc.

(b) sign such literature and endorse the same to the relevant Regulatory Collectorate, the Customs import station, or as the case may be , the Customs export station and the DTRE user; and

(c) before allowing release of consignments for export under the DTRE facility, compare literature of the imported raw materials, received from relevant Customs import station with the certified ones provided by the DTRE user for finished goods in order to satisfy himself that the finished goods have been manufactured or produced using such imported raw materials and endorse the same in the examination report and in case of any discrepancy in description or other material particulars therein, he shall immediately inform the Regulatory Collector about such cases and proceed against the DTRE user in accordance with law.]

303. Acquisition of duty paid input goods.– A DTRE user shall be entitled to claim duty drawback on acquisition of duty paid input goods subject to the applicable duty drawback notification only after full discharge of the liabilities and obligations under this sub-chapter:

Provided that where a person is already in possession of stocks of duty-paid input goods, he may declare at the time of seeking approval and use such stocks for the purpose of this rule:

Provided further that in no case the quantity of input goods on which a DTRE user is entitled to draw back under this rule, shall exceed 20% of the value of his DTRE approval.

304. Acquisition of locally manufactured input goods.– (1) A DTRE user shall be entitled to procure without payment of sales tax locally manufactured input goods and duty drawback shall be admissible in respect of duty paid input goods used in the manufacture of such goods at the rate given in the relevant duty drawback notification.

(2) Where a registered person supplies goods to a DTRE user, he shall issue a zero-rated invoice under section 23 of the Sales Tax Act, 1990, mentioning the number and date of DTRE approval of the buyer.

[94][**304A. Facility of vendor.–** The DTRE user may remove input or semi-finished goods out of his premises for manufacture or processing by the vendors after intimating the Collector in the form as set out in Appendix-V to this chapter:

Provided that the DTRE applicant, at the time of applying for DTRE Approval, shall declare in his application about the process that he intends to get done from a vendor, alongwith particulars of the vendor. The vendor shall have a valid Sales Tax Registration and his name shall be appearing in the Sales Tax Active taxpayers list. The vendor shall have in-house manufacturing facility to perform the stated manufacturing process. The vendor shall not be changed or added except with prior permission of the Regulatory [98][Authority]. However, the said vending facility shall not be available for the weaving of fabric from yarn:

Provided further that the finished goods may be removed directly for export by the exporter from the vendor premises to the customs port of export.]

305. Utilization of input goods.– The input goods acquired under this sub-chapter shall be utilized in the manufacture and export of output goods within [32&68,123][eighteen] months from the date of approval of DTRE application [96][or IGM date, whichever is later:

Provided that the utilization period of packaging materials for horticulture products shall be twenty-four months:

Provided further that the said period may be extended by the [Chief Collector of respective jurisdiction in cases of exceptional circumstances and in case of extension such fresh securities as mentioned in rule 300 covering the extension period shall be obtained.]

306. Export of manufactured goods.– A bill of export or goods declaration filed for the export of a DTRE consignment under this sub-chapter shall contain the DTRE approval number and shall be subject to all formalities for other declarations or endorsements, if any, and the procedure in respect of processing and examination of export goods, for the time being in force, shall be observed and on export of such goods the respective Collectorate of Customs shall feed the requisite information into [98][WeBOC] against the DTRE approval number as per Appendix IV:

Provided that no bill of export or goods declaration shall be filed for supply of goods against international tenders or to exempt projects or sectors in Pakistan:

Provided further that supplies against international tenders or to exempt projects or sectors in Pakistan or from indirect exporter to direct exporter shall be reported by the DTRE user to the Regulatory [98][Authority] who shall enter the relevant particulars into [98][WeBOC] as per Appendix IV.

307. Exports to Afghanistan, etc.- (1) In case of exports to Afghanistan and through Afghanistan to Central Asian Republics by land routes, the facility of this sub-chapter shall be admissible only against established irrevocable letters of credit or receipt of advance payment in convertible foreign currency from the country of import.

(2) Where advance payments are received in installments as agreed in the export contract, the Regulatory [98][Authority], shall grant DTRE approval staggering the acquisition of input goods over a period commensurate with the receipt of such installments.

(3) For exports under sub-rules (1) and (2), the conditions laid down in the Export Policy Order in force or any other conditions or limitations as may be specified by the Board or the Regulatory [98][Authority], or the concerned Collector of Customs shall be observed.

[36][(4) Notwithstanding anything contained hereinbefore, the export of POL products to Afghanistan under DTRE shall be carried out in accordance with the procedure given in chapter XXII of these rules.

(5) POL meant for export to Afghanistan shall only be transported through carrier licensed under Chapter VIII of these rules read with Chapter XXII thereof.

(6) Export of POL product to International Security Assistance Force (ISAF) or Defence Energy Support Centre (DESC) in Afghanistan under DTRE shall be verified and accounted for on the basis of authentication of the receipt of the quantity by ISAF or DESC, as the case may be, to be produced by the oil exporting company or refinery for appropriate action under this or any other chapter.

(7) Remittance of foreign exchange against export of POL products to ISAF shall be subject to the conditions specified in the proviso to clause (d) of sub-paragraph (2) of paragraph 8 of the Export Policy Order, 2006.]

307A. Unaccounted-for un-exported goods.– (1) If a DTRE user fails to account for the duty and tax free acquired input goods, or he fails to account for his finished goods manufactured therefrom or he fails to account for his un-exported same-state-goods [53][or he fails to consume the duty and tax free acquired input goods in exports in full except wastage, if not covered under valid extension], he shall be liable to pay duties and taxes including additional duties or additional tax and penalties leviable on such goods under the relevant Acts or the Ordinance.

(2) Notwithstanding sub-rule (1), a DTRE user may with the permission of the Regulatory [98][Authority] dispose of the input goods or output goods within the prescribed utilization period in the following manner, namely:–

(a) return to person who had supplied the input goods;
(b) sale, by a DTRE user to another DTRE user for export;
(c) local sale on payment of [22][duties and taxes leviable at the time of such sale] and on production of no objection certificate from the Ministry of Commerce in case input goods are banned or restricted for import:

[22][“Provided further that the permission for local sale of input goods as specified in this clause shall be granted by regulatory [98][Authority]Collector in case of DTRE user’s inability to manufacture and export output goods for reasons beyond his control;]

(d) destruction after approval of the Regulatory [98][Authority] if goods are not fit for consumption or sale with remission of duty and taxes; and
(e) local sale of B-grade products, factory rejects or wastage on payment of leviable duties and taxes and subject to the provisions of the prevalent Import Policy Order:

Provided that where any of the above option is allowed, the Regulatory Collector shall reduce equivalent quantity of output goods or input goods as the case may be, by feeding them into [98][WeBOC] as per Appendix II.

307B. Refund of sales tax.– Refund of sales tax on electricity or gas or services utilized as input goods for DTRE purpose or inputs covered under rule 303 or in respect of goods supplied in terms of sub-rule (2) of rule 304 shall be admissible to a DTRE user or as the case may be, to a registered person as admissible under the Sales Tax Act, 1990:

Provided that the DTRE user shall be entitled to refund of sales tax on the acquisitions of tax paid input goods if the value of such goods other than electricity, gas and services does not exceed 20% of the total value of DTRE approval.

307C. Records and documents.– A DTRE user shall keep and maintain separate from other business records, if any, the following records and documents in proper manner, namely:–

(a) copies of DTRE applications and DTRE approvals;
(b) records of acquisitions of input goods and exports;
(c) record for destruction or other authorized disposal of input goods and output goods; and
(d) export contracts or orders and supply contracts or orders.

307D. Reconciliation statement.– Within sixty days of the expiry of utilization period allowed under this sub-chapter, or earlier after export, a DTRE user shall file to the [21][Regulatory [98][Authority] a reconciliation statement in the form as set out in Appendix III.

307E. DTRE audit.- (1) The liability of a DTRE user to pay duty and taxes under a security instrument furnished by him under this sub-chapter, shall not be discharged unless post-exportation audit is carried out and completed satisfactorily within a period of [53][three] months after the period specified in rule 305 or after filing of reconciliation statement under rule 307D, whichever is earlier.

(2) Audit under this sub-chapter shall be a combined or consolidated audit for DTRE and other taxable activities, if any, and shall cover all the duties and taxes for which the security instrument has been furnished.

(3) In case of commercial exporter holding a DTRE approval for same-state-goods, the Regulatory [98][Authority] may discharge the security instrument if such exporter, on the basis of purchase and export documents in his possession, proves that the goods acquired by him against such approval have been exported in full.

(4) Where as a result of post-exportation audit, there arises any discrepancy, irregularity or any violation of the provisions of this sub-Chapter or any other law applicable in this behalf by the DTRE user, the same shall be reported to the adjudication officer of competent jurisdiction.

[98](5) The Collector of Customs shall be responsible for overall monitoring of the scheme.

307F. Power to suspend DTRE facility.- The Board may by notification in the official Gazette, suspend application of this sub-Chapter in respect of any particular goods or a group or a class of goods.

307G. Miscellaneous.- (1) An officer authorized by the Regulatory [98][Authority] shall have free access to any place where goods covered under a DTRE approval issued by such Collector, are stored, processed or manufactured or otherwise dealt with and to the records, documents and information relating to such goods.

(2) All liabilities or dues as and if payable or outstanding under any of the provisions of this sub-Chapter shall be finally ascertained and recovered by the Regulatory [98][Authority].

307H. Saving.- [32][(1)] All fully or partially unutilized DTRE approvals, if otherwise in order and correct, issued under sub-Chapter 7 substituted by this sub-Chapter shall be deemed to have been validly issued under this sub-Chapter.

[32][(2) Utilization period in the case of approvals of DTRE granted upto 8th June, 2007, shall remain the same as was in force on and prior to the said date.]

APPENDIX I

[See sub-rule (1) of rule 298]
[Information as below to be provided through [98][WeBOC] over the Web]

Application for Duty & Tax Remission for Exports

(a) PARTICULARS OF THE EXPORTER:

NAME :			
E-MAIL:			
ADDRESS (REGISTERED OFFICE):			
TELEPHONE NO.		FAX NO.	
MANUFACTURING PREMISES :			
TELEPHONE NO.		FAX NO.	
LOCATION OF STORAGE FACILITIES (IF DIFFERENT) :			
N.T.N NO :		G.S.T. NO :	
EXPORTER STATUS ☐ DIRECT ☐ INDIRECT ☐ COMMERCIAL		**DTRE APPLICATION** ☐ CONTRACT- BASED ☐ PERFORMANCE-BASED	

Approval No. of Direct Exporter _____(only in case of Indirect Exporter)

(b) PARTICULARS OF THE GOODS INTENDED TO BE EXPORTED:

S.No.	PCT Headings.	Description.	Quantity.	Value.

(c) PARTICULARS OF THE INPUT GOODS INTENDED TO BE IMPORTED:

S.No.	PCT Headings.	Description.	Quantity.	Value.

(d) PARTICULARS OF THE INPUT GOODS INTENDED TO BE LOCALLY PROCURED:

S.No.	PCT Headings.	Description.	Quantity.	Value.

(e) PARTICULARS OF THE INPUT GOODS TO BE ACQUIRED AGAINST CLAIM OF DUTY DRAWBACK:

S.No.	Description.	PCT Headings.	Quantity.	Value.	% as of total Input goods.	Number of DDB Notification.
(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Total					

(f) INPUT – OUTPUT RATIOS:

S.No.	Description/PCT Heading of goods intended to be exported.	Unit of production of goods intended to be exported.	Description/PCT of input goods.	Quantity of input goods per unit of production.	Extent of Wastages.

APPENDIX II

[See sub-rule (1) of rule 300, sub-rules (1) and (3) of rule 301, sub-rule (3) of rule 302, and proviso to sub-rule (2) of rule 307A]
[Information as below to be provided through [98][WeBOC] over the Web]

Application for amendment, suspension or cancellation of Duty & Tax Remission for Exports, and approval by Regulatory [98][Authority] to utilize duty and taxes–free acquired inputs for new approval, and information and approval in respect of supplies against international tenders, and supplies to exempt projects or sectors.

(a) PARTICULARS OF THE EXPORTER:

Approval No. _____

☐ Active ☐ Inactive

NAME :	
N.T.N NO :	G.S.T. NO :

(b) PARTICULARS OF THE GOODS ALLOWED TO BE EXPORTED:

S. No.	PCT Headings.	Description.	Quantity.

(c) PARTICULARS OF THE INPUT GOODS ALLOWED TO BE IMPORTED:

S. No.	PCT Headings.	Description.	Quantity.

(d) PARTICULARS OF THE INPUT GOODS ALLOWED TO BE LOCALLY PROCURED:

S. No.	PCT Headings.	Description.	Quantity.

(e) PARTICULARS OF THE INPUT GOODS ALLOWED TO BE ACQUIRED AGAINST CLAIM OF DUTY DRAWBACK:

S. No.	Description.	PCT Headings.	Quantity.	% as of total Input goods.
(1)	(2)	(3)	(4)	(6)
	Total:			

APPENDIX III
[See rule 307D]

RECONCILIATION FORM
Duty & Tax Remission for Exports

For Office Use only
Receipt No. ……..
Date ……..

NAME OF EXPORTER:
DTFRE APPROVAL NO. & DATE:
ISSUING COLLECTORATE:

(a) PARTICULARS OF THE GOODS EXPORTED:

S.No.	PCT Headings.	Description.	Quantity.	Value.

(b) PARTICULARS OF THE INPUT GOODS:

S.No.	PCT Headings.	Description.	Quantity.	Value.

(c) INPUT – OUTPUT RATIOS :

S.No.	Description/PCT of goods exported.	Unit of production of goods exported.	Description/PCT of inputs.	Quantity of input GOODS per unit of production.	Extent of Wastages.

(d) AMOUNT OF DUTIES/TAXES LEVIABLE ON INPUT GOODS:

S.No.	PCT Heading of input goods.	Import duty.	Sales Tax.	Central Excise Duty.	Withholding tax.	Other.	Total.

Name & Designation:_____

Exporter's Signature & Stamp
N.I.C. No. : _____
……...……

For Office Use Only

APPROVAL NO. _____APPROVED YES ☐ NO. ☐

DATE. _____ EXPIRY DATE. _____

Appendix IV

[See sub-rule (1) of rule 302]

Imported Input Goods

(To be filled by the Collectorate through which import is cleared)

(1)

DTRE approval No.:				NTN of DTRE User:			
S. No	PCT Heading.	Description.	Qty allowed for import.	Qty imported.	Balance qty.	Imported vide GD No.	GD date.

Exported Goods (including EPZ)

(To be filled by the Collectorate through which export is cleared)

(2)

DTRE approval No.:				NTN of DTRE User:			
S. No	PCT Heading.	Description.	Qty allowed for export.	Qty exported.	Balance qty.	Exported vide GD No.	GD date.

Locally procured Input Goods

(To be filled by the relevant Regulatory [98][Authority])

(3)

DTRE approval No.:				NTN of DTRE User:			
S. No	PCT Heading.	Description.	Qty allowed for local procurement.	Qty procured.	Balance qty.	S.T. invoice No.	Invoice date.

Locally supplied Input Goods

(Includes supplies to indirect to direct exporters, international tenders, exempt projects/sectors)

(To be filled by the relevant Regulatory [98][Authority])

(4)

DTRE approval No.:				NTN of DTRE User:			
S. No	PCT Heading.	Description.	Qty allowed for local supplies.	Qty supplied.	Balance qty.	S.T. invoice No.	Invoice date.

".

"APPENDIX-V

[see rule 304A]

GOVERNMENT OF PAKISTAN
COLLECTORATE OF CUSTOMS _____
APPLICATION FOR TRANSFER OF GOODS BY DTRE USER TO A VENDOR

The Authority,
Collectorate of Customs,
Custom House _____.

I / We, M/s._____
(Name, Address, NTN, STRN of the DTRE user)
currently DTRE user vide DTRE Approval No._____ intend to transfer the following raw materials (covered under the said DTRE Approval) / semi-finished goods as per following details from our facility located at _____ to M/s. _____,

(Name, Address, NTN, STRN of the Vendor)
having all requisite facilities for the purpose of further manufacturing processes i.e._____
(COMPLETE FLOW CHART OF PROCESSES ATTACHED)

Description of goods to be transferred to vendor	PCT Heading	GD/ST Invoice No. & Date	Whether to be transferred goods are input (covered under the approval) or semi-finished goods	Quantity	Value in Rs.	Value (per unit)	Duty & Taxes rate (item wise)	Total Duty & Taxes involved
1	2	3	4	5	6	7	8	9

Extent (%) of approved quantity of input goods involved in this transfer	Indemnity Bond No. & date	Nature of operation (s) to be performed by vendor	Value of further processes	Proforma Invoice No. date	Date of transfer of goods	Date on which transferred goods will be retrieved / returned back from vendor	Vendor's services charges payable	Extent (%) of value addition
10	11	12	13	14	15	16	17	18

SIGNATURES WITH DATE_____SIGNATURES WITH DATE_____NAME and DESGNATION _____NAME and DESGNATION_____
OF CONSIGNOR OF CONSIGNEE

Undertaking

1. I /we hereby declare that information furnished by me/us is true to the best of my/ our

knowledge and belief.

2. I /we would produce further documentary evidence in support thereof if and when called for by the regulatory Collector or any officer on his behalf.

3. I /we also agree to abide by any such specific condition as may be laid down from time to time.

4. I /we also agree to inform the [98][Authority] or any officer authorized in this behalf, of any change in the information provided in the application.

Date:_____

Signatures of applicant_____

(CEO/ Authorized Partner /

proprietor/ Authorized representative)"; and

SUB CHAPTER 8

DETERMINATION OF MATERIALS AND FIXATION OF RATES

308. Definitions.– In this sub-chapter, unless there is anything repugnant in the subject or context,-

(a) "applicability "means and includes,–

(i) determination of input output ratio of input materials of a class or description used in the manufacture of products permissible for export under any relevant Export Policy Order for the time being in force, on which repayment or drawback of custom duties is allowed, the calculation of input to output ratios and the fixation of rates for the purposes of repayment or drawback thereon;

(ii) the determination of input to output ratios of all input materials of a class or description used in the manufacture of products which are exported from Pakistan under any Duty or Tax Remission Scheme as specified under the provisions of the Act or Rules or any notification issued there-under;

(iii) determination of the quantity of raw materials, sub-components, components, sub-assemblies, assemblies and the input to output ratios of all products of a class or description specified under any concessionary import scheme for the local manufacture and supply of goods as specified in the relevant notifications; and

(iv) determination of input to output ratios of all input materials of a class or description used in the manufacture of products specified under any concessionary or special import or domestic supply scheme on reference from any authority or agency; and

(b) "Directorate General of Input Output Coefficient Organization (IOCO)" means an organization established by the Board to authorize, regulate or monitor duty or tax remission or exemption under survey-based concessionary notifications determining input-output ratios, wastages and fixation of rates for repayment or remission or drawback of custom duty and/or any other assignment relating thereto;

(c) "Association" means a representative trade body of persons engaged in manufacture, production or commercial import or export of goods of a class or description on which repayment or draw back or remission or concession of customs duty or any other tax is allowed and duly registered under the law in force relating to registration of such Association;

(d) "Board" means the Federal Board of Revenue;

(e) "CC and I" means the respective Chambers of Commerce and Industry recognized and affiliated with the FPCCI;

(f) "Director General" means the officer of Customs holding charge as the Director General of IOCO and duly notified by the Board in this regard;

(g) "Director IOCO (South)" means the officer of Customs holding the charge of Director IOCO (South) having jurisdiction over areas in Sindh and Balochistan Provinces and duly notified by the Board in this regard;

(h) "Director IOCO (North)" means the officer of Customs holding the charge of Director IOCO (North) having jurisdiction over areas in Khyber Pakhtunkhwa, Gilgit-Baltistan,[98][Islamabad Capital Terriory] and Rawalpindi Division and duly notified by the Board in this regard;

[98][(ha) Director IOCO (Hqrs)" means the officer of Customs holding the charge of Director IOCO (Hqrs) having jurisdiction over all offices of the Directorate General of IOCO and the Collectorates of Customs as duly notified by the Board;]

(i) "Director IOCO (Central)" means the officer of Customs holding the charge of Director IOCO (Central) having jurisdiction over areas in Punjab province excluding Rawalpindi Division and duly notified by the Board in this regard;

(j) "EDB" means Engineering Development Board working under the Ministry of Industries and Production, responsible for the determination of input to output ratios and wastages for engineering goods, whenever required;

(k) "FPCCI" means the Federation of Pakistan Chambers of Commerce and Industry;

(l) "Individual Notification" means a notification relating to the determination of input goods and fixation of Custom Duty repayment or drawback rates in relation to all goods related to sub-clause (a) of clause (i) of this rule and which are applicable in case of a specific manufacturer named therein;

(m) "input materials" means all such imported goods or materials used in the manufacture of goods or products which are specified in any of the cases given at clause (a) above to which this sub-chapter is applicable;

(n) "manufacture" means any process incidental or ancillary to the completion of such finished goods which are produced or manufactured from input goods;

(o) "manufacturer" means a person engaged in any process incidental or ancillary to the manufacture of goods;

(p) "products" means all such finished goods manufactured in Pakistan and meant for export or exported outside Pakistan or for local supply inside Pakistan, from time to time;

(q) "Schedule" means a Schedule to this Sub-Chapter;

(r) "Sector Specialist" means a qualified person having the required professional expertise in various sectors and appointed as sector specialist in Directorate General of IOCO or an officer of Customs posted as sector specialist by the Board;

(s) "Standard Notification" means a notification relating to the standard determination of imported input materials and fixation of Custom Duty Repayment or drawback rates in case of goods of a class or description which is not limited or restricted to an individual manufacture but is applicable in general cases;

[103](sa) **"specific rate notification"** means a notification for a product or situation not covered under the standard notification as prescribed under rule 311;]and

(t) "Tax" means tax levied under the Sales Tax Act, 1990 or Income Tax Ordinance, 2001 or any other levy imposed by the Federal Government which has been remitted under any special or general concessionary notification on imported or exported goods for the time being in force.

[103]**[308A. Calculation of duty drawback rates.-** (1) For calculating amount of customs duties paid at the time of import, past six months import data may be used taking the average quantity or value of each class or description of the materials, including packing materials, from which a particular class or description of goods is ordinarily produced or manufactured. Average exchange rates of the same period may be taken into consideration.

(2) The average amount of customs duties paid on imported materials used in the manufacture of components, intermediate or semi-finished products which are exported as such or further used for manufacture of goods shall be taken into account for the purpose of calculation of the duty drawback.

(3) The average amount of customs duties paid at the effective rate on the imported input materials shall be calculated for the last six months import data.

(4) The average FOB value of each class or description of the goods exported during the last six months may be taken into consideration for the class or description of goods for which export drawback rates are being determined.

(5) Any other factor which may be added by the Board.]

309. Powers and functions of IOCO.– (1) For the purposes of this Sub-Chapter, the Board shall establish a Directorate General of IOCO which shall be headed by an officer of Customs not below in rank than a Director General.

(2) The Board shall ensure that the Director General is assisted by the Director(HQ), Director (North), Director (Central) Director (South), Additional Directors, Deputy or Assistant Directors and as many officers of customs including Sector Specialists who in the opinion of the Director General may, from time to time, be required for the purposes of this sub-chapter.

(3) The Director General and other officers including the sector specialists shall all be officers of customs in terms of section 3 of the Act.

(4) All officers including the sector specialists appointed or holding a post in the Directorate General of IOCO shall exercise the powers and discharge duties conferred or imposed under the Act throughout Pakistan and in such other areas where the Act has been applied.

(5) The head office of the Directorate General of IOCO shall be located at Karachi, or at any other place recommended by the Board and it shall have, as many regional offices at other places in Pakistan as in the opinion of the Board may, from time to time, be necessary for the purposes of this sub-chapter.

(6) The officers including the sector specialists, subject to such limitations, conditions or restrictions specified in this sub-chapter, shall be authorized to take all such steps or actions as may be necessary for achieving the purposes of the rules under this sub chapter and which shall amongst other include surveys of the manufacturing premises of any manufacturer, inspection, examination and audit of the commercial records or other documents and conduct any other verification check whatsoever as the officer or sector specialist may deem fit.

(7) The sector specialist shall be an appropriate officer for requisitioning in writing information or documents, in terms of section 26 of the Act, for the purposes of the rules under this sub–chapter but subject to the limitation and conditions on the exercise of such powers and discharge of such duties as specified in the rules.

(8) The applications or any other document whatsoever made or signed or caused to be made or caused to be signed or delivered or caused to be delivered to any officer of the Directorate General of IOCO including the sector specialist shall be a declaration and document in terms of section 32 of the Act. Where any such document relates to an Association, the liability of the office bearers thereof shall be joint and several for the purposes of section 32 of the Act. Furthermore, any statement made in answer to any question put to the person giving the statement, shall be a statement in terms of section 32 of the Act.

(9) If any person in connection with any matter under the rules under this sub-chapter without any reasonable excuses fails to comply with any requisition made under the Act or to furnish any information as required by or under this sub-chapter to be furnished shall be liable to the penalty prescribed under the Act.

(10) If at any stage the sector specialist or any other officer of the Directorate General of IOCO is satisfied that a survey or audit of any manufacturing premises or any other business premises is required to be

conducted for the purposes of or in connection with any matter under this sub-chapter, he shall inform the Director and after his written approval proceed to conduct the survey or audit. The manufacturer or producer selected for this purpose shall be notified in this regard who shall allow free access to the records relating to the manufacturing process or any such record as in the opinion of the person conducting the survey or audit is essential for the purposes of or in connection with the rules under this sub-chapter.

310. Standard rate for purposes of Standard Notification.– (1) In cases falling under sub-clause (i) of clause (a) of rule 308, the concerned Association shall apply to the Director General through an application in the form as set out in Schedule for the purposes of this sub-chapter.

(2) The Director may call for any further information or make any addition to the particulars of an application as he may deem fit.

(3) [103][On requisition by the relevant association, Director General may furnish trade statistics pertaining to each class or description of imported or exported goods for the past six months on the basis of which export drawback rates needs to be determined.] At the time of submitting an application, the Association shall specify the complete calculations in accordance with the method of calculation as the Board may notify separately and shall also furnish therewith the worksheets. However, when the new product is of such a nature that in respect of it the agreed method of calculation is not applicable, the Association shall declare the details of the method of calculations on which the working is based. All applications made under this sub-rule shall be accompanied by separate work-sheets in case of the individual manufacturers or producers selected by the Association as the representative manufactures or producers for the purposes of the rules under this sub-chapter. The manufacturers or producers or their duly authorized representatives shall duly sign all such individual work sheets.

(4) The Director shall, immediately on receipt of an application, send the same to the concerned sector specialist.

(5) If the sector specialist, after making such inquiry as he thinks fit, is satisfied with the method of calculation and other particulars contained in an application, he shall accordingly inform the Director within fifteen days from the date of submission of the application.

(6) The Director after receiving report of the Sector Specialist, if satisfied with the findings mentioned therein shall inform the Association, in writing, specifying therein the proposed rates of repayment or drawback of customs duties, the input materials and the date fixed for meeting so as to afford an opportunity of hearing.

(7) In case, the Association has no objection regarding the determination of the input materials, the calculation of input to output ratio, and the proposed rates of drawback or repayment of customs duties, the Director shall, within fifteen days from the date fixed for the meeting, send recommendations while providing supporting input output data for the rates so fixed to Director General who shall forward it to the Board for issuance of a Notification in the official Gazette:

[103][Provided that Directorate General may like to determine drawback rates at 6-digit or 4-digit level of PCTs to make the duty drawback scheme more inclusive and for this purpose may ignore variance upto 10 per cent in rates so determined.]

(8) In case the Sector Specialist, after receiving an application in the manner described in sub-rule (4) where the method of calculation is not agreed and in consequence makes such inquiry as he thinks fit, is not satisfied with the method of calculation, proposed by the Association, he shall inform the Director in writing recording his reasons with regard thereto.

(9) On receiving the report of the Sector Specialist, the Director shall fix a date for a meeting and inform the Association in writing communicating therein the reasons recorded by the sector specialist.

(10) After hearing the Association on the day fixed for the meeting, the Director in consultation with the Sector Specialists shall decide the method of calculation where after, in accordance with the procedure provided in sub rule (7), the Director shall proceed to determine the input materials and send recommendations while providing supporting input output data for the rates so fixed to Director General who shall forward it to the Board for issuance of a Notification in the official Gazette.

311. Specific rate in case of individual Notification for repayment or drawback of custom duties.– (1) In case a product is not included in a Standard Notification under Rule 310 and in respect of which it is not practicable for the purposes of this sub-chapter to determine the input raw materials and fix the rates relating thereto by a Standard Notification, the Directorate General of IOCO on an application made by an individual manufacturer in this behalf, may determine the rates for issuance of an individual notification relating to such an individual manufacturer who shall apply to the Director General through an application in the form as set out in Schedule for the purposes of this sub-chapter. The application of such an individual manufacturer or producer shall be dealt with and processed in the manner as provided in sub rules (4) to (10) of rule 310 except that wherever the word "Association" appears therein, it shall be read as individual applicant:

Provided that at any time if the Director is of opinion that there has been a change in the circumstances which requires a standard rate to be fixed, he shall inform the respective Association, if any, and all the concerned individual manufactures or producers, and thereafter may determine, in the manner provided in rule 310, the standard rate and send recommendations while providing supporting input output data for the rates so fixed to the Director General who shall forward it to the Board for issuance of a Notification in the official Gazette.

(2) Notwithstanding anything contained in this sub-chapter, if at any time, in the opinion of any individual manufacturer or producer, the standard rates fixed under this sub-chapter are to his disadvantage or adversely affect him, to the extent of twenty per cent or more, such a manufacturer or producer may apply for the determination of input materials and fixation of rates to this extent. The application of such an individual manufacturer or producer shall be dealt with and processed in the manner as provided in sub-rules (4) to (10) of rule 310, except that wherever the word "Association" appears therein, it shall be read as individual applicant.

312. Revision of rates of repayment or drawback of customs duties.– (1) For the revision of rates, in case of all products specified in sub-clause (a) of clause (i) of rule 308 notified, by the Board prior to the date of commencement of these rules, the Director shall inform the respective Association of the method of calculation adopted for determining the custom duty repayment or drawback rates for their comments and active participation before finalization of the process:

Provided that in case any Association which in the opinion of the Director was required to have been consulted and which was not so consulted regarding the method of calculation, he shall after the date of commencement of these rules, as soon as may be possible, consult such Association in this regard;

Provided further that if the respective Association does not co-operate in providing timely and verifiable data or information, the Director may, in consultation with the Sector Specialists, decide the method of calculation and proceed to determine the input materials and recommend the revision of the rates of repayment or drawback of customs duties thereon and send recommendation while providing supporting input output data for the rates so fixed to the Director General who shall forward it to the Board for issuance of a Notification in the official Gazette.

[103](2) The Directorate General of Input Output Coefficient Organization (IOCO) shall preferably review all the rates notified under this sub-chapter after announcement of annual fiscal budget to incorporate the impact of upward or downward revision of customs duties or imposition of new duties. This exercise shall preferably be completed by the 31st August and the Board shall ensure notification of revised rates by the 30th September, if there are no valid reasons for delay. It shall be the responsibility of all associations and individuals, as the case may be, for whom duty repayment or drawback notifications have been issued to

supply, by the 31st day of July every year to the Director, details of any change in the input output worksheets on which the current rates are calculated, in particular, changes in material used, their quantities and values:]

(3) In consequence of the review, if the Sector Specialist is of the opinion that the rates require revision, he shall, after recording the reasons in writing, inform the Director.

(4) The Director, if satisfied with the findings of the sector specialist, shall inform the association or the individual manufacturer or producer, as the case may be, in writing regarding the reasons for the proposed revision and specify a date for the purposes of affording a hearing.

(5) The Director shall, within fifteen days from the date fixed for the meeting, decide the revised rates and record the reasons in writing which shall be duly communicated to the Association or the individual manufacturers or producer, as the case may be. The Director shall then send recommendation while providing supporting input output data for the rates so fixed to the Director General who shall forward it to the Board for issuance of a Notification in the official Gazette.

(6) Notwithstanding anything contained in this sub-chapter, the Association or the individual manufacturer or producer, as the case be for reasons to be specified, may apply to the Director for the revision of the existing notified rates. All such applications shall be dealt with in accordance with the procedure laid down in sub-rules (1) to (4).

313. Miscellaneous provisions regarding determination of rates of repayment or drawback of Customs duties.– (1) All applications for the purpose of this sub-chapter in respect of the determination of standard rates of repayment or drawback of custom duties shall be entertained through the respective Associations. However, in case there are more than one association claiming to represent the manufacturers or producers of any goods of a class or description, the Director shall decide either to consult any or all such Associations. If the Director decides not to entertain or consult a particular Association, he shall record the reasons thereof in writing. Furthermore, the Director may also consult any of the Associations of CC&I or the FPCCI in this regard:

[103][Provided further that Director General may initiate exercise for determination of duty drawback rates on its own motion where it is found that-

(a) duty drawback rates have not been determined; and
(b) where already determination rates have changed due to amendments in tariffs.]

(2) If any person or an Association having an interest in a Standard Notification, or an individual manufacturer in case of an Individual Notification, is aggrieved by any calculation or worksheet prepared by any office of the Directorate General of IOCO, it may apply to the Director General or the Board specifying the grounds thereof. The Board or the Director General may ask the Director for consideration of relevant calculations and/or worksheets, as deemed appropriate.

(3) The Directorate General of IOCO may consult the manufacturing Associations of locally produced input materials used in products meant for export.

313A. Determination of Input to Output ratios and wastage.– (1) In cases, specified in sub-clauses (ii) and (iv) of clause (a) of rule 308, the regulatory authority specified in the concessionary notification or any other agency, as the case may be, shall make a reference to the concerned Director, Directorate General of IOCO, giving therein complete details of the raw materials, quantities, name of applicant, his address and other particulars including the input to output ratio declared by the individual manufacturer or producer submitted at the time of application.

(2) The Director may call for any further information or make any addition to the particulars of an application as he may deem fit.

(3) The Director shall, immediately on receipt of a reference, send the same to the concerned Sector Specialist. If the Sector Specialist, after making such inquiry as he thinks fit and consulting the records of the Directorate General of IOCO, is satisfied with the input to output ratios and wastages of the product as declared by the applicant, he shall accordingly inform the Director within fifteen days from the date of receipt of the reference.

(4) In case, the sector specialist after receiving the reference in the manner described in sub-rule (3) above, finds that the input to output ratios and wastages are not according to industry averages or ratios of similar or identical products determined by the Directorate General of IOCO previously, he shall proceed to determine the same. He shall submit his findings in a comprehensive report to the Director within thirty days from the date of receipt of reference.

(5) The Director after receiving report of the Sector Specialist, if satisfied with the findings mentioned therein, shall inform the referring authority in writing, specifying therein the input output ratios and wastages determined by the Directorate General of IOCO. The Director, after receiving report of the Sector Specialist, if satisfied with the findings mentioned therein, shall inform the referring authority in writing, specifying therein the input output ratios and wastages determined by the Directorate General of IOCO.

313B. Determination of quantitative entitlement of raw material.– (1) In cases, specified in sub-clause (iii) of clause (a) of rule 308, the concerned manufacturer or producer, who intends to avail benefit of relevant concessionary notification, shall apply to the concerned Director IOCO.

(2) The Director may call for any further information or make any addition to the particulars of an application as he may deem fit.

(3) The Director shall, immediately on receipt of an application, send the same to the concerned sector specialist. In case of an Applicant who has already availed quantitative entitlement of raw materials in the previous year, the sector specialist shall conduct a desk audit of the records of the applicant and ensure that the quota was properly consumed as per input to output ratios ascertained by the Directorate General of IOCO or EDB, as the case may be. If he finds that the performance of the unit has been satisfactory and all the raw materials have been consumed according to the conditions of the notification, he shall submit his report to the Director within thirty days from the date of receipt of the application. [103][However, in case it is found that the inputs have not been properly accounted for or consumed for the manufacture and supply of goods as prescribed, Director of IOCO shall communicate the audit findings to the concerned Collector of Customs of the Import Collectorate who shall initiate proceedings for the recovery of leviable customs-duty and other taxes under the relevant provisions of the law in force.]

(4) In case, the applicant is applying for quantitative entitlement for the first time, the sector specialist shall issue a survey date to the applicant for verification of in-house manufacturing facility and provision of information related to installed machinery, production capacity, financial accounts, other details, etc, as may be required to ascertain the eligibility of the applicant for the duty or tax concession. The sector specialist shall submit his report to the Director within thirty days from the date of receipt of the application.

(5) The Director, if satisfied with the findings of the sector specialist, shall issue quantitative entitlement certificate for the next financial years. The Director may also allow issuance of provisional quantitative entitlement certificate pending the completion of all formalities or pending any inquiry or verification related to the facts and circumstances of the case.

Schedule
[see rules 310(1) and 311(1)]

A. Application for a standard repayment or drawback rate by trade association:

1.Application shall be made on the respective Association's headed paper to the Directorate General of IOCO. The application shall contain the following information, namely:

(a) names and addresses of the four or more manufacturers selected by the Association;
(b) description of the export product for which application for a repayment or drawback rate is made and for which the four manufacturers have provided input material quantities per unit of calculation, e.g. one hundred square meters of cloth; and
(c) quantity of the product for which repayment or drawback is applied for – exported by each manufacturer over the last six months.

2. In respect of each of the four manufacturers named above, the association should provide the following particulars, namely:

(a) Information solely provided by each manufacturer:
(i) description of the raw materials used;
(ii) [103][Average] quantity of inputs used [103][during six months] in the manufacture of the finished product; and
(iii) [103][Average] FOB value of the product [103][or class of] exported (average of the last six months).

(b) Information added by association.

(i) [103][Average interbank currency exchange rates for the past six months;]
(ii) CIF value calcualated on qaverage basis in Rupees;
(iii) HS code of the product;
(iv) Average rate of customs duty paid on each class or description of imported input goods;
(v) Average and total customs duty amount on each class or description of imported goods; and
(vi) calculation of the repayment or drawback rate applied for alongwith worksheets based on the notified method of calculations. If notified method is inapplicable, provide details of calculations with worksheet and method applied.

B. Application for a specific repayment or drawback rate by an individual manufacturer:

Application by an individual manufacturer should provide the same details as for application for standard rates as set out above, but in respect only of the individual manufacturer. This should be accompanied by a brief description of the manufacturing process and the method of calculation applied. Worksheets showing how the rate of repayment or drawback of customs-duties has been calculated must also be supplied.**";**

CHAPTER XIII

DEFERMENT

SUB-CHAPTER (1)

MACHINERY.

314. Goods eligible for deferment of duty.- Any machinery or spare parts of any machinery meant for initial installation, balancing, modernizing, replacement or extension of any project shall be eligible for deferment of duties under this sub-chapter.

Provided that in respect of power, gas or energy projects, the Board may allow, on case to case basis deferment of whole or any part of duties and payment of the deferred amount in such installments as the Board may prescribe.

315. Extent of deferment.- Half of the duties payable on the goods referred to in rule 314 shall be paid in cash, and payment of the remaining half shall be deferred on the conditions, and in the manner, laid down in this sub-chapter.

316. Period of deferment.- The importer shall pay the deferred amount in a lump sum after a period of three years.

317. Surcharge.- Surcharge at the rate [94][specified in sub-section (2) of section 21A of the Act] shall be payable on the deferred amount on six-monthly basis commencing from the date of initial payment.

318. Request for deferment.- (1) Request for deferment of duties shall be made by an importer on the Bill of Entry for home consumption and submitted to the Import Section.

(2) After manifestation of the Bill of Entry for home consumption, the Import Section shall pass it on to the Appraising Section.

(3) The Assistant Collector of Customs concerned after verifying genuineness of the request, shall pass orders for allowing the concession of deferred payment.

(4) In case of any doubt, he shall refer the matter to the Collector of Customs for orders.

(5) After the request for deferment of duties has been accepted by the Assistant Collector or the Collector, the importer shall be required to furnish to the Assistant Collector concerned the documents mentioned below:-

(i) If the importer is a private limited company or a public limited company,-

(a) Bank guarantee in form 'A' on appropriately stamped non-judicial paper from a scheduled bank in Pakistan covering the deferred amount and surcharge payable thereon;
(b) an undertaking by the importer in form 'B' on appropriately stamped non-judicial paper;
(c) a copy of the certificate of incorporation of the company issued by the Registrar of Joint Stock Companies;
(d) a copy of the Memorandum and Articles of Association of the Company; and Specimen signatures of the Directors authorized to sign the instruments, duly attested by an Officer of the Federal or Provincial Government in BPS-17 or above.

(ii) If the importer is a partnership or a sole proprietorship firm,-

(a) Bank guarantee in form 'A' on appropriately stamped non-judicial paper from a scheduled bank in Pakistan covering the deferred amount and surcharge payable thereon; and
(b) personal collateral guarantee in form 'C' duly signed and executed, in case of partnership firm, by the managing partner and, in case of sole proprietorship firm, by the proprietor himself, to pay the deferred amount and surcharge payable thereon.

(iii) If the importer is an autonomous body of the Federal Government or Provincial Government,-

Bank guarantee in form 'A' on appropriately stamped non-judicial paper from a scheduled bank in Pakistan covering the deferred amount and surcharge payable thereon.

319. Scrutiny and acceptance of documents.- If on scrutiny the documents are found in order, the Assistant Collector shall accept the same. If he has any doubt, he shall refer the case to the Collector for orders.

320. Recovery of deferred amount.- If the importer fails to make payment of deferred amount or the surcharge payable by him, the same shall be recovered in accordance with section 202 of the Act.

321. Settlement of disputes.- All disputes pertaining to the rules under the sub chapter shall be decided by the Collector of Customs.

FORM A

(On appropriately stamped non-judicial paper).

BANK GUARANTEE

The Collector of Customs,
Custom House, ...

Dear Sir,

WHEREAS Messers ..... having their registered office at ..... (hereinafter called the importers) have imported from Messers ..... per s.s. ..... IGM No..... dated ..... Index No..... dated ..... vide home consumption Bill of Entry No..... dated ..... machinery/spare parts of machinery detailed in the schedule hereinto annexed (hereinafter called the machinery) ..... for new installation/the balancing/the modernization/the replacement/the extending of its..... factory/project, on which, in accordance with the procedure for the deferred payment of customs-duty, laid down by the Board the importers have been allowed the concession of deferred payment of the amount of duties levied on the machinery;

2. AND WHEREAS an amount of Rs..... (Rupees .....) has been levied as duties in respect of the said machinery of which an amount of Rs..... (Rupees .....) is payable by the importers in cash and the balance of duties amounting to Rs..... (Rupees .....) (hereinafter called the deferred duties) has been allowed to be paid in lump sum after three years from the date of initial payment in ……. Installments the first of which will be paid or ……. Surcharge on the deferred duties at the rate of fourteen per cent per annum has been allowed to be paid in half-yearly installments, the first of such installments being payable on the ..... day of ..... 20 .....;

3. AND WHEREAS the customs have agreed to release the machinery on the payment of the duties amounting to Rs..... (Rupees.....) in cash alongwith furnishing by the importers of a bank guarantee covering the deferred amount and surcharge thereon as aforesaid;

4. NOW, THEREFORE, in consideration of the release of the machinery to the importers, we, Messers ..... Bank Limited..... do hereby bind ourselves to the President of Pakistan to pay to the Collector of Customs the deferred amount and the surcharge thereon at the rate of fourteen per cent per annum for the whole period the deferred amount or any part thereof remains un-paid from the date on which the machinery is released to the importers.

5. NOW THE CONDITIONS OF THIS BANK GUARANTEE ARE AS UNDER:-

(1) That the importers shall pay to you the deferred amount in lump sum after three years from the date of initial payment of duties.

(2) That the importers shall also pay to you the surcharge due on the deferred amount at the rate of fourteen per cent per annum in six half-yearly installments, the first of such installments being payable on the ..... day.....20.....

(3) That in the event of any default on the part of the importers to pay the deferred amount or of the surcharge due from them, we, Messers ..... Bank Limited, shall pay to you any part of the deferred amount or of the surcharge due within ten days from the date of receipt of demand therefor from you which demand shall be considered by us as conclusive evidence of non-payment of the installment by the importers.

(4) That we do hereby agree to the payment of surcharge on the amount of surcharge if the installment of surcharge is delayed for more than one month from the due date till the date the payment is made, provided that you agree, on the request of the importers, not to take action under condition (6) (a) of this bank guarantee.

(5) That we do hereby agree and declare that in the event of any default in the payment of any sum stated hereunder it may, without prejudice to any other remedy which may be available to you, be recovered by you under section 202 of the Customs Act, 1969.

(6) That, notwithstanding anything contained in the foregoing, the deferred amount or any part thereof and surcharge, as aforesaid, shall immediately become payable to you in any of the following events:-

(a) if the importers make default for one month in the payment of any installment of the surcharge or of the deferred amount;

(b) if the importers cease or threaten to cease to carry on their business;

(c) if a distress or execution be levied upon or issued against any of the properties of the importers and not paid out by the importers within seven days; or

(d) if any order be made or resolution be passed for winding up the importing company otherwise than in connection with a scheme of amalgamation or reconstruction.

6. FURTHER CONDITIONS OF THIS BANK GUARANTEE ARE AS FOLLOWS:-

(1) Any notice may be given to the importers/bank by sending the same by registered post, which shall be deemed to have been served at the time when it would have been received by the addressee in the ordinary course of the post.

(2) The amount payable hereunder as principal or surcharge at the specified date may be declared and the same shall there- upon become due and payable immediately.

7. That this bank guarantee is valid upto .....

8. IN WITNESS WHEREOF we have ..... this ..... day of..... 20..... caused this guarantee to be signed under the official stamp in the presence of-

1..... 2.....
Officer Manager

.....Bank Ltd .....Bank Ltd.

Witnesses:-

1.....
2.....

Form B

(On appropriately stamped non-judicial paper)

UNDERTAKING

The Collector of Customs,
Custom House .....

WHEREAS..... M/s....., a company incorporated under the Companies Ordinance, 1984 (XLVII of 1984), having its registered office at ..... (hereinafter referred to as the Company) has imported, vide Bill of Entry ..... machinery detailed in the schedule hereto annexed (hereinafter called the machinery) for new installation/the balancing/the modernizing/the replacing/the extending of its ..... at ..... on which an amount of Rs..... (Rupees.....) has been levied as customs duty payable by the Company;

AND WHEREAS in accordance with the procedure for deferred payment of duties laid down by the Board an amount of Rs..... (Rupees.....) has been paid by the Company in cash vide receipt No..... date..... and the company has furnished bank guarantee of Rs..... as security for the deferred amount of duties;

AND WHEREAS it is necessary further to furnish to you assurances connected with the performance of the obligations of the Company;

NOW, THEREFORE, we, Messers..... Directors of the Company, do hereby assure you on behalf of the Company that we shall conduct our business with due diligence, efficiency and in accordance with sound business practices and shall keep all its property and assets in proper order and AGREE AND UNDERTAKE as follows:-

(1) That your authorized representatives will have authority to inspect during working hours all books of account and other registers maintained by the Company.

(2) That the Company shall submit to you a certified copy of its audited balance sheet and profit and loss account within three months of the closing of the financial year together with the Auditor's report.

(3) That the Company shall pay the deferred amount of Rs..... (Rupees.....) in a lump sum after three years from the date of initial payment and shall also pay the surcharge due on the said deferred amount at the rate of fourteen per cent per annum in half-yearly installments, the first of such installments being payable on the ..... day of.....20.....

(3) That the company shall pay to you all money due from it promptly and fully, it being understood and agreed by us that any money having become payable by the Company and not paid shall be recoverable from the Company under the provisions of section 202 of the Customs Act, 1969, at the cost and risk of the Company, without prejudice to any other right of the Government to recover it and that no delay on your part in recovering any money due from the Company shall deprive you of your right in respect thereof or constitute any right on your part for the recovery thereof,

IN WITNESS WHEREOF we, Mr..... and Mr..... in our capacity as Directors of the company have caused this undertaking to be signed and sealed by and in the presence of our authorized representatives on this..... day of..... 20.....

1..... 2.....

Director of the Company Director of the Company

Witnesses:

1.....
2.....
(Name, full address and stamp of the gazetted officer/Seal of the Court).

Form C
(On appropriately stamped non-judicial paper)
PERSONAL COLLATERAL GUARANTEE

The Collector of Customs,
Custom House.....

Subject:-

Dear Sir,

In consideration of your granting the concession of deferred payment of half of the import duties in accordance with the procedure laid down by the Board levied on the machinery/spare parts of machinery imported vide No..... by our firm named..... with their head office at..... and allowing our said firm to pay a sum of Rs.....(Rupees_____).to you or your successor in office in the manner specified in the bank guarantee executed by ..... Bank Limited vide No.....dated_____as security for the said sum of Rs..... (Rupees.....) and surcharge thereon at the rate of fourteen per cent per annum I, Mr..... a managing partner in the said firm/sole proprietor of the said firm, do hereby collaterally guarantee the payment of the said sum of Rs..... (Rupees .....) together with surcharge thereon at the said rate and undertake to pay to you or to your successor in office the installments thereof regularly in accordance with the provisions of the said bank guarantee.

I do hereby specially agree that, in the event of any default in the payment of deferred amount and surcharge thereon, installments stated in the said bank guarantee, you or your successor in office may, without prejudice to any other remedy which may be available to you or to your successor in office in this behalf, recover from the guaranteeing bank, and in the event of any default on the part of that bank in making such payment, from me in accordance with the provisions of section 202 of the Customs Act, 1969.

IN WITNESS WHEREOF, I have this..... day of..... 20..... caused this collateral guarantee and undertaking to be signed under the official stamp in the presence of Managing Partner/Sole Proprietor

Name of the firm

Witnesses:
1_____
2_____

SUB-CHAPTER (2)

SHIPS FOR SCRAPPING

322. Definitions.- In this sub-chapter, unless there is anything repugnant in the subject or context,-

(i) "deferred amount" means the balance amount of import duties, payment whereof has been deferred;
(ii) "duties" include import duty leviable under the First Schedule of the Act, and sales tax leviable under the Sales Tax Act, 1990;
(iii) "grace period" means the period during which the importer shall not be required to pay the deferred amount; and
(iv) "initial payment" means the duties payable within fifteen days of filing of bills of entry.

(v) "applicability" for the purposes of this sub-chapter shall mean and include ships imported for breaking at Gaddani, district Lesbella, Baluchistan.

323. Schedule of deferment.- The duties leviable on import of ships for breaking may be paid in accordance with the following manner, namely:-

i)	First installment of forty per cent of the total duty payable (as per declaration by the importer).	At the time of filing of bill of Entry.
ii)	Second installment of thirty per cent:	Within thirty days of payment of
iii)	Third installment of remaining thirty per cent (along with the differential, if any based on final assessment).	Within thirty days of payment of second installment.

324. Procedure for deferment.- (1) An importer, after making payment of duties payable under rule 323, shall be allowed to bring the ships in the approved breaking yard at Gaddani Beach, District Lesbella, Baluchistan.

(2) For the assessment of the amount payable under rule 3, the importer shall file the stability booklet, builder's plan or builder's certificate confirming light displacement tonnage (L.D.T.) along with other documents, as may be required, with the bill of entry to the assessing officer appointed in this behalf.

(3) In the case of non-production of builder's plan under sub-rule (2), the ship shall be surveyed by an approved surveyor to ascertain the light displacement tonnage (L.D.T.) prior to beaching, as laid down in the Public Notice No. 1/1990, dated the 3rd February, 1990, and No. 2/1990, dated the 30th December, 1990, issued by the Collector of Customs, Custom House, Gaddani.

(4) The importer shall, after paying the first installment under rule 4, submit an application for grant of permission for breaking of ship along with an undertaking on forty rupees judicial stamp paper testifying that -

(a) he shall start breaking the ship immediately after receiving the requisite permission and will not remove from the yard any goods except unnecessary tackle, with the permission of the Assistant Collector concerned; and

(b) he shall stop breaking in case the dues are not paid within the stipulated time or there is any dispute in respect of finalization of assessment of the ship concerned.

(5) Final assessment of the ship shall be made within one month from the date of initial payment and the importer shall be required to deposit the deferred amount within such time as may be specified at the time of such final assessment.

(6) In the case of unavoidable delay in finalization of assessment of the ship, the grace period may be allowed for one month only by the Collector, Gaddani, keeping in view the exigencies of the case.

(7) In case of failure by the importer to make payment in accordance with the schedule specified in rule 323, he shall be stopped breaking the ship forthwith and shall not be allowed to avail facility of deferment of duties payable in respect of the ship for which such deferment was permissible and no such deferment of duties shall be allowed to him in future.

(8) The breaking of ship shall not be allowed if the importer fails to observe the provisions of this sub-chapter or contravenes any of the provisions of the Act or other law and rules for the time being in force.

325. Repeal.- The rules made under the following notifications are hereby repealed:-

S. No.	Notification No.	Date
(1)	(2)	(3)
1.	C.No.10(34)-cus.III/58	18.04.1963
2.	S.R.O. 3(I)70	02.01.1970
3.	S.R.O. 2(I)72	30.12.1972
4.	S.R.O. 13(I)/71	08.01.1971
5.	S.R.O. 974(I)79	23.10.1979
6.	S.R.O. 490(I)91	03.05.1991
7.	S.R.O. 677(I)92	02.07.1992
8.	S.R.O. 245(I)93	31.03.1993
9.	S.R.O. 36(I)94	05.01.1994
10.	S.R.O. 61(I)94	22.01.1994
11.	S.R.O. 663(I)96	07.08.1996
12.	S.R.O. 1140(I)97	06.11.1997
13.	S.R.O. 570(I)98	12.06.1998
14.	S.R.O. 843(I)98	22.07.1998
15.	S.R.O. 905(I)98	12.08.1998
16.	S.R.O. 1369(I)99	24.12.1999
17.	S.R.O. 375(I)2000	17.06.2000
18.	S.R.O. 882(I)80	23.08.1980
19.	S.R.O. 185(I)2001	21.03.2001
20.	S.R.O. 186(I)2001	21.03.2001
21.	S.R.O. 1319(I)/1996	24.11.1996

[2&30][CHAPTER XIV

TRANSSHIPMENT

326. **Definitions.**- In these rules, unless there is any thing repugnant in the subject or context,-

(a) "Act" means the Customs Act, 1969 (IV of 1969);

(b) "authorised representative of the carrier" means person(s) duly authorised by the carrier for submission of documents to the Customs and for carrying out all functions relating to transshipment of goods;

[104](ba) "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.]

(c) "carrier" means the Pakistan Railways, National Logistic Cell (NLC), Sambrial Dry Port Trust, Faisalabad Dry Port Trust, Multan Dry Port Trust or such other carrier as the [104][Federal] Board of Revenue may approve from time to time and are duly licensed under Chapter VIII of Customs Rules,2001;

(d) "Control requirements" means feeding of data into the CCSU computer system and its acceptance by the system, or alternatively the filling and signing of the paper based documentation for the sealing;

(e) "conveyance and transport unit" means conveyance, vehicles and transport units used by the carrier for the transshipment of goods from port to another customs port or stations;

(f) "Customs Container Security Unit (CCSU)" means the unit based in Custom House Karachi controlling the container sealing operations throughout Pakistan;

(g) "Focal Point" means the location of the CCSU field unit for operating the application and removal of seals;

(h) "focal point (Entry)" means the focal point where the goods arrive are sealed and seal is affixed for transit or transshipment to the upcountry dryport or customs station for checking and removal of seals at the focal point (exit);

(i) "focal point (Exit)" means the focal point at destination where the seal is examined and checked for irregularities and removed;

(j) [104]["oversized or heavy or bulky goods" means any heavy or bulky object which because of its weight, size or nature cannot be carried in a closed vehicle or closed container;]

(k) "port" includes a customs-port and customs stations as defined in section 2 of the Act;

(l) "prescribed time limit" means the time limit prescribed for the journey on the prescribed route;

(m) "prescribed transport route" means the route prescribed for the transit/transshipment of goods;

(n) "scanner" means the containerised cargo scanner located at ports for import/export cargo;

(o) "transshipment" means the transfer of transshipment goods without payment of customs duties and taxes at port to carrier for carriage to another customs port or stations;

(p) "transshipment goods" means goods brought into Pakistan which are to be transported from port to other customs ports or stations;

[104](q) "transshipment permit" means the authorization granted by respective Directorate of Transit Trade (Transshipment Section), for transshipment of goods or allowed under Customs Computerized System; and

(r) "transshipment manifest" means manifest to be prepared by the carrier in the prescribed form for submission to respective Directorate of Transit Trade (Transshipment Section), and to the appropriate officer of Customs at the customs ports or stations of destination.]

327. **Specifications of transport units**.- (1) All transport units and conveyance used by the carrier for carrying transhipment goods shall be properly secured, riveted, locked and sealed.

(2) The transport units and conveyance used by the carrier shall be so constructed and equipped as to provide for the customs seals to be conveniently and effectively affixed thereon and containing no concealed space where any goods could be hidden.

(3) The vehicle, truck and trailer units shall have a permanently installed/fixed tracking device capable of showing the location of the said vehicle or trailer at any given time as well as a track of it route and stoppages etc. as and when required by the CCSU. [104][Omitted]

[104](3A) All transport units and conveyances used by the transport operators for carrying transshipment goods shall be properly secured, riveted, locked and sealed. The transport units and conveyance used by the transport operators shall be so constructed and equipped as to provide for the Customs seals to be conveniently and effectively affixed thereon and containing no concealed space where any goods could be hidden. The transport units shall have a permanently installed or fixed tracking device capable of showing the location of the said vehicle or trailer at any given times as well as a track of its route and stoppage etc. The transport unit shall be free from all manufacturing defects so that no goods can be removed from or introduced into the sealed portion of the transport units capable of holding any goods should be readily accessible for Customs inspection. The transport units shall be individually registered with the vehicle registration authority.

(3B) Each vehicle shall be equipped with the tracking device from a tracking company duly approved by the Board.

(3C) The Customs staff shall verify the satisfactory working of the tracker and the identity of the containers and vehicles used by the transport operators for carrying transshipment goods.]

(4) The transport units shall be free from all manufacturing defects so that no goods can be removed from or introduced into the sealed portion of the transport units without leaving visible traces of tampering or breaking of the Customs seal.

(5) All places,holds or provisions in the transport units capable of holding any goods should be readily accessible for Customs inspection.

(6) The transport units (trailer but not prime mover) owned or leased by the carrier shall be indelibly painted on all four sides with their colour and clearly indicating name of the carrier as well as Customs CCSU UAN phone number to report accidents or information.

[104](6A) The licensed bonded carrier/Transport Operator shall be responsible that each container carrying transshipment goods shall distinctly display the words "GOODS UNDER TRANSSHIPMENT" written on detachable plates affixed on the front and rear sides of the container. While clamping the detachable plates on the rear side, it shall be ensured that the visibility / integrity of machine readable seals remain unaffected.]

(7) The trailers or articulated trailers shall be individually registered with the vehicle registration authority

328. Conditions for qualifying as a bonded carrier and its operations.- (1) Transshipment shall only be allowed if the bonded carrier possesses a fleet of minimum twenty five registered vehicles in his name or company or are leased by them. The bonded Carrier will be allowed to use only such vehicles/trailer units which have a permanently installed/fixed tracking device of a [104][tracking company as licensed by the FBR.] The Customs staff shall verify the satisfactory working of the tracker and the identity of the vehicle used by the bonded carrier for transshipment of consignments, as well as the road worthiness of the vehicle/trailer/prime mover and registration number and other particulars of the vehicles.

[90&104] [(2) Bonded carrier license shall be issued by the respective Director of Transit Trade in whose jurisdiction the business address of the applicant is located for a period of two years on the recommendation of committee comprising respective Director of Transit Trade, Collector, Model Customs Collectorate (Enforcement and Compliance) and Director, Intelligence and Investigation-Customs of the jurisdiction, after seeking approval of the Director General Transit Trade, on completion of formalities under the Customs Rules, 2001. The license may be revoked at any time by the licensing authority.]

(3) Registration of the carrier under the Companies Ordinance, 1984 (XLVII of 1984), and with Chamber of Commerce and Industry, and Transporters' Association.

(4) The applicants shall possess National Tax Number under the provisions of the Income Tax Ordinance,2001(XLIX of 2001).

(5) The permission granted for bonded transportation would be non-transferable and shall not be allowed to be used by any sub-contractor.

(6) The applicants shall deposit a bank guarantee or Defence Saving Certificates etc., or a mix of such securities for five million rupees with the [104][respective Director of Transit Trade]to safeguard Govt revenue. The Collector of Customs, if not satisfied with this condition, alone may subscribe the system of revolving insurance guarantee keeping in view the huge amount of duty and taxes involved in transportation of bonded cargo to up-country dry ports. The amount of bank guarantee or Defence Saving Certificates shall be forfeited apart from other consequential penal action under the Act, and the rules made thereunder, if the bonded carriers misuse the facilities of the transhipment of the imported goods.

(7) The registered vehicles of one bonded carrier shall not be allowed to be operated by an other bonded carrier for the transhipment of cargo to upcountry Dry Ports.

(8) All the Bonded Carrier Permit holders be required to obtain and posses Customs clearing and forwarding license.

[90][(9) The Renewal of licenses to Bonded Carriers shall be dealt with in accordance with Chapter VIII of these rules, and the duration of renewal shall be for a period of two years.]

[133]**[328A. Allowing single transport vehicle owner to transport transshipment goods.-** The owner of single vehicle shall also be eligible for registration and transport of transshipment goods from sea ports or

customs border stations to inland dryports and vice versa. The application on the prescribed format (Appendix-IA) for registration of a single vehicle for transport of transshipment goods shall be submitted to the Directorate of Transit Trade in whose jurisdiction the applicant is a resident or his vehicle is registered with Motor Registration Authority (MRA). The transport of transshipment goods by owner of single transport vehicle shall be allowed by the concerned Director of Transit Trade subject to the following conditions:-

a) the unit is properly registered with the motor registration authorities of Pakistan in the name of the owner, to be verified by customs authorities;
b) he shall submit defence saving certificate duly pledged to the concerned Director of Transit Trade or furnish Bank Guarantee for Rupees One million as security for transport operation of transshipment goods, which shall be forfeited apart from other consequential penal action under the Act and rules made there under, if the owner of the transport unit violates provisions of the Custom Act, 1969 and the rules made thereunder;
c) all the procedural or legal formalities required to be fulfilled by bonded carrier under subject rules may be allowed to be fulfilled by the importer or respective customs agent or transport operator in cases where the transshipment goods are carried by a single transport vehicle owner;

(d) in cases where transshipment cargo is transported by owner of single vehicle transport, the revolving insurance guarantee covering the leviable duty and taxes on transshipment goods shall be submitted by the importer or respective customs agent or transport operator (**Appendix-IIA**);
(e) the prime mover or vehicle shall be fitted with the tracking device by a tracking company duly licensed by the Board under S.R.0 413(1)/2012 dated the 25th April, 2012;
(f) tracking device shall also be installed on cargo containers and load compartment of the vehicles (if not containerized cargo) as per provisions of Tracking and Monitoring of Cargo Rules, 2012 and Customs General Order 03 of 2020 dated 16.04.2020.
(g) the permission shall be given to such owner of the transport vehicle for one year which shall be renewed if operations of transportation of transshipment goods are found satisfactory;
(h) the owner shall also submit an undertaking on a stamp paper to the effect that he shall be responsible for safe transportation of transshipment goods;
(i) copies of such permission shall be sent to Directorate of Reforms and Automation Karachi and concerned officers of Customs who will enter the particulars of the vehicles in CCS;
(j) in case of any violation of Customs laws or procedures, institution of any criminal or civil case against the owner or vehicle under any law, the permission shall be terminated and name of the owner shall be blacklisted with transmission to all field formations.]

329. **Responsibilities of the Carriers.**- (1) Prior to submission of application **(Appendix-I)** for transshipment, the carrier shall satisfy himself that the actual description, quantity, quality and weight of the goods under transhipment are as per declaration in the IGM of the vessel. In case any misdeclaration or substitution is found at subsequent stage, the carrier shall be held responsible under sections 32 and 121 of the Act.

(2) The carrier shall be responsible and bound to carry the goods to its destination without any delay and with utmost haste. The carrier shall also be bound to deliver the bonded cargo to its destination within the prescribed time-limit, [104][Omitted].

(3) The delay in delivery from the stipulated time or deviation from the route will require a written explanation from the carrier to customs authorities and may entail revocation of license and an administrative fine as may be prescribed by the Board, in addition to other action under the Act.

(4) The carrier, except Pakistan Railways and National Logistics Cell, shall submit to the [104][Assistant Director (Transshipment Section)] a revolving insurance guarantee in the prescribed form **(Appendix-II)** from an insurance company of repute covering all types of risks detrimental to the Government revenue involved in the transshipped goods along with general undertaking in the prescribed from **(Appendix-III)** binding themselves to transship the goods safely and securely as per this procedure. The insurance guarantee shall

be issued by an insurance company having paid up capital of not less than one hundred million rupees and duly registered with the Controller of Insurance, Ministry of Commerce.

(5) The carrier, except Pakistan Railways and National Logistics Cell, shall submit a list of transport units owned or leased along with a copy of lease agreement for transhipment purposes to the [104][Assistant Director (Transshipment Section)]. This list shall indicate registration number, engine and chassis number, make, model, tare or weight and be accompanied with photographs of each vehicle showing both sides, front, rear as well as chassis number. In case of leased vehicles the period of lease of the vehicle with address and national identity card number of the lessor. The lessor as well as the lessee will provide an affidavit that the said vehicle is owned by the lessor and not leased to any other person or carrier or bonded carrier.

(6) The [104][Assistant Director (Transshipment Section)]shall issue permit **(Appendix IV)** for transport units which shall be treated as consolidated registration with Customs House. This permit shall always be available with the driver of the conveyance while taking delivery and transporting the transhipment goods.

[72][Provided that for the transportation of US military or ISAF transit consignment by the bonded carrier in vehicles, other than the above, prior permission shall be obtained from [104][Director Transit Trade], Karachi, for each trip after declaring and listing registration number, engine and chassis number, make, model and tare or weight of such vehicles with Customs and getting them inspected. Complete particulars of these vehicles shall be declared in the carrier manifest filed for each vehicle:

Provided further that for the transportation of US military or ISAF transit cargo the restriction specified under sub-rule (7) of 328 shall not be applicable

(7) The carrier shall be responsible for transporting the transshipment/transit goods through the routes and within the time limits specified by the Board from time to time. In case some route is closed or cannot be used for any reason, the bonded carrier shall make an application to [104][Assistant Director (Transshipment Section)] for permission to use the alternate route mentioning the alternate route to be used and the time to be consumed by using the alternate route.

(8) In case of any accident enroute which may cause delay in the delivery of goods beyond the specified time, the nature of accident, exact time and place of accident alongwith complete detail of the carrier shall be communicated to the CCSU telephonically or to the nearest [104][Mobile Enforcement Unit or Transit Directorate.]

[90][**329-A**. Action in case of violations.- (1) The licensing Authority may revoke or suspend a license or permission of any Bonded Carrier for one or more than one of following reasons, namely:-

(a) the licensee has made or cause to be made in any application for any license or permission under this chapter, or report filed with the customs, any statement which was, at the time and in light of the circumstances under which it was made, false or misleading with respect to any material fact, or has omitted to state in any such application or report;

(b) the licensee has been convicted at any time for larceny, theft, robbery, extortion, forgery, counterfeiting, fraud, concealment, embezzlement, fraudulent conversion, or misappropriation of funds;

(c) the licensee is involved in any manner, including but not limited to, abetting, facilitating, substitution/replacement, removal, pilferage, tampering with transport units/seals [104][or tracker] etc. of enroute Transshipment cargo.

(d) the licensee has knowingly employed, or continues to employ, any individual who has been convicted of any offence referred to under clause (b) and (c);

(e) the licensee, in the course of its customs business, with intent to defraud, has in any manner, wilfully and knowingly deceived, misled or threatened any client or prospective client;

(f) violation by the licensee of any provision of the Act or the rules, regulations, notifications, instructions or orders issued there under;

(g) aiding or abetting any individual, firm or company, as the case may be, for violation of any provision of the Act or the rules or regulations made thereunder;

(h) negligence or inefficiency of the licensee in discharge of its obligations;

(i) unsatisfactory conduct of the licensee while transacting customs business or in relation to any person who has entrusted it with any customs business;
(j) failure of the licensee to comply with any condition of the bond executed by him under this chapter;
(k) concealing, removing or destroying, by the licensee, of its financial and customs business records or refusing to allow an officer of customs to inspect them and take extracts there from;
(l) attempt by the licensee to influence the conduct of any employee in the custom house, custom station, port, airport or en-route transshipment of cargo by the use of force, intimidation, false accusation, duress, bribery or by offering any special inducement or gift;
(m) failure of the licensee to exercise due diligence and due care to apprehend and forestall an untrue declaration in respect of description, content, classification, origin, quality or value of the goods by its client and en route transshipment of cargo;
(n) withholding by the licensee, of any information, document or other evidence, from an officer of customs which is likely to prevent any fraud or evasion of customs duties and other taxes or dues and the circumvention or contravention of any restrictions imposed by any law for the time being in force;
(o) the licensee's previous performance has not been satisfactory or has not been true to the customs or towards his clients; or
(p) the licensee's previous record of customs business due to his being concerned in any customs offence is not free from reasonable doubt.

(2) In case of revocation of a license under sub-rule (1), the licensing Authority may, after issuing show cause notice to the licensee, forfeit the whole or part of the security deposited by the licensee under rule 328(6) for the settlement of any duty, taxes or any other charges due from him.

(3) The licensing Authority shall not pass any order under sub-rules (1) and (2) to revoke the license or permission unless the licensee is informed in writing regarding the allegations and opportunity of hearing is afforded. While passing an order for revocation of license, the licensing Authority may also direct forfeiture of the security deposited by the licensee under rule 328(6):

[149][(4) In case the clearing agent licence of the bonded carrier issued under Chapter VIII of the Customs Rules 2001 is suspended or revoked by the respective licensing authority, the licence to operate as bonded carrier shall also stand suspended or revoked and vice versa.

(5) Appeal against an order passed under sub-rules (1) and (2) of rule 329A may be filed before the Director General Transit Trade, Karachi, within sixty days of passing of such decision or order.]

Provided that where it is expedient in the public interest, an immediate action is considered necessary against the licensee, for, including but not limited to, abetting, having knowledge of, tampering with transport units and seals affixed thereto, facilitations, substitution, replacement, removal, pilferage etc., during en-route transshipment of cargo, the Licensing Authority may suspend the license forthwith, after recording reasons in writing, pending final action under the Act and rules made there under.]

330. Receipt and processing of Transshipment documents.—(1) The carrier shall apply to the Assistant [104][Director] for issuance of "Transshipment Permit" in the form as per **Appendix-I**.

[104](2) The application shall be filed in the Transshipment Section of the concerned Directorate of Transit Trade.]

(3) If particulars declared in transhipment application and the particulars declared in the Import General Manifest are coincided, the computer shall automatically generate a Transshipment Permit in quintuplicate. In case the application is to be processed manually then the same principle of coincidence would be applied manually before issuing the Transhipment Permit.

(4) If the particulars of the transshipment application and the particulars of the consignment in Customs record do not coincide, the representative of the bonded carrier will make an amendment application in the prescribed form to the person incharge who on payment of the prescribed fee, shall allow the required amendment in the application.

(5) Transshipment of imported cargo (including unaccompanied baggage) to the up-country ports shall invariably be allowed in line with the provisions of section 121 of the Act through bill of lading. Transshipment may be allowed on the application filed by the authorized representative of the approved carrier, if the address of the party to be notified is of an up-country destination or the marks and numbers on the Bill of Lading indicate an up-country destination irrespective of the place of issue of import licence or of opening of letter of credit subject to the satisfaction of the [104][Director] .

(6) The original copy of the permit shall be furnished to Assistant Collector (Import), at the port of disembarkation, the duplicate shall be retained by the Transshipment Section at the port of embarkation. Triplicate, quadruplicate and quintuplicate copies shall be handed over to the representative of the carrier. Triplicate copy shall be retained by the customs staff at the time of clearance of the conveyance from the port of embarkation, quadruplicate and quintuplicate copies shall be handed over to the bonded carrier for accompanying the conveyance. The quadruplicate copy shall be produced to Assistant Collector (Imports) at port of disembarkation, the quintuplicate copy will be retained by the bonded carrier for record.

(7) No application covering more than one consignment (destined for different customs ports or stations) shall be entertained.

331. Goods be transshipped in containers.- In order to facilitate the Bonded Carriers for transportation of loose transshipment cargo to up-country Dry Ports, the following procedure shall be observed, namely:-

(a) The Bonded Carriers are authorised to use the empty sea containers of internationally accepted standardized dimensions and carrying valid original container numbers, taken from and with consent of respective shipping lines, to the effect that the containers so used should be on lease basis at least for a period of one hundred and eighty days for the carriage of loose transhipment cargo to up-country Dry Ports subject to the following conditions namely:-

(i) the carrier shall obtain prior permission with container number from the Import Section for use of the empty container(s) in order to avoid manifestation of one container in different places;

(ii) at the time of stuffing or sealing of loose transhipment cargo, verification of marks and number, and number of packages as per declaration in the Transshipment Permit shall be ensured by means of inspection by the examining officer that the container is found to be empty and also recording date and time of dispatch of container and endorsement to this effect shall be made on the Transshipment Permit. The stuffed container(s) shall be sealed by the CCSU at the respective focal point as per procedure prescribed by the Board;

[104](iii) in case of exceptional cases, if any problem is faced for stuffing of any goods in container the carrier shall approach the concerned Assistant Director (Transshipment Section) who may allow transshipment of such goods in loose form subject to additional conditions, sealing and tracking requirements and safeguards, as he deems appropriate;]

(iv) the container(s) shall be allowed to be removed from Port area after the issuance of Removal Memo by the designated staff entrusted with the job of delivery showing the number of container(s) along with detail of the consignment stuffed therein as well as the usual delivery documents, and the sealing by the CCSU or authorised person; and

(v) the Bonded Carriers shall submit prescribed certificate in duplicate **(Appendix-V)** duly completed and signed for each container to the appropriate officer of customs at destination. After receipt of the consignment at Dry Port, a copy of the said acknowledgement in duplicate shall be produced within the period of twenty days; and

(b) The following goods, subject to sealing requirements as per the procedure prescribed by the Board for sealing, may be transshipped in loose condition of flat bed trailers, namely:-

(i) heavy packages which cannot be stuffed in the container;
(ii) heavy coils of telephone or electric cables imported by public sector importers;
(iii) electric or telephone poles;
(iv) boilers and heavy generators;
(v) cranes, bulldozers and vehicles;
(vi) heavy air conditioning plants; and
(vii) cargo of over-dimension [to be determined by Assistant [104][Director] (Wharf), on case to case basis].

332. Transshipment of vehicles.- (1) Prior to obtaining Transshipment Permit for transhipment of vehicles the carrier shall get the vehicle examined by Customs staff of the concerned shed and get the examination report endorsed on reverse of the application as per following procedure, namely:-

(a) the carrier shall prepare documents for transshipment of vehicles to dry ports as usual and before presenting the same in the Import Section, shall get the vehicles examined by the Customs staff of the concerned shed. The examiner shall examine the vehicles as per the procedure laid down for examination and endorse examination report on the reverse of all copies of transhipment permits. The examination report shall contain following information in respect of each vehicle, namely:-

	Description of vehicles	**Fittings**		**Findings**
	(1)	(2)		(3)
1.	Make or Model	1.	Air-conditioner, complete or in CKD condition.	Yes/No
2.	Type	2.	Power steering	Yes/No
3.	Chassis No.	3.	Radio	Yes/No
4.	Engine No.	4.	Tape Recorder or Deck	Yes/No
5.	Capacity	5.	Heater	Yes/No
6.	Year of manufacture	6.	C/Lighter	Yes/No
		7.	Clock	Yes/No
		8.	Seat Belt	Yes/No
		9.	Side Mirror	Yes/No
		10.	Arm Rest	Yes/No
		11.	Head Rest	Yes/No
		12.	Carpet	Yes/No
		13.	F/Mat	Yes/No
		14.	Radial Tyres	Yes/No
		15.	Auto Defogger	Yes/No
		16.	Tinted Glasses	Yes/No
		17.	Suntop Roof	Yes/No
		18.	Matching Bumper	Yes/No
		19.	Power Window	Yes/No
		20.	Any other additional accessories	Yes/No

21.	Any other additional Information	Yes/No;

(b) In case of availability of any or all of the aforesaid fittings, the examiner shall score out the "No" and tick (/) the "Yes" sign against such fitting. If any of the fitting is not available, he shall score out the "Yes" and tick (/) the "No" sign;

(c) After permission for transshipment is granted and the vehicle actually leaves the port, the Superintendent (Imports) shall send one copy of the Transhipment Permit along with other documents through registered post to the respective dry port;and

(d) The representative of the Bonded Carrier will bring the transshipment documents to Customer Services Centre or the Import Section attached with a service coupon.

333. Goods not permitted for transhipment.- The following goods shall not be allowed transshipment to up-country customs port or stations, namely:-

(a) spirits, as defined in Chapter 22 of the First Schedule to Act [76][, except imported by diplomatic bonded warehouse and diplomatic mission after obtaining import authorization from Ministry of Commerce];

(b) dangerous drugs, as defined in the Dangerous Drugs Act, 1930 (II of 1930);

(c) narcotic drugs and psychotropic substances in terms of Headings No.12.07, 13.02, 29.04, 29.22, 29.23, 29.25, to 29.27, 29.35 and 29.42 of the First Schedule to the Act;

(d) explosive, as defined in the Explosives Act, 1884 (IV of 1884);

(e) arms and ammunition and parts thereof, as defined in the Arms Act, 1878 (XI of 1878); and

[104](f) Strategic goods as defined under UN Resolution 1540 and notified by SECDIV.]

334. Fixation of seal by Customs Container Security Unit staff or authorized person [104]**[**and **Tracker by the FBR's Licensed Tracking Company**.- (1)All transport units and containers carrying transshipment goods shall be allowed clearance from the area of delivery after installation of machine readable seal by Customs Container Security Unit staff or authorised person and Tracking device installed by tracking company duly licensed by FBR, including over-dimension cargo, notified heavy cargo and goods to be transshipped by Pakistan Railways except in cases where sealing is not possible as determined by the Assistant or Deputy Director, Transit at the port of departure.

(2) The container and vehicle shall be tracked by Container Security Device (CSD) and Prime Mover Device (PMD) installed by tracking company duly licensed by FBR, and sealed with machine readable unbreakable seals with progressive serial number by the CCSU or authorised person at the focal points (entry), on first come, first served basis.]

(3) In addition to the above mentioned sealing, a wire seal will be used to hold together the locking bolts of the containers and numbered adhesive tapes will be used on joints where doors of containers close on top and bottoms of the doors and on the hinges.

(4) The open containers and flat bed trailers shall be covered with tarpaulin in sound condition and a cable passed through the eyelet's so as to secure the goods to the satisfaction of the Customs staff and seal shall then be applied to the ends.

(5) On focal points where the computerized sealing system of CCSU is not yet in place the CCSU staff or authorised person shall issue a sealing certificate in quadruplicate **(Appendix-VI)** upon sealing each container, (in the presence of designated examining officer if required), in accordance with the procedure prescribed by the Board.

(6) The original copies shall be retained by the person authorized for sealing, the duplicate shall be collected by the concerned examining officer after physical verification that the seal with progressive serial number

has been fixed and all entries have been made in the certificate of sealing, the triplicate and quadruplicate copies shall be carried by the driver of the conveyance to the Customs Port or Stations of destination.

(7) Upon safe arrival at the destination, the CCSU shall inspect the seal at the focal point (exit) in the presence of driver of the vehicle, prime mover or representative of railways to verify the security of the cargo and intact condition of the customs seal and [104][tracking device mounted on container.]

[104](8) In case the CCSU or authorised person finds the seal broken or tampered with, or malfunctioning of tracking device or finds the security of the cargo/container compromised in any way detrimental to the revenue, or safety or anti narcotics or anti terrorism concerns, the matter shall be reported to the Incharge CCSU as well as to the Director Transit having jurisdiction and Project Director, Central Control Room as per procedure prescribed by the Board as well as the concerned Assistant Collector of destination for necessary action. Such container shall be de stuffed/re stuffed only in the presence of authorised officer of Customs of the concerned customs station.]

[104](9) In case the vehicle, trailer, prime mover or railway wagon or train meets with an accident or breakdown that has caused or may cause the security and safety of the bonded goods to be compromised, the driver of the vehicle/representative of the carrier will immediately inform the nearest Transit Monitoring and Response Center (TMRC) or Director, Transit Trade and CCSU for necessary action as per the procedure prescribed by the Board.

(i) The carrier shall bear all expenses incurred on restuffing or repacking of bonded goods pilferaged or damaged.

(ii) the carrier shall approach the nearest Transit Monitoring and Response Center (TMRC) or Director, Transit Trade for witnessing the shifting of goods in another transport unit if necessitated. The carrier shall shift the transshipment goods or container in the other transport unit in the presence of the officer authorised by the said office. The officer incharge shall issue a certificate to this effect to be produced by the carrier at the destination and cause the re-sealing of the container by CCSU or authorised person and mounting of the tracking device on the container.]

335. Clearance of goods from port.- (1) The authorized representative after completing formalities relating to the port area and on payment of all the dues or charges to the concerned department shall take the transhipment permit to the concerned shed or plot of the container operator for taking delivery of the consignment.

(2) The carrier shall ensure that no goods having marks and numbers or packages etc., different from the one indicated in the Transshipment Permit and Manifest are loaded for transshipment. In case of any discrepancy, the carrier shall report this matter to the concerned Assistant [104][Director] for further orders.

(3) All conveyance carrying transshipment goods shall invariably be weighed at the Port weigh-bridge and the report of the same be provided in carrier manifest and weight slip be attached with the carrier's manifest. In case there is plus variation upto five percent or five hundred kilograms whichever is less, in the declared weight and the ascertained weight, the transshipment may be allowed subject to the satisfaction of [104][the concerned Director of Transit Trade.]

(4) Hundred per cent weighing and two per cent random physical examination to be ordered by [104][Director of Transit Trade] of suspected consignments at the port of transshipment in presence of bonded carrier be allowed and in case of mis-declaration of description or weight, warranted action shall be initiated.

(5) The carrier shall ensure that goods relating to only one specific customs station are loaded on one conveyance.

(6) The containers of such cargo shall be loaded on trucks in such a manner that their door sides shall be securely placed against the truck driver's cabin. Similar precautions shall be taken, to the possible extent, in case of containers of bonded cargo transported by Pakistan Railways.

336. Manifest of the carrier.- (1) After taking delivery of goods from the Port and loading thereof on the conveyance, the carrier shall prepare carrier's Manifest **(Appendix-VII)** in quadruplicate for each transport unit.

(2) The carrier shall forward original copy of the manifest to their office at destination for supplying to the concerned officer of the customs port or station. The duplicate copy of the manifest shall be retained by [104][Transit] staff posted at exit gate while allowing removal of the conveyance from that area. Triplicate copy shall be given to the driver of the conveyance who shall hand over the same to the earlier at the customs port or station of destination. The carrier shall retain the quadruplicate copy for their official use.

(3) On the day following the date of clearance of transshipment goods from the port, the carrier shall submit customs port or station(s)-wise consolidated manifest **(Appendix-VIII**) of consignments to the Import Section who shall enter the particulars in computer for subsequent scrutiny. The carrier shall get this consolidated manifest cleared within twenty days from Import Section certifying that all the consignments covered under the manifest of that period have safely and securely reached and delivered at the concerned customs port or stations.

(4) The [104][transshipment] section shall carry out the job of manifest clearance in the computer on daily basis and provide to the concerned Assistant [104][Director] with a list of Transshipment Permits the consignments of which have not been delivered at the customs ports or stations within twenty days.

(5) No further transshipment permit shall be allowed to a carrier till a certificate from customs ports or stations of destination is produced for receipt of earlier consignments transhipped twenty days ago.

[104][337. Checking of conveyance enroute.- An officer of Customs not below the rank of Inspector, may, on reasonable suspicion regarding substitution or attempt of substitution of goods, or interference with the container and cargo contained therein which may in any way be detrimental to the revenue, or safety anti narcotics, anti terrorism concerns by tampering seals / tracker devices or containers while the conveyance is en route, shall inform Incharge CCSU and nearest TMRC about his suspicion and on receiving specific permission of Incharge TMRC or Director of Transit Trade in whose jurisdiction the goods are present are to be intercepted and check that the rivets, locks, seals, and labels of the transport unit and the container are intact. Report of such re-checking shall invariably be sent to CCSU by the concerned Collectorate/ Director by fax/e-mail/courier as well as telephonically within six hours of such interception.]

338. Procedure at customs port or stations of destination.- (1) On arrival of transhipment goods at the customs port or station(s) of destination, the seal of the container or inventory of goods, in case of over-dimension cargo, shall be verified jointly by CCSU and the carrier as per the procedure prescribed by the Board. This verification shall be endorsed on the relevant column of carrier manifest.

(2) In case the over-dimension cargo does not tally with the inventory sheet of the Port, the matter shall immediately be brought to the notice of Collector concerned and Collector of Port of Transshipment.

(3) Customs examination of container with broken or tampered seal shall be conducted in the presence of representatives of carrier who shall sign the report pertaining to shortage, substitution or damaged goods.

339. Time limit for transhipment of goods.- [104](1) All goods for which transshipment permit has been issued will reach the customs port or stations of destination within the timeline as prescribed below from the date of issue of transshipment permit;

S.No.	Route	Time Limit (Days)
1	Karachi to Hyderabad	two
2	Karachi to Quetta	four

3	Karachi to Multan	four
4	Karachi to Faisalabad	five
5	Karachi to Lahore	five
6	Karachi to Sambrial	five
7	Karachi to Islamabad	five
8	Karachi to Peshawar	five
9	Gwadar to Hyderabad	three
10	Gwadar to Quetta	three
11	Gwadar to Multan	four
12	Gwadar to Faisalabad	five
13	Gwadar to Lahore	five
14	Gwadar to Sambrial	five
15	Gwadar to Islamabad	five
16	Gwadar to Peshawar	five
17	Taftan to Karachi	five
18	Taftan to Hyderabad	five
19	Taftan to Quetta	two
20	Taftan to Multan	four
21	Taftan to Faisalabad	five
22	Taftan to Lahore	five
23	Taftan to Sambrial	five
24	Taftan to Islamabad	five
25	Taftan to Peshawar	five
26	Chaman to Karachi	four
27	Chaman to Hyderabad	five
28	Chaman to Quetta	two
29	Chaman to Multan	four
30	Chaman to Faisalabad	five
31	Chaman to Lahore	five
32	Chaman to Sambrial	five
33	Chaman to Islamabad	five
34	Chaman to Peshawar	five
35	Torkham to Karachi	five
36	Torkham to Hyderabad	five
37	Torkham to Quetta	four
38	Torkham to Multan	four
39	Torkham to Faisalabad	three
40	Torkham to Lahore	three
41	Torkham to Sambrial	three
42	Torkham to Islamabad	two
43	Torkham to Peshawar	two
44	Sost to Karachi	nine
45	Sost to Hyderabad	nine
46	Sost to Quetta	eight
47	Sost to Multan	seven
48	Sost to Faisalabad	seven
49	Sost to Lahore	seven
50	Sost to Sambrial	seven
51	Sost to Islamabad	five
52	Sost to Peshawar	six

(2) If there involves unavoidable delay in the transshipment of any goods the carrier shall make a request with specific reason to the concerned Assistant [104][Director] for extension in the prescribed period. This extension shall, however, not be allowed on account of scarcity or non-availability of transport unit to a carrier.

(3) In case where the concerned Assistant [104][Director] finds no cogent grounds for delaying transshipment, the already issued transshipment permit shall be cancelled.

[49][**339A. Transshipment of cargo, unaccompanied baggage from airport of first arrival to destination airport - Definitions.–** In these rules, unless the content otherwise requires—

(a) "airline" means aircraft bringing the goods from foreign destination to airport of arrival;

(b) "airport of first arrival", means that International Airport in Pakistan where goods arrive directly from an overseas destination;

(c) "bonded airline" means aircraft which takes goods in transit through air from airport of arrival to destination airport. The requirement of licensing of the airline as bonded carrier is relaxed as has been done in the case of Pakistan Railways;

(d) "cargo manifest" means manifest of goods meant to be transshipped from one airport to another by air;

(e) "destination airport" means that airport in Pakistan where goods are intended to be transported for customs clearance;

(f) "goods" means commercial cargo and unaccompanied baggage;

(g) "heavy, bulky or oversized goods" means any heavy, bulky or oversized object which because of its weight, size or nature can not be scanned through a scanning machine available at airport;

(h) 'PCCSS' means Pakistan Customs Container Sealing System; and

(i) "transshipment" means transfer of International commercial cargo or personal unaccompanied baggage from International Airport of first arrival to the destination International Airport within the country without customs clearance. This transfer shall involve unloading of goods from one aircraft and its loading on another aircraft after completion of air transshipment related customs formalities at airport of first arrival. The two aircrafts may or may not be of the same airlines.

339B. Processing of ATP at airport of first arrival.– (1) Transshipment shall be allowed for the airport of final destination mentioned in the airway bill on Goods Declaration (GD)/transshipment application-cum-cargo manifest to be filed by the authorized representative of the airline. Each airline shall file air transshipment permit, therein after called ATP, electronically in one Customs System. The System shall generate an ATP (Air TP) number and date.

(2) The concerned airline shall submit GD/TP Application cum cargo manifest in triplicate (original, duplicate and triplicate) for transshipment of goods to the designated officer of customs at the first airport of arrival of imported cargo who shall assign a unique number to the GD/TP application.

(3) The Customs officer shall ensure that the particulars declared in transshipment application-cum-cargo manifest and the particulars declared in the Import General Manifest (IGM) shall match.

(4) GD/ATP, bearing system generated ATP number and date shall be submitted to the designated customs officer of the airport of arrival for transshipment of goods.

(5) GD/ATP shall consist of four copies i.e. one each for customs at airport of first arrival, customs at destination airport, importer and airline.

(6) For each airway bill one GD/ATP shall be filed.

(7) The Customs officer shall allow ATP only when the address of the consignee declared on airway bill indicates an upcountry address as well as destination airport and the ATP is being filed for such destination airport which is nearest to that address.

(8) ATP shall be out of charged by designated Customs officer at airport of first arrival subject to the following conditions, namely:-

(a) after ensuring that PCCSS officer has sealed the container or consignment and seal information has been fed in to the system;

(b) scanning of the goods, other than heavy, bulky or over sized goods, has been done by customs at the airport of first arrival and duly signed customs advice incorporating outcome of scanning is prepared;

(c) ensuring that airline has prepared cargo manifest in quadruplicate indicating each ATP relating to that flight for submission before the customs at airport of destination in the following format, namely:-

Sr. No.	Airway bill no. and date	ATP No. and date	Description of goods	Packages	Weight	Seal number	Name of importer	Address of importer

(d) ensuring that the customs advice is faxed to the concerned Collectorate on the same day for their information and necessary action;

(e) goods relating to out of charged ATP shall be allowed to be loaded on the aircraft;

(f) the transshipment from one airport to another shall be allowed by an officer not below the rank of an Assistant Collector. In case there is suspicion that transshipment facility is being misused or prima-facie declaration is not correct with reference to description, weight, quantity etc, the Assistant Collector at airport of first arrival may examine the goods and record examination report on GD/ATP;

(g) after allowing transshipment, the original copy of the TP application shall be retained by the customs staff at the airport of arrival, the duplicate copy shall be forwarded with the goods to the Assistant/ Deputy Collector of Customs (AFU) at airport of destination and the triplicate copy shall be retained by the airline for their record;

(h) the Customs staff at the airport of arrival, supervising the transshipment, shall deliver the retained original copies to import or transshipment section, AFU against proper acknowledgement on daily basis;

(i) the Import/Transshipment section shall maintain airport wise record of original T.Ps, feed the information in PRAL system and forward online particulars to the respective Assistant or Deputy Collector of Customs of airport of final destination of cargo; and

(j) the transshipment permit shall cease to be valid if the cargo pertaining to the same is not transshipped within three days of its issuance. In case of unavoidable delay, the airline shall make a request with specific reasons to the concerned Assistant Collector for extension in the prescribed period. In case where the concerned Assistant or Deputy Collector (AFU) finds cogent grounds for delaying transshipment, he may decline the request.

339C.- Procedure at airport of destination.– (1) On arrival of transshipment goods at the customs airport of destination the concerned representative of the airline shall submit the duplicate copy of transshipment application-cum-cargo manifest to the designated officer of Customs who shall verify the customs endorsement of

the airport of first arrival and shall tally the cargo with the particulars contained in the transshipment application-cum-cargo manifest.

(2) The airline shall submit the cargo manifest to the PCCSS officer at destination airport. The customs officer shall perform the following jobs, namely:-

(a) shall receive each ATP through 'One Customs System' and shall also enter the sealing information in the system; and

(b) shall receive the goods in case the ATP and sealing information gets fed into the system satisfactorily and no discrepancy is observed.

(3) If seal is not found intact or there is any discrepancy in weight or there are reasons to doubt the integrity of the seal, a discrepancy report shall be entered into the system. The goods in such cases shall be recommended by PCCSS officer for cent per cent examination.

(4) The Assistant or Deputy Collector of Customs (AFU) at destination airport shall confirm the arrival of transshipment goods to the Assistant or Deputy Collector of Customs (AFU) of airport of first arrival through the PRAL system on the same day.

(5) The importer will file GD for clearance of each ATP consignment. The system shall not allow filing of GD in case there is no matching information of the corresponding ATP. The Customs staff at airport of first arrival and destination airport shall also cross check the dispatch and arrival of goods after every fourteen days and report the cases of missing consignments, if any, to the concerned Collector of Customs for initiating action under the law against the domestic carrier airline or consignee.

(6) The further processing shall then be done as per procedure at AFU/UAB of destination airport.

(7) The TP section (AFU) shall carry out the job of manifest clearance in the computer on daily basis and provide the concerned Assistant Collector the list of transshipment permit the acknowledgement of which have not been received within three days. No further transshipment permit shall be allowed to an airline till the TP acknowledgement status of all TPs issued fourteen days ago is updated.

339D.– Monitoring and reconciliation.– (1) 'One Customs System' shall automatically generate a report on daily basis showing details of transshipment goods in respect of which ATP was filed and sealing information was fed at airport of first arrival but have not been received at the destination airport within twenty four hours.

(2) The System shall block the airline from further processing of ATPs in case any ATP goods are not received at the destination airport within prescribed time limit.

(3) PCCSS, Headquarter shall also generate a report at the end of the month, showing details of ATP packages sealed by PCCSS officers and removed from airport of first arrival but the computer record does not confirm de-sealing at the destination airport of such ATP packages, and put up to the concerned Collector of Customs for necessary action.]

340. Contravention of this procedure.- Contravention of any of the provisions of these rules shall be deemed contravention of Chapter VIII of the Customs Rules, 2001 and sections 32, 121 of the Act and the carrier shall be liable to penal action under the relevant provisions of section 156 thereof and other relevant rules.

Appendix-I

[see rules 329 and 330]

1. Name of Carrier _____ _____ 2. T.P. application No. ___ 3. Delivery Order No. ____ 4. Name of Dry Port: ___ _____	TRANSSHIPMENT PERMIT 5. Importer's name and address _____ 6. N.T. No._____ 7. Import Registration No. _____ 8. Consignors name and address 9. C&F Value: _____ 10. L.C. No. with date _____	11. Machine No.with date_____ 12. T.P. No. with date _____ (allotted by Customs House) 13. Signature and Seal of the authorised officer of Customs House.

14. Vessel	15.IGM No. & date	16. Index No.	17. B/L No. with Date	18. Port of Shipment of Goods with Country	19. Gross Weight	20. Net weight

21. S.No	22. Marks & Nos.	23. PCT Heading	24. Description with specification of goods (each item to be detailed separately)

25. Quantity with unit	26. Origin Code Country of Origin	27. Total No. of Containers	28. S.No. of containers	29. Seal No. affixed by Customs/ Contractors.

30. It is requested that the transhipment may be allowed. We declare that the details given above are true and complete. In case of any incorrect declaration in invoice/other documents regarding value, weight, quantity, quality and description unearthed at any stage before **landing** of goods at destination, we undertake to inform the Customs House on priority. In case of damage/ pilferage/accident/ breakage of seals etc, we undertake to inform the Customs House, Karachi and Customs authorities at Customs stations of destinations and area of occurrence and to get the goods examined and containers etc re-sealed by the customs authorities. Signature of authorised officer/nominee of carrier	31. Documents to be attached. Undertaking of the importer Indent/Proforma invoice Commercial invoice. Packing list. Bill of lading. Letter of credit.

32. Remarks	33. Goods/ container received intact. 34. Signature and seal of customs officer of relevant Dry Port.

[133][Appendix-IA
[See rule 328A]

APPLICATION FORM FOR REGISTRATION OF A
SINGLE VEHICLE FOR TRANSPORT OF TRANSSHIPMENT GOODS

Photograph of the owner

The Director,
Directorate of Transit Trade,
_____

I …….. hereby apply for the registration of vehicle to transport transshipment goods in terms of rule 479A of the Customs Rules, 2001 for a period of one year. The particulars of the applicant and vehicle are given below:-

1	Name of owner	
2	Nationality	
3	Present address	
4	Permanent address	
5	CNIC No.	
6	Vehicle Registration No.	
7	Vehicle Make and Model	
8	Vehicles Chassis No.	
9	Vehicle Engine No.	
10	Affidavit of good performance	

I/We hereby declare that the particulars finished in this application are correct and I/We have read the relevant Customs Rules and I/We agree to abide by them.

Yours faithfully
Name of applicant]

Appendix-II
[see rules 329 (4)]

SUBJECT: REVOLVING INSURANCE GUARANTTEE NO. _____ DATED _____ FOR RS._____ EXPIRY DATE _____

Whereas in accordance with the Public Notice No. _____ dated _____ issued by the [104][Director of Transit Trade,] Customs House, Karachi, vide C.No. _____ dated_____ to M/s _____ to act as approved CARRIER in terms of the above public notice for transshipment of transshipment goods from Karachi Port to other customs stations throughout the country, We M/s, _____ - do hereby bind ourselves and our heirs, successors and assignees jointly and severely with the President of Pakistan to pay to the [104][Director of Transit Trade] any amount payable as Customs duty, sales tax, surcharges regulatory duty or any other levy at the time at the time in-force in addition to fine and penalties which may be imposed by the said Collector for contravention of the conditions contained in the said public notice by the said carrier as referred herein above.

Now the condition of this guarantee is such that if M/s _____ fails to discharge their responsibilities in the light of the said public notice in any manner whatsoever and in default falls to pay the amount of duties and taxes etc in addition to fine and penalties which may be demanded by the [104][Director

of Transit Trade]. We, M/s. _____ or their successor shall pay to the [104][Director of Transit Trade,] Karachi the demanded amount within 15 days from the date such demand is raised by the Collector of Customs, falling which a compensation at the rate of 20% per annum shall be paid - ipso facto - from the date when the actual demand is made by the [104][Director of Transit Trade].

This guarantee shall remain in force till the above mentioned liabilities of the carrier are completely discharged to the entire satisfaction of the [104][Director of Transit Trade.].

It is also specially agreed that the above guaranteed amount may be recovered under section 202 of the Customs Act, 1969, and rules, made thereunder in case the insurance company fails to pay the said amount of revenue.

This Revolving Insurance Guarantee is in accordance with the Public Notice No._____ dated _____ issued by the [104][Director of Transit Trade].

[133][Appendix-IIB
[see rule 328A(c)]

(On appropriately stamped non-judicial paper)

REVOLVING INSURANCE GUARANTEE FOR
IMPORTED GOODS IN-TRANSSHIPMENT BY OWNER OF
SINGLE VEHICLE TRANSPORT

The Director of Transit Trade,
Directorate of Transit Trade,
Custom House
Karachi.

Dear Sir,

WHEREAS Messers …… having their registered office at …… (herein after referred to as the importer / Customs Agent / Transport Operator) are engaged in the clearance / transportation of transshipment cargo within territory of Pakistan.

2. AND WHEREAS leviable duty and taxes assessed by CCS in respect of the transshipment goods shall be debited from the face value of the revolving insurance guarantee and the assessed amount shall be payable by the importer / customs agent / transport operator, in case he fails to deliver the goods at the upcountry dry port/ terminal / customs - station.

3. AND WHEREAS the Directorate General of Transit Trade (Customs Department) shall release goods on debiting an amount equal to the leviable duty and taxes involved on the goods from the face value of the revolving insurance guarantee.

4. NOW, THEREFORE, in consideration of the release of the imported goods, in-transshipment, to the importer / customs agent / transport operator, we, Messers ……. do hereby bind ourselves with the President of Pakistan to pay to the, Director of Transit Trade, the aforesaid guaranteed amount of duties and taxes and the surcharge thereon at the rate of fourteen percent per annum for the whole period on the amount or any part thereof remained un-paid from the date on which the intransshipment goods are released to the importers.

5. **THE COMPANY ISSUING THIS GUARANTEE ALSO UNDERTAKES:-**

a) That the importer / customs agent / transport operator shall pay to you the guaranteed amount in lump sum after demand.

b) That the importer / custolts agent / transport operator shall also pay to you the surcharge due on the involved amount at the rate of fourteen percent per annum.

c) That in the event of any default on the part of the importer / customs agent / transport operator to pay the guaranteed amount on demand along with surcharge due as aforesaid, we, Messers ……., shall pay to you the same immediately upon demand by Director of Transit Trade. On receipt of demand from the, Director of Transit Trade, it shall be considered by us as conclusive evidence of non-payment of the government dues plus surcharge, if payable by the importers.

d) That we do hereby agree to the payment of duty/taxes and surcharge on the amount chargeable from the date of clearance of goods till the date the payment is made, provided that you agree, on the request of the importer / customs agent / transport operator, not to take action under condition (6) (a) of this insurance guarantee.

e) That we do hereby agree and declare that in the event of any default in the payment of any sum stated above it may, without prejudice to any other remedy which may be available to you, be recovered by you under section 202 of the Customs Act, 1969.

f) That, notwithstanding anything contained in the foregoing, the guaranteed amount or any part thereof and surcharge, as aforesaid, shall immediately become payable to you.

6. **ADDITIONAL CONDITIONSOF THIS INSURANCE GUARANTEE ARE AS FOLLOWS:-**

(a) Any notice may be given to the importer / customs agent / transport operator by sending the same, by registered post, which shall be deemed to have been served at the time when it would have been received by the addressee in the ordinary course of the post.

(b) The amount payable hereunder as principal or surcharge at the specified date may be declared and the same shall there-upon become due and payable immediately.

7. That this insurance guarantee is valid up to ……

8. IN WITNESS WHEREOF we have ……..this day of 2014 caused this guarantee to be signed under the official stamp in the presence of-

1 …… 2 ……..

Officer Manager

Witnesses:-

1……..
2……]

****

Appendix-III
[see rules 329 (4)]

TRANSSHIPMENT MENIFEST No. _____ NAME AND ADDRESS OF THE SHIPPING AGENT _____
FROM _____ TO _____
Name of ship _____ voyage No. _____
with_____Cargo Date of sealing _____ shed and date _____ Relevant OM No. and date

S.No.	B/L No.	No. of nature of packages e.g cases cartoons, bags, bales, pieces	Marks and number	Description of goods	Name and address of consignee/ importer.	Remarks
(1)	(2)	(3)	(4)	(5)	(6)	(7)

Entry in words permitted on _____A.M.
P.M

We do hereby declare that this manifest contains to the best of our knowledge fell and true account of all goods imported by M/s _____ into the Port of Karachi for transhipment the customs port of destination.

[104][ASSISTANT-DIRECTOR OF TRANSIT TRADE] FOR IMPORTS
[TRANSSHIPMENT]

Cleared on _____
Dated _____

[104][ASSISTANT-DIRECTOR OF TRANSIT TRADE]FOR EX-AUDIT

We do hereby declare that we have made satisfaction over the goods as entitled on conditions described in column.	The goods declared on the obverse excluding the following have been loaded into Wagon No..... it is request that these may be allowed to be transshipped.
CARRIER IN OUR PRESENCE PORT AUTHORITY	SHIPPING AGENT CARRIER

Transshipment allowed. The said wagons has also been sealed by me with Customs Transhipment Seal No. _____

OFFICER OF CUSTOMS

CARRIERS IMPORT MANIFEST

No..... Dated..... From .....To.....

The undermentioned goods have been deposited by Railway..... No._____ duly verified /checked and sealed with Customs and Railways seals to the customs ports of _____.

S.No.	Relevant TMS No. & date	No. and nature of packages e.g. cases, cartoons, bags, bales, pieces, etc.	Marks and numbers	Description of goods	Name and address of importer consignee	Rotation No.	Name of Customs House Agent.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)

Year Bill of entry No. Date	No. of package Delivered	Discharged	Account to be for	Remarks
(9)	(10)	(11)	(12)	(13)

We hereby declare that the Carrier's Manifest contains to the best of our knowledge-full and the account of all transhipment goods according in the description given above. It is further stated that the rivets and locks are secure and that all Customs and Railways seals of fastening affixing are intact.

Entry in word permitted _____ (A.M/ P.M).

Assistant Collector of Customs for importers.

CARRIER

2. Certified that Railway wagon given are secure and etc. reveted, locked and with customs and Railways Seals and Cleared on

_____

OFFICER OF CUSTOMS
[104][ASSISTANT-DIRECTOR OF TRANSIT TRADE] FOR EX-AUDIT.

Appendix-IV
[see rules 329 (6)]

Government of Pakistan
[104][DIRECTORATE OF TRANSIT TRADE]
Customs House,
Karachi

No. Dated _____

SUBJECT: PERMIT FOR REGISTRATION AS PRIVATE BONDED CARRIER

In terms of para 4(6) of Customs House, Karachi Public Notice Order No.____ (A), the vehicles indicated in attached list are hereby registered for transhipment of import goods to upcountry Customs ports for a period of six months ending _____. The Customs House, however, reserves the right to revoke/suspend this registration fully or partially without prior notice at any time during the period of its validity.

ASSISTANT DIRECTOR
(Import Section)

Encl: Certified list of vehicles.

Appendix-V
[see rules 331(a) (v)]

CERTIFICATE

This is to certify that following LCL cargo have been destuffed in container No._____ Seal No._____ Vehicle No._____.

S.No.	TP Machine No.	No. of Pkgs	Marks & Number	Destination
(1)	(2)	(3)	(4)	(5)

Above T.P consignments have been stuffed/sealed after verification of Number of packages/Marks & Numbers as declared in T.P and Bill of Lading.

(Name & Signature)
with stamp
Examining Officer
at Karachi Port

Acknowledgement Receipt

Certified that the above said goods cleared from KPT have safely and securely received and delivered with seals of the container intact as the Dry Port.

CUSTOM OFFICER
AT DRY PORT

Appendix-VI
[see rules 334 (5)]

Serial No.

CUSTOMS CONTAINER SECURITY UNIT

DESTINATION _____ ***CERTIFICATE OF SEALING CONTAINERS ETC.***

Carrier : Railways/NLC/S.D.P.T/M.D.P.T./M.T.I./Other_____
T.P. APPLICATION/ ATTI NO. _____
CUSTOM TP/BILL OF ENTRY NO.

PARTICULARS OF DESPATCH AND RECEIPT

DESPATCH AND SEALING		Customs Seal No.	Container No.	Truck No./Trailer No./ Railway Wagon No.	**RECEIPT AND DESEALING**	
DATE	TIME				DATE	TIME

Signature of Person Receiving Copy Certified that the seal affixed to container / wagon No. has been found intact /

Customs CCSU Officer at Sea Port _____

NOTE: IN CASE A SEAL IS FOUND BROKEN OR TAMPERED WITH AT DESTINATION THE ABOVE CERTIFICATE WILL NOT BE GIVEN INSTEAD THE MATTER WILL BE R EPORTED TO INCHARGE CCSU & ALL CONCERNED INCLUDING THE DEPUTY/ASSISTANT COLLECTOR OF CUSTOMS AT DESTINATION

Appendix VII
[see rules 336 (2)]

CARRIER MANIFEST

No. _____
Date: _____

T.P NO. _____ T.P. DATE _____ DRY PORT _____

Discharged From Vessel/Voyage	IGM No. and Date	Index No.

Marks and No.	Container No.	Vehicle No.
Tare Weight of Conveyance	Gross Weight (MT)	Net Weight (MT)
Seal Number of SHIPPER/CONTAINER YARD	CCSU Seal No.	Quantity
Description of Goods	Nature of Packing (Pallets, Packages, Cartons, Cases, Bags, Bales, Sheets, Pieces)	
Name/Telephone Number of Cleaning Agent at ARRIVAL Port	Name & telephone No. of Clearing Agent at Destination Port	
Certified that the Details on this Document are correct Signature with date and Stamp of Transporter	Certified that the above mentioned goods have been sealed and Transhipped in my presence Signature with date and Stamp of Customs CCSU Officer at Port of sealing	Certified that the above mentioned goods have been received by Customs on _____ with seal intact Signature with date and Stamp of Customs CCSUOfficer at Port of destination

Appendix-VIII

[see rules 336 (3)]

No. _____

Carrier _____

Dated _____

Customs Port _____

A. **CONSOLIDATED MANIFEST FOR GOODS TRANSHIPPED FROM PORT OF ARRIVAL_____**

It is hereby declared that the following import goods/containers has been cleared from _____ for transhipment to Customs Port _____ on _____ with CCSU seals:-

T.P.NO. & DATE	CARRIER MANIFEST NO. & DATED	DUE DATE OF RECEIPT AT DRY PORT	NAME OF IMPORTER
1	2	3	4
1. 2. 3.			

DESCRIPTION OF GOODS	QUANTITY	ACTUAL DATE OF RECEIPT AT DESTINATION PORT
5	6	7
1. 2. 3.		

Signature & Stamp

of the Carrier

B. **CERTIFICATE FOR SAFE DELIVERY OF TRANSHIPMENT GOODS**

Certified that the goods covered under the above T.Ps cleared from KPT have safely and securely reached and delivered at Dry Port except the ones relating to T.Ps at Serial No. _____ _____ above.

Signature & Stamp
of the authorized officer of Customs
Customs Port _____"

Dated _____

Dated _____

CHAPTER XV

WAREHOUSING

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

(a) "Acts" means the Customs Acts, 1969 (IV of 1969), the [98][Federal Excises Act, 2005], the Sales Tax Act, 1990 and the Income Tax Ordinance 2001;

(b) "Analysis Certificate" means a certificate issued by the [98][Regulatory Authority] under rule 352

(c) "bond" means a bond in the form set out in Appendix-II;

(d) "common bonded warehouse" means a warehouse licensed by the Collector under rule 344 for warehousing customs duty, sales tax, [98][Federal] excise duty or with holding tax, free import of goods primarily meant for manufacture of finished goods by the Small & Medium Enterprises or indirect exporters;

[123][(d1) "export" includes supply of goods,-

(i) by an indirect exporter to s direct exporter;
(ii) [144][Omitted;
(iii) to industrial units, projects, institutions, agencies, and organizations, entitled to import the same at concessionary rates]; and
(iv) to export processing zones;]

(e) "indirect exporter" means a manufacturer or supplier of goods or articles which are to be used as input for export;

(f) " input goods [94][including coal, [103][coke of coal carbon blocks] diesel , gas and furnace oil]" means all goods, [56][omitted], required for the manufacture of goods meant for export, such as raw materials, accessories, sub components, components, sub-assemblies, assemblies and includes unrecorded media for development of software and recorded software used as tools for development of software as approved by the [98][Regulatory Authority] in the Analysis Certificate;

(g) "licensee" means a person or firm to whom a license is granted under rule 343;

(h) "manufacture" means any process incidental or ancillary undertaken in the manufacturing of finished goods under this chapter;

[55][(i) " manufacturing bond" means a premises having a proper boundary wall, with clearly defined areas of,—

(a) bonded warehouse [98][for storing of input goods, procured under clauses (i) and (ii) of sub-rule (1) of rule 352 and goods manufactured therefrom for exports];
(b) manufacturing facility; and

(c) other stores, licensed by the [98][Regulatory Authority] under rule 343]

(j) "manufacturer-cum-exporter" means any person or firm registered under the Sales Tax Act, 1990 as a manufacturer-cum-exporter;

[127](ja) POL products includes petroleum, LNG, oil and lubricant products

(k) "private bonded warehouse" means a warehouse licensed by the Collector under section 13 of the Customs Act, 1969(IV of 1969);

(l) "public bonded warehouse" means a warehouse licensed by the Collector under section 12 of the Customs Act, 1969 (IV of 1969);

[98](la) "Regulatory Authority" in relation to Manufacturing Bond means the Additional Collector of Customs designated as the Regulatory Authority by the Collector of Customs in whose jurisdiction the place of business or manufacturing unit of the Manufacturing Bond Licensee, duly registered under the Sales Tax Act, 1990, is located;";

(m) "Small and Medium Enterprises" means an export unit having export quantum upto two and half millions US dollars per annum;

(n) "vendor" means a person who is registered under the Sales Tax Act, 1990, and to whom goods are provided by the licensee for further manufacture of goods;

[127][(o) warehouse" means a common bonded warehouse, a manufacturing bond, a private bonded warehouse or a public bonded warehouse, a floating barge for warehousing and transportation of POL products, licensed by the Collector or the Regulatory Authority designated by the Collector, as the case may be; and

[127](p) "licensee" means any person who has been granted the license to operate a warehouse under these rules.]

343. Licensing.- (1) Any person or firm desirous of operating a warehouse shall apply to the Collector [98][or the Regulatory Authority designated by the Collector, as the case may be] in the form set out in Appendix-I to this chapter along with the following documents, namely:-

[98](a) the site plan of the proposed warehouse indicating the location of the premises and the details of the total area, covered area and the area proposed to be utilized for the manufacturing area or facility and for storing the bonded warehoused input goods and manufactured goods therefrom for exports, and separate other storage areas for duty paid input goods, manufactured goods there from, factory rejects and wastages, for domestic local sales, in case of a manufacturing bond:

[127][Provided that in case of a floating barge to be licensed as a warehouse for POL products, the particulars of such floating barge shall be filed along with the application instead of the site plan.]

(b) national tax number certificate;

[123][(c) bankers's certificate directly forwarded by the bank to the regulatory authority under sealed envelope regarding financial transactions of the applicant during the last two years while in case of newly in corporate companies bank certificate directly forwarded by the bank to the regulatory authority under sealed envelope along-with the statement showing sufficient funds in the bank account to cover the amount of taxes leviable on the purported imports under these rules;]

(d) memorandum and Articles of Association in the case where the applicant is registered under the Companies Ordinance, 1984 (XLVII of 1984), or partnership deed if it is a partnership firm;

(e). copy of the national identity card of owner and directors of the company;

(f) a general bond in the form set out in Appendix-II;

(g) lease or tenancy agreement with the written permission from the landlord to use the premises as a warehouse for a period of at least three years;

(h) certificate from supplier of fire fighting equipment installed in the premises regarding its validity date;

(i) pay order in favour of the Collector equal to the establishment charges, if leviable under rule 349;
(j) [79][Omitted]
(k) [79][Omitted]
(l) recommendations of the relevant representative Trade Association or Chamber of Commerce and Industry or [98][Trade Development Authority]; and
(m) details of the type of machinery installed, in case of manufacturing bond.

(2). On receipt of an application along with the documents prescribed in sub-rule(1), the Collector after such verification as he deems necessary, may issue a license within [55][fifteen] days of such verification, to the applicant to operate a warehouse.

(3). The verification [55][and premises survey] under sub rule(2) shall be carried out within [55][fifteen] working days of the receipt of complete application along with all required documents except where the applicant is himself responsible for the delay.

[98](4) In case of manufacturing bond, the applicant shall apply to the Regulatory Authority designated by the Collector of Customs having jurisdiction in which the unit is registered under the Sales Tax Act, 1990, and in case there are more than one unit of a proprietor, he shall apply to the Regulatory Authority designated by the Collector of Customs where the head office of the applicant is registered under Sales Tax Act, 1990.]

344. Cancellation of License.- The license may be cancelled by the Collector [98][or the Regulatory Authority designated by the Collector, as the case may be,] on conviction of the licensee for any offense under any of the Acts or non-utilization of the license during the last twelve months, or for violation of any of the conditions specified in the license or on the request, in writing, by the licensee.

345. Suspension of License.- (1) Pending consideration whether a license be cancelled under rule 344, the Collector [98][or the Regulatory Authority designated by the Collector, as the case may be,] may suspend the license if he is of the opinion that it is expedient to do so and for the reasons to be recorded, in writing, thereof by him.

(2) In a case referred to in sub-rule (1) the reasons to show cause shall be communicated to the licensee within a week of such suspension.

[98][(3) Any licensee aggrieved by any decision or order pertaining to Manufacturing Bond may prefer an appeal to the Chief Collector of Customs within sixty days of the passing of such decision or order.]

346. Revalidation or revival of license.- The license shall be issued for a period of three years and the same shall stand revalidated for a further period of [98][omitted] three years [55][before every expiry date]by the Collector [98][or the Regulatory Authority designated by the Collector, as the case may be,] on the request of the licensee provided the Collector [98][or the Regulatory Authority designated by the Collector, as the case may be,] is satisfied that no action under the Acts is pending against the licensee [94][Omitted] [33][Omitted], and the changes, if any, in the documents furnished under rule [94][343].

347. Transfer of ownership or title.- The licensee shall not be allowed to transfer the ownership or title of the warehouse unless all outstanding customs duty, central excise duty, sales tax and income tax are paid and all other liabilities are discharged.

348. [33][Omitted]

349. Premises of the warehouse.- (1) The licensee shall either own the premises of the warehouse (hereinafter called the premises) or have a lease thereof in his name for the period for which the license is sought to be issued.

(2) The premises shall have clearly ear-marked the area for storage of imported goods.

(3) In case of a manufacturing bond, the manufacturing area and separate stores of locally procured input goods, finished goods, rejects and waste, shall be clearly ear-marked in the premises.

(4) The premises shall be on an independent area having an independent entry or exit from a public area, having no other entry or exit [55][(except for emergency evacuation)]and independent of such premises which is not bonded under this chapter.

Provided that in exceptional circumstances, to be explained by the licensee, in writing, the Collector [98][or the Regulatory Authority designated by the Collector, as the case may be,] may approve the premises otherwise with or without any conditions or restrictions as he may deem fit to impose.

350. Warehousing Period.- (1) The warehousing period for a public or a private bonded warehouse shall be the same as provided in section 98 of the Customs Act, 1969 (IV of 1969):

Provided that Soyabean oil falling under PCT No.15.07 of the First Schedule to the Customs Act, 1969 (IV of 1969) can be kept in the warehouse for one hundred and eighty days:

Provided further that ships store and aircrafts store may be kept in the bonded warehouse for a period of two years without payment of surcharge chargeable under section 98 of the Customs Act, 1969 (IV of 1969).

(2) The goods imported by [23][diplomatic bonded warehouses and] duty free shops licensed under the Customs Act, 1969 (IV of 1969) for sale to passengers against their baggage allowances and to other entitled persons can be kept in the bonded warehouse for a period of two years from the date of in-bonding thereof without payment of penal surcharge leviable under section 98 of the Customs Act, 1969 (IV of 1969).

(3) The warehousing period for a private or public bonded warehouse shall start from the date of admission of goods into the warehouse and not from the date of filing of bill of entry.

[46,55]["(4) Input goods imported or procured locally by a manufacturing bond licensee shall be consumed within a period which shall run from the date on which the imported goods are placed under the manufacturing bond procedure. The period will be established by the Collectorate concerned on the basis of the time required to carry out the processing operations and dispose of the compensating products, as established in the Analysis Certificate. The period will not in any event exceed two years from the date of in-bonding or procurement of locally purchased goods. For duly justified reasons, extension may be granted for another one year by special written approval of an officer not below the rank of Additional Collector of Customs:

Provided that palm oil or olein shall be consumed in the manufacture of goods meant for export within six months from the date of filing of Goods Declaration or procurement of locally purchased goods.]

(5) For a common bonded warehouse, the licensee shall supply the input goods to the Small and Medium Enterprises and other exporters within a period of [55][two] years from the date of filing of bill of entry thereof without payment of penal surcharge leviable under section 98 of the Customs Act, 1969 (IV of 1969).

(6) No refund of duty and taxes shall be payable to importer if duty paid goods are damaged, deteriorated or destroyed during the period of storage after payment of duty and taxes.

(7) The calculation of surcharge, if chargeable under section 98 of the Customs Act, 1969 (IV of 1969), shall be made on the basis of duty and taxes on the into bond bill of entry, when goods are entered into the warehouse, without taking into account any concessionary rate of duty applicable at the time of ex-bonding of the goods and the fact that goods will be re-exported under a bill of export.

351. Analysis Certificate for goods to be manufactured in a manufacturing bond.- [55]**[**"(1) The licensee shall apply to the [98][Regulatory Authority], within fifteen days of issuance of manufacturing bond license, or sixty days before the first export of finished goods, for issuance of an Analysis Certificate as set out in Appendix-III showing the input and output ratio of input goods vis–a–vis finished goods along with wastages. The licensee shall also submit samples of product and its input material.

[94](2) The [98][Regulatory Authority] or the officer authorized by him, in his behalf, shall, after getting input from the Input Output Coefficient Organization (IOCO) or Engineering Development Board (EDB), [103][as the case may be] or any other agency, in this regard, issue an Analysis Certificate within thirty days on receipt of such application, showing the actual quantity of input goods used and wastage occurred in manufacture of one unit of output goods:]

[98][Provided that the Regulatory Authority may issue a provisional analysis certificate [123][as applied by the licensee] till the determination of Input to Output Ratio and wastage by IOCO or EDB, as the case may be:

Provided further that if there is no change in previously determined input and output ratio, then the Regulatory Authority may uphold the previously determined input-output ratios without sending it to IOCO or EDB.]

(3) One copy of the Analysis Certificate shall be given to the licensee and one copy shall be retained in the Custom House.

(4) Analysis Certificate shall not be required for every consignment or input goods if the finished goods are the same for which Analysis Certificate has already been issued. However, a separate Analysis Certificate shall be applied for and issued for every new finished goods.

(5) In case of expensive samples such as leather jackets or garments, etc. instead of complete finished goods, 6" x 6" piece of leather or lining material, a button or a piece of thread or a three inches long zipper etc. may be retained by the [98][Regulatory Authority] for the purpose of issuance of Analysis Certificate.

[55,98](6) Improved efficiency of the manufacturing operations may lead to improvement in consumption of input or output ratios, the licensee shall declare the excess material at the end of the relevant year to the Customs authorities. The concerned Deputy Collector can allow, in writing, the consumption for export of such excess input material during the subsequent period or allow for removal for home consumption, provided that the warehousing period is complied with. In case of removal for home consumption, the licensee shall file ex-bond Goods Declaration for payment of duties and taxes leviable thereon. However, the warehousing charges and penal surcharge as prescribed under section 98 of the Customs Act, 1969 for ex-bonding of such input material offered due to improved plant efficiency shall not apply.]

(7) [98][In case of improve efficiency, the] input or output ratio for the period thereafter shall be amended in accordance with the newly established input or output ratio provided that the improvement is beyond one per cent. If the change in input or output ratio is within one per cent, the input or output ratios shall remain unchanged but the excess materials shall be declared by the licensee to the Customs every year in accordance with sub-para (6). The input or output ratio shall in any event be revised every three years.

[98][(8) In the case of lower efficiency, and the lower efficient ratio is beyond three per cent, the unit may apply for redetermination of IORs. If the change in input or output ratio is within three per cent, the input or output ratios shall remain unchanged. The input or output ratio shall in any event be revised every three years. The licensee will have no right of refund.]

352. Procurement, manufacture, export and removal of goods by a licensee of a manufacturing bond.- (1) The input goods for production of finished goods according to the specification approved in the Analysis Certificate shall be procured by the licensee of a manufacturing bond in any of the following manners, namely:-

(i) the input goods may be imported by the licensee without payment of custom duty, [98][federal] excise duty and sales tax after declaring on the bill of entry that input goods are being imported under manufacturing bond for manufacture of export goods;

(ii) the input goods produced from the local exciseable unit may be procured by the licensee without payment of central excise duty against AR-3 or any other rule for the time being in force;

(iii) the sales taxable goods meant for further processing shall be supplied to the licensee of the manufacturing bond against a tax invoice after payment of sales tax and the licensee shall be entitled for refund of input tax credit in accordance with the Sales Tax Refund Rules, 2000; and

[48][(iv) the licensee may procure duty paid input goods manufactured locally, in addition to duty-free input goods for production of finished goods and if duty drawback and rebate of federal excise duty is admissible on export of such finished goods on the basis of standard duty drawback and rebate notifications, the f.o.b. value for claiming such duty drawback and rebate shall be the value excluding value of the duty-free goods imported under these rules.]

[55][(2) Item-wise record of input goods received, manufactured and exported shall be maintained in the format as set out in Appendix-IV to this chapter, which shall be examined, stamped and signed by the supervising Customs official every month:

Provided that one copy in the form of quarterly return in the same format as Appendix IV shall be submitted to the [98][Regulatory Authority] before the tenth day of the following quarter. Such quarterly return should show the item-wise opening balances, accumulated inwards during the quarter, accumulated issued for manufacturing facility, accumulated production of finished goods, factory rejects, wastes or losses, accumulated exports and or removals and remaining balances at the end of the quarter.

(3) The export of finished goods shall be made against,—

(i) the bill of export prepared by the licensee of manufacturing bond or his representative and endorsed as " Export from Manufacturing Bond";

(ii) a consumption sheet showing the imported inputs consumed for relative finished goods, providing for import consignments reference numbers.

The Customs official examining the goods for release before export shall strictly check and verify the records of inputs consumed for the export goods.]

(4) The licensee of manufacturing bond may exercise his option to get the finished goods meant for export examined by an official of customs either in the manufacturing bond or at the Port and quadruplicate copy of the bill of export shall bear the examination report of the official of customs accordingly.

(5) [29][Omitted)]

(6) Removal of finished goods for home consumption on filing of bill of entry may be allowed subject to the limitations and restrictions provided in the Import Policy Order for the time being in force on payment of duties and taxes leviable thereon, up to forty per cent of the annual production of the manufacturing bond:

[46][(6a) The leftover quantities of raw materials imported in a manufacturing bond or those which could not be utilized in export for certain reasons, to be recorded in writing, may be allowed removal in its original and unprocessed form for home consumption by the [98][Regulatory Authority] of Customs on case to case basis subject to the limitation and restrictions provided in the Import Policy Order for the time being in

force. The licensee shall file ex-bond Goods Declaration for payment of duties and taxes leviable thereon for such domestic clearance. The warehousing period for ex-bonding purpose shall be the same as prescribed under section 98 of the Customs Act, 1969.]

Provided that in case of engineering goods and leather footwear in the first three years up to seventy five per cent and forty per cent for subsequent years of their annual production in the manufacturing bond may be removed for home consumption.

(7) For the purpose of removal of finished goods for home consumption, normal value for the purpose of assessment of customs duty shall be the sum total of the value of input goods procured under clauses (i), (ii) and (iii) of sub rule (1) and value of supply for the purpose of assessment of sales tax shall be taken in accordance with clause (46) of section 2 of the Sales Tax Act, 1990.

(8) The licensee of a manufacturing bond may remove input goods or semi-finished goods out of his premises for partial manufacture or processing by the vendors after intimating the [98][Regulatory Authority] [98][Omitted], in this behalf, in the form as set out in Appendix-V to this chapter.

Provided that in case the manufacturing process performed by the vendor is liable to central excise duty, the processed goods shall be returned to the manufacturer in such manner as if these are exported without payment of central excise duty.

Provided further that the finished goods may be removed directly for export from the vendor to the customs-port of exit.

(9) The factory rejects or finished goods not conforming to the export standards shall be allowed disposal in the local market as per provisions of the Import Policy Order for the time being in force after the filing of a bill of entry for home consumption by the licensee:

[46][(10) No wastage of input goods in terms of quantity, volume, weight or number, as the case may be, shall be allowed except as determined in the Analysis Certificate and no duty and taxes shall be charged on such wastage of the warehoused input goods, provided that such wastage is either destroyed in the presence of an officer of Customs, not below the rank of an Assistant Collector, or leviable [153][customs duty] federal excise duty and sales tax is paid on such wastage before removal.]

Provided that the factory rejects shall be allowed removal by an officer of customs not below the rank of an Assistant Collector, at the appraised value and customs-duty, central excise duty and sales tax shall be levied as if it had been imported into Pakistan in that condition.

[98](11) The Collector of Customs shall be responsible for overall monitoring of manufacturing bond scheme.]

353. Procedure in respect of a common bonded warehouse.- (1) For import of input goods into a common bonded warehouse a bill of entry shall be filed as per procedure applicable for clearance into the public bonded warehouses under the Customs Act, 1969 (IV of 1969).

(2) The licensee shall maintain a serially numbered register of all the input goods imported and the goods supplied to Small and Medium Enterprises, direct and indirect exporters, in the form set out in Appendix-VI to this chapter. Duplicate of the same record shall be maintained by the Custom House which shall be checked and authenticated by the Assistant of Customs, in charge of the common bonded warehouse, on quarterly basis.

(3) The licensee shall issue four copies of the record referred to in sub-rule (2). The first and third copy of which shall be issued to Small and Medium Enterprises, or indirect exporter, as the case may be who shall maintain record of receipts in the relevant columns of Appendix-VI. The second copy shall be sent to the Collectorate of Customs with whom the licensee is registered. Small and Medium Enterprises, or

indirect exporter shall attach the third copy with the bills of export or delivery order at the time of exportation of finished goods or their supply to indirect exporter, as a proof of supply or export, as the case may be. The fourth copy shall be retained by the licensee for his record.

(4) After the goods have been duly exported by Small and Medium Enterprises or direct exporter, as the case may be, the third copy shall be authenticated to the effect that the goods mentioned in the delivery order have been duly exported and the same shall be sent to the licensee as well as to the Assistant of Customs in charge of the common bonded warehouse;

(5) The licensee shall provide proper accommodation to the officer in charge of the common bonded warehouse and all expenses incurred thereon shall be borne by the licensee.

(6) Removal of input goods to the Small and Medium Enterprises, indirect and direct exporters shall be made a per procedure specified in this behalf by the Collector.

354. Remission of custom-duty, central excise duty and sales tax to a licensee of a manufacturing bond or a common bonded warehouse.- Subject to the satisfaction of the Collector, the customs-duty, central excise duty and sales tax, if any, may be remitted in full or in part, as the case may be in the following cases, namely:-

(a) when the goods are damaged or destroyed by unavoidable circumstances or for causes beyond the control of the licensee; or

(b) when the wastage of input goods, as determined in the Analysis Certificate, is destroyed; or

(c) when goods procured are bona fide samples drawn under this sub-chapter or samples for study, testing or design; or

(d) when the input goods or finished goods that are rendered unfit for consumption or sale, are destroyed in the manner as determined by the Collector.

355. Removal of raw-materials for the manufacture of export goods by manufacturer-cum-exporters from the warehouses without payment of duty and taxes etc.- (1) Any manufacturer-cum-exporter having an export order or contract in his favour for the supply of goods to a foreign importer may procure duty and taxe free goods from bonded warehouse licensed under this chapter, for further manufacture of goods meant for export.

(2) He shall apply to the Collecto [98][Regulatory Authority] under whose jurisdiction the warehouse is located in the form set out in Appendix-V along with an application for issuance of an Analysis Certificate in the form set out in Appendix-III showing the input or output ratio of input goods vis-a-vis the finished goods along with wastage:

Provided that in case of finished goods in respect of which input or output ratio referred above has already been determined and [94]]Input-Output Ratio determined by IOCO] or an Analysis Certificate under rule 352 has been issued, the determination of this input or output ratio shall not be undertaken by the concerned Collector.

(3) The application as specified in sub-rule 2 shall be accompanied by an indemnity bond along with a post-dated cheque binding himself for abiding by the required conditions and payment of government dues and penalties, in case of default, in the form set out in Appendix-VII for the leviable amount of duties and taxes.

(4) After the determination of the input or output ratio as specified in sub- rule 2, the [98][Regulatory Authority] may allow the manufacturer-cum-exporter to procure goods from the warehouse without payment of duties and taxes.

(5) Under these rules, the Collector [98][or the Regulatory Authority designated by the Collector, as the case may be,] may allow removal of raw material from more than one bonded warehouses. A separate application and procedure as prescribed in sub-rule 2 shall be followed in respect of each warehouse.

(6) In case when such removal of goods is allowed to a manufacturer-cum-exporter under the rules, name and the address of such exporter along with other particulars together with claim under this chapter shall also be mentioned on all the copies of ex-bond [98][Goods Declaration].

(7) Owner of the warehouse will maintain a certified copy of [94][Goods Declaration] of such removal made to manufacturer-cum-exporters together with a master register in the form set out in Appendix-VI.

(8) Owner of the warehouse shall furnish a copy of records of all sales made to each manufacturer-cum-exporter to Collector [98][or the Regulatory Authority designated by the Collector, as the case may be,] in the form of a return under his seal and signature duly verified by the Customs Officer in charge of warehouse on a quarterly basis.

(9) The manufacturer-cum-exporter shall maintain the record of goods procured, manufactured and exported in the form set out in Appendix-IV.

(10) The export of finished goods shall be made against the bill of export prepared by the exporter. Such [98][Goods Declaration]shall be endorsed "Export made partially or wholly from goods procured from warehouse".

(11). [67][omitted]

(12) The goods procured from warehouse will be manufactured and exported within a period of six months from the date of filing the ex-bond [98][Goods Declaration] under the rules:

Provided that, this period may be further extended for another period of six months by the Collector [98][or the Regulatory Authority designated by the Collector, as the case may be,] and upon an application to this effect having been received from the exporter showing sufficient cause for this extension. If the goods are not exported within the stipulated period, the indemnity bond along with the post-dated cheque shall be enforced or encashed by the Collector under the provisions of section 202 of the Customs Act, 1969 (IV of 1969) besides any penal action at his discretion.

(13) Export under the rule shall be deemed to have been made on the realization of foreign exchange as shown on Bank Credit Advice issued in accordance with the State Bank of Pakistan's regulations for the time being in force.

(14) The indemnity bond along with the post dated cheque will only be discharged after the conditions as specified in sub-rule 13 have been fulfilled.

356. Bond to bond transfer.- [123][(1)The bond to bond transfer of warehouse goods is allowed on filing of declaration of such transfers by the licensee (seller) and acceptance of the same though declaration by the licensee (buyer) in WeBOC, provided intimidation regarding such transfers and indemnity bond as per Appendix-VII is also submitted to the Collector or the regulatory authority. The seller along-with buyer shall be responsible to ensure that warehoused goods transferred have ultimately been exported. Security so deposited shall only be released by the Collector after the goods manufactured from transferred goods have been exported:

Provided that in case the transfer (seller) intends to release his own indemnity bond, the same may be approved by the Collectorate once properly executed indemnity bond is submitted by the buyer to assume responsibility for exports of goods transferred under this section, which shall remain in possessions of customs Collectorate till such goods are exported.]

(2) The transfer, in respect of manufacturing bond, of input goods for getting the same processed in another manufacturing bond or in any other unit located in the Export Processing Zone may be allowed by the Collector.

[123][(3). In respect of a manufacturing bond, a licensee (seller) is allowed to sell the warehoused goods to another licensee (buyer) or a licensee under DTRE rules or Notification No. S.R.O. 327(I)/2008, dated 29th March, 2008, on declaration of such transfers in WeBOC and acceptance of the same through declaration on WeBOC by the buyer (licensee), within the validity period of the seller subject to such extension as the Collector may allow from the date of importation or purchase.]

(4) A licensee of a manufacturing bond, purchasing the input goods, shall consume the same within the remaining period of consumption subject to such extension as the Collector may allow from the date of original importation or as extended from time to time.

Explanation.- For the purpose of this rule, the expression "warehoused goods" includes the goods manufactured from input goods by the seller under bond, whether in semi-processed, processed, semi-finished or finished state, which are used by a licensee purchasing such goods for the manufacture of a product for export under this chapter.

357. Re-export of warehoused goods.- (1) The licensee of a warehouse may be allowed by an officer not below the rank of an Additional Collector of Customs to re-export the warehoused goods in their original and unprocessed form within three years of their import subject to the conditions, limitations and restrictions of the Acts, Import Policy Order and Export Trade Control Order for the time being in force.

(2) Application for re-export of warehoused goods shall be made by the licensee on the form as set out in Appendix-VIII to this chapter.

358. Unaccounted goods of a Warehouse.- If any licensee fails to give proper account of the warehoused goods, input goods or finished goods to the satisfaction of an officer of customs not below the rank of an Assistant Collector, the licensee shall pay on demand an amount equal to the customs duty, central excise duty, sales tax and income tax leviable thereon as if they were imported and used for home consumption and shall also be liable to penalties imposed for such violation under the Acts.

359. Short landing notice.- The licensee of a warehouse shall submit the short landing of goods notice in writing to an appropriate officer of customs, not below the rank of Assistant Collector, within a week from date of warehousing of the goods or before filing the first ex-bond [94][Goods Declaration] whichever is earlier.

360. Last ex-bond bill of entry.- The last ex-bond [94][Goods Declaration] shall be filed by the importer for removal of a minimum of 20% goods mentioned in the into-bond bill of entry in respect of warehoused goods.

[55][**361. Stock taking of goods lying in a warehouse**.- An appropriate officer of customs, authorized by the concerned Assistant Collector of Customs, shall conduct stock taking and detailed audit of a warehouse as and when so directed but at least once in a year. The auditors specifically will examine the mandatory requirements of the scheme, availabilities of all prescribed records set out in this scheme, input or output ratios actually consumed for the manufacturing of finished goods, opening stocks of the year, inward or outward input goods during the year, finished goods stocks, wastages or rejects (losses during the year if any), due approvals of the Customs authorities, and shall submit its findings or report to the concerned Collectorate and a copy thereof to the licensee for his records.

361A. Local procurements.– The local procurements should be kept separately and identifiable to Customs authorities. However, during manufacturing process, the local procurement of same characteristic or specification or identical inputs (as imported) can be consumed simultaneously in the production facility with

separate internal records of the Company verifiable to the Customs authorities during routine check-up and periodical audits. It is however required that entries in the stock records shall allow the Customs authorities to monitor the precise situation of all goods under the arrangements at any time.]

. **362. Maintenance of record.-** The licensee of warehouse shall maintain proper record of all warehoused goods in the manner as prescribed in the Acts or the rules made thereunder or by the Collector.

363. Switching over to the provisions of this chapter.- (1) All the existing licensees of warehouses shall be deemed to have adopted this chapter and such licenses shall be deemed to have been issued under this chapter till the validity of existing licenses already issued.

(2) All liabilities of licensees referred to in sub-rule (1) shall be deemed to be their liabilities under this chapter.

[127][**363A. Bonded warehousing and export of POL products.-** (1) The owner may store any imported POL products in a warehouse and export the same in accordance with rules 363A to 363F.

(2) At the time of arrival of goods at a port, the owner shall file goods declaration through WeBOC system for in-bonding of the imported POL products submitting the documents as required under the Act.

(3) The securities in the shape of postdated cheques and indemnity bond furnished by the owner under section 86 of the Act, at the time of warehousing of POL products, shall continue to be in force notwithstanding the transfer of the goods to any other person or firm unless the warehoused POL products are exported by way of supply to conveyances as provisions and stores as provided in section 106 of the Customs Act, without payment of any duties, taxes or levies, as the case may be.

Explanation.- Since the POL products, to be imported under this scheme, will be shipped or supplied without foreign exchange remittances from Pakistan, on account of cost of goods at the time of their imports, therefore, no Electronic Import Form (EIF) shall be required at the time of filing of GD for their in bonding. Similarly, no EIF shall be required at the time of export.

(4) The owner of any POL products, warehoused in accordance with the foregoing provisions of this rule, may export such POL products as provisions and stores for conveyances proceeding to any foreign territory including by way of direct sale or sale through a third party.

Explanation.- 'direct sale' — means that owner makes a direct sale to the owner or charterer of the conveyance and deliver the POL products to such conveyance. 'Sale through a third party' — means that the owner will:

(i) issue sales invoice to a foreign entity other than the owner or charterer of the conveyance; and

(ii) deliver POL products to a conveyance on the instructions of such foreign entity.

363B. Submission of documents.- At the time of export as stores and provisions for use on board a conveyance, the owner shall file all the relevant documents including bunker delivery note, containing the following information-

(a) name of receiving conveyance;
(b) name of the POL product;
(c) quantity;
(c) delivery date;
(e) seal no of all samples taken while conducting bunker deliveries; and signature of authorized official from the warehouse barge and receiving conveyance (e.g. authorized individuals are captain or
chief engineer).

363C. Recording of volumes at the time of delivery and taking of sample.- (1) Prior to delivery of POL products, the captain of the warehousing barge in presence of receiving conveyance engineer shall note meter reading on the barge and similarly, the receiving conveyance engineer shall note the meter reading of the conveyance, in the presence of barge captain.

(2) After noting the volumes in both barge and the receiving conveyance as aforesaid, the delivery shall be made.

(3) A sample shall be taken of the product being delivered and shall be sealed; with individual reference seal number of both the barge and the receiving conveyance. These samples shall be maintained by the owner and the conveyance for a maximum period of four months, which are subject to laboratory testing in the event of a dispute.

(4) A copy all documents of meter readings with signatures from both warehousing barge and receiving conveyances taken pursuant to sub-rule (1) will be sent to the appropriate officer.

(5) Samples taken pursuant to sub-rule 3 will also be made available to the Custom Officer by the custodian of the warehouse, in case of any audit.

363D. Release of securities furnished at the time of in-bonding of imported goods.- Upon completion of ex-bonding of entire quantity of warehoused goods covered by a GD (IB) in accordance with rule 363F above, the securities furnished in the shape of postdated cheque and indemnity bond in respect of such GD (IB) shall be released and returned to the owner

.

Explanation.- A discrepancy in the quantity of POL product warehoused and exported may arise on account of use of different measuring apparatus by the receiving conveyances and the warehouse, sampling, spillage, evaporation or any other circumstances. Accordingly, any discrepancy shall be dealt as per tolerance limit defined by Ministry of Petroleum in this regard from time to time.

363E. Access to appropriate officer.- The licensee shall be responsible at all times to provide logistics from port and necessary means to ensure 24/7 access to appropriate officer(s) to the warehouse and any conveyance on which the goods are to be exported, provided reasonable notice is given to the licensee to make such arrangements.

363F. Exemption from warehouse surcharge and development surcharge.- (1) In terms of SRO 822(1)/91 dated 20th August 1991, POL products as stores and provisions for use on board a conveyance are exempt from additional customs duty leviable as surcharge under section 10 of the Finance Act, 1991 (XII of 1991).

(2) In terms of SRO 369(I)2002 dated 15th June 2002, POL products as stores and provisions for use on board a conveyance are exempt from special customs duty leviable as Export Development Surcharge under section 11 of the Finance Act,1991 (XII of 1991).]

APPENDIX-I
[SEE RULE (343)(I)(f)]

GOVERNMENT OF PAKISTAN
COLLECTORATE OF CUSTOMS

APPLICATION FORM FOR LICENSE OF A WAREHOUSE.

I/We intend to operate a private bonded warehouse / public bonded warehouse / common bonded warehouse / manufacturing bonded warehouse (strike out the irrelevant) in the name and style of _____. It is requested that a license for _____ bonded warehouse may be granted to me / us.

A. GENERAL INFORMATION.

1. Name of the warehouse _____
2. Address: _____
   _____
3. N.T.N. _____
4. Sales Tax Registration No. (if required)_____
5. Status of Business: Sole Proprietorship, Partnership, Company.
   (**Tick the relevant**).
6. Telephone , Fax and E-mail _____
   _____
7. Name of the directors with NTN & NIC No.

   i. Name _____ ii. Name_____
   N.T.N. _____ NTN_____
   NIC No _____ NIC No. _____

   iii. Name _____ iv. Name_____
   N.T.N. _____ NTN _____
   NIC No. _____ NIC No._____

8. Maximum face value of the dutiable _____
   goods to be stored / manufactured in the proposed warehouse.

9. Please give the following information, if applicable, and write
   " Not Applicable", if otherwise.

   i. Maximum value of the imported goods _____
   / input goods:

   ii. Total storage area for imported goods _____
   / input goods:

   iii. Nature, type and value of goods to be _____
   imported:

   iv. Nature, type and value of local _____
   sales taxable goods.

   v. Nature, type and value of local _____
   excisable goods.

   vi. Nature, type and value of goods to be _____
   manufactured :

   vii. Total value of goods exported in the _____
   last two financial years.

   viii. What other business the applicant is engaged in, give detail of sister concern, if any.
   _____

_____

ix. Whether the applicant has ever availed the facility of any kind of bonded warehouse, if so give details:

_____
_____

x. Whether the license of the applicant ever revoked or the licensee ever penalized under any provisions of the Acts.

_____
_____

xi. Whether the goods intended to be manufactured in the warehouse fall within any category of Textile quotas, if so please indicate the category (description & number) alongwith country:

_____

xii. Please indicate the banks/branches of banks with which the business will be carried in connection with the proposed warehouse.

_____
_____

B. UNDERTAKING.

1. I / We hereby declare that the information furnished by me/us is true to the best of my/our knowledge and belief.

2. I/We would agree to abide by any and specific conditions as may be laid down from time to time.

3. I/We also agree to abide by any and specific conditions as may be laid down from time to time.

4. I/We also agree to inform the Collector or any Officer authorized in this behalf, of any change in the information provided in this application.

5. I/We have enclosed all documents required under sub-rule (1) of rule 2.

Date: _____

Signature of the Applicant _____

Diary No. Date:

_____

C. Remarks of Bond Officer.

_____
_____
_____

Signature: _____ Name:_____
Date: _____

D. Remarks of Assistant Collector of Customs (Bond)

_____
_____

Signature: _____Name: _____

E. Orders of Collector/Regulatoru Authority: _____
_____
_____

Signature: _____ Date: _____
Name: _____

F.	Date of Issue.	
	Date of Expiry.	

_____

G. Revalidated for 3 years.

FIRST REVALIDATION.	SECOND REVALIDATION.	THIRD REVALIDATION.
Date _____	Date _____	Date _____
Signature _____	Signature _____	Signature _____

APPENDIX-II
[See rule 343(1)(f)]

GOVERNMENT OF PAKISTAN
COLLECTORATE OF CUSTOMS

BOND

I/we M/s._____,
jointly and severally bound to the President of Pakistan in the sum equal to the Rs. _____ (Rupees _____ only) to be paid to the President of Pakistan for which we jointly and severally bind ourselves and our legal representatives.

The conditions of this bond are that:-

If M/s._____,
or their legal representatives shall observe all the provisions of the Acts, and the rules in respect of such goods to be observed by the owner of the warehouse goods and by persons obtaining permission to warehouse goods under the provisions thereof.

And if the said M/s._____, or their legal representatives shall pay to the appropriate officer of Customs at the Custom House, _____ all dues, rent, surcharge or other lawful charges on the goods, which shall be demanded on the said goods or on account of penalties incurred in respect of them, within the prescribed period or within such further time as the Central Board of Revenue or the Collector may allow in this behalf together with surcharges on every such sum at the discretion of the appropriate officer.

And that the establishment charges, if payable under the rules, for the year will be deposited in advance at the time of renewal and will be subjected to review by the Collector from time to time.

And that the amount demanded as a result of short recoveries discovered by the audit at a later stage will be deposited on receipt of notice thereof.

And if within the terms so fixed or allowed, the said goods or any portion thereof having being removed from the said warehouse for the home consumption or re -exportation by sea, land or air, the full amount of all duties and taxes, warehouse dues, rent or other lawful charges, penalties and surcharges demandable as aforesaid shall be first paid on the whole of the said goods. This obligation shall be void.

Otherwise on breach or failure in the performance of any part of this condition the same shall be in full force.

Signature and Seal: _____
Name: _____
N.I.C. No: _____
NTN: _____

Witnesses.

1. _____
_____

2. _____
_____

APPENDIX-III
[See rule 352 & 356(2)]

GOVERNMENT OF PAKISTAN
COLLECTORATE OF CUSTOMS

ANALYSIS CERTIFICATE

No. _____ Date _____

1. Name and address of the warehouse/manufacturer-cum-exporter.
_____

2. Sales Tax Registration No._____

3. Detailed specifications of the finished goods to be manufactured
_____
_____

[55][4. 4. Details of the input goods to be used for the manufacture of the finished goods:

S. No.	Input Goods	Per unit requirement	Wastage.	Rate of duty	Current per unit value
(i)					
(ii)					
(iii)					
(iv)					
(v)					

(vi)
(vii)
(viii)
(ix)
(x)

---

5. [55] [Omitted]
6. [55]{Omitted]
7. [55] [Omitted]
8. [55][Omitted]

_____

Prepared by: Countersigned by:
Signature and seal Signature and seal

[55][APPENDIX-IV
[see rule 352 (2)]

GOVERNMENT OF PAKISTAN
MODEL CUSTOMS COLLECTORATE
CUSTOM HOUSE, _____

ITEM-WISE RECORD/RETURN OF INPUT GOODS PROCURED, MANUFACTURED AND EXPORTED

…….. ……_____
…… _____
……. NUMBER _____

…….. TAX REGISTRATION NUMBER _____

Part-I Movement in Input Goods in Bonded Warehouse (item-wise)													
RECEIPT									ISSUED				Closing balance in store
Date	Info Bond No. and date	B/E No. / Import GD No. / AR-3 No. / ST Invoice No. / Purchase Receipt No. and date	Import value of each item	Rate of duty / sales tax / other levy on each item	Total duties / taxes etc involved	Country of origin / Federal Excise License No. / Sales Tax Registration No. / Name of warehouse from whom received	Quantity of each item received	Quantity of each item received from vendor	Reference of import GD No. for goods removed for manufacturing	Quantity removed for manufacturing of finished goods	Quantity removed for home consumption	Quantity removed for vendor	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)

Part-II Movement in Production department for Input Goods									
Date	Document Reference No.	Quantity Received from Bonded warehouse	Description of goods manufactured	Quantity of Input goods consumed in		Closing balance	Quantity of output goods manufactured as		
				Finished goods	Factory rejects		Finished goods	Factory rejects	Wastage

(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)

Part-III Movement in Finished Goods manufactured								
Date	Quantity of input goods involved	Reference of respective GD No. of that input imports	Accumulated quantity consumed of that import GD	Quantity of goods manufactured (output)	Quantity of finished goods exported	Value of finished goods exported	Bill of Export No. & date	Closing balance
(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)	(33)

Part-IV Movement in Factory Rejects							
Date	Quantity of input goods involved	Reference of respective GD No. of that input imports	Accumulated quantity consumed of that import GD	Quantity of factory rejects manufactured	Quantity of factory rejects sold in domestic market	Reference of import GD No. / ST Invoice No. for removal of factory rejects	Closing balance
(34)	(35)	(36)	(37)	(38)	(39)	(40)	(41)

Part-V Movement in Wastage				
Date	Quantity of wastage manufactured	Quantity wastage sold in domestic market	Reference of import GD No. / Sales Tax Invoice No. for removal of wastage with date	Closing balance
(42)	(43)	(44)	(45)	(46)

SIGNATURE _____
NAME AND DESIGNATION _____
N.I.C. NO. _____
Verified by the Customs Officer Incharge of the Bond
Signature _____
Official rubber stamp with Name and Designation _____]

APPENDIX-V
[See rule 353(8), 356(2) and 357(1)]

GOVERNMENT OF PAKISTAN
COLLECTORATE OF CUSTOMS

APPLICATION FOR TRANSFER OF GOODS FROM A WAREHOUSE TO ANOTHER WAREHOUSE/VENDOR/MANUFACTURER-CUM-EXPORTER.

To,
The Collector/Regulatory Authority,

Collectorate of Customs,
Custom House_____.

I/we, M/s_____
intend to transfer the following goods from _____
(Name, address & license No. of the warehouse)
to _____
(Name, address & license No. of the warehouse/vendor/manufacturer-cum-exporter)
for the purpose of _____

Description	B/E / AR-3 / Sales Tax invoice/purchase receipt No. & date	Quantity.	Value in Rs.	Total Value (per unit)	Duty & taxes rate (item-wise)	Total duty & taxes involved.
(1)	(2)	(3)	(4)	(5)	(6)	(7)

Indemnity Bond No. & Date.	Nature of further processing, if required.	Date on which transfer is required.	Date on which transferred goods will be retrieved / exported.	Extent of value addition, if any.
(8)	(9)	(10)	(11)	(12)

Signatures with date_____ Signature with date _____
Name & Designation _____ Name & Designation _____
of Consignor _____ of Consignee _____

APPENDIX-VI
[See rule 354(2), 354(3) and 356(7)]

GOVERNMENT OF PAKISTAN
COLLECLTORATE OF CUSTOMS

RECORD OF GOODS ISSUED FROM A WAREHOUSE AND RECEIVED BY Small and Medium Enterprises'S /DIRECT & INDIRECT EXPORTER / MANUFACTURER-CUM-EXPORTER/VENDOR.

Name of the warehoue._____ License No. _____

	Input goods issued from a warehouse.						
Opening as on Ist day of the month.	B/E No. and date.	IGM No.	Item-wise quantity.	Items wise value.	Assessed duty on each item.	Quantity of each item.	Value of each item.
d(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)

Duty and taxes involved.	Balance as on the last day of month.
(9)	(10)

First and third copy:	for Small and Medium Enterprises or exporter.	Signature of Licensee _____ Name _____ Signature of Small and Medium enterprises/exporter _____ Name of Small and Medium Enterprises/exporter _____ Name and signature Of Customs Officer in charge of the Warehouse _____ Date _____
Second copy:	for Collectorate of Customs.	
Fourth copy:	for the licensee of warehouse	

APPENDIX-VII
[See rule 356(3) and 357(1)]

GOVERNMENT OF PAKISTAN
COLLECTORATE OF CUSTOMS,
_____

ON APPROPRIATE STAMPED NON-JUDICIAL PAPER
INDEMNITY BOND.

_____ This deed of indemnity is made on the _____ day of _____ 20_____ between M/s. _____ who have registered office _____ (hereinafter called the licensee which means and includes their successors, administrators, executors and assignees) of the

one part, and President of Pakistan through the Collector of Customs _____ (hereinafter called " the Collector ") of the other part:

Whereas , the Collector has allowed us to remove goods in bond, we shall pay on demand all duties, taxes, repayment, rebates and refunds, not levied or paid under the rules, on the procurement of warehoused goods which are not accounted to the satisfaction of the Collector and to pay any penalties imposed by the Collector /adjudicating officer for violation of these rules or the Acts;

NOW, THESE PRESENT WITNESS that in pursuance of this BOND the licensee M/s. _____ hereby agree to indemnity the said Collector for loss of revenue to the extent of Rs. _____ (Rupees _____) and also against costs and expenses which may be incurred by the Collector in recovery of the above amount of
revenue.

It is further, agreed that the above amount may be recovered as an arrears of land revenue under sub-section (2) of section 202 of the Customs Act, 1969 (IV of 1969), if the licensee fails to abide by any condition laid down in the Customs Rules, 2001;

IN WITNESS WHEREOF the parties hereto have put their respective hands and seals on the day above written.

(1) M/s. _____
(Address)

(2) _____
(Name and permanent address)
for and on behalf of the President

WITNESSES

1. _____
(Signature, name, designation, full address and N.I.C. No.)

2. _____
(Signature, name, designation, full address and N.I.C. No.)

Note. (1) The witnesses should be government servants in BPS-16 or above, or Oath Commissioner, Notary Public or an Officer of a Scheduled Bank.

(2) This bond should be based upon proper collateral security in the shape of NIT units, Defence Saving Certificates, Khas Deposit Certificates, Bearer Bonds and such other securities which banks generally accept for extending credit.

APPENDIX-VIII
[See rule 357(2)]

GOVERNMENT OF PAKISTAN
COLLECTORATE OF CUSTOMS

APPLICATION FOR RE-EXPORT OF IMPORTED GOODS IN THEIR ORIGINAL AND UNPROCESSED FORM.

The Collector or Regulatory Authority,
Collectorate of Customs,
_____.

I/We, M/s._____
licensee vide license type _____ and No. _____ dated _____ intend to re-export the imported warehoused goods in their original and unprocessed form under rule 357(2) of this chapter.

The details are given below:-

(1) Description of goods.
(2) Quantity of goods to be re-exported.
(3) Value of goods to be re-exported.
(4) Period of retention for the said goods.
(5) DETAILS OF IMPORTS.

(i) When the goods were imported.
(give date, B.E. No. and IGM No.).
(ii) How much (specify the quantity) of
goods as 5(i) above were utilized/ex-bonded.

UNDERTAKING:

1. I/We hereby declare that the information furnished by me/us is true to the best of my/our knowledge and belief.
2. I/We would produce further documentary evidence in support thereof if and when called for.
3. I/We also agree to abide by any such specific conditions as may be laid down from time to time.
4. I/We also agree to inform the Collector or any officer authorized in this behalf of any change in the information provided in the application.

Date _____
Signature of applicant.

CHAPTER XVI

LANDING AND CLEARING OF PARCELS RULES

364. The landing and clearing of parcels and other mails shall be made at the Foreign Parcel Department of the General Post Office at Islamabad, [94][Rawalpindi,] Lahore, Sialkot, Multan, Faisalabad, Peshawar and Quetta.

365. The boxes or bags containing the parcels shall be appropriately labeled (e.g. "Postal Parcels", "Colis Postaux", "Parcel Post" and "Parcel Mail") and where so labelled shall be allowed to land and pass either with or separately from the regular mails, at the Foreign Parcels Department or General Post Offices mentioned in rule 365.

366. The Postmaster shall, on receipt of the parcel mail, hand over to the officer of customs: -

(a) a memorandum showing the total number of parcels received by that mail from each country of origin;

(b) parcel bills (in triplicate) in the form approved by the Collector of Customs or the sender's declaration;

(c) any other relevant documents that may be required for the preparation of the parcel bills by the Customs Department; and

(d) the relative customs declarations and dispatch number, if any.

367.(1) On receipt of the documents mentioned in rule 366, the officer of customs shall scrutinize the particulars given therein and shall record and endorse on the declarations or parcel bills in respect of all parcels which are required to be detained for examination either for want of necessary particulars or defective description of suspect mis-declaration or under-valuation of contents.

(2) The officer of customs shall assess the remaining parcels by showing the rates of duty and sales tax on the declaration or parcel bills, as the case may be, and when any invoice, document or information is required for such assessment whereby the value, quantity or description of the contents of a parcel can be ascertained, he may call upon the addressee to produce or furnish such invoice, document or information.

Explanation. --For the purpose of assessment, the officer of customs shall be guided by the particulars given in the parcel bills or customs declarations and dispatch notes, if any.

368. As soon as the detained parcels are ready for examination, they shall be submitted together with the parcel bills or declarations to the officer of customs who, after examining them and filling in details of contents of value in the parcel bills or declarations, shall note the rate and amount of duty and sales tax against each item. The remark "Examined" shall be entered by the officer of customs against the entry in the parcel bill or declaration relating to each parcel examined by him. The parcel bill shall then be audited and the original and duplicate copies shall be returned to the Postmaster and, the third copy shall be retained in the Customs Department.

369. All parcels required to be opened for customs examination shall be opened in the presence of the post office officials and after examination be reclosed by the post office officials, and shall then be sealed by them with a distinctive seal. The parcels shall remain throughout in the custody of the Post Office officials, but it comes to the knowledge of the officer of customs at the time of examining any parcel that its contents are damaged or shall or that its particulars do not tally with the declaration, he shall make a note thereof on the parcel bill.

370. If on examination the contents of any parcel are found to be mis-described or the value understated or to consist of prohibited goods, such parcels shall be detained and reported to the Assistant Collector of Customs Incharge of the Division, and the Postmaster shall not allow such parcels to go forward without the orders of the Assistant Collector of Customs.

371. The duties, as assessed by the officer of customs and noted on the parcel bill, shall be recovered by the post office from the addressees at the time of delivery of parcels. The credit for the total amount of duty certified by the Customs Appraisers or Superintendents or Deputy Superintendents at the end of each bill shall be given by the Post Office to the Customs Department in accordance with the procedure settled between the two Departments from time to time.

372. The parcel bills and other documents on which assessment is made shall remain in the custody of the Post Office but the third copy shall be kept by the Customs Department for dealing with any claim, including refund of duty, and shall be preserved for three years.

373. The parcel bill shall show the following particulars, namely: -

(i) number assigned by office posting;
(ii) name of office of posting;
(iii) name of office of destination;
(iv) weight of parcels;
(v) local number;
(vi) declared value in foreign currency;
(vii) rupee value;
(viii) signature of Post Master or other authorized officer;
(ix) contents ascertained by the Customs;
(x) rate of duty;
(xi) amount of duty;
(xii) rate of sales tax;
(xiii) amount of sales tax;
(xiv) any other duty or tax;
(xv) remarks; and
(xvi) signature of the officer of customs.

374. Where the parcels are received back in the post office undelivered, the same shall be reported to the Customs within twenty four hours.

375. Where the sender has clearly instructed to send back the parcel, if undelivered, the same shall be allowed subject to condition that return postage charges are pre-paid or the postal authorities give surety for its receipt from original sender and there is no foreign exchange involvement by way of freight or otherwise from Pakistan. The duty and taxes on such parcels shall be remitted by the Assistant Collector on receipt of request from postal authorities.

376. A national Post Customs Committee shall be constituted to review the impediments in smooth and quick distribution of post parcels. Similarly Committee's shall be constituted by respective Collectors to meet once in six months to recommendations to national Post Customs Committee".]

[12][CHAPTER XVII
ALTERNATE DISPUTE RESOLUTION

377. **Application. —** The provisions of this chapter shall apply to all cases of disputes brought or specified for resolution under section 195-C of the Act.

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

(a) "Act" means the Customs Act,1969;
(b) "applicant" means a person or a class of persons who has brought a dispute for resolution under section 195-C of the Act;
(c) "committee" means a committee constituted under sub-section (2) of section 195-C of the Act; and
(d) "dispute" means a case where, for evidently valid reasons, an importer or exporter is aggrieved in connection with any matter of customs specified in sub-section (1) of section 195-C of the Act and prima facie deserves relief for the elimination of possible hardship.

(2) All other words and expressions used but not defined in this chapter shall have the same meanings as are assigned to them in the Act.

379. Application for alternate dispute resolution. — Any importer or exporter interested for resolution of any dispute under section 195-C may submit a written application for alternate dispute resolution to the Board, stating therein, the following particulars, namely:--

(a) the Collectorate of Customs [94][omitted] with whom a dispute has arisen;
(b) the particulars of the case;
(c) the grounds on the basis of which a resolution of a dispute is being sought by the applicant, duly supported with relevant documents;
(d) the extent or the amount of customs duty, other taxes and penalties etc., which the applicant agrees to pay, if, any;
(e) details of amounts already paid, if any;
(f) the particulars of any person who will represent the applicant; and
(g) the applicant shall, if required, pay the remuneration of the members other than a public servant, of the committee to the extent and in the manner specified by the Chairman of the committee as laid down in rule 381.

380. Appointment of Alternate Dispute Resolution Committee. — (1) The Board, after examination of the contents of an application by an importer or exporter and facts stated therein and on satisfaction that a dispute deserves consideration for resolution for the removal of hardship under section 195-C of the Act, shall constitute a committee consisting of an officer of Customs and two persons from a notified

panel of [94][District and Sessions Judge and retired Judges of High Court] Chartered or Cost Accountants, Advocates or reputable taxpayers for examination of the issues involved in the dispute and for taking other actions as provided under sub-section (3) of section 195-C of the Act. It may refer the dispute to one of the standing committee constituted under sub-rule (2) of this rule.

(2) The Board, however, may also on its own, notify constitution of such committee or committees in each collectorate as a standing arrangement for resolution of disputes under these rules and the aggrieved importer and exporter may make a direct reference to such committee for resolution of the dispute under the rules with a copy to the Board and Collector concerned. In case of an agreed decision, the Collector concerned may implement the agreed decision under intimation to the Board and Committee concerned.

(3) The aggrieved importer or exporter shall have the right to get the goods released from customs control under section 81 of the Customs Act,1969.

(4) The Board may appoint one of the members of the committee, other than a public servant, to be its Chairman.

(5) The Board may specify the time within which the committee shall be required to submit its report to the Board:

Provided that the time so specified may, if requested by the Chairman of the committee for reasons to be recorded in the request, be extended by the Board to such extent and subject to such conditions and limitations as it may deem proper.

381. Chairman and members to work voluntarily.- The Chairman and members of the committees shall work on voluntarily basis and no expenses and fees relating thereto shall be payable to them by any party to the dispute.

382. Working of the Committee. — The Chairman of the committee shall be responsible for deciding the procedure to be followed by the committee which may inter alia, include the following, namely:-

(a) to decide about the place of sitting of the committee;
(b) to specify date and time for conducting proceedings by the committee;
(c) to supervise the proceedings of the committee;
(d) to issue notices by courier, registered post or electronic mail to the applicant;
(e) to requisition and produce relevant records or witnesses from the Collectorate or other concerned quarters;
(f) to ensure attendance for hearings either in person or through an advocate, representative or a tax consultant;
(g) to co-opt any other technical, professional or legal expert or specialist or tax consultant;
(h) to consolidate recommendations of the committee and submission of the conclusive report to the Board; and
(i) for any other matter covered under this chapter.

383. Recommendations of the committee.—(1) The committee may determine the issue and may thereafter seek further information or data or expert opinion or make or cause to be made such inquires or audit as it may deem fit. The committee shall formulate its recommendations in respect of any matter mentioned in sub-section (1) of section 195-C of the Act.

(2) The Chairman of the committee shall send a copy of the recommendations of the committee to the Board, applicant and the concerned collector simultaneously.

384. Reconsideration by the committee. — (1) The Board of its own motion, or on the request of the applicant, may refer back the recommendations of the committee for rectification of any obvious error or for reconsideration of the facts not considered earlier.

(2) The committee after rectification of the error or reconsideration of the facts as aforesaid shall furnish to the Board its fresh or amended recommendations within such period as specified by the Board.

385. Decision of the Board.—(1) The Board, after examining the recommendations of the committee, shall finally decide the dispute [141][within one hundred and twenty days further extendable to sixty days for reasons to be recorded] and make such orders as it may deem fit for the resolution of the dispute under intimation to the applicant, the Chairman of the committee and the concerned Collectorate.

(2) On receipt of the Board's order as aforesaid, the concerned Collectorate shall implement the order in such manner and within such period as may be specified by the Board in the order.

386. [94]**[Omitted]**

[13][CHAPTER XVIII

TRANSPORTATION OF CARGO

Sub-Chapter-I

CARGO DECLARATION

387. **Definition**.- In this sub-chapter, unless there is anything repugnant in the subject or context,-

(a) "owner" means importer in case of import cargo and exporter in case of export cargo;
(b) "carrier" means shipping line or shipping agent filing the Import General Manifest (IGM) to Customs in case of import cargo, and transporter bringing export cargo to Customs area in case of export cargo;
(c) "FCL cargo" means full container load;
(d) "LCL" means less than container load;
(e) "consolidated cargo" means cargo containing shipments of two or more shippers or suppliers.
(f) "Consignment Note" means a document issued by the shipper in case of FCL cargo or the person packing the container in case of consolidated cargo in the format given below:-

CONSIGNMENT NOTE Date: _____		
Customs CRN or Customs Machine Number	**Container No.**	**Seal No.**
Certificate: I / We hereby certify that goods mentioned in the accompanied packing list have been placed inside the container and the container has been sealed by me / us.		
Name and Signature of shipper/ consolidator with stamp		

388. The procedure given in this sub-chapter is to be followed by all importers, exporters and carriers regarding Customs documents.

389. All import cargo entered into Customs area for clearance shall be accompanied with a copy of packing list and invoice in the following manner:-

(a) **Containerized FCL cargo:** The documents shall be placed on the inner side of the door of container. In case of multiple containers in a consignment, each container shall have such documents pertaining to goods inside it.

(b) **Consolidated cargo and LCL cargo:** The documents shall be attached to the goods or package at an obvious place. Each such container shall also have a consolidated packing list pertaining to goods inside it placed on the inner side of the door of container.

(c) [139][list of items where placement of original invoice and packing list is mandatory is placed at **Annex-A:**

[83,139]**[**Provided that-

(i) in case of following categories of imported goods, the provisions of this rule shall not be applicable, namely:-

(a) goods imported under various exports schemes;
(b) temporary imports;
(c) bulk cargo;
(d) import of goods attracting zero and upto three percent tariff either under the First Schedule to the Pakistan Customs Tariff or under any concessionary regime;
(e) imports by government departments including defence cargo;
(f) imports under Chapter 99 of the Pakistan Customs Tariff;
(g) courier parcels cleared through console;
(h) import value not exceeding five thousand US dollars;
(i) unaccompanied baggage;
(j) imports exempt for EIF vide Public Notice No.02/2016-(AW) dated 18.08.2016;
(k) old and used motor vehicles imported under various schemes;
(l) all kind of scrap;
(m) imports under section 22 of the Customs Act, 1969 (IV of 1969); and
(n) old and used machinery and worn clothing; and

(ii) in cases where imports are against letter of credit or banking contract and the consignee establishes before adjudicating authority that necessary instructions were issued to the supplier or shipper for placing of invoice and packing list in the consignments as part of the terms and conditions of such documents but the supplier or shipper did not comply with, the penalty may not be imposed.]

390. All export cargo entered into Customs area for clearance shall be accompanied with a copy of packing list, invoice and, in case of containerized cargo, a Consignment Note. These documents will be furnished to Customs by the carrier at the time of pass-in of goods for export.

391. Liability of placing such documents vests with the owner of goods as well as on the carrier. The owner of goods and the carrier will explicitly stipulate the requirement of placing documents in the manner prescribed above as an obligatory condition, to the person packing or shipping the cargo.".

[28][Sub-Chapter-II

ARRIVAL AND DEPARTURE OF VESSELS

392. **Application**.- The provisions of this Sub-Chapter shall, in relation to the arrival and departure of vessels, apply to such customs-port where the Pakistan Customs Computerized System Customs Computerized System is in operation or, to any extent, as may be made applicable under the Act.

393. **Procedure to be specifically meant for computerized environment.-** The procedure laid under this Sub-Chapter shall specifically be meant for the computerized environment where the PACCS is operational or, to the extent, made applicable.

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

(a) "agent" means a shipping agent licensed under section 207 of the Act and duly authorized by one or more carriers to act as their agent at the ports where the PACCS has been applied or made operational;

(b) "amend" or "amendment" in relation to a declaration, includes any addition, deletion or change in original data field declaration after its initial filing;

(c) "carrier" means any person or entity who or which, under the contract carriage (Bill of lading), undertakes transportation of goods or perform carriage by sea through vessel operating common carriers (VOCCs) or non-vessel operating common carriers (NVOCCs), or combination of such modes;

(d) "estimated time of arrival (ETA)" means the date and time as reported through vessel intimation report (VIR), at which the vessel is due to arrive at the pilot grounds;

(e) "estimated time of departure (ETD)" means the date and time as reported through VIR, at which the vessel is due to depart from a berth in Pakistan;

(f) "ship-chandler" means the person authorized by the carrier, to supply provisions and stores to the vessel and is licensed under section 207 of the Act; and

(g) "Terminal Operator (T.O.)" includes the organization or establishment responsible for physical custody of cargo within the customs-port.

395. Import manifest and authorization to incoming and outgoing vessels under sections 43 and 51 of the Act.- (1) No vessel coming into the customs-port where the PACCS is in operation shall proceed into the port channel beyond the pilot grounds unless VIR including import manifest has been made to the customs authorities by the carrier or his agent in the form and manner as provided in these rules.

(2) Unless so authorized by PACCS, no pilot shall bring in, or take a vessel out of, the customs-port and such authorizations shall be issued by PACCS to the carrier or his agent through their inboxes on confirmation of VIR for entry, and port clearance for departure.

396. Electronic documents to be time stamped.- All documents received electronically online by PACCS shall be time stamped and retained in their original form under section 155G of the Act as proof of the document originally filed.

397. Nomination of agents: Where the carriers wish to nominate agents to act on their behalf or make any change of their choice or convenience in the nomination so made, they may do so either by nominating their agent or by making any such change online who, after obtaining user IDs under rule 398, shall be entitled to conduct all transactions directly with the customs authorities through PACCS online.

398. Unique user identifiers and revocation thereof.- (1) All carriers and their agents shall obtain unique user identifiers (IDs) for interacting with PACCS under section 155D of the Act.

(2) The Collector concerned may revoke the IDs obtained under sub-rule (1), if as a result of a complaint it is established that the carrier or his agent has violated these rules; provided that no revocation shall be made unless the carrier or his agent, as the case may be, has been afforded an opportunity of being heard.

399. Containers to bear security seals.- (1) All containers except empty and one-door-off containers, arriving in or leaving Pakistan, shall bear unique numbered security seals (bullet seals).

(2) All containers being exported from Pakistan shall be sealed prior to their passage out of the customs-area in case of,-

(a) shipper's load, stow and count containers, by the shipper;
(b) CY containers subject to inspection by an authority for quality check, by that authority; and
(c) LCL containers, by the person stuffing the containers.

400. Filing of vessel intimation report (VIR) and confirmation thereof.- (1) The carrier or his agent shall, using his IDs and logging onto PACCS, furnish VIR as per Appendix-I and, on receipt whereof, PACCS shall issue a VIR number as a proof of its receipt including future reference which shall be required for filing of declaration of goods in respect of imports and exports.

(2) The carrier or his agent shall, as per Appendix-II, confirm the VIR twenty-four hours prior to the ETA of the vessel which otherwise may be filed fifteen days prior to the ETA.

401.Amendments to vessel intimation report (VIR).-(1) The carrier or his agent shall be entitled to amend authorized data fields in the VIR by using their IDs online such that for all incoming and outgoing vessels, amendments shall be allowed at the rate of fifty rupees per data field till such time the ETA of the vessel or issuance of port clearance, as the case may be, is made.

(2) In case of any amendment made under sub-rule (1), the carrier or his agent shall be billed online, who shall clear all his outstanding dues on the first and fifteenth of each month, or the next working day in case of Gazette holiday, by depositing the amount due in the National Bank of Pakistan, in the relevant head of account of the Collector concerned failing which the user ID(s) of the carrier or his agent shall be blocked till clearance of the outstanding dues.

402. Filing of cargo declaration (manifest).- (1) Cargo information including declarations as per Appendix-III shall be filed online free of charge eighteen hours prior to the ETA or at any time after confirmation of VIR has been received by PACCS, however, the NVOCCs shall file the incoming Cargo Declaration (IGM) against the VIR number allocated and to the extent of bill of lading relating thereto as declared in the VIR by the carrier or his agent; provided that in cases where the port of loading for the index is Dubai, Jebel Ali, Khor-Fakkan, Salalah, Fujairah, Bandar Abbas, Mumbai, Nhava Sheva, Mundra, Kandla and Mina Qaboos, cargo information may be filed without charges twelve hours prior to the ETA.

403. Declaration of transit and transshipment cargo.- The declaration of transit and transshipment cargo shall be as follows, namely:-

(a) Transit: For cargo destined to-

(i) off-dock station, the name of off-dock station shall be mentioned in the data field of Via (port of exit/clearance);
(ii) inland dry customs-port within Pakistan through multimodal bill of lading, inland port shall be mentioned in the data field of port of destination; and
(iii) inland dry customs-port within Pakistan through non-multimodal bill of lading, the city of destination other than Karachi shall be mentioned in the data of consignee city; and
(iv) Afghanistan, the port of exit from Pakistan shall be mentioned in the data field of Via (port of exit/clearance) as Peshawar or Quetta.

(b). Transshipment:

Transshipment cargo shall be declared in the manifest including one of the selectable customs-port for transshipment from where it is intended to be exported from Pakistan which shall also be distinctly mentioned in the data field of Via (port of exit/clearance) such as, the Karachi International Container Terminal (KICTL), Pakistan International Container Terminal (PICT), KPT East Wharf, KPT West Wharf, Qasim International Container Terminal (QICT), Port Qasim or Karachi Air Freight Unit.

404. Declaration of temporarily imported containers.- The carrier or his agent filing cargo declaration to customs authorities shall undertake that containers temporarily imported by him without payment of customs-duties shall be re-exported within six months.

405. Amendments to cargo declaration.- All amendments made in the cargo information or declaration after the lapse of time specified in rule 402 shall be charged at the rate of fifty rupees per data field till ETA is filed, declared or reported, where after, any modification made therein shall, subject to approval of the customs authorities, be charged at the rate of two hundred and fifty rupees per data field.

406. Payment of dues.- The liabilities against the carrier or his agent shall be billed online, who, as the case may be, shall clear it on the first and fifteenth of each month, or the next working day in case of gazette holiday, by depositing the due amount in the National Bank of Pakistan, in the relevant head of account

of the Collector concerned failing which user IDs of the carrier or his agent, as the case may be, shall be blocked till clearance of the outstanding dues.

407. Vessel store declaration.- Vessel store declaration shall be furnished to the Boarding and Rummaging Officer on boarding of the vessel and on its arrival as per Appendix-IV.

408. Crew and passengers lists.- A separate list in case of **c**rew, and passengers shall be filed at the time of confirmation of VIR as per Appendix-II.

409. Crew and passenger effects list.- Crew and passenger effects list as per Appendix-V shall be submitted by the Master of the vessel to the Boarding and Rummaging Officer at the time of boarding.

410. Cargo not manifested under rule 402.- Cargo which is not manifested under rule 402 shall not be allowed to be offloaded in Pakistan.

411. Late filing of vessel intimation report (VIR).- Where confirmation of VIR as per Appendix-II is received late by PACCS, the ETA of the vessel shall be compared with the system time, and shall be subject to imposition of fine as follows, namely:-

Difference between ETA and system time on receipt of declaration **(1)**	**Amount of fine** **(2)**
(i) Twenty-four hours or more	Nil
(ii) Less than twenty-four hours	Fifty thousands rupees, allowing the vessel to berth twenty-four hours after the confirmation of VIR.

412. Delay or cancellation of arrival of vessel.- (1) Where after filing a confirmation of VIR, the carrier or his agent learns that the arrival of the vessel has been cancelled or the ETA of the vessel has been delayed by more than three hours of its declared ETA, the carrier or his agent shall declare the new ETA to PACCS and such amendment shall be subject to payment of following amendment fee, namely:-

	Time of intimation to PACCS			
	Before twelve hours of initial ETA.	Before six hours of initial ETA.	Before 0 hours of initial ETA.	After twenty-four hours of initial ETA.
Delayed or cancelled.	Free	Rs. 50/-	Rs. 5000/-	Rs. 10,000/-

(2) Where a vessel fails to arrive within twenty-four hours of its ETA as declared, and there is no intimation to PACCS by the carrier or his agent, the VIR shall be cancelled by PACCS on the lapse of twenty-four hours of the declaration of the ETA, whereupon, the carrier shall be charged ten thousand rupees as cancellation fine.

(3) In case of cancellation of VIR, charges calculated in respect of delay in confirmation of VIR shall not apply.

413. Boarding and rummaging of vessel .- The PACCS shall, on berthing of the vessel as confirmed by the Terminal Operator (T.O.), depute boarding officials who shall board and examine the vessel in accordance with the vessel store declaration and shall seal the vessel's bonded stores, the information whereof shall be furnished by the Boarding and Rummaging Officer as per Appendix-VI and where

rummaging is carried out, a report as per Appendix-VII shall be entered by the Boarding and Rummaging Officer.

414. Persons entering into or leaving customs port.- Any person including ship's crew carrying any goods in or out of the customs-port shall be subject to customs check by the customs authorities.

415. Supplies to the vessel.- (1) The ship-chandler shall file a declaration as per Appendix-VIII online to PACCS regarding supplies that are to be loaded on the vessel which shall be provided at least three hours prior to the entry of the delivery vehicle to the port area.

(2) On receipt of declaration under sub-rule (1), PACCS shall authorize the T.O. to allow the passage of the delivery vehicle who shall, thereon, confirm the event to PACCS which may depute officer of customs to examine the goods as per declaration and may supervise loading onto the vessel.

416. Grant of port clearance.- The carrier or his agent shall, at any time after the vessel has berthed, file a request to PACCS as per Appendix-IX for port clearance and produce necessary documents to establish the payments and clearances from various departments which shall be maintained by the carrier or his agent under section 211 of the Act and shall be produced to the customs authorities whenever required quoting the number and date of each on his complete port clearance request, whereupon, PACCS shall grant port clearance which shall be transmitted online to the T.O., and the carrier or his agent.

417. Loading of vessel and its departure.- PACCS shall clear and allow loading of the export consignments through the computer system and require the Terminal Operator (T.O.), to load the PACCS, cleared consignments as per Customs Reference Number (CRN) onto the outgoing vessel and, once the loading of the vessel has been completed, it shall be confirmed by him as per Appendix-X after obtaining signatures of the Master of the vessel or of an officer duly authorized by him on the list of containers, or consignments in case of non-containerized cargo, that have been loaded on the vessel and shall retain it under section 211 of the Act for his record and scrutiny by the customs authorities as and when required by them.

418. Mate's Receipt (MR) and Export General Manifest (EGM) for export cargo.- Notwithstanding anything contained in this Sub-Chapter, the carriers or their agents shall continue to file MR and EGM in hard copies as per Appendix-XI until PACCS is fully operational which otherwise shall not be required in case of departure of vessels from terminals.

419. Liability of carriers: The carriers shall have the following liabilities:

(i) The carrier shall be responsible for all acts performed by his agent in relation to these rules.

(ii) The carriers shall issue bill of ladings to the shippers.

(iii) The carriers shall issue delivery orders to the importers against the bill of ladings as have been filed by them where against the terminal operator shall only honor those delivery orders as are issued by the carrier that manifested the cargo to customs authorities.

(iv) In cases where liabilities of any sort are pending against issuance of delivery orders, the carrier who manifested the bill of lading shall handle all such liabilities internally and on their own, and shall not require the importer to approach any other person.

(v) The carrier shall be responsible for fulfilling the terms of bill of lading in full.

(vi) The carrier shall be responsible for any mistakes that have been made by him in the manifesting of the bill of lading and shall not pass on the penalties for corrections in the manifest information to the importer.".

Appendix-I

[see rule 400(1)]

Vessel Declaration (for incoming)

☑ Incominig ☐ Outgoing

Vessel's General Declaration:

Vessel ID.	Name of vessel.	Year built.
Type of vessel.	Nationality of vessel.	Gear / Gearless.
IMO number.	Call sign.	Gross registered tons.
Net registered tons.	Certificate of registry (port, date, number).	LOA.
Dead weight.	Shipping Line (Vessel Operator).	Position of bridge.
Beam.		

Incoming Voyage Information:

Voyage number.	P & I Club (Popup combo field).	Draft Aft (Non-mandatory).
Last port of call.	Draft Fwd.	Free Board (Non-mandatory).
PC Number (last port).	Air Draft (Non-mandatory).	Allocation of TEU's for loading from this port.

ETA and date.	Port of call in Pakistan.	Terminal / Berth.

Quarantine Y / N.	Special requirement.
Purpose of vessel (Popup drop down field).	

Appendix-II

[See rule 400(2), 408 & 411]

Vessel's General Declaration (Confirmation of VIR):

Vessel's General Declaration:

Vessel ID.	Name of vessel.	Year built.
Type of vessel.	Nationality of vessel.	Gear / Gearless.
IMO number.	Call sign.	Gross registered tons.
Net registered tons.	Certificate of registry (port, date, number).	LOA.
Dead weight.	Shipping Line (Vessel Operator).	Position of bridge.

Beam.		

Incoming Voyage Information:

Voyage number.	P & I Club (Popup combo field).	Draft Aft (Non-mandatory).
Last port of call.	Draft Fwd.	Free Board (Non-mandatory).
PC Number (last port).	Air Draft (Non-mandatory).	Allocation of TEU's for loading from this port.

ETA and date..	Port of call in Pakistan.	Terminal / Berth.

Quarantine Y / N.	Special requirement.
Purpose of vessel (Popup drop down field)	

Co-loaders section:

CHAL #	Cargo Agent Name (Popup selectable field).

Crew List:

S. No.	Family name, given names.	Rank or rating.	Nationality	Certificate number of seafarer.	Valid up to.	Issuing authority.	Number of identity document (seamen's CDC / SSB or passport).	To disembark at this port Y/N.

Passenger List:

S. No.	Family name, given names.	Nationality.	Passport Number.	Port of embarkation.	Port of disembarkation.

Appendix-III
[See rule 402]

Cargo Declaration (IGM):

(Index wise Information)

Document No. (Numeric Field entered by user).		

Index Number. ☐ Empty Containers.		Bill of Lading Number / Airway Bill Number.		Type of BL: Multimodal / other.
Shippers Name .	Consignee Name.	Consignee Address.	Consignee City.	
			Consignee Country (Drop down popup field; default value is 'Pakistan')	

[88][**Cargo Information:**

General Description of Goods		Dangerous Cargo with IMO classification		General PCT of Goods
Port of Loading	Port of Shipment	Port of Discharge		Place of Delivery
Port of Destination				Cargo Type (Containerized Non Containerized, Bulk).]
Delivery Model (This field will be enabled only if the Cargo Type is Containerized) CY CFS		UCRN		

Container Information: (This section will be enabled only if Cargo Type is "Containerized")
(*Information for each container to be given separately*)

Sr. No.	Container Number.	ISO Code.	Gross weight.	Net weight.	Seal Number.	SOC (Yes/No).	**FCL/LCL** (The value of this field will be either 'FCL' or 'LCL').

Total Weight of Consignment =Σ (Gross Weight) – Σ (Net Weight)

Container Items Information: (This section will be enabled only if Cargo Type is "Containerized")
(All items will be defined under each container)

Sr. No.	Srl description.	HS Code.	Quantity.	Quantity UoM.	Dangerous cargo description with IMO classification.	Mode of packing.	Total packing quantity.	Country of origin.	Marks & Numbers.

Non Containerized (Break Bulk): (This section will be enabled only if Cargo Type is "Non Containerized")
(Loose or Break Bulk cargo will be declared under this section)

Sr. No.	Srl description.	HS Code.	Quantity.	Quantity for Karachi.	Quantity UoM.	Dangerous cargo description with IMO classification.	Mode of Packing.	Total packing quantity.	Country of origin.	Marks & Numbers.

Bulk Cargo: (This section will be enabled only if Cargo Type is "Bulk")
(Bulk cargo will be declared under this section)

Sr. No.	Srl description.	HS Code.	Quantity.	Quantity UoM.	Dangerous cargo description with IMO classification.	Country of origin.

Empty Containers: (This section will be enabled only if 'Empty Container' check box is checked)
(*Information for each container to be given separately*)

Sr. No.	Container Number.	ISO Code.	Tare weight.	Seal Number.

Total Weight of Consignment =Σ (Gross Weight) – Σ (Net Weight)

Appendix-IV
[See rule 407]

Vessel Store Declaration:

S. No.	Period of stay.	Name of article.	Quantity.	Place of storage.

Appendix-V
[See rule 409]

Crew and Passenger Effect List:

S. No.	Family name, given names.	Rank or rating.	Nationality.	Certificate number of seafarer.	Valid up to.	Issuing authority.	Number of identity document (seamen's CDC / SSB or passport).	Effects.	Quantity.	To disembark at this port Y/N.

Appendix-VI
[See rule 413]

Boarding Report

Crew and Passenger effect List:

S. No.	Family name, given names.	Rank or rating	Nationality.	Certificate number of seafarer.	Valid up to.	Issuing authority.	Number of identity document (seamen's CDC / SSB or passport).	Effects.	Quantity.	To disembark at this port Y/N.	Discrepancy (Yes / No).

Vessel's Stores Declaration:

S. No.	Period of stay.	Name of article.	Quantity.	Place of storage.	Discrepancy (Yes / No).

On clicking "No" in Discrepancy column a text box will open wherein the report will be entered against the relevant S. No.

The ship stores have been sealed ☐ (for incoming)

Verified that the ship stores have not been opened during the stay of the vessel at the port and have now been de-sealed and the port clearance document has been handed over to the Master.

☐ (for outgoing)

Appendix-VII
[See rule 413]

Rummaging Report

Any discrepancy found.	Yes	N☐	☐
Observations (in case of discrepancy).			

Ship supplies

Appendix-VIII
[See rule 415]

S. No.	Description of Goods.	Quantity / unit.	Chandler's CHAL #	Estimated time of Pass in.

Appendix-IX

[See rule 416]

Vessel Declaration (for outgoing)

☐ Incominig

☑ Outgoing

Vessel's General Declaration:

Name of vessel.	Voyage number.	Beam.
Last port of call. KARACHI.	Draft Fwd.	Draft Aft.
Next Port of call.	ETD and date.	Air Draft.

Crew and Passenger Effect List:

☐ Change in crew and effect list at this port:

S. No.	Family name, given names.	Rank or rating.	Nationality.	Certificate number of seafarer.	Valid up to.	Issuing authority.	Number of identity document (seamen's CDC / SSB or passport).	Effects.	Quantity.

Passenger List:

☐ Change in Passenger List at this port:

S. No.	Family name, given names.	Nationality.	Passport Number.	Port of embarkation.	Port of disembarkation.

Port Clearance for departure:

Light dues payment Receipt No & date.	Health Certificate No & date.	Income tax certificate No & date.	MMD's NOC No & date.	KPT's NOC No & date.

Appendix-X
[See rule 417]

Confirmation of Loading Report

S. No.	CRN.	Container Number.

Appendix-XI
[See rule 418]

Mate Receipt (MR)

VIR #	Name of vessel.	Date of sailing.

S. No.	Shipping Bill No.	Container # or description.	Remarks (short shipped etc.)".}]

Chapter XIX

REFERENCE TO HIGH COURT

420. Prescribed Form for reference application.--- An application under sub-section (1) of section 196 requiring the Tribunal to refer to the High Court any question of law shall be in the form set out in Appendix-I to this Chapter.".

Appendix-I
(see rule 420)

FORM OF REFERENCE APPLICATION UNDER SECTION 196 OF THE CUSTOMS ACT, 1969 (IV of 1969)

Before the High Court of _____

Customs
Sales Tax
Central Excise
Reference Application No. _____ of 20

APPELLANT ----------
VERSUS

RESPONDENT ----------

Title and number of appeal which
Gives rise to the reference

The applicant (s) state (s) as follows:----

1. That the appeal noted above was decided by _____ Bench of the Customs, Excise and Sales Tax Appellate Tribunal on _____

2. That the order under sub-section (3) of section 194-B of the Customs Act, 1969 (IV of 1969) was served on the applicant on _____

3. That the facts which are admitted and/or found by the Tribunal, the determination of the Tribunal and the question (s) of law which arises out of its order have been truly stated in the attached statement of the case.

4. That the following questions of law arise out of the order of the Tribunal :--

   (1)

   (2)

   (3)

5. That the following documents are attached with this application:

   (1) Statement of the case signed by the Appellant.

   (2) Certified copy of the order of the Appellate Tribunal from which the question (s) of law stated above arises.

   (3) First Appellate Order (by the Collector (Appeals/ Adjudication)/

   (4) Original or other order.

6. The other document (s) or copies thereof, as specified below (the translation in English of the documents, where necessary) are annexed with the statement of the case.

[140][7. It is certified that the taxpayer or respondent has been intimated regarding filing of reference along with this copy of reference on …….
*[date to be filled by concerned office i.e. date of dispatch].]

_____
Signed (Appellant)

_____
Signed (Authorized Representative, if any)

N.B:- 1. The application must be made in triplicate.

2. The application made by the aggrieved person must be accompanied by a fee of one hundred rupees. The fee be deposited in the Treasury or a Branch of the National Bank of Pakistan or the State Bank of Pakistan alongwith the customs duty challan (in quadruplicate) and one copy of the challan be attached with the application.

"Chapter XX
[40][Omitted]

Provided that the claims of the following eight consumers of PTA,-

(i) M/s. ICI Polyester Fibre;

(ii) M/s. Rupali Polyester Ltd;

(iii) M/s. Rupafil Ltd;

(iv) M/s. Ibrahim Fibres Ltd;

(v) M/s. Dewan Salman Fibres Ltd;

(vi) M/s. Pakistan Syenthetic Ltd;

(vii) M/s Gatron Industries Ltd; and

(viii) M/s. Novatex Ltd.,

on account of import and local procurement of PTA upto 30th June, 2008 shall be dealt with in accordance with the rules as existed on the 30th June, 2008.

[34][CHAPTER XXI
[90][Customs Computerized System]
Sub-Chapter I
Preliminary

422. Application of CHAPTER XXI.- Notwithstanding anything contained in these rules or any other rules made under the Act, the provisions of this Chapter shall aXpply to customs-stations where the [90][Customs Computerized System] is operational to the extent applied and notified under section 155A of the Act.

[74][423. Definitions.- (1) In this Chapter, unless there is anything repugnant in the subject or context,-

(i) "Authority" means the Export Processing Zones Authority established under the Ordinance;

(ii) "Bonded Carrier" means persons licensed under Chapter-XIV of these rules;

(iii) "Claimant" means a user who submits a refund claim through CCS;

(iv) "Collector of Customs" in relation to any Zone, means the Collector of Customs, who exercises jurisdiction over such Zone;

(v) "Duty drawback" means repayment of customs-duties as envisaged in clause (c) of section 21 and sections 37, 39, 40 and 41 of the Act;

(vi) "Export" is as defined in Imports and Exports Controls Act 1950 (Act XXXIX of 1950), and includes passing into the territory of an Export Processing Zone duly authorized cargo from the tariff area of Pakistan;

(vii) "FTN" means Free Tax Number issued by the Board to persons who are otherwise exempt from holding National Tax Number (NTN) for the purposes of identification;

(viii) "GD-TP" means Goods Declaration for transshipment filed electronically [80][containing a true declaration of goods in terms of clause (a) of sub-section (1) of section 79 of the Act] by the owner of the goods or his authorized bonded carrier for transshipment of goods;

(ix) "Import" is as defined in Imports and Exports Controls Act 1950 (Act XXXIX of 1950), and includes bringing out authorized cargo from the territory of an Export Processing Zone into the tariff area of Pakistan;

(x) "Industrial-undertaking" means an industrial-undertaking as defined in the Ordinance;

(xi) "Inter Port Movement" means transportation of cargo through authorized Bonded Carrier from port area to the Off-dock Terminals and *vice versa*;

(xii) "INTRA" means the Integrated Regulatory Authorities as envisaged in rule 527;

(xiii) "Investor" means an investor as defined in the Ordinance;

(xiv) "KICTL" means the Karachi International Container Terminal Limited;

(xv) "NTN" means National Tax Number issued by the Board;

(xvi) "Off-dock Terminal" means a customs area notified under section 9 , 10 and 78 of the Act located in the jurisdiction of the Collector of Customs exercising control over a specified Customs port;

(xvii) "Ordinance" means the Export Processing Zones Authority Ordinance, 1980 (Ord. IV of 1980);

(xviii) "CCS user" means any person who possesses unique user identifier of CCS;

(xix) "Password" means a password selected against each unique user identifier by, and only known to, the user;

(xx) "PICTL" means the Pakistan International Container Terminal Limited;

(xxi) [80]["Port of entry" means the first customs-port or station in Pakistan where imported goods are landed on Pakistan's soil on arrival from abroad and in case of transshipment of LCL goods, the customs-port or station where the goods are deconsolidated.];

(xxii) "Port of exit" means the last customs-port in Pakistan from where the goods depart for a destination outside Pakistan;

(xxiii) "Pre-pact" means depositing of money in advance by the users in a common account maintained by the Collector, Model Collectorate of Customs, in consideration for discharge of their liabilities which may accrue on account of clearances of cargo through CCS and the money so deposited in this account, remains property of the depositor and can be used to discharge liabilities as aforementioned or may be withdrawn at will;

(xxiv) "Refund claim" means an online application for claim of refund of the amount of duties and taxes except income tax filed by a user;

(xxv) "Refund reference number" means a reference number issued by CCS confirming the filing of a refund claim;

(xxvi) "Scanner" means scanning machine, installed at the ports or customs stations, for recording and printing digital images of the containerized and other cargo;

(xxvii) "Tariff area" means any area in Pakistan outside the limit of a Zone;

(xxviii) "Terminal" means the KICTL, PICTL, QICTL or any other container terminal where CCS is operational;

(xxix) "Terminal Operator (TO)"., means any organization or establishment engaged in the receipt, discharge, storage, custody, handling, delivery and loading of import, export, transit and transshipment of containerized cargo by sea other than off-dock terminals;

(xxx) "Transshipment" means the transfer of transshipment goods to carrier for transportation from the port of entry to the port or customs station of destination without payment of duty and taxes as allowed by the Customs Computerized System;

(xxxi) "Transshipment Goods" means goods brought into Pakistan which are to be transported from port of entry to other Customs ports or stations;

(xxxii) "Transshipment Permission" means the auto-authorization, granted by the selectivity criteria of Customs Computerized System, on the basis of the GD-TP filed by the owner of the goods or his authorized bonded carrier, at the port of entry, for transshipment of goods;

(xxxiii) "Transport Note" means the duly prescribed document, containing sealing information, generated by the CCSU or the customs sealing staff at port of entry to be carried with the transport unit transporting transshipment goods or goods for removal to Off-dock terminal;

(xxxiv) "Unique user identifier" means a unique user identifier as may be allocated to any user under section 155D of the Act;

(xxxv) "User" means any person who is registered under section 155C of the Act for using CCS on line;

(xxxvi) "User ID Office" in relation to CCS, means an office which issues unique user identifier; and

(xxxvii) "Zone" means such area as is declared by the Federal Government to be a Zone under the Ordinance.

(2) The words and expressions used, but not defined herein, shall have the meaning assigned to them in the Act or CHAPTER I of these rules.];

Sub-Chapter II
Unique user identifier

424. Registration of users, etc.- (1) Any person interested or required to interact online with CCS may get himself registered as a user by submitting his application in Form-I to the Collector, Model Collectorate of Customs, including any other information as may be required by him for the purpose:

Provided that in case of government department, embassy or an international organization, etc., it shall be registered as user against the authority letter issued by the competent officer of that department, embassy or organization, as the case may be [90][:]

[90][Provided further that, subject to such conditions as may be prescribed, the Board may waive the condition of registration of users for clearance of any particular class of goods.]

(2) All users registered under sub-rule (1) shall, on individual basis, obtain a unique user identifier among whom shall be the-

(a) persons involved in import, export, transit or transshipment through any container terminal;

(b) clearing agents representing a principal specified in clause (a).

(c) shipping agents dealing with vessels or cargo cleared through any container terminal;

(d) warehouse keepers or owners who receive or store cargo brought through any container terminal;

(e) ship chandlers engaged in business with vessels calling at container terminal; and

(f) government and semi-government departments including Board, Customs, Federal Excises, Sales Tax, Income Tax, State Bank of Pakistan, and National Bank of Pakistan who are engaged in regulating import, export, transit or transshipment of cargo -through CCS across the country.

425. User ID Office.- Unique user identifiers for CCS may be obtained from User ID Offices established for the purpose at designated places.

426. User to obtain unique user identifier.- The unique user identifier shall be obtained by the user or his authorized representative who shall appear in person before the User ID Office along with the following documents:

(a) Original NTN or FTN; provided that an individual holding NTN shall appear in person unless she is a *pardah* observing lady or an elderly person in which case a family member may be authorized to obtain the unique user identifier.

(b) Original Computerized National Identity Card of the person obtaining the unique user identifier.

(c) A pay order of rupees five hundred in favor of the Collector, Model Collectorate of Customs.

(d) Authority letter from the company, organization or institution, as the case may be; provided that in case the person receiving ID is owner, director or head of any such company, organization or institution, authority letter shall not be required.

(e) Employment letter or, ID of company, organization or institution relating to the person receiving unique user identifier:

Provided that in case the user is clearing, shipping or warehouse agent, he shall present original license issued by customs authorities in lieu of original NTN:

Provided further that in case the user is government department, embassy or an international organization, etc., the authority letter in favor of person receiving it is issued by the head of that department, embassy or organization, as the case may be, is produced:

[129][Provided also that personal appearance and submission of original NTN and CNIC shall not be required if bio-metric information and other information of the applicant is available in the Sales Tax or NTN Registration database.]

427. Procedure for allocation of unique user identifier.- An officer of customs on duty at the User ID Office shall enter into CCS complete data and information as per set of original documents so received under rule 426, retain its copies, return originals on the spot except the pay order and the authority letter, and proceed to allocate the unique user identifier through the system after obtaining its proper receipt from the recipient who shall be required to feed in the password of his choice for security reasons.

428. Changing of password.- A user shall be at liberty to change his password on line whenever he wishes to do so.

429. Liability of user.- The user shall, in relation to the use of unique user identifier, be liable for any contravention of these rules and provisions of CHAPTER XVI-A of the Act.

430. Additional allocation of unique user identifiers.- A user shall be entitled to obtain additional unique user identifiers on payment of rupees five hundred for each unique user identifier which may be acquired and allocated over the web, on line.

431. Disclosure of password.- In case the user has reason to believe that his password has been disclosed, he may exercise the following options:

(a) if the user is able to log onto the system using his password that is believed to have been disclosed, he may log onto the system and change the password; or

(b) in case the user is unable to log onto the system with the disclosed password, he may call on the Customs Help Desk and request for resetting of his password, whereupon, an officer of customs on duty after being satisfied from the profile of the user and based on the answers given by the caller that the caller is the actual user, may reset the password, otherwise, the user or a person so authorized by him shall have to appear before the User ID Office with his identification papers to get his password reset.

Sub-Chapter III
Procedure of imports through CCS

432. Procedure for imports.- Subject to the provisions herein laid down, the procedure for imports including every activity there against online shall apply to CY FCL and CY LCL containers as may be operated from any container terminal whereat CCS is operational.

433. Filing of imports declaration.- Every declaration in relation to each consignment of imported goods shall be filed with CCS online by the importer or his agent which shall be deemed to have been submitted to customs only where duties and taxes leviable thereon, if any, have been paid or discharged as self assessed by the person declaring it [90][:]

Provided that the Board or the Chief Collector may, by an Order, specify the goods or class of goods where goods declaration shall be filed only through a Customs Agent, licensed under section 207 of the Act:]

[137][Provided further that the condition of upfront payment of duty and taxes shall not be applicable if the declaration is filed through the Pakistan Single Window system where declaration shall be deemed to have been filed upon submission through the system.]

[139]**[433A.** (1) It is mandatory for the importer, in terms of clause (aa) of section 79 of the Customs Act, 1969 (IV of 1969) to upload following documents with every declaration in relation to each consignments, namely:-

(i) master bill of lading and house bill of lading or master airway bill and house airway bill as the case may be;
(ii) commercial invoice;
(iii) letter of credit or bank contract;
(iv) packing list – container-wise in case of containerized cargo and package wise in case of miscellaneous goods consignments;
(v) previous chemical analysis and lab test report, if any;
(vi) mill test certificate issued by the manufacturer in case of prime quality steel product;
(vii) certification as per requirement of Import Policy Order;
(viii) Preferential Trade Agreement (PTA) of Free Trade Agreement (FTA) certificate of origin, if claimed; and
(ix) any other documents or requirements specified by the Board from time to time.

(2) In addition to above, for shipments originating from UAE and China (excluding imports under PTA and FTA regime) certificate of origin shall be uploaded as under;

(i) for shipments of fabric (all type i.e. finished, unfinished and grey etc.) and artificial jewellery originating from UAE and China (excluding import under PTA and FTA regime) certificate of origin issued by the manufacturer; and
(ii) for shipments originating from Iran and Afghanistan and arriving through land customs-station, the certificate of origin issued by the relevant Iranian Government agency and by Afghan Chamber of Commerce and Industry respectively.

Annex-A

HS CODE	Description
0304.0000	Frozen Fish
0402.1000	Skimmed Milk Powder
0404.1010	Whey Powder
0405.1000	Butter
0406.1010	Cream Cheese/Processed Cream Cheese
0408.9100	Whole Egg Powder
0409.0000	Branded Natural Honey
0712.9000	Dehydrated Garlic Flakes
0802.1100	Almond in Shell Cover (Soft Cover)
0802.1200	Almond Shelled (without shell cover)
0802.3100	Walnut in shell
0804.1010	Fresh dates
0806.2000	Red Raisins
0807.1900	Melon
0808.1000	Apple Fresh
0809.1000	Apricots, Fresh
0813.1000	Khista
0902.0000	Tea
0904.0000	Other (Red chili / chili seeds)
0910.1100	Dry Ginger
1109.0000	Wheat Gluten, whether or not dried
1202.4100	Groundnut in Shells
1202.4200	Groundnut Kernel (HPS)
1203.0000	Dry Coconut/ Dry Copra
1301.2000	Gum Arabic / Gum Talah
1301.9090	Gum Copal / Natural Gum
1302.3900	Prothic CW8, Textile printing thickener
1404.9041	Broom Stick Ekels
1502.1000	Inedible Tallow
1509.9000	Olive Oil
1518.0000	Inedible Animal or Vegetable Oil & Fats
1522.0090	Soap & Gum Stock / Sludge of Soap Stock / Pitch Oil / Alkaline Residue etc.
1704.9090	Toffees, Candies and Sugar Confectionery
1805.0000	Cocoa Powder
1806.9000	Chocolates (other)
1901.1000	Milk Preparation for Infant Use (i) Infant Formula (ii) Follow Up Formula (iii) Grown Up Formula
1901.9020	Instant Milk Powder with vegetable fat
1901.9090	Instant Milk Powder
1904.0000	Cereal Foods
1905.3200	Biscuits (Wafer Biscuits / Sticks)
1905.9000	Plain Biscuits
2001.9090	- - - other (Noodles)
2002.9010	Tomato Paste
2003.1000	Canned Mushroom
2004.1000	Potato Chips
2005.7000	Olives
2005.8000	Sweet Corn
2007.9900	Fruit Jam (others)
2008.1900	Peanut Butter

2008.2000	Canned Pine Apple
2008.9700	Fruit Cocktail
2101.1120	Coffee
2102.1120	Instant Dry Yeast
2103.1000	Soya Sauce
2103.9000	Other sauces
2105.0000	Ice Cream
2106.9020	- - - Syrups and Squashes
2106.9030	- - - Flavoring powders for preparations of food
2106.9090	Food Supplements / Multivitamins / Mineral Supplements and Whey Protein, Yogurt (Fruit/Flavored) and Pudding/Dessert
2202.1010	Energy Drinks
2309.1000	Pet Food
2710.1951	Lubricating Oil
2710.1952	Lubricating Oil (in packs)
2710.1996	Medium White Oil
2710.1999	Lubricating Oil (other types)
2803.0010	Carbon Black (Rubber Grade)
2833.1100	Sodium Sulphate Anhydrous
2836.2000	Synthetic Soda Ash
2836.3000	Chemicals, Sodium BiCarbonate
2847.0000	Hydrogen Peroxide
2905.4500	Glycerin
2915.1100	Formic Acid
2915.3940	Methyl Acctate
2917.3500	Phthalic Anhdride
2918.1400	Citric Acid Monohydrate
2933.5930	Ciprofloxacin
2941.9090	Tylosin Tartrate Powder
3005.1090	Adhesive Plaste, Surgical Tape and Non Woven Dessing Roll
3005.9090	Adhesive Plaste, Surgical Tape and Non Woven Dessing Roll (Other)
Chapter 32	Tanning or dyeing extracts, tannins and their derivatives; dyes pigments and other colouring matter; paints and varnishes; putty and other mastics; inks Acid dyes, whether or not premetallised, and preparation based thereon; mordant dyes and preparations based thereon
Chapter 33	Essentials ois and resinoids Perfumes; Cosmetics and Toiletories
3401.1100	Toilet Soap
3401.2000	Soap Noodles
3402.1190	Linear Alkyl Benzene Sulphuric Acid
3402.1300	Ethoxylated Nonyl Phenol NP-9
3402.2000	Carburetor Cleaner
3405.1010	Shoe Polish with tin / Plastic Pack
3506.1000	Stationery Items (Glue)
3506.9110	Shoe Adhesive
3506.9190	Hot Melt Adhesive (Others)
3701.3020	CTCP Plates
3808.9110	Mosquito Coil
3823.1100	Chemicals (Stearic Acid)
3823.1910	Palm Fatty Distillate (PFAD)
3823.1920	Palm Scid Oil
3823.1990	Mixture of Fatty Acid
3824.6000	Sorbitol Solution
3824.9910	Gum Base

3824.9980	Chemicals (Chlorinated Paraffin Wax (Liquid)
3907.3000	Epoxide Resin
3909.2000	Melamine Resin
3909.4000	Phenolic Resin
3912.3100	- - CarboxymethyIcellulose and its salts
3917.0000	PVC House Pipes
3917.4000	UPVC, CPVC, PPRC Pipes and Pipe Fittings (Poly Propylene Random Copolymer (PPRC) Pipe Fittings
3918.1000	PVC/Vinyl Flooring (Tile/Plank/Roll)
3919.1020	PVC Electric Insulation Tape
3919.0000	(Water Based Acrylic Type Self Adhesive Tape) Self Adhesive Transparent (BOPP/OPP) Tape
3919.9090	Self Adhesive OPP/BOPP packing tape
3920.1000	Polyolefin Shrink film
3920.2010	Bopp Film Plain above 12 Microns
3920.2030	Bopp Film Metalized
3920.3000	High Impact Polyestyrene Sheets (HIPS)
3920.4300	PVC Transparent / Clear Flexible Sheet / Film
3920.6200	Bopet/Holographic & Pet Sequin film
3920.6310	- - - Polyester film
3921.0000	PVC Penaflex / Banner Sheets
3922.1000	Bath room Accessories made of plastic
3922.9000	Bath room Accessories made of plastic
3923.1000	Disposable Plastic Boxes, Case Containers, bowls, Poly Propylene Jelly Cusps and similar articles Including plastic disposable house hold articles
3923.3010	Disposable Plastic Boxes, Case Containers, bowls, Poly Propylene Jelly Cusps and similar articles Including plastic disposable house hold articles
3923.3090	Plastic Baby feeder
3923.5000	Disposable Plastic Boxes, Case Containers, bowls, Poly Propylene Jelly Cusps and similar articles Including plastic disposable house hold articles
3923.9090	Disposable Plastic Boxes, Case Continers, bowls, Poly Propylene Jelly Cups and similar articles Including plastic disposable household articles
3924.1000	Disposable Plastic Boxes, Case Containers, bowls, Poly Propylene Jelly Cusps and similar articles Including plastic disposable house hold articles
3924.9000	Tublular Plastic household items
3925.2000	-Doors, Windows and their frames and thresholds for doors
3926.1000	Office and School Supplies
3926.4040	Plastic Beads
3926.9099	Empty Plastic Bottles
4007.0090	Latex Rubber Threads
4008.2190	Non Cellular Rubber Sheet
4009.1190	Rubber Foam Insulation Pipe
4010.0000	Industrial Rubber Conveyor Belts,V-Belts
4011.0000	Tyres & Tubes
4015.1900	Latex Examination Gloves
4015.9290	Stationery Items (Rubber Eraser)
4016.9320	- - - Washers and other seals of rubbers
4016.9940	Replacement Auto Parts (rubber Parts. Mounting (HTV/LTV)
4202.1190	School Bags

4202.1210	Traveling bags of plastics or textile materials
4202.1220	Suitcases of plastics or textile materials
4202.2100	Handbags, with outer surface of leather or of composition leather
4202.2200	Ladies Clutches and Wallets made of Artificial Leather
4202.2900	Leather Bags, Jackets and Belts
4202.3900	Ladies Clutches and Wallets made of Artificial Leather
4410.1100	Plain Particle Board and Fiber Door Skins Namely Primered Moulded, Melamine Moulded and Veneered Moulded (Plain Particle Board
4411.1200	Medium Density Fiber Board
4411.0000	Value Added Medium Density Fibre Board
4412.0000	Plywood
4707.9090	Printed/Misprinted Paper Board White back sheets/reels waste of all sorts
Chapter 48	Paper and paperboard; articles of paper pulp, of paper of paperboard (excluding newprint)
Chapter 50-65	Textiles and Textile Articles(Excluding 63.09), Footwear and parts thereof
6601.9900	Umbrellas (Children Umbrellas)
6702.1000	Artificial Flowers
6802.0000	- - Marble, Travertine and Alabaster
6805.0000	Abrasive Cloth Sheet/ Abrasive Kraft Paper Sheet/Roll/Abrasive Kraft Paper Sheet/Roll
6807.1000	Bitumen Membrane
6809.1100	Cypsum Board Standard
6811.8100	Fiber Cement Corrugated Sheet
6811.8200	Fiber Cement Board Plain
6813.2020	Brake Lining & Friction Material (Clutch facing)
Chapter 69	Ceramic products
7002.3910	Clear Glass Tubing of a kind used for the Manufacture of Ampoules
7003.1200	Float Glass and other Glass
7005.1000	Float Glass and other Glass
7005.2100	Float Glass and other Glass, (Color Tinted Float Glass)
7005.2900	Float Glass and other Glass
7007.1119	Automotive Safety Glass/Windscreen
7007.1190	Mobile Accessories Glass Protector (Tempered)
7009.9100	Float Glass and other Glass
7009.9200	- - Framed
7010.0000	Glass Ampoule (clear) /Glass Lid of Cookware of all types/Glass Bottles
7013.1000	Tableware of a kind used for Table, Kitchen, indoor decoration or similar purpose. (Gold plated)
7013.9900	Tableware of a kind used for Table, Kitchen, indoor decoration or similar purpose. (Gold plated)
7018.1000	Glass Beads
7020.0020	Glass Refills for Vacuum Flasks
7020.0090	Other Glass Articles
7117.1900	Electroplated white/yellow, with Plastic stones/beads
7117.9000	Electroplated white/yellow, with Plastic stones/beads
Chapter 72	Iron and Steel (Excluding Scrap)
Chapter 73	Articles of Iron and Steel
7411.1090	Copper Tube
7606.1100	Plain Aluminum Steel
7606.1200	Aluminum Composite Panels
7607.1100	Plain Aluminum Foil

7608.2000	-of Aluminum Alloys (Aluminum tubes and pipe)
7610.1000	Aluminum Doors/Windows and Frames
7610.9000	Aluminum Doors/Windows and Frames
7613.0010	--- Aerosol cans with valves and covers
7615.1000	Aluminum Utensils (Aluminum Component of Non stick Kitchen Ware)
7616.9990	Articles of Aluminum
8202.1000	-Hand Saws
8203.1000	Steel Files Flat Bastard
8203.2000	Hand Tools Pliers
8205.4000	Hand Tools Screwdrivers
8205.5100	Hand Tools Household tools excluding Glaziers Diamond
8208.9090	Other Knives
8211.9200	- - other knives having fixed blades
8212.1000	Disposable Razor Twin Blade Plastic Body
8212.2000	Cartrige of Disposable Razor Blade Plastic Body
8214.9000	Nail Cutters / Clippers
8301.3000	Knob & Handle Door Lock, (non-electric) (made of base metal)
8301.4000	Knob & Handle Door Lock, Door Handle Lock, Thumb Action Lock, (Entrance Lock), Night Latch/rim lock & Electric Rim Lock
8302.1090	Hinges
8302.4200	Drawer Slider
8305.2000	Stationery items(Staple Pins)
8305.9000	Stationery Items (Blinder/File Clips/Clamps/Fastner)
8306.2900	Other items of base metal
8307.1000	-Of Iron or steel
8307.9000	-of other base metal
8308.1010	- - - Hooks
8308.9020	- - - Buckle
8308.9090	other article of base metal
8311.1000	MS Welding Electrode
8407.9090	Others (Gasoline Engine)
8408.2090	Auto Parts: (6-Cylinder Diesel Engines with Head and Gear Box.)
8408.9000	Other Engine (Diesel Engine)
8409.9110	Auto Parts: (3-Cylinder Engine Block with Head)
8409.9130	Auto Parts: (3-Cylinder Engine Block with Head)
8409.9140	Motorcycle arts, Cam chain
8409.9910	Replacements Auto Parts (Piston Set)
8409.9930	Replacement Auto Parts, Liners/Engine Valves/ Valve Tapper/ Valve Guide/ Gasket/ Cylinder Head/ Cylinder Block/ Connecting Rod/ Bearings/ Bushes/ Connecting Rods
8409.9999	Replacements Auto Parts (Engine Valves, Valve Tapper, Valve Guide, Cylinder Black)
8413.1990	Other (Pump fitted with measuring device)
8413.3010	Auto Parts: (Fuel Injection Pump)
8413.3050	Replacement Auto Parts (Fuel Pump)
8413.7010	Submersible Pump
8413.7090	Submersible Pump with motor (Plastic Body)
8413.8100	- - Pumps
8413.9150	Replacement Auto Parts (Pump Parts) (e.g. Nozzle, Plungers/ Delivery valve)
8414.3020	Tractor Parts, Feul Injection Pump,
8414.5190	Components for Split Air Conditioners
8414.6000	Cooking Hood/ Range Hood/ Chimney (Island Hood)

8414.8090	Other (Air Compressor)
8415.1029	Portable Air Conditioner
8415.1039	Tropical Multi System/Chiller type/Ductless Air Conditioners (Conventional)
8415.1099	Tropical Multi System/Chiller type/Ductless Air Conditioners (Conventional)
8415.8290	Others (Air Handling Units)
8534.0000	Single Sided (Bare Board) Printed Circuit Boards
8536.2090	Circuit Breakers (Double Pole Breaker)
8538.9090	Other (Switch and socket parts)
8539.1000	Replacement Auto Parts, Sealed Beam
8539.2110	Wedge Bulbs
8539.2990	Electric Clear Bulbs & Tube Lights
8544.1900	Copper Coated Aluminum Enameled Winding Wire
8544.2000	Coaxial Cable (with PVC Jacket)
8544.4290	LED TV Parts (Wire / Cable accessories / Wire Cable Assembly / Power Supply Connecting Cables)
8544.4990	Telephone Cables
8544.7000	Networking Cables: (Networking Cable Fibre Optic)
8703.0000	New vehicles (containerised)
8704.3140	Three Wheelers Cargo Loaders in CKD/SKD Conditions
8708.0000	Replacements Auto Parts
8711.2010	Motorcycle Parts (C.D.I. Unit) (OEM Brands Genuine Parts)
8711.5090	New Branded Heavy Motorcycles
8712.0000	Bicycle Non Geared
8714.1020	Motorcycle Parts, Clutch Assembly
8714.1090	Motorcycle parts (Drum Gear Shift)
8714.9900	Bicycle Parts
9018.3110	Disposable Syringe with Needle
9018.3200	Medical Items/Equipment Endotracheal Tube (cuffed)
9018.3920	Infusion Giving Sets without Burettee
9302.0092	Pistols
9306.3090	Ammunition/ Cartridges for pistols
9401.3000	Bar Stool, Revolving/Hydraulic Made of Metal base
9401.7100	Office Furniture and parts thereof, (Waiting Chair/Visitor Chair Metal Frame with Cushion Metal Frame (Non Revolving Hydraulic)Low Back
9401.7900	Waiting Chair, Metal Frame without Cushion
9401.8000	Home and Office Furniture and parts, (Garden Chair Metal/plastic
9401.9090	Seat & Back for Chair with Cushion
9403.0000	Furniture
9405.1010	Light Fixture (Wrought Iron + Glass/Plastic)
9405.1090	Light Fixture (Wrought Iron + Glass/Plastic)
9405.3000	LED Decoration Strip Lights / Christmas /Rice /Festival /Madni /Larris Lights
9405.4090	Light Fixture (Wrought Iron + Glass/Plastic)
9405.9110	Chandleiers, Pendants & Other Hanging Lights and Parts (Parts of Glass)
9405.9190	Chandleiers, Pendants & Other Hanging Lights and Parts (Parts of Glass)
9406.1030	- - - Silos
9503.0010	Toys (Plastic Toys) Ride on Toys (Battery Operated Cars)
9503.0090	Toys (Plastic Toys) Dolls (Barbie (Battery Operated)
9505.9000	Festive/Christmas Snow Spray
9506.9100	Exercise Machines (Stability Ball)
9508.9000	Swing, Metal/Cane/

9602.0010	Empty Hard Gelatin Capsules,
9603.2100	Tooth Brushes (Colgate) (Audit)
9603.9000	Brushes (Hair Brushes Non Eclectic)
9606.1000	Press-Fasterners, Snap-Fasterners, Press-Studs and Parts Thereof (Iron/Steel)
9606.2100	Plastic (Plain) Buttons
9607.1100	Zippers (Brass)
9607.1900	Zippers (Brass)
9608.2000	Stationery Items (Markers all types (Except Paint and Drawing markers)
9609.1000	Stationery Items Black Lead Pencils with or without rubber tip
9615.9090	Other Articles
9616.1000	Scent and Similar Toilet Sprays and Mount Head (Empty Sprayers/Atomizer made of Plastic)
9617.0010	Vacuum Flasks (Outer casing of stainless steel with inside refill of glass).
9619.0010	Audit/Patient Diapers
9619.0020	Baby Diaper
9619.0030	Sanitary Towels (Pads) and Tampons
8415.9011	Components for Split Air conditioners (Inverter Type)
8415.9021	Auto Parts: (Condenser)
8415.9029	Components for Split Air Conditioners
8415.9030	Components for Split Ac conditioners (Inverter type)
8415.9099	Components for Split Ac Conditioners
8418.0000	Direct Cool Refrigerator
8418.5000	- other furniture (chest, cabinets, displays counters, show-cases and the like) for storage and disolay, incorporating refrigerating or freezing equipment.
8418.9920	Wire Condenser for Water Dispenser
8418.9990	Top cover assembly, refrigerator door assembly, Hot tank Assembly, of cold Water Dispenser
8419.1190	Parts of Gas Water Heater
8421.2310	Replacement Auto Parts, Fuel Filter
8421.2390	Replacement Auto Parts (Air Filter)
8421.3190	Automotive (Genuine Parts)
8421.3990	Other (Filters)
8424.1000	- Fire extinguishers, whether or not charged
8425.4900	Auto Parts
8448.3110	Ring Traveler
8448.4290	Other (Textile machinery parts)
8450.1190	Automatic Washing Machine
8450.9000	Washing Machine Parts
8481.0000	Valves
8482.1000	Ball, Taper, Needle, Roller, Spherical & Cylindrical, Bearings
8482.2000	Ball Bearings
8482.3000	Ball, Taper, Needle, Roller, Spherical & Cylindrical, Bearings
8482.4000	Ball Bearings
8482.5000	Ball, Taper, Needle, Roller, Spherical & Cylindrical, Bearings
8482.8000	Ball Bearings
8483.1012	Motorcylce parts, Spindle gear shaft
8483.1019	Tractor Parts (Crank Shaft Assembly)
8483.1090	Replacement Auto Parts, Cam Shaft
8483.3010	Tractor Parts
8483.3090	Housing and Ball, Taper, Needle, Roller, Spherical & Cylindrical, Bearings and Parts/ Components of Bearing

8483.6010	Replacement Auto Parts, (Transmission Group, Clutch Disc/ Clutch Covers /Gears/Axle shafts/Universal Joints)
8484.1029	Replacement Auto Parts, Liners/ Engine Valves/ Valve Tapper/ Valve Guide/ Gasket/ Cylinder Head/ Cylinder Block/ Connecting Rod/ Bearings/ Bushes/ Connecting Rods)
8501.4090	Components for Split Air conditioners (Inverter Type) (Single phase A.C motor (Outdoor/indoor)
8501.5210	Submersible Motor (Stainbless Steel)
8501.5290	Submersible Motor (Cast Iron)
8501.6100	AC Synchronous Alternators
8501.6200	AC Synchronous Alternators
8502.0000	Diesel Generators
8503.0090	Other (Parts of Motors)
8504.4010	Uninterrupted Power Supply (UPS)- (Used) (All Types)
8504.4020	Mobile Accessories (Car Charger (Single Smart Jack)
8504.4090	Adapters
8506.1000	Dry Battery Cell AA/R-6-UM3
8506.8000	Mobile Accessories (Built in Mobile Battery with strip)
8507.1010	Carbide Tips
8507.0000	Laptop Battery
8508.1190	Household Appliances, Vacuum Cleaner
8509.4010	Household Appliances, Juicer Extractor Blender
8509.4030	Household Appliances, Citrus Juicer
8509.8000	Household Appliances, Food Processor
8511.1000	Replacement of Auto Parts (Spark Plugs)
8512.2010	Replacement Auto Parts (Lamps/Light Lenses Single)
8512.2090	Replacement Auto Parts (Lamps/Light Lenses Single)
8513.0000	LED Rechargeable Light
8516.2900	Electric Heater
8516.3100	Household Appliances, Hair Dryer
8516.4000	Household Appliances, Dry Iron
8516.6010	- - - Electric Over
8516.6090	Household Appliances, Rice Cooker
8516.7910	Household Appliances, Insect Killer
8517.6220	Modem (Wifi)
8517.6990	Networking Equipments (Media Converter) (Media Converter)
8517.7000	All types of Mobile Phone LCD Screens
8518.2100	Multimedia Tower Speakers 2.0
8518.2200	Computer Mini USB Speaker 2.0
8518.2990	Multimedia Tower Speakers 2.0
8518.3000	Mobile Accessories (Mobile Handsfree with pin)
8521.9090	Virtual Reality Glass
8525.8010	CCTV (Analog/HDCVI) Camers (CCTV Cameras without Accessories
8527.2110	Car Stereo Player
8527.2910	TFT Screen
8528.5900	Other (Display panelscreens and motors)
8528.7190	Set Top Box (STB)
8528.7211	LED Television Sets
8528.7213	LED TV Parts
8528.7290	TFT Screens
8529.9090	Android TV Box
8532.1000	Capacitors in Outer metal Casing – Tubular Capacitors – Power Factor
8532.2900	Start Capacitor / Electrolytic Capacitors]

434. Amendments to imports declaration.- [90][(1) No declaration made under rule 433 shall be amended after the customs has started checking the declaration:

Provided that such declaration may be cancelled where-

(i) the goods have not arrived at the declared terminal on which CCS is operational; [90][omitted]

(ii) clearance of goods or class of goods has explicitly been excluded from the purview of CCS [90][;

(iii) in other cases where the Additional Collector of Customs is satisfied that the circumstances warrant cancellation of goods declaration.

(2) Where a goods declaration is cancelled, as laid down in clause (i) to (iii) of sub-rule (1), all duty and taxes paid against the goods declaration may be adjusted, against the subsequent goods declaration filed for clearance of the same goods, subject to appropriate changes in the Customs Computerized System.]

435. Examination of imported goods.- The Terminal Operator shall make arrangements for the examination of imported goods so declared under rule 433 which includes their weighing, sampling, inspecting and scanning, and shall render such other services related to the examination thereof in accordance with the requirements of these rules.

436. Inspection or sampling by regulatory bodies of the Government: Government bodies involved under their own laws to inspect imported cargo while the goods are at the terminal may do so and after necessary inspection or obtaining samples, as the case may be, shall seal the container. They may acquire online access to CCS, whereby they will have the facility to issue the requisite certificates online related to consignments under their respective laws.

437. Requirement of documents.- Where any documents are required for clearance of goods in support of the declaration filed under rule 433, the customs shall, on line, specify the documents so required from the importer or his agent who shall, as the case may be, produce such documents.

438. Assessment by customs authorities.- Where any declaration has been filed under rule 433 or additional documents have been submitted under rule 437, the customs shall satisfy itself as to their correctness including its value, classification, claim of exemption, payment of duties and taxes, and may re-assess the goods during or after clearance.

439. Provisional clearance of imported goods.- Subject to rule 440, the imported goods may be provisionally cleared as follows provided appropriate securities have been furnished:

(a) **Valuation:** The clearance of goods by the Clearance Collectorate shall be restricted to transaction value method, identical goods method and similar goods method under section 25 of the Act, and where detailed scrutiny is required and subsequent valuation methods are to be applied, the case shall be forwarded to the Valuation Department on line while clearing the goods provisionally.

(b) **Classification:** Where any dispute regarding classification of goods cannot be resolved during review, the case shall be forwarded to the Classification Center on line while clearing the goods provisionally.

(c) **Exemptions:** Where any dispute regarding admissibility of exemption or concession claimed by the importer in his declaration is not resolved during review, the goods shall be provisionally cleared.

(d) **Lab-tests:** Where any chemical or other test is required to ascertain nature or specification of goods, it shall be provisionally cleared pending any such test including lab-test provided no restriction is imposed on such goods.

440. Finalization of provisional assessment.- The cases of valuation and classification forwarded to the Valuation Department and Classification Centre under rule 439 shall respectively be finalized

by them using their respective unique user identifiers, and the cases of exemption and lab-test shall be finalized by the Collectorate clearing the goods on the basis of assessment made by it where after the securities furnished by the importer shall be released or en-cashed, as the case may be, by such Collectorate.

441. Review of assessments.- The importer or his agent may file request for a review to Customs online giving detailed reasons for disagreement with Customs. Customs shall review the assessment on the basis of submissions by the importer or his agent.

442. Release of imported goods.- Customs release message will be electronically communicated to the importer, his agent and the Terminal Operator. The goods will be released by the Terminal Operator subject to fulfilling of any condition specified by Customs in electronic message to the Terminal Operator. The Terminal Operator shall submit all collected documents requisitioned through electronic message to Customs at the end of the day.

Sub-Chapter IV
Procedure of exports through CCS

443. Procedure for exports.- Subject to the provisions herein laid down, the procedure for exports including every activity there against online shall apply to CY FCL and CY LCL containers as may be operated from any container terminal whereat CCS is operational.

444. Filing and validity of export Goods declaration: Every declaration in relation to each consignment of to-be-exported goods shall be filed with CCS online by the exporter or his agent which shall be deemed to have been submitted to customs only where duties and taxes leviable thereon, if any, have been paid or discharged through Pre-pact as self assessed by the person declaring it and after claiming duty drawbacks if any Every export declaration shall be valid for a maximum period of fifteen days from its submission.

[137][Provided that the condition of upfront payment of duty and taxes shall not be applicable if the declaration is filed through the Pakistan Single Window system where declaration shall be deemed to have been filed upon submission through the system.]

445. Amendments to exports Goods declaration: Subject to the following conditions, a declaration for export filed under rule 444 may be amended by the exporter or his agent who initially filed the declaration:

(a) a Goods declaration for export once complete cannot be amended;

(b) Goods Declaration that has already been cancelled cannot be amended;

(c) information relating to a container that has already passed into the customs-area cannot be amended;

(d') New items may not be added to a Goods Declaration as amendment.

(e) an export declaration cannot be amended where its validity has expired and none of the containers relating thereto have passed into the port;

Explanation 1.- An export declaration shall be deemed to be complete in case:

(i) all the containers relating to export declaration have passed into the port;

(ii) the exporter or his agent specifically completes the export declaration; and

(iii) Some of the containers in the Goods Declaration have passed into the port and the validity of the Goods Declaration has expired. In such cases the exporter or his agent shall be at liberty to file a new Goods Declaration for the remaining cargo on the same form E.

Explanation 2: Allow Loading shall only be granted to the containers for which the Goods Declaration are complete.

446. Cancellation of export Goods declaration: An export goods declaration may be cancelled at anytime by the exporter or his agent who initially filed such declaration provided no container declared there

under has passed into the customs-area before validity of the declaration has expired otherwise in that case the declaration shall automatically stand cancelled on the expiry of the validity period.

447. Pass-in authorization of containers.- Soon after filing of the export goods declaration under rule 444, the Terminal Operator shall be authorized online to allow pass-in of the containers as specified in such declaration provided that each container is:

(a) accompanied with the consignment note as provided in CHAPTER XVIII; and

(b) sealed except the container falling under certain types where seals cannot be applied, like one door open, open top, flat rack, etc.

448. Cut-off time for filing of export declaration or pass-in of cargo.- There shall be no cut-off time for filing of export declaration or pass-in of the cargo into customs-area under CCS and, with respect thereto, the customs shall not summarily apply or waive off any process required under any law for the time being in force allowing export of the cargo on the plea that any vessel is scheduled to depart, or involve itself with the particular vessel on which a cargo is shipped from Pakistan, yet, exporters are encouraged to monitor and manage their own schedules and to adhere to the cut-off timings as are given to them by the carriers or the Terminal Operator and the decision whereto rests with the shipper and the carrier,.

449. Export cargo to bear numbered bullet seals.- Each container carrying export cargo shall bear numbered bullet seal applied to the container before its pass-in and subject to rule 448, the Terminal Operator shall not receive any such cargo without numbered bullet seal as indicated in the consignment note.

450. (1) Examination of export goods.- The Terminal Operator shall make arrangements for the examination of export goods after the containers pass-in which includes their weighing, sampling, inspecting and scanning in accordance with the requirements of these rules.

(2) Assessment by customs.- Where any goods declaration has been filed under rule 444 the customs shall satisfy itself as to its correctness including its value, classification, claim of exemption, payment of duties and taxes, re-payment of duty-drawback etc., and may re-assess the goods during or after release.

3. Review of assessment.- The exporter or his agent may file request for a review to Customs online giving detailed reasons for disagreement with Customs. Customs shall review the assessment on the basis of submissions by the exporter or his agent.

451. (1) Inspection or sampling by pre-shipment organizations, price checking or quality assurance bodies: In case export cargo is to be inspected by a pre-shipment organizations, price checking or quality assurance bodies, such bodies will complete their functions and issue their NOCs or certificates, if any, prior to pass-in of the containers into Customs area.

(2) Inspection or sampling by regulatory bodies of the Government: Government bodies that are involved under their own laws to inspect export cargo may do so prior to the pass-in of the container into the port and seal the container after inspection or in case they deem it necessary to examine the cargo at the port they may acquire online access from CCS, whereby they will have the facility to monitor the export consignments, and if required under their law, may hold any container online from being shipped abroad unless their legal requirements have been completed. On completion of legal requirements the departments may release online the container that was held earlier by them.

452. (1) **Allow loading**: Each consignment that is allowed loading by Customs shall be intimated online to the Terminal Operator as well as the exporter or the agent. Allow Loading shall only be granted to the cargo for which the Goods Declaration has been completed.

(2) **Loading of cargo**: (a) The Terminal Operator shall load containers on the vessel on the basis of 'loading allowed' message from CCS, and shall intimate the event of loading of each container to CCS online. Loading allowed for a container shall be independent of vessel; a container that is allowed loading may be loaded on any vessel from the terminal as per the arrangement of the exporter with the carrier. No subsequent authorization for allow loading for any left out containers will be required.

(b) Terminal operator shall allow loading only to those consignments for which documents, if any, as are required for the export of the cargo and as are electronically intimated to the exporter or his agent at the time of filing of a Goods Declaration to Customs, have been collected by the Terminal Operator.

453. Removal of export cargo from the port: The exporter or his agent may, at any time after loading has been allowed through CCS and till the time the container has been loaded onto a vessel, request for the removal of any of his containers from the port area, whereupon, the customs shall, subject to such conditions, limitations or restrictions as may be imposed by it or otherwise specified in this Sub-Chapter, authorize such removal which shall be communicated to the Terminal Operator, online who shall cause the removal of such container from the port area. Authorization for removal allowed shall be communicated online to the exporter or his agent.

454. Pass-in and loading of export cargo from other ports.- The procedure as have been laid down under rules 503 to 510 shall be applicable in case of pass-in and loading of export cargo originating from up-country customs- stations, or other ports or terminals.

Sub-Chapter V
Duty Drawbacks under CCS

455. Application for duty drawback.- Every goods declaration for export filed under rule 444 shall also be considered as an application for duty drawback.

[103][**456. Processing and sanction of duty drawback**.- Duty drawback as may be admissible shall be part of the process of assessment of cargo for export and the amount so admissible to the exporter shall be computed and processed by Customs Computerized System on sale proceeds amount repatriated into the country and Form-E settlement from the commercial bank.]

457. Payment of duty drawback.- (1) While filing an export GD when a PCT code is entered in Customs Computerized System, the system displays the relevant SROs and DDB rates according to goods description and nature of exports. The exporter may select and claim the most relevant description and rate of duty drawback admissible thereof.

(2) On repatriation of sales proceeds into the country and settlement of Form-E, the commercial bank shall update information to this effect in Customs Computerized System.

(3) Customs Computerized System shall calculate the amount of DDB according to the selection of SRO and DDB rate by the exporter on sale proceeds amount repatriated into the country reported by the bank.

(4) Customs Computerized System shall generate duty drawback order (DDO) in the system subject to risk management system (RMS) and shall electronically send it to SBP initially in batches and subsequently in real time gross settlement system (RTGS). The information shall be in MT103 format. If certain goods declarations, where duty drawback have been claimed, are identified by RMS for compliance check, the Collector or an officer so designated by him, may determine the eligibility of duty drawback or otherwise and update the Customs Computerized System accordingly:

[123][Provided that the duty drawback claims marked by the Risk Management System (RMS) for compliance check to the Collector or designated officer shall be decided by the Collector or designated officer within seven working days on F.I.F.O. basis.]

(5) SBP shall credit the payment in the account of exporters through commercial banks on FIFO basis.

(6) Once payment is actually transferred to the account of exporter, SBP shall update this information in Customs Computerized System.

(7) After payment of DDB, system shall randomly select 10% of cases and mark to post release verification (PRV) section of the respective Collectorate.

(8) A consolidated discrepancy report shall be sent by the collectorate to SBP electronically on monthly basis.

(9) Comprehensive audit of duty drawback payments made to the exporters shall be carried out by post clearance audit (PCA).

(10) Any recovery detected by PRV or PCA shall be reflected against NTN of exporter and shall be taken into account by Customs Computerized System while generating next DDO and update profile in the RMS.

(11) Any under payment detected by PRV or PCA shall also be taken into account by Customs Computerized System and paid to the exporter while generating next DDO.]

[103][458. **Repayment of duty drawbacks to authorized economic operators.-** In case of authorized economic operators, after repatriation of sales proceeds into the country and settlement of Form-E', the amount of DDB, as may be admissible, shall be sanctioned by Customs Computerized System on priority basis.

459. Re-assessment of duty drawback.- After payment of DDB, system will randomly select 10% of cases and mark to PRV section of the respective collectorate. The customs may re-assess the export declaration any time during five years of clearance of goods for export and if on account of such re-assessment it is found that duty drawback has been paid in excess, the differential amount shall be recovered from the exporter along with fine, etc. If it is found during the audit that lower amount of duty drawback has been paid, the differential amount shall be paid to the exporter.

460. Post drawback audit.- Comprehensive audit of duty drawback payments transferred directly by SBP to the account of traders shall be carried out by PCA.]

Sub-Chapter VI
Warehousing under CCS

461. Maintenance of record.- The licensing authority shall maintain particulars of the warehouse license on CCS regarding approval, cancellation, suspension or revalidation using its unique user identifier and in case of private bonded warehouse, the licensing authority shall also enter the particulars of goods allowed warehousing.

462. Declaration to abide warehouse conditions.- An importer shall, in relation to imports into a customs bonded warehouse through KICTL or any other container terminal whereat CCS is operational, make a declaration online undertaking to abide by the conditions set out in sub-section (1) of section 86 of the Act.

463. Risk management system for every declaration of export.- A declaration relating to export of goods from a manufacturing bond through KICTL or any other container terminal whereat CCS is operational shall be filed online and shall be subjected to risk management system and examinations to be conducted accordingly.

464. Filing of declaration pertaining to ex-bond imported goods.- For ex-bond of goods from the Customs bonded warehouse, imported through CCS, a goods declaration shall be filed on CCS.

465. Clearance of cargo from or into the bonded warehouse.- The Collectorate of Customs in whose jurisdiction the customs bonded warehouse lies shall be given access to check the particulars of clearance of cargo from or into the bonded warehouse.

466. Bonded Warehouse licensees to obtain unique user identifiers.- All customs bonded warehouse licensees shall obtain unique user identifiers under section 155-E of the Act for clearance of cargo through CCS.

467. Intimation of cargo receipts by the bonded warehouse licensees.- The licensee of a public or common bonded warehouse shall intimate the receipt of imported cargo to CCS through his unique user identifier immediately.

468. Delivery of goods by the bonded warehouse licensees.- The licensee of public or common bonded warehouse shall allow delivery of goods cleared though CCS after duly verifying the particulars of ex-bond goods declaration using his unique user identifier.

469. Provisions of CHAPTER XV to apply.- Except for the foregoing provisions specified under rules 461 to 468, all other provisions relating to warehousing provided in CHAPTER XV shall, mutatis mutandis, apply.

[78][Sub-Chapter VII
Transit under Customs Computerized System

470. Scope.-The provisions of this sub-chapter shall be for the purposes of Afghanistan-Pakistan Transit Trade, for processing of transit trade cargo under Customs Computerized System, to and from Afghanistan, namely:-

(a) Afghan commercial cargo imported through Karachi Port, Port Muhammad Bin Qasim, Gawadar Port or Sost;
(b) Afghan commercial cargo from Afghanistan to India through Wahga;
(c) Afghan commercial cargo from Afghanistan to other countries; and
(d) non-commercial cargo.

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

(i) **"Afghan transit group"** means a section established in a Collectorate of Customs or in the Directorate General of Transit Trade specifically to handle the transit trade related affairs;

(ii) **"AT-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 Afghanistan;

[146][(iia) "approved off-dock terminals" means the off-dock terminals in Karachi and Gwadar which have been approved for cross stuffing of Afghan transit cargo by the Directorate of Transit Trade [147](omitted), Karachi/Gwadar, keeping in view the adequacy of space, infrastructure, equipment and over all preparedness for cross stuffing;]

(iii) **"Bill of lading"** means the document issued by shipping line containing details about the type, quantity, and destination of the goods;

(iv) **"Border stations"** means Chaman, Torkham, Sost, Wahga [126][Ghulam Khan] and any other Customs station notified by the Board for the purposes of the Afghan Transit Trade;

(v) [126]**["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 **"Cargo"** means goods including vehicles;

[(va) "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;]

(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) **"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 of international specifications 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;

[146][(xa) "cross stuffing" means transfer of goods from one container to another container or any other mode of transportation which is approved for TIR operations, [147][in the approved places within premises of customs-ports, terminal or off-dock terminals] under customs supervision and shall also include transfer of bulk or non-containerized reverse transit cargo in to open trucks of approved transport operators at land border station;]

(xi) **"Customs security"** means encashable financial guarantee acceptable to Customs, submitted by the traders or their authorised agents or brokers on transit goods for an amount equivalent to the import levies of the host country, and transport operators or their authorized representatives on Afghan commercial vehicles, for an amount covering the duty and taxes on their vehicles as per prescribed rules;

(xii) **"Dangerous goods"** means goods posing a significant risk to health and environment, security and property when being transported or lying in storage;

(xiii) **"Examination of goods"** means the process of physical ascertainment by Customs of nature, origin, condition, quantity and value with reference to transit documents;

(xiv) **"External user Registration Office"** means the office designated by the Ministry of Commerce and Industries, Islamic Republic of Afghanistan for registration of Afghan Traders and other users with the Customs Computerized System;

(xv) **"Import duty 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;

(xvi) **"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 of containerized cargo are in accordance with the particulars provided in the goods declaration or bill of lading;

(xvii) **"Jawaznama"** means a license issued by the Ministry of Commerce, Islamic Republic of Afghanistan to its nationals for trade of goods to and from Afghanistan;

(xviii) [126]**["licensing authority"** means the respective Director of Transit Trade, where an applicant, based on his/her business address, has applied for issuance of transport operator's license **;]**

(xix) **"Mafinama**" means a certificate issued by the Ministry of Finance, Islamic Republic of Afghanistan to a non-cmmercial importer based in Afghanistan for imports into Afghanistan;

(xx) **"Non-commercial transit cargo"** means all goods, other than the Commercial transit goods, cargo of diplomatic missions, Afghan Government, registered NGOs, UN agencies, European Commission but excluding the cargo belonging to US Army, ISAF, NATO or other military forces stationed in Afghanistan;

(xxi) **"Office of departure"** means any Customs office at which a Customs transit operation commences;

(xxii) **"Office en-route"** means any Customs office through which goods in transit pass during the course of a Customs transit operation.

Explanation.-*If the office of departure is Karachi, the office en-route shall be Torkham / Chaman and the 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;*

(xxiii) **"Office of destination"** means any Customs office at which a Customs transit operation is terminated;

(xxiv) **"Prohibited goods"** means the goods prohibited to be carried under the transit trade under any law for the time being in force;

(xxv) **"Prescribed transport route"** means the land route prescribed by Federal Board of Revenue for transportation of transit goods within the frontiers of Pakistan;

(xxvi) **"Sealing"** means affixing of PCCSS seal on transit goods under [126][Customs General Order No.03 of 2020] and issuance of transport note electronically;

(xxvii) **"Shipper seal"** means the seal affixed on container by the shipper from the port of loading;

(xxviii) **"System"** refers to the Customs Computerized System that is in operation in the Customs offices as per Board's instructions;

(xxix) **"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;

(xxx) **"Transit goods"** means the goods whether Commercial or Non-commercial transited through Pakistan, to and from Afghanistan;

(xxxi) **"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;

(xxxii) **"Transport operator (TO)"**means Pakistan Railways or *such other carrier* [126][*or transport operator] 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;

(xxxiii) **"Transport unit"** means aircrafts, freight containers of international specifications transported by road, railway wagons or road vehicles including trailers, semi-trailers;

(xxxiv) **"TIN" or "Tax Identification Number"** means the 10-digit unique number issued by Ministry of Finance, Islamic Republic of Afghanistan to identify a specific taxpayer;

(xxxv) **"User ID office"** means the designated office in the Directorate General Transit Trade for registration and issuance of users IDs to the Transit Traders/user**.**

(xxxvi) [126][“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;] and

(xxxvii) **“Vehicle”** means any rigid road vehicle, articulated vehicle, unaccompanied trailer or semi-trailer.

(2) The words and expressions used, but not defined herein, shall have the meanings assigned to them in the Act or these rules.

[126][**472. Filing of goods declaration for transit cargo**: (1)The transit cargo shall not be subject to payment of import or export duties and taxes provided the activities are in conformity with these rules.

(2) The transit cargo shall be distinctly manifested as such in the IGM or carrier declaration uploaded electronically in the Customs Computerized System by the shipping line or its agent of customs agent of bonded carrier. The importer’s country’s name and address shall be of the said foreign country for which goods are intended to be imported.

(3) The trader or his authorized customs agent shall file the Goods Declaration online in the Customs Computerized System at the office of departure through User ID.

(4) The trader or his agent (customs agent or bonded carrier) shall upload scanned copies of bill of lading, commercial invoice and packing list at the time of filing of GD.

(5) In case of commercial cargo, the trader or his agent (customs agent or transport operator) shall ensure that sufficient credit is available against the face value of their revolving insurance guarantee maintained with customs, to cover the leviable duty and taxes on transit goods within territory of Pakistan.

(6) In case of non-commercial cargo, the GD shall be accompanied by scanned copy of exemption certificate issued by the relevant authority of Government of Afghanistan. However, the Customs authorities in Pakistan may require customs security from the bonded carrier, if the non-commercial transit goods are of high value or sensitive nature.]

473. Processing of transit cargo at the office of departure at seaports Karachi, Port Muhammad Bin Qasim and Gwadar.– (1) The GD shall be filed by the trader or his authorized customs agent or the bonded carrier, having valid clearing agent licence. In case, a GD is filed by the trader or his customs agent, he shall nominate the bonded carrier at the time of filing.

(2) The bonded carrier or customs agent filing the GD, shall be required to submit “revolving insurance guarantee” with the customs and shall ensure that sufficient amount is available in their revolving insurance guarantee to cover the leviable duty and taxes in the GD for customs security. The GD will be assessed by the Customs Computerized System (CCS) on pattern of GDs filed for local home consumption and the amount equal to leviable duty and taxes will be deducted from the face value of revolving insurance guarantee as customs security. Subsequently, the said amount will be credited after completion of cross border formalities at the border customs station.

(3) After filing of GD, upto twenty (20) per cent consignments of transit goods shall selected by the Risk Management System (RMS) for scanning, while those consignments cleared by RMS will be forwarded to the respective terminal operator for delivery and to the sealing officer for sealing.

(4) In case of over-sized, bulk and break-bulk cargo, where scanning is not possible, such goods may be examined subject to approval from respective Assistant or Deputy Director.

(5) In case of any discrepancy noticed at the scanning, the said container shall be marked for examination with specific remarks. The selected consignments shall be examined hundred percent and the examining officer shall compare the items examined with the packing list and feed his report in the CCS.

(6) In case, no discrepancy is found during the examination, the GD shall be forwarded to the respective terminal operator and sealing officer for delivery and sealing of container respectively.

(7) While in case of difference between the declaration and goods found on physical examination, GD shall be marked by the examiner to the Appraising Officer for further action as under the law i.e., framing contravention in case of mis-declaration or rectification of the mistake with the approval of concerned AD or DD.

(8) Any transit GD marked as "Green" by RMS can only be examined with prior written approval of the concerned Director of Transit Trade.

(9) Upon completion of all Customs formalities, the GD shall be assigned to the bonded carrier for feeding of carrier information including vehicle registration number or railway wagon number, driver's name, and other particulars as required by the system. Before the cargo is allowed "Gate out" by the Terminal operator or the Customs staff, as the case may be, it shall be presented to the Customs Containerized Sealing Unit (CCSU) or the Customs sealing staff for affixing of machine-readable seals and feeding of the seal number and other relevant information in the system. Moreover, tracking device seal shall be affixed on the containers, carrying transit cargo, by the tracking company licensed by the FBR in accordance with the prescribed procedure.

(10) The sealing staff shall verify the installation of the same and upload images of the seals, tracking devices, vehicles, and the containers in the system and shall generate the Transport note on the prescribed format (**Appendix-I**) for handing over to the carrier. Each copy of the Transport note shall be signed by the Customs sealing staff. One copy shall be retained by the sealing staff, one copy shall be handed over to the driver of the transport unit who will submit the same to the gate in staff of the office en-route and last copy shall be retained by the representative carrier for his record.

(11) The Terminal operator or the Customs staff, as the case may be, shall allow "Gate out" to the cargo in transit on receipt of the Seal Verification Mechanism (SVM) message through EDI. Where EDI messaging has not yet been established, the Customs staff shall allow "Gate out", on completion of the sealing event in the system.

(12) The Terminal operator shall enter the weight of the container, bulk, break-bulk cargo at the time of "Gate out" for onward communication to the Customs Computerized System through EDI. Upon the completion of Gate out event, Terminal operator shall send "GTO" message to the Customs Computerized System.

"474. Processing of transit goods at the Office of departure at land border stations (Torkham, Chaman, Ghulam Khan, Sost etc.).– The transit cargo entering into Pakistan through land border stations shall be processed in the following manner:

(i) The incharge of conveyance shall hand over IGM at zero line of the border in triplicate to Customs, Frontier Corps and terminal operator. The carrier declaration shall be uploaded electronically in the system by a person authorized by the Customs specifying the description and quantity of goods, their destination and registration number of vehicles wherever applicable:

Provided that in case of foreign registered commercial vehicles, the Transport operator or his authorized agent shall first apply and obtain the Temporary Admission Document (TAD) as per the procedure specified in rule 482;

(ii) the vehicle transporting the transit goods shall be allowed "Gate in" in the system by the terminal operator or Customs staff as the case may be after filing of the carrier declaration or IGM;

(iii) the goods declaration filed by or on behalf of the foreign trader or user shall be processed in the same manner as prescribed in these rules in the light of relevant documentation:

Provided that transit cargo coming from third countries in terms of article-4(c) of Protocol Three, with whom, the contracting parties have a transport agreement may be allowed transit in the territory of Pakistan by the Board on case to case basis;

(iv) upon completion of all Customs formalities including integrated weighment and scanning (whenever made available). The GD shall be assigned to the Customs sealing staff for sealing as per prescribed procedure. The sealing staff shall affix the seals, enter the sealing information and upload images of the seals, tracking devices, vehicles, and the containers (wherever applicable) in the system directly in the system, and generate triplicate copies of "Transport note" to these rules. Each copy of the Transport Note shall be signed by the Customs Sealing staff and transporter or his authorized representative; one copy shall be retained by the Sealing staff, one copy shall be handed over to the driver of the transport unit, who will submit the same to the designated customs staff of the Office en route and last copy shall be retained by the trader or his representative for his record;

(v) the terminal operator or the Customs staff, as the case may be, shall allow "Gate out" to the cargo in transit on receipt of the Seal Verification Mechanism (SVM) message through EDI. Where there is no licensed Terminal operator and/or EDI messaging has not yet been established, the Customs staff will allow "Gate out", on completion of the sealing event in the system.";

475. Physical Customs inspection at office of departure.- (1) The Terminal operator or the Customs staff, as the case may be, assigned to "Gate out" shall verify the seal and container/truck number declared in the GD.

(2) All containers of transit goods shall be fitted with tracking and monitoring devices at the office of departure from a tracking company duly approved by the Board.

(3) Upto 20% containers of transit cargo shall be scanned at the office of departure. In case of land border customs stations, all the incoming transit cargo shall be weighed, scanned and examined accordingly.

(4) The Customs authorities at the office of departure may require transit goods consigned from or destined to the territory of the foreign countries to be transported under Customs escort while in the territory of the Pakistan in very exceptional cases such as where the goods are precious or highly susceptible to misuse of transit facility. The approval for this measure must come from an officer not below the rank of Director, Transit Trade after recording reasons in writing.";

476. Transportation of goods.-(1) Transportation of transit goods by transport operators shall be allowed in containers of international specifications.

(2) Oversized, heavy and bulky transit goods, vehicles and live animals may be transported in open transport units provided sealing requirements are fulfilled as per prescribed procedure.

(3) Imported transiting vehicles may be allowed in roll-on and roll-off carriers.

(4) Bulk Cargo, such as ship loads may be transported in open sealable vehicles. While in case of liquid bulk cargo, it may be transported in containerized flexi tanks or in bowsers or in containers of international specifications.

(5) Exports of perishable goods (fruits and vegetable) in transit may be transported in open trucks or other transport units in accordance with the prescribed procedures.

(6) Change of conveyance en-route shall be allowed, in exceptional circumstances such as accident or any other break down etc. with the prior written approval of the Deputy or Assistant Director having jurisdiction.

(7) Transportation of the cargo from the port of entry to the port of exit in a safe and secure manner shall be the responsibility of the concerned authorized carrier.]

477. Eligibility of a transport operator: (1) A Transport operator is eligible to file application with the licensing authority for the grant of license to operate as Transport operator if,

(a) it is a company or firm;
(b) has adequate knowledge of computer to handle the GD in the Customs Computerized System;
(c) possesses experience regarding choice of vehicle, certification and registration, maintenance, loading and unloading, carriage of dangerous and perishable goods, principles of environment protection in road traffic, road safety, road accident prevention and mitigation;
(d) possesses sufficient knowledge of Customs Law and Procedure and transport operations management;
(e) possesses a fleet of minimum twenty five registered vehicles in his name or company or are leased by him;
(f) has got registered under the Companies Ordinance, 1984 (XLVII of 1984), and with concerned Chamber of Commerce and Industry; and
(g) possesses National Tax Number under the provisions of the Income Tax Ordinance, 2001 (XLIX of 2001).

(2) All the transport operators shall be required to obtain and possess Customs Clearing and Forwarding License under Chapter VIII.

(3) All transport units and conveyances used by the transport operators for carrying transit goods shall be properly secured, riveted, locked and sealed. The transport units and conveyance used by the transport operators shall be so constructed and equipped as to provide for the Customs seals to be conveniently and effectively affixed thereon and containing no concealed space where any goods could be hidden. The transport units shall have a permanently installed or fixed tracking device capable of showing the location of the said vehicle or trailer at any given times as well as a track of its route and stoppage etc. The transport unit shall be free from all manufacturing defects so that no goods can be removed from or introduced into the sealed portion of the transport units capable of holding any goods should be readily accessible for Customs inspection. The transport units shall be individually registered with the vehicle registration authority.

(4) Each vehicle shall be equipped with the tracking device from a tracking company duly approved by the Board.

(5) The Customs staff shall verify the satisfactory working of the tracker and the identity of the containers and vehicles used by the transport operators for carrying transit goods, as well as the road worthiness of transport unit and registration number and other particulars of the vehicles or transport units.

[149][478. Approval of licence.- On qualifying the criteria mentioned in rule 477, licence shall be issued to the transport operator by the respective Director of Transit Trade in whose jurisdiction the business

address of the applicant is located for a period of two years on the recommendation of a committee comprising the respective Director of Transit Trade, Collector of Customs Enforcement and Director, Directorate of Intelligence and Investigation-Customs of the jurisdiction, after seeking approval of the Director General of Transit Trade. The licensing authority shall issue approval letter for issuance of licence subject to the following, namely:-]

a) transport operator shall deposit defence saving certificate duly pledged to [126][respective Director of Transit Trade,] or furnish a Bank Guarantee for rupees fifteen million, as security for operating the transport operator license. The amount of bank guarantee or defence saving certificates shall be forfeited apart from other consequential penal action under the Act and the rules made there under, if the transport operator misuses the facilities of transportation of transit goods;

b) the licensing authority, in addition to the condition in clause (a), shall require the transport operator to deposit a revolving insurance guarantee on the prescribed format **(Appendix-II)** amounting to rupees five million from an insurance company of repute covering all types of risks detrimental to the Government revenue involved in the transit goods along with general undertaking in the prescribed form binding them to transit the goods safely and securely as per this procedure. The insurance guarantee shall be issued by an insurance company having paid up capital of not less than rupees one hundred million and which is duly registered with Controller of Insurance, Ministry of Commerce;

c) execute a bond for ensuring good conduct and to follow Customs rules and regulations and for recovery of any amount adjudged against it or ordered to be paid by it;

d) all the transport operators licensed under this chapter shall also comply with the provisions of sub-rule (5) and (6) of rule 329;

e) The license granted to transport operators shall be non-transferable and shall not be allowed to be used by any sub-contractor; and

f) the enforcement of the provisions regarding registration of vehicles of transport operators and their blocking and de-blocking in the system and initiation of any legal action against them shall be responsibility of the [126][respective Director of Transit Trade.]

[126]**[479. Renewal of licence.-** While considering **r**enewal of licences issued to the transport operators under Chapter VIII of these rules, the licensing authority shall also take into account the profile of the bonded carrier based upon rating of the transporters linked with their compliance to the rules and procedures which may include compliance to the time lines, number of alerts generated or transit cargo carried safely without en-route pilferage, number of contravention / seizure reports etc.";

479A. Allowing single transport vehicle owner to transport transit goods.- The application on the prescribed format (**Appendix-IIA**) for registration of a single vehicle for transport of transit goods shall be submitted to the Directorate of Transit Trade in whose jurisdiction the applicant is a resident or his vehicle is registered with Motor Registration Authority (MRA). The transport of transit goods by owner of single transport vehicle shall be allowed by the concerned Director of Transit Trade subject to the following conditions:-

(a) the unit is properly registered with the motor registration authorities of Pakistan in the name of the owner, to be verified by customs authorities;

(b) he shall submit defence saving certificate duly pledged to the concerned Director of Transit Trade or furnish Bank Guarantee for Rupees One million as security for transport operation of Transit goods, which shall be forfeited apart from other consequential penal action under the Act and Rules made there under, if the owner of the transport unit violates of Custom Act, 1969 and the rules made thereunder;

(c) in cases where in transit cargo is transported by owner of single vehicle transport, the revolving insurance guarantee covering the leviable duty and taxes on transit goods shall be submitted by the afghan importer or respective customs agent or transport operator (**Appendix-IIB**);

(d) The prime mover or vehicle shall be fitted with the tracking device by a tracking company duly licensed by the Board under S.R.O 413(I)/2012 dated the 25th April, 2012.

(e) the trip shall be completed within seven days from office of departure to office en-route;

(f) the permission shall be given to such owner of the transport vehicle for one year which shall be renewed if operations of transportation of transit goods are found satisfactory;

(g) the owner shall also submit an undertaking on a stamp paper to the effect that he shall be responsible for safe transportation of transit goods;

(h) copies of such permission shall be sent to Directorate of Reforms and Automation Karachi and concerned officers of Customs who will enter the particulars of the vehicles in CCS;

(i) The above provisions shall also be applied to the transport operation of transit goods carried through Pakistan Railways from Karachi to Azakhel Railway Stations, for onward transportation to Torkham; and

(j) in case of any violation of Customs laws/procedures, institution of any criminal /civil case against the owner/vehicle under any law, the permission shall be terminated and name of the owner shall be blacklisted with transmission to all field formations;

480. **Responsibilities of the bonded transport operator.-** (1) Prior to submissions of carrier manifest the transport operator [126][and driver] shall satisfy himself that the actual description, quantity, quality and weight of the goods in transit are as per declaration in the GD. In case any change in the details of cargo is found en-route or at port of exit, the transport operator shall be held responsible under the provisions of the Act.

(2) The transport operator [126][and driver] shall be responsible and bound to carry the goods to its destination without any delay. The transport operator [126][and driver] shall also be bound to deliver the bonded transit goods to its destination within the prescribed time-limit, using the transport route as notified by the Federal Board of Revenue. In case of any pilferage en-route from Point of Entry to the Point of Exit within Pakistan, the bonded carrier shall have the primary responsibility to pay the leviable duty/taxes on transit goods [126][along with fine and penalty as determined under S.No. 64 and other entries relating thereto of sub-section 1 of Section 156 of the Customs Act, 1969].

(3) The delay in delivery from the stipulated time or deviation from the route shall require a written explanation from the transport operator [126][and driver] by the concerned Deputy/ Assistant Director and may invoke penalty provisions.

(4) The transport operator [126][and driver] shall be responsible for transporting the transit goods through the designated routes and within the time limits specified by the Board from time to time. In case some route is closed or cannot be used for any reason, the transport operator [126][and driver] shall make an application to Deputy/Assistant Director at office of departure for permission to use the alternate route mentioning the alternate route to be used and the time to be consumed by using the alternate route.

(5) In case of any accident on the way between office of departure and office en-route which may cause delay in the delivery of goods beyond the specified time, the transport operator shall communicate the nature of accident, exact time and place of accident along with complete details thereof to the office of departure and office en-route telephonically or electronically.

[149][480A. **Action in case of violations**.- (1) The licensing authority may revoke or suspend a licence or permission of any transport operator for one or more than one of following reasons, namely:-

(a) the licensee has made or cause to be made in any application for any licence or permission under this chapter, or report filed with the customs, any statement which was, at the time and in light of the circumstances under which it was made, false or misleading with respect to any material fact, or has omitted to state in any such application or report; or

(b) the licensee has been convicted at any time for larceny, theft, robbery, extortion, forgery, counterfeiting, fraud, concealment, embezzlement, fraudulent conversion, or misappropriation of funds; or

(c) the licensee is involved in any manner, including but not limited to, abetting, facilitating, substitution or replacement, removal, pilferage, tampering with transport units or seals etc. of en route transshipment or transit cargo; or

(d) the licensee has knowingly employed, or continues to employ, any individual who has been convicted of any offence referred to under clause (b) and (c); or

(e) the licensee, in the course of its customs business, with intent to defraud, has in any manner, willfully and knowingly deceived, misled or threatened any client or prospective client; or

(f) violation by the licensee of any provision of the Act or the rules, regulations, notifications, instructions or orders issued there under; or

(g) aiding or abetting any individual, firm or company, as the case may be, for violation of any provision of the Act or the rules or regulations made thereunder; or

(h) negligence or inefficiency of the licensee in discharge of its obligations; or

(i) unsatisfactory conduct of the licensee while transacting customs business or in relation to any person who has entrusted it with any customs business; or

(j) failure of the licensee to comply with any condition of the bond executed by him under this chapter; or

(k) concealing, removing or destroying, by the licensee, of its financial and customs business records or refusing to allow an officer of customs to inspect them and take extracts there from; or

(I) attempt by the licensee to influence the conduct of any employee in the custom house, custom station, port, airport or en route transit or transshipment of cargo by the use of force, intimidation, false accusation, duress, bribery or by offering any special inducement or gift; or

(m) failure of the licensee to exercise due diligence and due care to apprehend and forestall an untrue declaration in respect of description, content, classification, origin, quality or value of the goods by its client and en route transit/transshipment of cargo; or

(n) withholding by the licensee, of any information, document or other evidence, from an officer of customs which is likely to prevent any fraud or evasion of customs duties and other taxes or dues and the circumvention or contravention of any restrictions imposed by any law for the time being in force; or

(o) the licensee's previous performance has not been satisfactory or has not been true to the customs or towards his clients; or

(p) the licensee's previous record of customs business due to his being concerned in any customs offence is not free from reasonable doubt.

(2) In case of revocation of a license under sub-rule (1), the licensing authority may, after issuing show cause notice to the licensee, forfeit the whole or part of the security deposited by the licensee under rule 478(a) for the settlement of any duty, taxes or any other charges due from him.

(3) The licensing authority shall not pass any order under sub-rules (1) and (2) of rule 480A to suspend or revoke the licence unless the licensee is informed in writing regarding the allegations and opportunity of hearing is afforded. While passing an order for revocation of licence, the licensing authority may also direct forfeiture of the security deposited by the licensee under rule 478(a):

Provided that where it is expedient in the public interest, an immediate action is considered necessary against the licensee, for, including but not limited to, abetting, having knowledge of, tampering with transport units and seals affixed thereto, facilitations, substitution, replacement, removal, pilferage etc., during en route transit or transshipment of cargo, the licensing authority may suspend the licence forthwith, after recording reasons in writing, pending final action under the Act and rules made there under.

(4) In case the clearing agent licence of the transport operator issued under Chapter VIII of the Customs Rules 2001 is suspended or revoked by the respective licensing authority, the licence to operate as transport operator shall also stand suspended or revoked and vice versa.

(5) **Right to appeal**. Appeal against an order passed under sub-rules (1) and (2) of rule 480A may be filed before the Director General Transit Trade, Karachi, within sixty days of passing of such decision or order.]

481. Temporary admission of vehicles.- Afghan registered vehicles used for the transport of transit goods shall enter Pakistan without payment of import duties and other taxes subject to provisions of Sub-Chapter III of Chapter XXV of these rules.

482. Electronic Filing and processing of the Temporary Admission Document (TAD) request.- (1) The Transport operator or his authorized agent shall apply online for issuance of Temporary Admission Document (TAD) along with scanned copies of relevant documents on the prescribed format **(Appendix-III)**.

(2) On receipt of TAD Issuance request, system shall assign the same to the Vehicle Verification Officer (VVO). The VVO shall physically inspect the vehicles to authenticate the particulars submitted online by the transport operator and enter the report in the system. The request shall then be assigned to the concerned Assistant /Deputy Director for approval.

(3) Upon approval of the Deputy/Assistant Director, the system shall generate message for collection and detachment of the guarantee and assign the request to the designated officer. On submission of bank guarantee by the Transport operator, the Security Officer shall enter the details of said bank guarantee in the system and generate TAD in the prescribed color for handing over to the Transport operator.

482A. Procedure for issuance of TAD.- Notwithstanding the provisions of rule 482, initially the following procedure and conditions shall be followed for issuance and regulation of TAD, namely:-

(1) Directorate of Transit Trade, Karachi and Afghanistan Ministry of Transport shall share list of approved transport operators and their vehicle before starting issuance of TAD. When new transport operators and their vehicles are added to the list, the other side shall be informed via email, immediately. Both sides shall nominate focal persons for timely exchange of this information. Proper and complete record of all approved transport operators and their vehicles shall be maintained by the both sides;

(2) The list of approved Afghan transport operators and their registered vehicles shall be forwarded by Directorate of Transit Trade, Karachi to the concerned offices in the Embassy of Pakistan, Kabul and the Consulate General of Pakistan at Kandahar and Jalalabad and the list of approved Pakistani transport operators and their registered vehicle shall be forwarded by Afghan authorities to the concerned offices in the Embassy of Afghanistan in Islamabad or the Consulate General of Afghanistan in Karachi Quetta and Peshawar.

(3) the application of TAD by Afghan approved transport operators for Afghanistan registered vehicles, as per **Appendix-IIIA,** along with required documents, shall be collected on all working days at window No. 5 of Pakistan Embassy in Kabul and Pakistan Consulate in Kandahar during 1100 to 1200 hours. Whereas applications for TAD for Pakistan registered vehicles as per **Appendix-IIIB** shall be collected on all working days at Afghan Embassy in Islamabad, and Afghan Consulate General in Karachi, Quetta and Peshawar during 1000 to 1100 hours;

(4) no fee shall be charged from the applicant for the application form. Both sides shall ensure its free availability and shall also upload the Form on embassy or consulate websites which shall be freely downloadable;

(5) Trade Officer or Commercial Assistant posted at commercial section in Pakistan Embassy, Kabul and at the Pakistan Consulate General in Kandahar shall issue the TAD for vehicles registered in Afghanistan. The Transport Attaché, Afghan Embassy at Islamabad, and Afghan Consulate General in Karachi, Quetta and Peshawar Pakistan shall issue the TAD for vehicles registered in Pakistan. The format of TAD is enclosed as **Appendix IIIC.**

(6) at the time of issuance of TAD, by Pakistani authorities, to approved transport operators of Afghanistan for an Afghan registered vehicle, the particulars of the vehicle shall be cross-verified with the details sent by the Directorate General of Transit Trade, Karachi;

(7) TAD shall be issued against payment of fee of US $ 100. The TAD fee collected by Pakistan Embassy or Consulates in Afghanistan shall be transferred to the account of Directorate General of Transit Trade on monthly basis. A bar code having all the details of the vehicle may be embossed on TAD;

(8) TAD shall be issued within five working days of receipt of applications;

(9) validity of TAD shall be 180 days (06 months) from the date of issuance with the option of multiple entries with the maximum one time stay 30 days in Pakistan and Afghanistan;

(10) statement of TADs issued by Pak Embassy and Consulates shall be furnished to the designated focal person of Directorate of Transit Trade, Karachi on daily basis via email and Afghan side will develop same system on their side;

(11) TAD shall be valid for one vehicle at a time and only for the carrier to whom it was issue; it shall not be transferable to other carriers;

(12) any unauthorized entry or tampering in TAD shall render it void and invalid.

(13) Pakistan customs shall be entering each entry or exit journey on the back page of TAD; the same shall be done by Ministry of Transport and Civil Aviation Afghanistan;

(14) security and safety of the TAD in the home country shall be the responsibility of the transport operator. If the TAD is lost in the home country, the transport operator in whose name the TAD is issued shall first register an FIR and then apply for a new TAD by providing copy of the FIR. The embassies or consulates shall inform the relevant authorities, to cancel that TAD in their record;

(15) security and safety of the TAD in the territory of the other contracting party shall be the responsibility of the driver of the vehicle. If the TAD is lost, the driver shall first register and FIR in the nearest Police station and shall inform the transport or customs authorities. For exit on the crossing points he shall provide the documentary proof of his lawful entry and copy of FIR lodged with the police. The embassies or consulates shall inform the relevant authorities, to cancel that TAD in their record;

(16) if the vehicle goes missing in the territory of Pakistan, the driver will immediately report the incident to the nearest police station and register the FIR. He shall submit the copy of FIR in the office of the nearest Customs Enforcement Collectorate. The transport operators in such cases will be liable to pay duties and taxes leviable on the goods as ascertained by Pakistan Customs. Similar procedure will be adopted by the other contracting party in their territory.

(17) the TAD will be valid for both bilateral and transit trade at following BCPs:-

(a) Torkham (transit and bilateral)
(b)
(c) Chaman (transit and bilateral trade)
(d) Ghulam Khan (transit and bilateral trade)
(e) Kharlachi (bilateral trade)
(f) Angoor Adda (bilateral trade)

The cabotage is not allowed. Any violation of this rule will result in black listing of the vehicle and cancellation of TAD.

(18) the respective Directorate of Transit Trade shall act as focal formation for TAD for transportation of transit as well as bilateral goods.

(19) the following documents shall be filed by the applicant transport operator for obtaining TAD:

(a) application form as per format given in **Appendix IIIA** and **Appendix IIIB;**
(b) expired TAD of the Vehicle (in original) this shall be required after 180 days of operationalization;
(c) copy of National ID Card or passport of the owner;
(d) copy of registration book of the vehicle;
(e) copy of license or authorization issued by Afghanistan Ministry of Transport to transport operators of Afghanistan for international carriage of goods or copy of license or authorization issued by Pak customs to transport operators of Pakistan for international carriage of goods;
(f) a valid fitness certificates shall be required for Afghan vehicles after every 180 days;
(g) picture of the vehicle for record purpose; and
(h) serially numbered authority letter issued by the relevant transport operator.

(20) the contacting parties shall, in accordance with their respective laws, rules and regulations, grant multiple entry visa to the driver and one helper of the vehicle valid for a period of one year, each stay not exceeding 30 days. In exceptional circumstances the Ministries of Interior of the two countries will consider the request for extension of VISA after fulfillment of legal requirement.

482B. The arrangement prescribed through rule 482A is a temporary arrangement which will prevail till formalities under Afghanistan-Pakistan Transit Trade Agreement, 2022 are finalized and would cease to have effect from the date FBR notifies.]

483. Exit of vehicles.- (1) On arrival at the exit station, the concerned VVO will inspect the vehicle and verify its particulars in the system. The system shall assign the request for release of the security to the concerned Deputy/Assistant Director. On approval from the Deputy/Assistant Director at the port of entry, the system shall generate security release message to the designated officer who shall hand over the bank guarantee to the Transport operator /authorized agent and affix an “Exit Stamp” on the Custom Certified copy

of the TAD. In case particulars do not match then a discrepancy report shall be generated and the matter shall be decided in accordance with law.

(2) The system shall generate alerts for vehicles that have not exited Pakistan's territory within the prescribed time for further necessary action by the concerned officer of Customs. However, in cases of exceptional circumstances the said time limit may be extended by an officer not below the rank of Additional Director, on an application submitted by the carrier.

484. Except for the provisions specified above, the provisions of Sub-chapter III of Chapter XXV of these rules shall *mutatis mutandis* apply to the importation of Afghan commercial vehicles for the transportation of transit goods.

[126]**[484-A. Financial Guarantee on Transit Goods.-** (1) The authorized Customs agents, brokers or transport operators in Pakistan shall furnish financial security in the form of revolving insurance guarantee for goods destined for territory of other countries, from an insurance company, as per criteria prescribed by the Directorate General of Transit Trade, on the prescribed format **(Appendix-IV)** or any other form prescribed by the Board which shall be valid for at least one year and shall be en-cashable in Pakistan, for ensuring the fulfillment of any obligation arising out of Customs transit operation between Pakistan and the contracting party.

(2) The amount of financial security for transit operation shall be determined by system on the basis of the assessment done by Customs Computerized System at the office of departure so that it covers all import levies.

(3) Financial security is not obligatory in case of non-commercial consignments and the respective bonded carrier transporting non-commercial transit cargo shall be wholly responsible if goods are pilfered en-route.]

484-B. Financial Guarantee on Afghan Registered Transport Units.- In case of transport units registered in Afghanistan carrying transit goods, the transport operator or his authorized Customs agents, or the concerned Chamber of Commerce or the concerned Government department shall furnish a bank guarantee on the prescribed format **(Appendix-V)**or revolving bank guarantee from a scheduled bank, acceptable to Customs equivalent to twenty five per cent of the amount of duty and taxes leviable for each vehicle being operated, which shall be valid for at least one year and shall be encashable in Pakistan:

Provided that in case a transport operator desires to operate less than four transport units, he shall provide a bank guarantee of hundred percent of the amount of duty and taxes leviable on each transport unit:

Provided further if a transport unit does not return to Afghanistan as per the provisions of this sub-chapter, the bank guarantee furnished shall be en-cashed:

Provided also that the Afghan trucks carrying fresh and dry fruit up to Wahga shall be allowed entry in accordance with these rules, subject to the production of letter of guarantee, in each case, by the Ministry of Transport and Civil Aviation, Government of Afghanistan to the effect that the vehicles would return to Afghanistan within the stipulated time.

484-C. Acceptance of Financial Guarantee.- (1) The designated Customs Officer at the office of departure shall detach the financial security and enter the particulars in the system. The Officer shall ensure that the financial guarantee submitted by the importer or his authorized Customs agent has been issued by a company of repute or a scheduled bank, as the case may be, is en-cashable in Pakistan, and contents thereof are in conformity with the particulars of vehicle or consignment against which it is being furnished. The officer shall also ensure that the financial guarantee covers the duty and taxes involved on vehicles or goods and the amount being secured is accurate and as per the calculation assessed in the system.

484-D. Release/encashment of the financial guarantee. -The financial guarantee shall be released/ encashed on authorization of the concerned Deputy/Assistant Director of the office of departure or office en-route as per following procedure:

(1) **Procedure for release of financial security for Afghan transit goods imported through the seaport.-**

(a) In case, the goods are imported through the seaport, at the time of cross-border of the transit goods, the office en-route (Torkham or Chaman) shall take a print-out of the GD, which will be handed over to Afghan Customs for endorsement in token of receipt of transit goods.

(b) The Afghan Customs will also provide a copy of T-1 bearing cross reference of GD filed in Pakistan and a certificate to the effect that the transit goods have crossed Samar Khail (Jalalabad) or Spin Boldak (Kandahar), as the case may be. The Cross Border Verification Officer (CBVO) at the office en-route shall scan the documents in the system and also feed the relevant particulars and verify cross border of the cargo in the system.

[94][(c) Upon confirmation by the CBVO or online acknowledgement of T-1 in the system by Afghan Customs, the system shall mark the AT GD to the Security Officer at the Office of Departure, who shall view and verify the documents, enter the particulars in the system and release the security.]

Provided that when Electronic Data Interchange (EDI) between Afghanistan and Pakistan Customs is established and notified by the Board, the confirmation regarding cross border and arrival of the goods at the Afghan Customs shall be received electronically dispensing with the need to send hard copies across the border for endorsement by Afghan Customs.

[80][Provided further that the Afghan Customs may provide the particulars of T-1 through WeBOC System for release of financial gurantees.]

(2) **Procedure for Encashment of Financial Guarantee.-**

(a) The Deputy/Assistant Director Securities of the Office of departure shall be responsible for taking appropriate steps on fortnightly basis for timely reconciliation, encashment, revalidation or physical release of financial guarantee.

(b) In case of non-receipt of cross border certificate along with T-1 or TAD bearing "exit stamp" or non-fulfillment of any conditions against which the security was furnished by the Afghan importer or exporter, the concerned officer at the Office of departure, shall take action for enforcement or encashment of the financial guarantee for recovery of government revenue involved therein.

(c) Upon finalization of action, the Deputy/Assistant Director Securities at the port of departure shall forthwith instruct the concerned guarantor or insurance company or bank or financial institution, as the case may be, to en-cash the guarantees and remit the amount in favor of the concerned Director Transit Trade. After receipt of Payment Order from the concerned bank, the officer shall deposit the same in National Bank of Pakistan for transfer into the government treasury.

484-E. Procedure at the Office en-route.- (1) On arrival of the transport unit at the office en-route, the consignment shall be subjected to [106][the scanning at the office en-route shall be done on the basis of risk management] Gate-in shall be carried out by the Terminal operator /Customs staff as the case may be:

[105][Provided that weightment of transit cargo shall not be carried at Torkhum customs-stationtill the completion of Integrated Transit Trade Management System (ITTMS) terminal.]

(2) In case of sea port the vehicle carrying Afghan exports move to the Afghan shed or designated area for de-stuffing and subsequent cross stuffing into the shipper containers.

(3) The 'allow loading' and other Customs procedures up to the loading of container onto the vessels shall be carried out in accordance with the procedures laid down by the Directorate General Transit Trade.

(4) Any amendment in the Gate-in particulars in the system arising due to accident or breakdown of the vehicle shall only be fed in the system upon approval of the concerned Deputy/Assistant Director at the Office en-route.

(5) De-sealing shall be done by the concerned CCSU or Customs sealing staff designated by the Directorate. The de-sealing staff shall:

a) verify the container number, or railway wagon number, and the registration number of the transport unit or trailer or rolling stock and cross check it with transport note;

b) check the seals affixed thereto including PCCSS seal and reconcile them with transport note;

c) do electronic reconciliation through system;

d) break the seal and enter the relevant information in the system [106][; and

e) on arrival of AT cargo at Azakhel/Chaman railway stations regarding forward transit contianers, the railway staff (terminal Operator) shall gate in the WeBOC system via their user ID allotted to them for this purpose. After gate in by the railway staff, the customs staff shall conduct seals verification within the system through their user ID. Upon completion of the foregoing steps, the railway staff shall perform the role of handing and taking over the container to second Bonded Carrier for safe transportation to the exit station for cross border by the concerned customs staff.]

(6) In case the seals are found to be broken, damaged, or tampered with or there is any discrepancy found in between the scan images (wherever applicable) of office of departure and office en-route or in case of any suspicion, the de-sealing staff shall generate a discrepancy report and the consignment shall be marked for examination by the system.

(7) If no discrepancy is found in the cargo, and there is no evidence of tampering of the container, the goods shall be allowed to exit Pakistan's territory as per procedure specified above:

Provided that in case of Afghan transit goods exiting through Torkham or Chaman, and in order to better coordinate with the political authorities [94][or NLC authorities], the appropriate Officer of Customs shall issue gate pass in triplicate for individual transport units in accordance with sub-rules (7), (8), and (9) of rule 629.

484-F. Specified routes for movement of transit cargo.-The transport operator shall adopt one of the designated routes notified by the Federal Board of Revenue in consultation with the Ministry of Communications for transportation of transit goods from Office of departure to office en-route.

484-G. Monitoring of transit cargo from Port of Entry to Port of Exit. –

(1) All vehicles carrying transit cargo, to and from Afghanistan, are required to get registered at the following locations on the way to their respective destinations, namely:-

(a) Route-I (Transit via Torkham)

(i) NLC Terminal Amangarh Nowshera Customs post (between Attock and Peshawar); and

(ii) Kohat Customs check post.

(b) Route-II (Transit via Chaman)

Baleli Customs check post (between Quetta and Qila Abdullah) [106][; and

(c) Route (Transit via Ghulam Khan)

Bannue Customs Check Post.]

(2) The customs staff posted at the check post shall upload the images of container in a manner that the container number, vehicle number and the driver in the backdrop of respective check post are clearly identifiable.

484-H. Prescribed time limits for movement of transit goods.-(1) The cargo in transit shall cross the border or depart from the country as the case may be, within such time as prescribed by the Federal Board of Revenue from the feeding of the 'gate-out' event in the system at the Office of departure and 'gate-in' event in the system at office en-route. The system shall auto-block the carrier who failed to deliver the cargo within the prescribed time. The carrier shall be de-blocked in accordance with the procedure prescribed by the Board.

(2) All consignments that fail to arrive at the Office en-route within the prescribed time limit shall be visible to the concerned Deputy/Assistant Director for initiating necessary legal action as stipulated above.

(3) In case it is proved to the satisfaction of the office of departure that a Transit consignment could not reach its destination whether fully or partially, necessary action to enforce/encash the Customs security may be initiated, to recover Government duty and taxes involved, without any delay, as laid down under rule 484-D.

(4) An application to allow partial cross-border in respect of a transit consignment may be made to the Additional [94][Director] Transit Trade, at the Office of departure, who may consider the same on merits, after completing action prescribed above.

484-I. Procedure in respect of transit goods through Wahga.- Procedure for movement of Afghan transit goods from Afghanistan to India through Wahga shall be the same as specified in these rules. Additionally the following measures shall be observed:-

(a) the Customs Officer at the entry gate of Wahga border terminal shall check the seals of trucks bringing goods for India and after cross checking or tallying the details of the vehicle with the accompanied documents and in the system shall allow the truck to enter the terminal;

(b) the gate in shall be allowed by the Terminal operator or the Customs staff. Once the truck is inside the terminal it shall be weighed and scanned. In case there is some discrepancy in weight or any doubtful observation from the image produced by scanner is observed a Custom Officer not below the rank of Deputy/Assistant Collector shall order inspection or examination;

(c) detailed examination of the goods may be dispensed with if the seals are intact;

(d) the appropriate Officer of Customs shall allow the cross border of the truck into the Indian Territory and feed the particulars in the system. The de-sealing of the transport unit shall be fed in the system before the cross border; and

(e) the empty Afghan trucks shall not be allowed to carry any goods for Afghanistan on their way back from Wahga.

484-J. **Cancellation of the Goods Declaration (GD). –** (1) No Goods Declaration filed under rule 472 shall be amended once Customs has begun processing the GD. GD cancellation shall be allowed in the following cases:

(i) Where the cargo has been short shipped.
(ii) Where pre-arrival GD was filed but the cargo did not arrive at the Office of departure.
(iii) Where a technical, legal, administrative or any other system constraint does not allow the GD to be processed as per the prescribed procedure.

(2) In all such cases, the trader or his authorized representative shall approach the appropriate officer of Transit Trade for cancellation of GD. Deputy/Assistant Director Transit Trade shall allow cancellation of GD on payment of usual fee.

484-K. Amendment in IGM.- All types of amendments in IGM shall be allowed by the Deputy /Assistant Director Transit Trade after the arrival of cargo at office of departure. The amendment shall be made on the basis of original bill of lading. If there is any mistake in the original bill of lading, Customs staff shall call the correction advice from port of loading which shall be duly verified by the shipping line.

484-L. Frustrated Cargo.- The provisions of section 138 of the Act, Chapter VII of these rules and Board's directives shall be applicable in dealing with the cases of frustrated cargo of transit trade goods.

484-M. Auction of un-cleared goods.- (1) If a request for transit and Customs clearance is not filed for the goods imported for transit within thirty days of its arrival at the port of entry or exit, a notice shall be sent to the importer or its agent on the address given in the shipping documents for clearance of goods from the port. If goods still remain on the port after sixty days of their arrival, a final notice shall be sent to the importer or his agent for clearing the same, otherwise the goods shall then be auctioned after ninety days of the first notice, unless the delay is attributable to the port authorities.[90][Moreover, this procedure shall apply mutatis mutandis to confiscated goods.]

(2) The sale proceeds shall be paid to the trader after deducting the expenses on account of auction, freight charges due to the custodian of the goods and duty and taxes payable in respect of such goods.

484-N. The transit of arms, ammunition and military equipment. - Unless agreed upon by the two contracting parties, the transit of arms, ammunition and military equipment shall not be allowed.

484-O. Provisions relating to weighing, scanning and tracking.-Provisions relating to weighing of consignments, scanning of containers, tracking and monitoring of vehicles and containers shall become operative once infrastructure and facilities in this regard are made available and after the same is notified by the Board through a General Order specifying therein the date of such operation:

Provided that the scope of these rules shall extend to only those Customs ports/stations where Customs Computerized System has been made operational and its modules have been made available.

484-P. Applicability of Sub-chapter XII of Chapter XXV.- The provisions of sub-chapter XII of chapter XXV shall *mutatis mutandis* apply to these rules.

484-Q. Penalty under the Act.- Whosoever commits any contravention of the provisions of this sub-chapter shall be liable to be proceeded against under Serial No. 64 and the entries relating thereto, in the table of sub-section (1) of section 156 of the Act.

[146]**[484R. Cross stuffing in Afghan transit cargo – general provisions:** - (1) Cross stuffing of containerized cargo under Afghan transit trade shall be allowed both inside [147][cusotms-ports or] terminal where cargo arrived as well as at any approved off-dock terminals (ODT) at separately demarcated areas.

(2) At the time of filing of GD the Customs Computerized System (CCS) shall provide the option for cross stuffing. In case it is so opted, the trader or his representative shall be asked by CSS to enter following information,namely:-

(a) name of the [147][cusotms-ports or] terminals or off-dock terminal from a drop-down menu for selection of one place;
(b) marks and numbers of the new or empty container along with name of the entity owning it (off-dock terminal, logistic company, bonded carrier and clearing agent);
(c) name of bonded carrier; and
(d) vehicle number.

(3) Cross-stuffing shall take place under Customs supervision from one container to another container of the same size i.e., 20 feet into 20 feet and 40 feet into 40 feet.

(4) Cross-stuffing may also be allowed into boxed vehicles approved for transportation of cargo under TIR.

(5) The cross stuffing of cargo mentioned below shall be allowed inside [147][cusotms-ports or] terminals only:

(a) non-containerized cargo;
(b) controlled substances as listed in the prevailing Afghanistan Pakistan Transit Trade Agreement (APTTA);
(c) heavy packages which cannot be stuffed in the container; and
(d) cargo of over-dimensions, to be determined by Assistant or Deputy Director (Examination), on case-to-case basis.

(6) The inter-port movement of cargo destines for off-dock terminal shall be allowed through licensed bonded carriers.

(7) The terminal operators shall be responsible for the integrity, security and proper cross stuffing of the cargo.

(8) The logistics companies, bonded carrier, clearing agents and off- dock terminals owning minimum of 25 containers compliant to Container Safety Convention 1972, fitted with Convention for Safe Containers (CSC) plate, bearing maximum weight carrying capacity and year of manufacture, can register with customs for provision of empty containers for cross-stuffing of transit cargo. The upper limit of tariff and allied charges etc. with respect to provision of this service shall be determined by a committee comprising of all Directors of Transit Trade in consultation with the stakeholder and shall be notified by the Director, Transit Trade (Operations), Karachi. Violation of tariff and allied charges so ascertained shall result in de-registration of the entity.

(9) Whenever, a trade opts for cross stuffing facility, the CCS system will invariably send message to Drug Enforcement Cell (DEC) of respective Enforcement Collectorate for carrying out drug check on the empty container as well as on the cargo and feed its report in the system.

(10) Hereinafter the old container would mean the containers from which goods are to be cross stuffed and new or empty container means the one in which goods have been cross stuffed.

(11) Cross stuffing of the reverse Afghan transit cargo will also be allowed in designated areas, to be approved by the respective Director of Transit Trade, of the land border stations as per the procedure detailed in rule 484V.

484S. Cross stuffing of forward transit cargo at [147][cusotms-ports and terminal]**.-** (1) In case trader or his representatives selects the option of cross stuffing at [147][cusotms-ports and]terminal, he will also provide information about old container number(s), new or empty container number(s), name of bonded carrier and the registration number vehicle. The CCS shall generate three messages simultaneously for the specific GD alongwith all the information provided by the trader:

(a) import handling message to terminal operator to release the container for cross stuffing;
(b) message to a randomly selected examiner to supervise the cross stuffing; and
(c) message to Drug Enforcement Cell (DEC) of respective Enforcement Collectorate for drug check on the empty container as well as on the cargo and to feed its report in the system.

(2) The terminal operator shall arrange for the cross stuffing of the transit cargo from the old container into the corresponding new or empty container(s) in the Afghan transit cargo stuffing yard.

(3) The cross stuffing shall be carried out in the presence of the examiner to whom the GD is marked by CSS, an authorized representative of the Afghan trade and staff of [147][cusotms-ports and] terminal.

(4) The examiner shall ensure that cargo is cross stuffed from the same container mentioned in GD to the same new or empty container the information for which would be available in the system.

(5) During the course of cross stuffing, examiner shall compare the items being cross stuffed with the packing list and also take photographs of cargo.

(6) After cross stuffing is done, examiner shall feed his report in the CCS alongwith photographs of the cargo and also clearly stating that the difference in weight, if any, was within the allowable limit or not. The PCCSS staff hereinafter mentioned as sealing staff will then affix the post cross stuffing seal on the new container in which goods have been cross stuffed. After feeding of the report the system will ask the examiner about any discrepancy found. In case of Yes, the GD will be routed to the Appraising Officer for further action as under the law i.e., framing contravention in case of mis-declaration or rectification of the mistake with the approval of concerned AD of DD. In case of No, the GD shall be auto-assessed.

(7) After its auto-assessment the GD shall be routed to trader of his representative to accept or contest the auto-assessment. The time to accept or contest will be 12 hours. In case of no action at their end within 12 hours, the system shall automatically put the GD out of charge. In case of any contest by the trader, the GD will be routed to AD/DD for necessary action.

(8) After completion of auto-assessment, the GD will be marked to the security officer for obtaining GD wise insurance guarantee or one time revolving insurance guarantee.

(9) The GDs, which will not be auto-assessed on account of non- availability of matching valuation data in the system, will be marked to Assessment Officer (AO) for manual assessment.

(10) After completion of customs formalities, the system shall mark the GD to bonded carrier. Thereafter, the procedure prescribed in rule 473(9) onwards of sub-chapter VII of the chapter XXI of Customs Rules, 2001 shall apply.

(11) The staff at terminal and Gate officer of Custom shall ensure that after cross-stuffing, the empty containers shall be gate out in the empty one door-off condition.

484T. Transportation of container from [147][omitted] terminal to off-dock terminal for cross stuffing. - (1) In respect of an afghan transit cargo index showing via port as an off-dock terminal the trader or his representatives may select the option of cross stuffing at an off-dock terminal. He will also provide information about old container number(s), new or empty container number(s), name of bonded carrier and the registration number of vehicle. The CCS shall generate four messages simultaneously for the specific GD alongwith all the information provided by the trader.

(a) import handling message to terminal operator to release the container(s) for cross stuffing at selected off-dock terminal.
(b) message to the PCCSS sealing staff to execute pre-Gate out events;
(c) message to a randomly selected examiner to supervise the cross stuffing at selected off-dock terminal; and
(d) message to Drug Enforcement Cell (DEC) of respective Enforcement Collectorate for drug check on the empty container as well as on the cargo at off-dock terminal and to feed its report in the system.

(2) The terminal operator shall make the container available to the PCCSS staff after sending a 'pre-Gate-out' message to system along with relevant information including the name of the bonded carrier and the container number. This message shall also be visible to the PCCSS staff.

(3) The PCCSS staff, hereinafter mentioned as sealing staff after verifying that permission for transportation of cargo to the off-dock terminal has been allowed by the system, shall physically verify the particulars of the bonded carrier and the container number vis-à-vis the information received through the system, affix the PCCSS seal on the container and feed the sealing information and the vehicle registration number in the System.

(4) The sealing staff shall also verify the installation of the tracking and monitoring devices and upload images of the seals, tracking devices, vehicles, and the containers in the system.

(5) The sealing staff shall also generate and print copies of 'Transport Note', from the System, in triplicate. Each copy of the 'Transport Note' shall be signed by the sealing staff and the bonded carrier or his representative. One copy of the 'Transport Note' shall be retained by the sealing staff, the second copy shall be handed over the driver of the vehicle who shall submit the same to the Gate-in staff at the concerned off-dock terminal and the third copy shall be retained by the representative of the bonded carrier for his record.

(6) A system generated Customs Seal Verification Message (SVM) shall be communicated to the terminal operator on feeding of PCCSS seal information in the system.

(7) Upon receipt of SVM, the terminal operator shall send "GTO" message to the CCS which shall include the name of the bonded carrier vehicle registration number, container number, shipper's seal number; PCCSS seal number and gross weight of the container. The CCS shall relay this message to off-dock terminal.

(8) The transit cargo container destined to off-dock terminal for cross-stuffing, should reach at the entry gate of the off-dock terminal within five hours from their time of exit from a [147][terminal]. In case no electronic acknowledgement of the receipt of cargo at off-dock terminal is received after the lapse of five hours of its departure from the exit gates of the port of entry, the system shall compile report of all such containers and generate an alert for the AD/DD examination for action.

(9) The system shall block the bonded carrier in case of delayed receipt of cargo beyond the prescribed time limit.

484U. Receipt of forward AT cargo at off-dock terminal for its cross stuffing and release.- (1) On arrival of the container at off-dock terminal the PCCSS staff shall check the 'Transport Note' and weighment slip and shall verify the seal of the container. It shall feed a container entry report (CER) for the incoming container in the system and any discrepancy observed with respect to seal, transport note or any other aspect shall be recorded in it. The CER will be pushed by the system into the randomly selected examiner who has to supervise the cross-stuffing.

(2) The of-dock terminal staff enter 'Gate-in' event in the system and also enter the gross weight of the container.

(3) The off-dock terminal shall then arrange for the cross stuffing of the transit cargo from the old container into the corresponding new or empty container(s) in the Afghan transit cross stuffing yard.

(4) The cross stuffing shall be carried out in the presence of the examiner to whom the GD is marked, an authorized representative of the Afghan trader and staff of [147][off-dock] terminal.

(5) The examiner shall ensure that cargo is cross stuffed from the same container mentioned in GD to the same new or empty container whose information is available in the system.

(6) During the course of cross stuffing, examiner shall compare the items being cross stuffed with the packing list and also take photographs of cargo.

(7) After cross stuffing is done, examiner shall have a look at CER fed by PCCSS staff at the time of entry of container in off-dock terminal, feed his examination report in the CCS alongwith photographs of the cargo and also clearly stating that the difference in weight, if any, was within the allowable limit or not. The sealing staff shall affix the post cross stuffing seal on the new container in which goods have been cross stuffed.

(8) After the examiner has fed his report in the system, it will ask for any discrepancy found? In case of **Yes,** the GD will be routed to the Appraising Officer for further action as under the law i.e., framing contravention in case of mis-declaration or rectification of the mistake with the approval of concerned AD or DD. In case of **No**, the GD shall be auto assessed.

(9) After its auto-assessment the GD shall be routed to trader or his representative to accept or contest the auto-assessment. The time to accept or contest will be 12 hours. In case of no action by the trader within 12 hours, the system shall auto processed to put the GD out of charge. In case of any contest by the trader, the GD will be routed to AD/DD for necessary action.

(10) After completion of auto-assessment, the GD will be pushed to the security officer for obtaining GD wise insurance guarantee or one time Revolving Insurance guarantee.

(11) The GDs, which will not be auto-assessed on account of non- availability of matching valuation data in the system, will be pushed to Assessment Officer (AO) for manual assessment.

(12) The system shall mark the GD to bonded carrier. Thereafter, the procedure prescribed in rule 473 (7) and onwards of sub-chapter VII of the chapter XXI of Customs Rules 2001 shall apply.

(13) The staff of terminal and Gate officer of Customs shall ensure that after cross-stuffing, the empty containers shall be gate out in the empty one door-off condition.

484V. Cross-stuffing of reverse transit cargo at the land border stations. - (1) In case the trader or his representatives selects the option of cross stuffing at the time of filing of GD he will also provide information about old container number(s), or old vehicles number(s) in case of non-containerized cargo as the case may be, new or empty container number(s), name of bonded carrier and the registration number of vehicle(s). The CCS shall generate three messages simultaneously for the specific GD alongwith all the information provided by the trader.

(a) import handling message to terminal operator to release the container(s) or old vehicle (s) in case of non-containerized cargo for cross stuffing;
(b) message to a randomly selected examiner to supervise the cross stuffing; and
(c) message to Drug Enforcement Cell (DEC) of respective Enforcement Collectorate or ANF or FC as the case may be for drug heck on the empty container or truck as well as on the cargo and to feed its report in the system.

(2) The terminal operator shall arrange for the cross stuffing of the transit cargo from the old container(s) or old vehicle(s) in case of non- containerized cargo into the corresponding new or empty container(s) or new vehicle(s) in case of non-containerized cargo in the Afghan transit cross stuffing yard.

(3) The cross stuffing shall be carried out in the presence of the examiner to whom the GD is marked, an authorized representative of the Afghan trader and staff of terminal operator.

(4) The examiner shall ensure that cargo is cross stuffed from the same container or old vehicle in case of non-containerized cargo, as the case may be, mentioned in GD to the same new or empty container or new vehicle whose information is available in the system.

(5) During the course stuffing, he shall compare the item being cross stuffed with the packing list and also take photographs of cargo.

(6) The cross stuffing of non-containerized cargo shall be executed with tail-to-tail arrangement of the old and new vehicles without de-stuffing of the cargo. After completion of cross-stuffing the new vehicle carrying the revere cargo shall be properly scanned and weighed.

(7) After cross stuffing is done, he shall feed his examination report in the CCS alongwith photographs of the cargo and also clearly stating that the difference in weight, if any, was within the allowable limit or not. The PCCSS staff shall affix the post cross stuffing seal on the new container or new vehicle in case of non-containerized cargo in which goods have been cross stuffed.

(8) After cross stuffed of loose and non-containerized cargo the tracking device and intrusion belt shall be affixed on the loose cargo or new vehicle(s) in the presence of the staff of the Directorate of Transit Trade.

(9) After the examiner has fed his report in the system, it will ask for any discrepancy found? In case of **Yes,** the GD will be routed to the Appraising Officer for further action under the law i.e., framing contravention in case of mis-declaration or rectification of the mistake with the approval of an officer not below the rank of a Superintendent or Principal Appraise. In case of **No,** the GD shall be auto-assessed.

(10) After its auto-assessment the GD shall be routed to trader or his representative to accept or contest the auto-assessment. The time to accept or contest will be 12 hours. In case of no action by the trader within 12 hours, the system shall auto processed to put the GD out of charge. In case of any contest by the trader, the GD will be routed to AD/DD for necessary action.

(11) The GDs, which will not be auto-assessed on account of non- availability of matching valuation data in the system, will be pushed to Assessment Officer (AO) for manual assessment.

(12) The staff of terminal and Gate officer of Customs shall ensure that after cross-stuffing, the empty old vehicle(s) or containers shall be gate out in the empty one-door-off condition.

(13) Thereafter, the procedure prescribed in rule 474(V) and onwards of sub-chapter VII of the chapter XXI of Customs Rules, 2001 shall apply.

484W. Responsibilities of the carriers. – (1) Notwithstanding any other action taken under the law and the procedure under these rules, the bonded carrier shall bear all expenses incurred on re-stuffing or re-packing of the goods including the duty and taxes leviable on goods pilfered or damaged on way to or from the off-dock terminal under this procedure.

(2) The bank guarantee of Defense Saving Certificates submitted by transport operators at the time of issuance of license under 478 (a) shall be taken into account for recovery of the amount of duties and taxes, fine and penalty, if any, involved on the cargo during the course of transportation from port of entry to off-dock terminal and vice versa, and in case of any eventuality like damage, pilferage, theft, fire, accident etc.

484X. Violation of rules.- In case of violation of rules 484R, 484S, 484T, 484U, 484V and 484W is detected during inter-port movement of cargo from port of entry to the off-dock terminal, the carrier, the shipping lines or their agent and off-dock terminal along with other concerned, shall subject to provisions of the Act be jointly and severally responsible for duty and taxes involved and the value diminished as a result of any damage or pilferage. They shall be liable to pay the duty and taxes as may be liable on such goods in addition to any other action as is authorized under the Act or these rules.

484Y. Responsibilities of the ODT. - The provision of sub-Chapter XIV of Chapter XXI of Customs Rules 2001 shall apply to such off-dock terminals.

484Z. Application to containerized cargo etc.- The rules 484R, 484S, 484T, 484U, 484V, and 484W shall not apply to LCL cargo or multi index stuffed containers."]

Appendix-I
[see rule 473 (8)]

TRANSPORT NOTE
(Information required against cargo destined for Afghanistan and vice versa)

IGM NO._____Date_____Index No._____ Port of Departure_____

AT-GD No._____Date_____Office En-route_____

Discharged from Vessel /Voyage	B/L No. and Date	Index No.
Container No.	Vehicle No.	Driver Detail
Manifested Gross weight	Manifested Net Weight	
Seal number of shipper/Container yard	CCSU Seal No.	Trekker Number
Description of goods	Quantity	Nature of packing (Pallets, Packages, Cartons, Cases, Bags, Bales, Sheets, Pieces)
Name and telephone number of the carrier	Importer	Clearing agent
Route- i)Route I ii)Route II		
Certified that the details on this document are correct. Signature with date and Stamp of the Carrier	Certified that the above mentioned goods are sealed in my presence Signature with date and Stamp of Customs Sealing Officer at Port of Sealing	Certified that the above mentioned goods have been received by Customs on ---------- with seal intact. Signature with date and Stamp of Customs Sealing Officer at Port of Destination

Appendix-II
[see rule 478 (b)]

SUBJECT: REVOLVING INSURANCE GUARANTTEE NO. _____ DATED_____ FOR RS._____ EXPIRY DATE _____

Whereas in accordance with the Public Notice No. _____ dated _____ issued by the Collector of Customs (Appraisement), Customs House, Karachi, vide C.No. _____ dated_____ to M/s _____ to act as approved TRANSPORT OPERATOR in terms of the above public notice for transportation of transit goods from Karachi Port to other Customs stations throughout the country, We M/s, _____ - do hereby bind ourselves and our heirs, successors and assignees jointly and severely with the President of Pakistan to pay to the, Director of Transit Trade, Karachi any amount payable as Customs duty, sales tax, surcharges regulatory duty or any other levy at the time at the time in-force in addition to fine and penalties which may be imposed by the said ~~r~~, Director of Transit Trade, Karachi for contravention of the conditions contained in the said public notice by the said transport operator as referred herein above.

Now the condition of this guarantee is such that if M/s _____ fails to discharge their responsibilities in the light of the said public notice in any manner whatsoever and in default falls to pay the amount of duties and taxes etc in addition to fine and penalties which may be demanded by the Director of Transit Trade, We, M/s. _____ or our successor shall pay to the Director of Transit Trade, Karachi the demanded amount within fifteen days from the date such demand is raised by the Director of Transit Trade, falling which a compensation at the rate of twenty percent per annum shall be paid - ipso facto - from the date when the actual demand is made by the Director of Transit Trade.

This guarantee shall remain in force till the above mentioned liabilities of the transport operator are completely discharged to the entire satisfaction of the Director of Transit Trade.

It is also specially agreed that the above guaranteed amount may be recovered under section 202 of the Customs Act, 1969, and rules, made there under in case the insurance company fails to pay the said amount of revenue.

This Revolving Insurance Guarantee is in accordance with the Public Notice No._____ dated _____ issued by the Collector of Customs, Appraisement.

[126]**{Appendix-IIA**
[See rule 479A]

APPLICATION FORM FOR REGISTRATION OF A SINGLE VEHICLE FOR TRANSPORT OF TRANSIT GOODS

Photograph of the owner

The Director,
Directorate of Transit Trade,
…….

I …….. hereby apply for the registration of vehicle to transport transit goods in terms of rule 479A of the Customs Rules, 2001 for a period of one year. The particulars of the applicant and vehicle are given below:-

1	Name of owner	
2	Nationality	
3	Present address	
4	Permanent address	
5	CNIC No.	
6	Vehicle Registration No.	

7	Vehicle Make and Model	
8	Vehicles Chassis No.	
9	Vehicle Engine No.	
10	Affidavit of good performance	

I/We hereby declare that the particulars finished in this application are correct and I/We have read the relevant Customs Rules and I/We agree to abide by them.

Yours faithfully.
Name of applicant".

Appendix-IIB
[see rule 479A(c)**]**

(On appropriately stamped non-judicial paper)

REVOLVING INSURANCE GUARANTEE FOR IMPORTED GOODS IN-TRANSIT BY OWNER OF SINGLE VEHICLE TRANSPORT

The *Director of Transit Trade*,
Directorate of Transit Trade
Custom House
Karachi.

Dear Sir,
WHEREAS Messers_____ having their registered office at..... (herein after referred to as the foreign importer / Customs Agent / Transport Operator) are engaged in the clearance / transportation of transit cargo within territory of Pakistan.

2. AND WHEREAS leviable duty and taxes assessed by CCS in respect of the transit goods shall be debited from the face value of the revolving insurance guarantee and the assessed amount shall be payable by the foreign importer / customs agent / transport operator, in case he fails to take the goods out of the territorial jurisdiction of Pakistan.

3. AND WHEREAS the Directorate General of Transit Trade (Customs Department) shall release goods on debiting an amount equal to the leviable duty and taxes involved on the goods from the face value of the revolving insurance guarantee.

4. NOW, THEREFORE, in consideration of the release of the imported goods, in-transit, to the foreign importer / customs agent / transport operator, we, Messers ..... do hereby bind ourselves with the President of Pakistan to pay to the, *Director of Transit Trade*, the aforesaid guaranteed amount of duties and taxes and the surcharge thereon at the rate of fourteen percent per annum for the whole period on the amount or any part thereof remained un-paid from the date on which the in-transit goods are released to the importers.

5. **THE COMPANY ISSUING THIS GUARANTEE ALSO UNDERTAKES:-**

(a) That the foreign importer / customs agent / transport operator shall pay to you the guaranteed amount in lump sum after demand.

(b) That the foreign importer / customs agent / transport operator shall also pay to you the surcharge due on the involved amount at the rate of fourteen percent per annum.

(c) That in the event of any default on the part of the foreign importer / customs agent / transport operator to pay the guaranteed amount on demand along with surcharge due as aforesaid, we, Messers ....., shall pay to you the same immediately upon demand by Director of Transit

Trade. On receipt of demand from the, Director of Transit Trade, it shall be considered by us as conclusive evidence of non-payment of the government dues plus surcharge, if payable by the importers.

(d) That we do hereby agree to the payment of duty/taxes and surcharge on the amount chargeable from the date of clearance of goods till the date the payment is made, provided that you agree, on the request of the foreign importer / customs agent / transport operator, not to take action under condition (6) (a) of this insurance guarantee.

(e) That we do hereby agree and declare that in the event of any default in the payment of any sum stated above it may, without prejudice to any other remedy which may be available to you, be recovered by you under section 202 of the Customs Act, 1969.

(f) That, notwithstanding anything contained in the foregoing, the guaranteed amount or any part thereof and surcharge, as aforesaid, shall immediately become payable to you.

6. **ADDITIONAL CONDITIONSOF THIS INSURANCE GUARANTEE ARE AS FOLLOWS:-**

(a) Any notice may be given to the foreign importer / customs agent / transport operator by sending the same, by registered post, which shall be deemed to have been served at the time when it would have been received by the addressee in the ordinary course of the post.

(b) The amount payable hereunder as principal or surcharge at the specified date may be declared and the same shall there-upon become due and payable immediately.

7. That this insurance guarantee is valid up to.....

8. IN WITNESS WHEREOF we have ..... this .....day of..... 2014 caused this guarantee to be signed under the official stamp in the presence of-

1..... 2.....
Officer Manager

Witnesses:-

1.....

2.....]

Appendix-III
[see rule 482(1)**]**

GOVERNMENT OF PAKISTAN
OFFICE OF THE DEPUTY/ASSISTANT DIRECTOR
CUSTOMS STATION---------- (TORKHAM/CHAMAN ETC)

(To be filled in by the Driver)

(For Official use)
- Temporary Admission Document No._____
- Date of issue _____
- Valid Upto _____
- Visit Allowed _____
- Stay Duration _____

1. This vehicle with details mentioned below, is valid for journey to Peshawar/Lahore/Wahga/Karachi/ (Port Muhammad Bin Qasim/Karachi Port)/Gawadar via Torkham/Chaman and back. (as applicable)

2. This Temporary Admission Document (TAD) is valid from the date of issuance till the date of expiry as mentioned above. The requisite details about the vehicle and the individuals are given below:-

a. **Owner of the Vehicle**

(i) Name : _____
(ii) Father Name : _____
(iii) Address in Afghanistan : _____
(iv) Address in Pakistan (if any) : _____

b. **Driver of the Vehicle**

(i) Name : _____
(ii) Father Name : _____
(iii) Permit No and date
(iv) If no permit Passport, Visa No and date: _____
(v) Address in Afghanistan : _____
(vi) Address in Pakistan (if any) : _____

c. **Brief description of goods**
(Empty vehicle shall not be allowed)

d. **GD No and date** : _____

e. **Purpose of visit** : _____

f. **Detail of vehicle** : _____

(i) Make : _____
(ii) Model : _____
(iii) Color : _____
(iv) Registration Number : _____
(v) Chassis Number : _____
(vi) Engine No. : _____
(vii) Driving Hand : _____
(viii) Loading Capacity : _____
(ix) Value of Vehicle : _____
(x) Duty/taxes involved on vehicle. : _____
(xi) Amount of Duty/taxes secured : _____
(xii) Bank Guarantee No. & Date : _____
(xiii) Name of Bank : _____

(Name and signature of the driver)

3. Value of Vehicle Declared : _____
Value of Vehicle assessed : _____
Duty/taxes assessed : _____
Bank Guarantee amount : _____
Bank Guarantee No.& Date : _____
Name of Bank and branch : _____
S. No of BG Register : _____

	[93][ROUTES	Pl tick the desired route]
(1)	(2)	(3)
1.	Port Qasim – Jamshoro – Hyderabad - Sukkur – D.G. Khan – D.I. Khan – Kohat – Azakhel - Peshawar – Jamrud Terminal – Torkham	
2.	Port Qasim – Hyderabad - Rathodero – D.G. Khan – D.I. Khan – Kohat – Peshawar – Jamrud Terminal - Torkham	
3.	– Bela – Khuzdar – Kalat – Quetta – Chaman Terminal	
4.	Port Qasim – Hyderabad - Rathodero – D.G. Khan – D.I. Khan – Bannu – Miran Shah – Ghulam Khan*	
5.	– Pasni – Ormara – Liari –Khuzdar – Kalat – Quetta - Chaman Terminal	
6.	– Turbat – Hoshab – Panjgur – Naag – Besima – Sorab – Kalat – Quetta – Chaman Terminal	
7.	– Pasni – Ormara – Liari – Karachi – Rathodero – D.I. Khan – Kohat – Peshawar – Jamrud Terminal - Torkham	
8.	– Pasni – Ormara – Liari – Karachi – Rathodero - D.I. Khan – Bannu – Miran Shah – Ghulam Khan*	
9.	- Jamrud Terminal - Peshawar (Motorway M-1) - Rawalpindi/Islamabad (Motorway M-2) – Lahore – Wagha **	
10.	– Sost – Chilas – Mansehra – Hasanabdal – Peshawar – Jamrud Terminal - Torkham"	

* These routes will become operational on a later date to be agreed mutually.

** Pakistan will facilitate Afghan exporters to India through Wahga. Afghan trucks will be allowed access on designated routes up to Wahga. Afghan cargo will be off loaded on to Indian trucks back to back at Wahga and the trucks on return will not carry Indian exports.

Certified that the Vehicle is as per prescribed specification and bank guarantee is in order.

Superintendent
(Name, Seal & Signature).

Approved by:

Deputy/Assistant Director
(Name, Seal & Signature)

EXIT DETAILS

Date and Time of Exit : _____

Date and time of return of BG : _____

Superintendent
(Name, Seal & Signature).

The following important instructions must be adhered to / complied with before permitting the individuals and the vehicles:-

(a) Photocopy of this road pass is not valid/acceptable.
(b) Carriage of contraband items is strictly prohibited
(c) The vehicles moving on this Temporary Admission Document are not exempted from search/checking by authorized authorities.

(d) This Temporary Admission Document must be returned to the Customs Authorities at Torkham / Chaman in original within seven days of its expiry and the vehicle should also be brought for inspection at the same day.

Appendix-IIIA
[see rule 482A(3)]

Application for issuance of TAD by Pakistan authorities to be submitted by Afghan approved Transport Operators

I, (name), request the Embassy/Consulate General of Pakistan in Kabul/Kandahar/Jalalabad to issue a TAD for transportation of goods to/from Pakistan via Torkham / Kharlachi / Ghulam Khan / Angoor Ada / Chaman and back, in respect of the following vehicle. The particulars of company, vehicle and owner, are given below;

DETAILS OF THE OWNER & COMPANY	
Company Name:	
Company's representative Name:	
Authority Letter No. and date:	
Passport details:	
NIC Number:	
Contact Address (Afg.):	
Contact No (Afg.):	
DETAILS OF THE VEHICLE	
Make/model of Vehicle:	
Tare (Empty Weight) in Kgs	
Color:	
Registration No:	
Engine No:	
Chassis No:	
License/ Authorization for international carriage of goods	
Fitness Certificate No: when applicable	

I undertake that if the vehicle goes missing in the territory of Pakistan, I will immediately report the incident to the nearest police station, register FIR and submit copy of the FIR in the office of the nearest Customs

Enforcement Collectorate. I further undertake to pay duties and taxes leviable on the goods as ascertained by Pakistan Customs.

Yours Sincerely
(TAD Applicant Name)
Company Name)

Appendix-IIIB
[see rule 482A(3)]

Application for issuance of TAD by Afghan Authorities
to be submitted by Pakistani registered Transport Operators

I, (name), request the Embassy / Consulate General of Afghanistan in Islamabad/Peshawar/Quetta/Karachi to issue a TAD for transportation of goods to/from Afghanistan via Torkham / Kharlachi / Ghulam Khan / Angoor Ada / Chaman and back, in respect of the following vehicle. The particulars of company, vehicle and owner, are given below:

DETAILS OF THE OWNER & COMPANY	
Company Name:	
Company's representative Name:	
Authority Letter No. and date:	
Passport details:	
NIC Number:	
Contact Address (Pak.):	
Contact No (Pak.):	
DETAILS OF THE VEHICLE	
Make/model of Vehicle:	
Tare (Empty Weight) in Kgs	
Color:	
Registration No:	
Engine No:	
Chassis No:	
License/ Authorization for international carriage of goods	
Fitness Certificate No: when applicable	

I undertake if the vehicle goes missing in the territory of Afghanistan, I will immediately report the incident to the relevant Afghan authorities. I further undertake to pay duties and taxes leviable on the goods ascertained by Afghan Customs.

Yours Sincerely
(TAD Applicant Name)
Company Name)
Appendix-IIIC
[see rule 482A(5)]

FORMAT OF THE TEMPORARY ADMISSION DOCUMENT FOR VEHICLES
MINISTRY OF TRANSOPRT, AFGHANISTAN / PAKISTAN CUSTOMS, PAKISTAN

Authorization
For International Carriage of Goods by road
Between Afghanistan and Pakistan

No:

Validity: 6 months
From- T0: Day/ month / year

1. DETAILS OF THE TRANSPORT OPERATOR	
Company Name:	
Company's Representative Name:	
Authority Letter No. and date:	
Passport details:	
NIC Number:	
Contact Address in respective country (Afghanistan or Pakistan.):	
Contact No in respective country (Afghanistan or Pakistan.):	

*CABOTAGE NOT ALLOWED, HOWEVER, ON RETURN JOURNEY, TRUCK CAN BRING IMPORTS/TRANIST GOODS.

2. DETAILS OF THE VEHICLE	
Make/model of Vehicle:	
Tare (Empty Weight) in Kgs	
Color:	
Registration No:	
Engine No:	
Chassis No:	
License/ Authorization for international carriage of goods	
Fitness Certificate No:	
Carrying Capacity:	

3. SPECIAL REMARKS:
4. NAME OF AUTORIZED OFFICER:
5. PLACE, DATE OF ISSUE:

Stamp and Signature

Valid for multiple Journeys with max 30 days for each other journey

Journey Number		Crossing Point	Date of Entry	Date of Exit	Bilateral / Transit	Signature of Customs's /Transport Autorized Officer
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
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Appendix-IV
[see rule 484-A**]**

(On appropriately stamped non-judicial paper)

INSURANCE GUARANTEE FOR IMPORTED GOODS IN-TRANSIT

The *Director of Transit Trade*,
Directorate of Transit Trade
Custom House
Karachi.

Dear Sir,

WHEREAS Messers_____ having their registered office at..... (herein after referred to as the Afghan importer) have imported goods in transit to Afghanistan from Messers..... as per ..... IGM No..... dated..... Index No..... dated ..... vide GD (AT) No..... dated .....…

2. AND WHEREAS an amount of Rs..... (Rupees .....) has been assessed as duties and taxes in respect of the said goods which are payable by the importer in case he fails to take the goods out of the territorial jurisdiction of Pakistan.

3. AND WHEREAS the Customs Department has agreed to release goods against furnishing of an insurance guarantee equal to the amount of duty/taxes involved on the goods entering Pakistan.

4. NOW, THEREFORE, in consideration of the release of the imported goods, in-transit to Afghanistan, to the importer, we, Messers..... do hereby bind ourselves with the President of Pakistan to pay to the, *Director of Transit Trade,* the aforesaid guaranteed amount of duties and taxes and the surcharge thereon at the rate of fourteen percent per annum for the whole period on the amount or any part thereof remained un-paid from the date on which the in-transit goods are released to the importers.

5. **THE COMPANY ISSUING THIS GUARANTEE ALSO UNDERTAKES:-**

(g) That the importer shall pay to you the guaranteed amount in lump sum after demand.

(h) That the importer shall also pay to you the surcharge due on the involved amount at the rate of fourteen percent per annum.

(i) That in the event of any default on the part of the importer to pay the guaranteed amount on demand along with surcharge due as aforesaid, we, Messers ....., shall pay to you the same immediately upon demand by Director of Transit Trade. On receipt of demand from the, Director of Transit Trade, it shall be considered by us as conclusive evidence of non-payment of the government dues plus surcharge, if payable by the importers.

(j) That we do hereby agree to the payment of duty/taxes and surcharge on the amount chargeable from the date of clearance of goods till the date the payment is made, provided that you agree, on the request of the importers, not to take action under condition (6) (a) of this insurance guarantee.

(k) That we do hereby agree and declare that in the event of any default in the payment of any sum stated above it may, without prejudice to any other remedy which may be available to you, be recovered by you under section 202 of the Customs Act, 1969.

(l) That, notwithstanding anything contained in the foregoing, the guaranteed amount or any part thereof and surcharge, as aforesaid, shall immediately become payable to you.

6. **ADDITIONAL CONDITIONSOF THIS INSURANCE GUARANTEE ARE AS FOLLOWS:-**

(c) Any notice may be given to the importers/company by sending the same, by registered post, which shall be deemed to have been served at the time when it would have been received by the addressee in the ordinary course of the post.

(d) The amount payable hereunder as principal or surcharge at the specified date may be declared and the same shall there-upon become due and payable immediately.

7. That this insurance guarantee is valid up to.....

8. IN WITNESS WHEREOF we have ..... this .....day of..... 2014 caused this guarantee to be signed under the official stamp in the presence of-

1..... 2.....
Officer Manager

Witnesses:-

1.....

2.....

Appendix-V
[see rule 484-B**]**

(On appropriately stamped non-judicial paper).

BANK GUARANTEE FOR AFGHAN VEHICLES ENTERING PAKISTAN

The *Director Transit Trade*
*Directorate of Transit Trade*_____
Custom House, Karachi

Dear Sir,
WHEREAS Messers_____ having their registered office at..... (herein after referred to as the Afghan importers) have imported the Vehicle in-transit from Afghanistan under the cover of Temporary Admission Document No……. issued on …….. for transit movement of goods covered under IGM No..... dated ..... Index No..... dated ..... vide GD (AT) No..... dated .....…from Custom Office……. (Pakistan) to Custom Office……(Afghanistan).

2. AND WHEREAS an amount of Rs..... (Rupees .....) has been assessed as duties and taxes in respect of the said vehicle which are payable by the importer in case he fails to take the said vehicle out of the territorial jurisdiction of Pakistan within the time period prescribed in rule 609.

3. AND WHEREAS the Customs Department has agreed to release the temporarily admitted vehicle against furnishing of a bank guarantee equal to the amount of duty and taxes involved on the said vehicle.

4. NOW, THEREFORE, in consideration of the release of the imported vehicle, for transport of transit goods to Afghanistan, to the importer, we, Messers..... Bank Limited..... do hereby bind ourselves to the President of Pakistan to pay to the, *Director of Transit Trade*, the aforesaid guaranteed amount of duty/taxes and the surcharge thereon at the rate of fourteen percent per annum for the whole period on the amount or any part thereof remained un-paid from the date on which the temporarily admitted vehicle is released to the importer.

5. **THE BANK ISSUING THIS GUARANTEE ALSO UNDERTAKES:-**

(a) That the importers shall pay to you the guaranteed amount in lump sum after demand.
(b) That the importers shall also pay to you the surcharge due on the involved amount at the rate of fourteen per cent per annum.
(c) That in the event of any default on the part of the importer to pay the guaranteed amount on demand along with surcharge due as aforesaid, we, Messers ..... Bank Limited, shall pay to you the same immediately upon demand by the, *Director of Transit Trade,. On receipt of demand from the, Director of Transit Trade, it shall be considered by us as conclusive evidence of non-payment of the government dues* plus surcharge, if payable by the importers.
(d) That we do hereby agree to the payment of duty/taxes and surcharge on the amount chargeable from the date of temporary admittance of the vehicle till the date the payment is made, provided that you agree, on the request of the importers, not to take action under condition (6) (a) of this bank guarantee.
(e) That we do hereby agree and declare that in the event of any default in the payment of any sum stated hereunder it may, without prejudice to any other remedy which may be available to you, be recovered by you under section 202 of the Customs Act, 1969.

(f) That, notwithstanding anything contained in the foregoing, the guaranteed amount or any part thereof and surcharge, as aforesaid, shall immediately become payable to you.

6. **ADDITIONAL CONDITIONSOF THIS BANK GUARANTEE ARE AS FOLLOWS:-**

(a) Any notice may be given to the importers/bank by sending the same, by registered post, which shall be deemed to have been served at the time when it would have been received by the addressee in the ordinary course of the post.
(b) The amount payable hereunder as principal or surcharge at the specified date may be declared and the same shall there-upon become due and payable immediately.

7. That this bank guarantee is valid up to.....

8. IN WITNESS WHEREOF we have ..... this .....day of..... 2014 caused this guarantee to be signed under the official stamp in the presence of-

1..... 2.....
Officer Manager
…….Bank Ltd..... …… Bank Ltd……...

Witnesses:-
1.....

2.....**]**

[74][Sub-Chapter VIII

Transshipment under CCS

485. Scope. - Notwithstanding anything contained in any other rules, the provisions, as prescribed hereinafter, shall apply to the goods transshipped through the Customs Computerized System.

486. Electronic connectivity.- Electronic connectivity means accessing and using the Customs Computerized System through the assigned user identities and passwords. All relevant provisions of Chapter XVI-A of the Customs Act 1969 (IV of 1969) shall apply in this regard.

487. Limitations. - (1) Only such goods as have been distinctly manifested for transshipment shall be allowed transshipment facilities from port of entry.

(2) Transshipment facilities under sub-rule (1) shall be provided only for the inland customs-stations exercising jurisdiction at the destination as mentioned in the manifest.

488. Transshipment procedure for import.- The procedure hereinafter laid down shall be followed for the transshipment of cargo from the port of entry to the inland Customs station.

489. Procedure for filing and approval of GD-TP at port of entry.- (1) The owner of goods or his authorized bonded carrier shall access the Customs Computerized System through his assigned User ID, for filing online Goods Declaration for transshipment (GD-TP), at the port of entry against the bill of lading manifested for transshipment in the IGM. Before the submission of on-line GD-TP, it shall be ensured that the actual item wise description, PCT code, quantity, quality [80][,weight and value] of the goods under transshipment is as per declarations in the IGM, invoice and packing list.

(2) On verifying as per selectivity criteria that the imported goods are distinctly manifested for transshipment, the system shall authorize transshipment of goods in line with section 121 of the Act by assigning a unique number to GD-TP.

(3) On allocation of GD-TP number, the bonded carrier authorized by owner of goods can access the GD-TP, subject to the prescribed selectivity criteria, for feeding online information related to transport unit i.e. registration number of vehicle, name and CNIC of the driver thereof, for transportation of the transshipment goods.

(4) If, before or at the time of filing of GD-TP, the owner of the goods or his authorized clearing agent notices any obvious error, or mistake related to the number of packages, weight or description of the goods or port of final destination, in the information manifested, they shall approach Assistant or Deputy Collector MIS at the port of entry through the shipping line or shipping agent along with all supporting documents for amendment in the manifested information.

(5) Upon completion of all customs processes based on the pre-determined selectivity criteria the system shall generate customs release message for the Terminal Operator, owner of the goods or his authorized bonded carrier and concerned Assistant or Deputy Collector at the port of entry as well as the port of destination.

490. LCL cargo to be transshipped in container. - Subject to the provisions of above rules and prescribed selectivity criteria, in case of LCL or over dimensional cargo, the following procedure shall be followed:

(a) the System shall assign the GD-TP to Customs Officer who shall inspect and verify the marks and numbers and number of packages as per declaration. He shall also verify that the container was empty before stuffing and record date and time of dispatch of container online in the system. The stuffed container shall be sealed by the CCSU or authorized person at the respective focal point as per prescribed procedure;

(b) on submission of inspection or verification report by the Customs officer, the system shall generate a Customs removal message for bonded carrier allowing the removal of container from port area. The information regarding number of containers along with details of the consignments stuffed therein and the sealing by CCU or by the authorized person shall be visible to the authorized bonded carrier;

(c) in exceptional cases, if any problem is faced in stuffing of LCL cargo in container, the bonded carrier shall approach the concerned Assistant or Deputy Collector of the port of entry who may allow transshipment of such goods in loose form subject to additional conditions, sealing requirements and other safeguards, as he deems appropriate;

(d) bonded carriers shall be authorized to use the empty sea containers of internationally accepted standardized dimensions and carrying valid original container numbers, taken from and with consent of respective shipping lines, to the effect that the containers so used should be on lease basis at least for a period of one hundred and eighty days for the carriage of loose transshipment cargo from port of first entry to other customs stations. The bonded carrier shall obtain prior permission for such container number from the Assistant or Deputy Collector MIS (Import) for the use of the empty container in order to avoid manifestation of one container in different places; and

(e) the following goods, subject to sealing requirements as per procedure, may be transshipped in loose condition on flat bed trailers, namely:-

(i) heavy packages which cannot be stuffed in the container;

(ii) heavy coils of telephone or electric cables imported by public sector importer;

(iii) electric or telephone poles;

(iv) boilers and heavy generators;

(v) cranes, bulldozers and vehicles;

(vi) heavy air conditioning plants; and

(vii) cargo of over-dimension.

491. Safe carriage.- The Terminal Operator shall, subject to authorization by the System, handover the cargo to the authorized carrier for carriage of goods to the port of destination. Safe carriage by the bonded carrier shall be governed by rule 329.

492. [90][Omotted]

493. Goods not permitted for transshipment.- In addition to the provisions contained in the Import Policy Order, the following goods shall not be allowed transshipment, namely:-

(a) spirits, as defined in Chapter 22 of the First Schedule to the Act except imported by diplomatic bonded warehouse and diplomatic mission after obtaining import authorization from Ministry of Commerce;

(b) narcotic drugs and psychotropic substances as defined under the Control of Narcotics Substances Act, 1997;

(c) explosive, as defined in the Explosives Act, 1884 (IV of 1884); and

(d) arms and ammunition and parts thereof, as defined in the Arms Act, 1878 (XI of 1878).

494. Security seals.- (1) The Terminal Operator shall ensure that before the cargo is allowed exit from port of entry, security seals have been affixed on all the containers or the cargo as the case may be by the Customs Container Security Unit (CCSU) staff or any person so authorized by the Board, who shall be available at the port on twenty four-hours a day and seven days a week basis and shall seal the containers as required by the Terminal Operator:

Provided that the over dimension goods, which are imported and landed at terminal without being stuffed in containers shall be allowed transshipment in loose condition on flat bed trailers, the photographs whereof shall be taken by customs authorities before the cargo leaves exit gates of the terminal.

(2) The container required to be sealed under sub-rule (1) shall be sealed with prescribed security unbreakable seals with progressive serial number by the CCSU staff or the person authorized in that behalf and in addition a wire seal is used to hold together the locking bolts of the containers and numbered, adhesive tapes shall be used on joints where doors of containers close on top and bottoms of the doors and on the hinges.

(3) The open containers and flat bed trailers shall be covered with tarpaulin in sound condition and a cable passed through the eyelets so as to secure the goods where unto the seal shall then be applied to the ends.

(4) On focal points where the computerized sealing system of CCSU is not operational, the CCSU staff or the person so authorized in that behalf shall issue a sealing certificate in quadruplicate as provided in Appendix-VI to CHAPTER XIV of these rules upon sealing each container in accordance with the procedure prescribed by the Board.

(5) The original copy of the certificate issued under sub-rule (4) shall be retained by the CCSU or a person authorized by it in that behalf, the duplicate shall be collected by the Terminal Operator, the triplicate and quadruplicate copies shall be carried by the driver of the carriage to the destination port.

(6) Upon arrival of cargo at the destination, the CCSU shall inspect the seals at the focal exit point in the presence of driver of the carriage, prime mover or representative of the Pakistan Railways, as the case may be, so as to verify the security of the cargo if the seals are intact.

(7) In case the CCSU or the person so authorized on its behalf finds that the seal is broken or tampered with or finds the security of cargo or the container compromised in any way detrimental to the revenue or safety or have narcotics or terrorism related concerns, the matter shall be reported to the in-charge CCSU as per procedure prescribed by the Board as well as the concerned Assistant Collector of destination port with a

copy to the Collector of the port of entry for necessary action, whereupon, such container shall be de-stuffed or re-stuffed only in the presence of authorized officer of customs of concerned customs-station.

(8) In case the carriage carrying the cargo meets with an accident or breakdown that has caused or may cause the security and safety of the bonded goods to be compromised, it shall immediately be reported to the CCSU for necessary action as per the SOP and the carrier shall-

(a) bear all expenses incurred on re-stuffing or repacking of bonded goods including any pilferage or damage caused to it; or

(b) approach the officer of customs in-charge of the nearest customs-station having territorial jurisdiction for witnessing the shifting of goods in another transport unit if necessitated and in whose presence the carrier shall shift the transshipped goods or container in the other transport unit where against such officer in charge shall issue a certificate to this effect to be produced by the carrier at the destination and cause the re-sealing of the container by CCSU or a person so authorized by it in that behalf.

495. Clearance of goods from port of entry.- (1) Upon feeding of all information, the Bonded Carrier shall approach Terminal Operator for taking delivery of the consignment.

(2) The Terminal Operator after physically verifying the antecedents of the transport unit and its driver shall deliver the goods and send 'pre gate-out' message through the System along with the name of the bonded carrier and the vehicle registration number.

(3) The terminal operator and the bonded carrier shall ensure that goods having different marks and numbers or packages etc. as indicated in the system or manifest are not loaded for transshipment. The discrepancy found if any shall be reported to Assistant or Deputy Collector, MIS (Import) for further action.

(4) After taking delivery of goods from Terminal Operator, the carrier shall bring the transshipment goods to the CCSU or the Customs Sealing staff for sealing as per prescribed procedure. The sealing staff shall enter the sealing information directly in the Customs Computerized System. The sealing staff shall also generate triplicate copies of "Transport Note", as specified in (**Appendix-I)** to this chapter. Each copy of the Transport Note shall be signed by the Customs Sealing staff and the bonded carrier; one copy shall be retained by the Sealing staff, second copy shall be handed over to the driver of the transport unit, who will submit the same to the Gate-in staff at port of destination and last copy shall be retained by the representative of Bonded Carrier for his record.

(5) On completion of feeding of sealing information, the system shall generate Customs Seal Verification Message (SVM) for terminal operator. The terminal operator shall record Gate -out event for the transshipment cargo on receipt of system generated Customs release and seal verification messages. While performing the 'Gate out' event, the Terminal Operator shall also enter the weight of the cargo in the system along with the digital scanned image of weighment slip which shall be visible to the Gate-in Customs staff of the port of destination. The Terminal Operator shall also hand over the weighment slip for each container to the Bonded Carrier and hard copy thereof to the Customs Sealing Staff:

Provided that where Customs staff performs the 'gate out' operations, the functions entrusted to the Terminal Operator in the above rule shall be performed by the Customs 'Gate-out' staff.

(6) In case the difference in the weight fed by the terminal operator (as per weighment slip) and that declared by the owner of goods is more than five percent, the RMS shall mark such consignment for clearance through Customs red channel mode.

(7) The Carrier shall ensure that goods relating to only one specific customs- station are loaded on one conveyance.

(8) The containers of such cargo shall be loaded on trucks in such a manner that their door sides shall be securely placed against the truck driver's cabin. Similar precautions shall be taken, to the possible extent, in case of containers of bonded cargo transported by Pakistan Railways.

496. Intimation of Transshipment.- On intimation of delivery of transshipment consignments to authorized bonded carrier by the terminal operator under the above procedure, the system shall electronically inform the Collectorate exercising jurisdiction over the inland Customs station regarding the particulars of the departed consignments.

497. Procedure at customs port or station of destination.- (1) On arrival of transshipment goods at the customs port or station of destination, Gate-in event shall be recorded by the terminal operator or Customs staff and de-sealing operation shall be carried out by the concerned staff of CCSU as per prescribed procedure.

(2) In case of over-dimension cargo, inventory of goods shall be verified jointly by the CCSU or the Customs Sealing Staff and the Carrier as per prescribed procedure. In case the over-dimension cargo does not tally with the inventory sheet of the port of entry, the Customs sealing staff at the port of destination shall generate a discrepancy report in the system. This information shall be visible to Customs examination or assessment staff and to concerned Assistant or Deputy Collector at the port of destination as well as port of entry for further action under the law.

(3) Customs examination of container with broken or tampered seal shall be conducted in the presence of representatives of bonded carrier and importer who shall sign the report pertaining to shortage, substitution or damaged goods. The scanned copy of the signed report along with the images of goods shall be uploaded in the system by the concerned Customs officer.

(4) Any amendment in the Gate-in particulars in the Customs Computerized System arising due to the accident or breakdown of the vehicle shall only be fed in the System upon approval of the Assistant or Deputy Collector Transshipment at the port of destination.

(5) On safe landing of containers at the destination Customs port or station, the importer or their authorized agents are required to follow all Customs formalities such as filing of GD, assessment etc for clearance of goods as per prescribed procedure.

498. Time limit for transshipment of goods.- (1) All goods for which transshipment has been allowed shall reach the customs port or station of destination within seven days of the date of feeding of the Gate-out event in the system at port of entry. The system shall block the bonded carrier who failed to deliver the cargo within the prescribed time limit.

(2) If unavoidable delay occurs in transshipment of any goods, the carrier shall request the concerned Assistant or Deputy Collector of port of entry for extension in the prescribed period who may extend the period for a further seven days by recording reasons in the system. Further extension shall not be allowed without the prior approval of the concerned Additional Collector. This extension shall, however, not be allowed on account of scarcity or non-availability of transport unit to a Carrier.

(3) In case where the Assistant or Deputy Collector MIS (Import) at the port of entry finds no cogent reasons for delayed transshipment, he shall generate e-notices through the system for consignments that are delayed beyond the prescribed time limit requiring the bonded carrier to provide written explanation through the system; In case the bonded carrier fails to respond or responds in an unsatisfactory manner within 24 hours of the issuance of the e-notice, the concerned Assistant or Deputy Collector of the port of entry shall initiate further legal action against the bonded carrier under intimation to the Assistant or Deputy Collector (Licensing) and Assistant or Deputy Collector of the port of destination.

(4) No further transshipment shall be allowed to the carrier till online acknowledgement or receipt of earlier consignment transshipped seven days ago is received.

499. Cargo arrival report and electronic acknowledgement of transshipment goods.- The Customs officer at destination Customs port or station shall submit online the safe arrival report of transshipped containers in the system. The containers arrival report shall be matched with transshipment messages received from port of entry and on verification, the system shall generate Customs safe landing message which will be transmitted to Collector of Customs of entry port for closure of IGM lines or manifest clearance.

500. Application of risk management system.- All goods under transshipment to inland destinations or customs-stations shall be subject to the CCS risk management system (RMS) and, in any case, where any consignment is deemed risky by RMS, the Terminal Operator shall be electronically advised to scan the consignment before handing it over to a bonded carrier, whereupon, the scanned image shall be transmitted to CCS accordingly.

501. Examination of goods under transshipment to inland destination. - The consignment under transshipment [90][Omitted] shall not subject to examination at the port of entry, unless-

(a) illicit fire arms or explosive material is detected during scanning;
(b) the goods are not carried to inland customs-station despite lapse of 72 hours of the arrival of the goods; and
(c) there is any specific information or cogent reasons to believe that the particulars are grossly mis-declared.

502. Violation of rules.- In case any carrier violates these rules or any such violation is detected during transshipment of cargo from port of entry to the inland customs-station and *vice versa*, the carrier shall be liable to pay the duty and taxes as may be leviable on such goods in addition to any other action as is envisaged in the Act or the rules made there under:

Provided that no punitive action shall be taken against the carrier without affording the carrier an opportunity of being heard.

503. Exports from inland customs-stations.- The procedure hereinafter laid down shall apply to the transshipment of cargo from inland customs-stations to the terminal.

504. Intimation of export transshipment.- Each consignment of export transshipment departing towards port of exit shall be intimated to CCS online by the Collectorate of Customs exercising jurisdiction over the inland customs-station soon after the consignment is dispatched from the inland customs-station.

505. Security seals.- Provisions of rule 494 shall, *mutatis mutandis*, apply to the transshipment of export cargo from inland customs-stations.

506. Intimation of export transshipment to Terminal Operator.- The PAACS shall, soon after receiving an intimation of transshipment of cargo from an inland customs-station, advise the Terminal Operator online passing such intimation regarding transshipment of cargo.

507. Receipt of export transshipment by the Terminal Operator.- The Terminal Operator shall, soon after the receipt of export transshipment of cargo from an inland customs-station pursuant to an advice tendered under rule 506, intimate receipt of such cargo to CCS.

508. Acknowledgement, reminder, etc., to inland customs- station.- (1) On receipt of intimation from the Terminal Operator under rule 507, CCS shall acknowledge the receipt of export transshipment of cargo to the Collectorate of Customs exercising jurisdiction over the inland customs- station electronically.

(2) In case of non-communication relating to transshipment of export cargo or reminders thereto, non-receipt of such consignments and violations there against, the provisions specified in rules 498, 499 and 502 hereinbefore shall, *mutatis mutandis*, apply.

509. Risk management system for exports.- No export consignment in transshipment from inland customs-stations shall be subjected to either risk management system or examination at the final port of exit, unless-

(a) the seals of the containers upon their arrival at the port of exit are found to be either missing or broken; or

(b) the container has been damaged *en-route*; or

(c) the Inland customs-station from where the consignment has originated, requests the Collector exercising jurisdiction to examine the consignment on the basis of specific information.

510. Except for the foregoing provisions specified in this Sub-Chapter, the provisions otherwise specified in rules 326, 327, 328, 329 and 337 excepting the filing of transshipment application in sub-rule (1) of rule 330 under Chapter XIV shall, *mutatis mutandis*, apply.]

[101][Sub-Chapter VIII-A

International Transshipment

[110] [510A. Transshipment of imported cargo from gateway port to a foreign port.- The following procedure is prescribed for the movement of the International Transshipment (IT) cargo other than LCL cargo through any sea port in Pakistan, which shall be distinctly manifested as such in the IGM or carrier declaration uploaded electronically in the Customs Computerized System by the shipping line (VOCCs/NVOCCs) having valid shipping agent licences. Such manifest shall necessarily include the following information, namely:-

(a) port of loading;
(b) via port (name of the transshipment port of Pakistan);
(c) port of destination (final port of discharge at foreign destination);
(d) bill of lading (B/L) No.;
(e) name of foreign exporter;
(f) name of foreign importer;
(g) weight;
(h) seal No.; and
(i) container No.]

510B. Transhipment of containerized cargo.- The unloading of IT containers of the transshipment of containerized cargo shall be.-

(a) [110][the TO after unloading shall store IT containers at a place earmarked for them in the notified premises of a seaport. Further, a complete trail of IT containers including the time, location where they are placed and subsequent movements shall be electronically reported and updated in the Customs Computerized System by the Terminal Operator (TO) so that the location of the said containers is traceable at any given point in time;

(b) the TO shall deploy enough manpower to verify the shipper seals against the manifested seals and in case, a container is found without seal or with a different seal or any broken seal, such container shall be re-sealed and immediately resealed with the Customs seal in the presence of the custodian and same shall be recorded. The new seal number will be entered into the system before stacking of the container;]

(c) The cargo so unloaded from one vessel for storage for subsequent loading at another vessel shall not be allowed under any circumstances to be taken out of the bonded-area. The terminal operator (TO) shall be responsible for safe storage and security of the goods. In case of any pilferage, shortage, theft or damage to goods. TO shall be liable to make payment of duty and taxes leviable thereon [110][be penalized accoredingly] and compensate the owner of goods;

(d) For loading of stored international destined cargo, master of the vessel or his authorized agent, shall electronically file an online declaration in Pakistan Customs Computerized System for International Transhipment (IT) against respective VIR/IGM and index to be loaded on a vessel for transshipment to an international destination;

(e) [110][Omitted];

(f) No goods for international transshipment shall be loaded on a vessel until the system has allowed loading electronically. The computerized system may on the basis of RMS assign such online declarations to the assessing officers for documentary and physical inspection. Till the development of RMS, the authorized officer of Customs not below the Rank of Assistance Collector may select the consignment of international transhipment for physical inspection or scanning on the basis of suspicion or if the shipper seal is found to be tempered or broken;

(g) International transshipment of cargo shall be effected within thirty days of inward berthing of vessel;
(h) [110][Omitted]; and
(i) After online lallow of loading goods shall be allowed to be leaded on to the ship under the Customs supervision. The Preventive Officer supervising the loading shall acknowledge the loading of such cargo. This record shall be reconciled with the copy of Export General Manifest.

510C. Transhipment of oversized, bulk and break-bulk cargo.- (1) Oversized, bulk and break-bulk cargo shall be examined by the Customs upon discharge and examination report along with the pictures of the cargo shall be uploaded in the Customs Computerized system against B/L. Upon filing of online declaration for transshipment, the details of the cargo shall be reconciled with the imported cargo.

(2) Partial transshipment of bulk or break-bulk cargo shall be allowed against Online Bulk Transhipment Declaration having endorsement "Partial Transhipment" containing details of total cargo arrived, quantity being transshipped and remaining quantity. The shipping line or its representative shall furnish a complete accountal of bulk or break bulk cargo to the Assistance Collector (Import Section), within twenty four hours of the completion of transshipment. In case of liquid bulk cargo, the same shall be stored in the storage tanks used exclusively for the international transshipment.

[110]**[510D. Delay in clearance of transshipment goods.-** (1) The IT goods shall not be subject to payment of import or export duties and taxes provided the activities are in conformity with these rules.

(2) If the goods stored for transshipment are not transshipped within thirty days of their arrival, a notice shall be sent to the shipping line or its agent on the address given in the shipping documents for transshipment of goods from the port. An extension of up to thirty days may be granted for the storage of such goods once a written request mentioning the reasons for delay in removal of goods is submitted to the concerned Assistant Collector of Customs and such a request is approved by him.

(3) If goods still remain on the port after sixty days of their arrival, the shipping line shall be responsible to remove them immediately unless the delay is attributed to the port authorities. The goods shall only be allowed for auction or destruction by approval of the concerned Collector of Customs who shall only allow it in extraordinary conditions where the shipping line shows its complete inability to ship them out. The said reasons shall be recorded in writing.

(4) In case of any hazardous material left at the port, the concerned shipping line shall be have the responsibility to take the cargo back to the port of origin.

510E. Execution of bond by shipping line.- Shipping line engaged in the business of international transshipment of container and bulk cargo shall execute an indemnity bond for ensuring to follow Customs rules and regulations.]

510F. Prohibitions and restrictions.- The facility for international transshipment shall not be available to cargo containing arms and ammunition, explosive, radioactive materials, goods and technologies relating to Nuclear and Biological Weapons and restricted commodities under the UNSC sanctions.]

Sub-Chapter IX
Export Processing Zones under CCS

Import and Export of goods to and from the Zones (Transshipment scheme)

511. Customs clearance at the Zones.- All cargo to and from the Zones shall be cleared by the Collector of Customs or Collectorate exercising jurisdiction over the Zone.

512. Transshipment of cargo.- All cargo to and from the Zones shall be allowed transshipment facilities by the port of entry in case of imports and the port of exit in case of exports.

513. Limitations.- Only such goods shall be allowed transshipment facilities from the first port of entry to a Zone as have been distinctly manifested for that Zone.

514. Procedure at the port of entry or exit.- The procedure hereinafter laid down for the transshipment of goods from the first port of entry to the Zones shall be applicable under CCS.

515. Transshipment permits.- No separate declaration at the port of entry or, for that matter, any permit except the manifest shall be required for transshipment of goods through CCS and on receipt whereof, CCS shall electronically authorize the Terminal Operator to hand over those consignments to a bonded carrier that approaches the Terminal Operator with delivery orders from the shipping line for the goods where the address of the importer in the manifest is of a Zone.

516. Safe Carriage.- The Terminal Operator shall, subject to authorization by CCS handover the cargo to the carriers as may approach the Terminal Operator under rule 515 for carriage of goods to the Zone and, soon where after, the Terminal Operator shall electronically communicate the relevant particulars to CCS. For purposes of safe carriage the carrier shall be governed by rule 329.

517. Delivery of cargo.- All cargo consignments for transshipment to the Zone may be delivered by the Terminal Operator to the bonded carriers on 24 hours a day and seven days a week basis.

518. Intimation of transshipment.- As soon as a consignment for the Zone leaves the exit gate of the terminal at the first port of entry, CCS shall electronically intimate the Collectorate of Customs exercising jurisdiction over the Zone regarding the particulars of the departed consignment.

519. Arrival of cargo at destination.- Where any transshipment of cargo consignment arrives at the Zone of destination, the concerned office of the Collectorate exercising jurisdiction over the Zone shall electronically intimate receipt of such consignment to the Model Collectorate of Customs.

520. Reminder to Zones.- In case no acknowledgement for receipt of departed consignments is received from the concerned office of the Collectorate of jurisdiction after lapse of 72 hours of departure from the port of entry, a reminder or notice to that effect shall be electronically communicated to the Collectorate of jurisdiction.

521. Non-response by Collectorate of jurisdiction.- The Collectorate exercising jurisdiction over a Zone shall acknowledge the receipt of transshipment of goods or cargo consignment within 144 hours of the intimation thereof, contrary whereto, the matter shall be electronically communicated to the Collector of Customs, and in case no response is received from the Collector of Customs within 72 hours of such communication to him, the matter shall be electronically communicated to the Board.

522. Non-receipt of departed consignment.- In case non-receipt of consignment is reported by the concerned office of the Collectorate of jurisdiction on lapse of 144 hours of the intimation of departure of goods, the CCS shall, notwithstanding any other action that may be taken under the law, proceed to take action against the bonded carrier blocking their future carriage until the matter is resolved.

523. Application of risk management system.- All goods under transshipment to the Zones shall be subject to the CCS risk management system and, in any case, where any consignment is deemed risky by CCS, it shall either be scanned by the Terminal Operator or examined by the customs authorities before handing over the consignment to the bonded carrier, whereupon, either the scanned image or examination report, as the case may be, shall be transmitted online before the Terminal Operator hands over the consignment to the bonded carrier.

524. Examination of goods under transshipment to the Zone.- No consignment under transshipment to the Zones shall be subjected to examination at the first port of entry, unless:

(a) Illicit fire arms or explosive material is detected during scanning.

(b) The goods have been classified as risky and are not claimed from the first port of entry for carriage to a Zone despite lapse of 72 hours of the arrival of goods.

525. Exports from Zones.- The Collectorate exercising jurisdiction over the Zone shall forward the cargo to the Model Collectorate of Customs after clearing it for exports and an intimation whereof shall be made online soon after the consignment departs from the Zone through a bonded carrier whereto rules 514 to 523 shall , mutatis mutandis, apply.

526. Examination of exports.- Export consignment under transshipment from the Zones shall not be subjected to either risk management system or examination at the Model Collectorate of Customs, unless:

(a) The seals of the containers upon arrival at the port of exit are found to be either missing or broken.

(b) The container has been damaged en-route.

(c) The Collectorate of jurisdiction from where the consignment has originated, requests the Model Collectorate of Customs to examine the consignment on basis of specific information.

Explanation: Provisions relating to scanning of goods shall be effective from the date the scanners become operational at the port.

Sub-Chapter X
Integrated Regulatory Authorities (INTRA)

527. Integrated Regulatory Authorities (INTRA).- The Authorities as may be performing the following functions shall be deemed to be Integrated Regulatory Authorities including such authorities as are regulating the import, export, transit or transshipment under any law for the time in force or the rules made there under including the Customs Act, 1969 (Act IV of 1969), the Sales Tax Act, 1951 (Act III of 1951), and the Federal Excise Act, 2005 (Act VII of 2005), and General Orders issued there under , namely:-

(a) Form-S, approval;

(b) Form-S, quota debiting;

(c) Tariff based system's quota approval;

(d) Tariff based system's quota debiting;

(e) Duty and Tax Remission on Exports, approval;

(f) Duty and Tax Remission on Exports, quota debiting;

(g) Issuance of unique user identifiers;

(h) Warehouse Licensing;

(i) Customs Clearing Agents Licensing;

(j) Shipping Agents and Ship Chandlers Licensing;

(k) First Schedule to the Act (Tariff and exemptions on imports) and amendments thereto;

(l) Second Schedule to the Act (Tariff and exemptions on Exports) and amendments thereto;

(m) Duty drawback rates;

(n) Sixth Schedule to the Sales Tax Act (exemptions on imports) and amendments thereto;

(o) First and Second Schedules to the Federal Excise Act (Tariff and exemptions on imports) and amendments thereto;

(p) Tariff rates for PTAs and FTAs;

(q) General and special conditions of import or export; and

(r) Confirmation of local manufacturing status.

528. Unique user identifier for INTRA.- All users in INTRA shall obtain unique user identifiers from User ID Office and shall also acquire a static IP internet connection from the internet service provider.

529. Legal responsibility.- Unique user identifier issued to the user in any INTRA shall be deemed to be the legal signatures of that INTRA, and the concerned authority shall be responsible for all

actions performed through the unique user identifiers issued to that authority as specified in Chapter XVI-A of the Act.

530. INTRA to update CCS.- As and when any approval is granted, quota debited; customs-duties, sales tax or federal excise tariffs is imposed or amended at import or export stage; or a law, procedure, terms and conditions of import or export or any other process relating to customs is added, amended, or deleted, the concerned regulatory authority shall make the necessary amendments in CCS at source.

531. Orders, approvals or amendments to take effect.- The orders, approvals or amendments, as the case may be, shall be applicable and take effect from the time that CCS is up-dated by the concerned INTRA.

Sub-Chapter XI
Pre-pact Procedure

532. Pre-pact procedure.- The pre-pact procedure hereinafter specified and facilities created there under shall, in view of the fixed banking hours, provide round the clock on line facility to the tax payers to discharge their legal liabilities accruing out of clearance of goods through CCS.

533. NBP to provide pre-pact facility.- A common account in the name of Collector, Model Collectorate of Customs, shall be opened and maintained at any branch of the National Bank of Pakistan(NBP) designated by CCS wherein all users may deposit any amount they may like to and, in relation thereto, the bank branch shall electronically communicate the amount and the particulars of the depositor to CCS on line.

534. Payments through pre-pact.- Where any payment is required to be made through pre-pact, CCS shall communicate the particulars like NTN, BL. No., Tax Code, Account Heads, relevant sub-totals and grand total to the National Bank of Pakistan, which shall transfer equivalent amount from pre-pact to the relevant heads of account.

535. Withdrawals.- Where the user has made certain deposits under rule 533, he shall be within his discretionary right to withdraw any amount so deposited by him from pre-pact by filling out the form as provided on the web and in case sufficient amount is in balance owing to the user, a cross cheque shall be printed and signed by an officer of customs authorized by the Collector in that behalf and dispatched in favor of account number of the user against information provided by the user in his user profile.

536. Authority over funds.- Pre-Pact is a voluntary account where deposits are kept on behalf of the user and the user retains full control over the amount so deposited by him in advance and, as such, shall not be taken over, frozen, adjusted, etc., without the consent of the user.

537. Furnishing securities.- The facility of pre-pact may be used at the discretion of the user for purpose of furnishing securities in cases where securities may be required by the customs authorities and in such an event, the user may opt to deposit an equivalent amount which shall be treated by CCS as security and released, or en-cashed, as soon as the matter is settled.

Sub-Chapter XII
Refunds under CCS

538. Scope.– The provisions of this Sub-Chapter shall apply to the refund of duties and taxes through CCS except advance income tax deposited there under.

539. Filing of refund claim.- Any user may file his refund claim online by filling out the form using his unique user identifier where against refund reference number shall be issued.

540. Processing of the Refund Claim.- On receipt of refund claim, the Assistant Collector or Deputy Collector concerned shall satisfy himself regarding the legality, truth and accuracy of the claim and shall finalize it.

541. Intimation to Collectorates of Sales Tax and Federal Excise.- The Collectorates of Sales Tax and Federal Excise shall be communicated online the particulars of each sanctioned refund related to Sales Tax and Federal Excise.

542. Amount of refund in case of cancelled goods declaration.- In case goods declaration is cancelled, the total amount of duties, taxes and other charges, if any, except income tax and processing charges, shall be refunded to the claimant or where the applicant so desires, the amount may be credited against his NTN in the pre-pact.

543. Payment of refund claim.- The sanctioned amount of refund shall be paid to the claimant through a crossed cheque signed by an officer of customs so authorized by the Collector, and the Chief Accounts Officer of the Collectorate, which shall be issued in the name and against the account number as declared by the claimant and dispatched at the address provided by him in his profile with CCS.

544. Action on inadmissible refunds.- Where any refund claim or part thereof is found to be inadmissible, an order to that effect shall be issued after affording the claimant an opportunity of being heard and the order so issued may be appealed against.

545. Post Refund Audit.- The cases of finalized refund cases may be subjected to subsequent audit by the competent authorities.

Sub-Chapter XIII
Adjudications under CCS

546. Mode and manner of notices and orders.- In case any contravention of the Act or rules made there under is detected during or after clearance of goods, show cause notice shall be issued online to the importer, exporter, carrier or their agents, as the case may be, subsequent whereof, hearing notices shall also be issued online and at the conclusion of hearing or proceedings, the adjudicating authority shall issue an order which shall be electronically communicated to the importer, exporter, carrier or their agents, as the case may be, including any liabilities that he may accrue in the shape of duties and taxes, and fines and penalties imposed, and the order so issued may be appealed against.

547. Personal hearing.- The provisions relating to personal hearing specified in clause (c) of section 180 of the Act shall apply.

Sub-Chapter XIV
Terminal Operators under CCS

548. Terminal Operations under CCS.- Any Terminal Operator who wishes to conduct terminal operations under the CCS automated processes shall fulfill the minimum conditions or requirements specified in rule 554.

549. Application for registration with CCS.- Any Terminal Operator fulfilling the conditions or requirements and desirous of operating business processes under the CCS may apply under section 155B of the Act along with the documents as prescribed, to the Collector, Model Collectorate of Customs, for the deployment of CCS at their facility.

550. Processing of Application.- On receipt of an application under rule 549, CCS technical team shall verify whether the Terminal Operator fulfills the minimum conditions or requirements, or in case of deficiencies, a deficiency list shall be provided to the Terminal Operator with a copy to the Collector and after removal of deficiencies, if any, the Terminal Operator shall request for re-verification.

551. Verification Report.- Where the technical team has verified or re-verified that the Terminal Operator fulfils the minimum conditions or requirements, a verification report shall be submitted to the Collector.

552. Approval of registration under CCS.- On receipt of verification report, the Collector shall grant the application under section 155C of the Act and issue a unique identifier under section 155D thereof.

553. Cancellation of registration.- The Collector may at any time cancel the registration of a Terminal Operator under section 155F of the Act after giving notice and affording him an opportunity of being heard.

554. Minimum conditions for registration under sections 155C and 155D of the Act.- The following are the minimum conditions or requirements for grant of registration to the Terminal Operator:

(1) The terminal shall be operative on 24 hours X 7days X 365days basis.

(2) **Building and Infrastructure**: The terminal shall provide:

(a) Fully furnished, air conditioned International Industrial Standard office space for customs.

(b) Fully furnished Chemical Lab. facilities (Not including testing equipment or consumables).

(c) Telephones.

(d) Wired LAN.

(e) Change rooms, Lockers, washrooms and showers.

(f) Fully furnished Dining room facilities (Not including cooking equipment, consumables or service personnel).

(g) Document, sample, loading rooms.

(h) Standby power, sufficient to handle full load for office space, examination areas, office equipment and air conditioning till restoration of municipal power supply.

(i) Sufficient lighting and equipment for day and night operations.

(j) Security and access control to spaces designated for customs use.

(k) Janitorial services.

(3) **Examination Facilities**: The Terminal Operator shall provide:

(a) Separately earmarked secure examination areas.

(b) Examination areas shall be capable of round the clock operations.

(c) Examination areas shall have sufficient lighting facilities both at top level as well as container level lighting.

(d) Sufficient labor and equipment to handle expeditious and safe de-stuffing, and re-stuffing of cargo.

(e) CCTV facilities with full coverage of the examination area with 15 days backup.

(f) Security arrangement at examination areas so as to ensure that no pilferage of cargo is possible.

(g) Transport facilities for customs staff, if required, to and from examination areas.

(h) The facility, subject to requisition through CCS, to furnish dual view, dual energy scanned images of identified containers to CCS electronically.

(i) Weigh bridge accurate to +/- 1%, integrated with CCS through Terminal Operator.

(4) **Secure Environment**: The Terminal Operator shall provide:

(a) A secure walled or fenced facility with designated and controlled entry and exit points.

(b) Sufficient security personnel to ensure that there is no unauthorized entry or exit of cargo, vehicles or personnel to and from the facility.

(c) CCTV facilities with full coverage of the terminal area and all entry and exit points, with 15 days backup digital recording.

(5) **Information Technology**: The Terminal Operator shall provide:

(a) LAN facilities up to customs office premises.

(b) Redundant Secure Network links between Terminal Operator and CCS using alternate technologies i.e. fibre optics, DXX, radio link which may be capable of providing uninterrupted throughput of at least 10Mbps CIR.

(c) Terminal control system available 24 hours x 7days x 365 days basis:

(d) Terminal control system capable of Secure, Real-time integration between Terminal Operator system and CCS using XML based EDI messaging.

(e) Secure, reception and real-time acknowledgement of XML based EDI messaging.

(f) Trigger, restrict or permit services as per EDI instructions received from CCS in real-time.

(g) Secure real-time reporting of terminal operations to CCS using XML based EDI messaging.

(h) Transmitting accurate container weights measured by the quay cranes during load and discharge from vessel to CCS in real time.

(i) Maintaining audit trails.

(j) 24hours X 7days X 365 days basis IT support staff.

(6) **Documentation requirement**: The Terminal Operator shall provide:

(a) Plan of the terminal.

(b) List of designated entry and exit points.

(c) Details of IT security policy and procedures.

[100][(d) [116][security] guarantee encashable for breach of rules-

(i) for sea ports, US$ one million or equivalent in Pak Rupees;

(ii) for off-dock terminals, US$ 0.5 million or equivalent in Pak Rupees;

(iii) for inland dryports, US$ 0.2 million or equivalent in Pak Rupees;

(iv) for land border station, US$ 0.2 million or equivalent in Pak Rupees; and

(v) for air Cargo Terminal Operators and Ground Handling Agencies (GHAs) , US$ 0.2 or equivalent in Pak Rupees.]

(e) Company profile.

(f) Details of authorized person for coordination and implementation of CCS.

[80][554A. Off-Dock Terminal Operators under Customs Computerized System.- The provisions relating to registration of terminal operators as provided in rules 548 to 554 shall *mutatis mutandis* apply to off-dock Terminal Operators subject to such exceptions or changes as notified by the Board from time to time.]

555. EDI messaging between CCS and Terminal Operator[74][Off-dock Terminal).- The format of messaging between CCS and Terminal Operator **[74][Off-dock Terminal)**shall be as defined and determined by the [90][Director Reforms and Automation], including various codes in the message shall have the meaning as assigned to each by the [90][Director] and communicated to the Terminal Operator **[74][Off-dock Terminal)** under receipt and any subsequent additions or amendments in the number, format, codes or meaning of the messages shall be communicated to the Terminal Operator **[74][Off-dock Terminal)** under receipt at least four weeks prior from the date of implementation.

556. Rights and obligations.- The Terminal Operator **[74][Off-dock Terminal)** shall have the following Rights and Obligations under CCS:

(a) Safe Custody of Cargo/Goods and Containers:

(i) The Terminal Operator **[74][Off-dock Terminal)** is obligated to ensure the safe custody of all goods, cargo and containers received either from a vessel or from the shipper's truck and to ensure that the goods, cargo and containers are not tampered with in any manner whatsoever and that the container seals are not removed or replaced in any manner whatsoever.

(ii) The Terminal Operator [74]**[Off-dock Terminal)** is obligated to store all goods, cargo and containers received by them within the areas defined by Terminal Operator [74]**[Off-dock Terminal)** in rule 554 and approved by the Collector after verification by the technical team; provided, however, that the Terminal Operator [74]**[Off-dock Terminal)** may make arrangements to temporarily store containers within a secure area inside a CCS terminal or a customs-port at Terminal Operator's [74]**[Off-dock Terminal)** own risk, cost and liability and may be required to present such containers to CCS staff when called for examinations with intact seals and shall deliver all such containers through the exit points designated under rule 554 and, in relation whereto, the Terminal Operator [74]**[Off-dock Terminal)** shall advise the Collector of this additional area before movement of any containers for such storage and the Collector may approve this additional area after verification from the technical team.

(iii) The Terminal Operator [74]**[Off-dock Terminal)** is obligated to ensure the safety or security of all persons or individuals within the areas under their control and, pursuant whereto, the Terminal Operator [74]**[Off-dock Terminal)** may issue such instructions as deemed appropriate restricting or allowing vehicles in areas under their control or require the use of safety gear, helmets, shoes, etc., in certain areas and may temporarily restrict or allow access to areas considered hazardous.

(b) Communication:

(i) The Terminal Operator [74]**[Off-dock Terminal)** is obligated to carry out all terminal activities in accordance with the instructions communicated electronically through CCS, where the Terminal Operator [74]**[Off-dock Terminal)** shall not receive, discharge, load, release, ground or handle in any other manner any cargo unless so authorized by CCS through an electronic message provided, however, that the Collector may, in the event of a breakdown in communication or in special circumstances, nominate in writing one or more e-mail addresses at the CCS domain for passing instructions on e-mail and the Terminal Operator [74]**[Off-dock Terminal)** shall consider such instructions to be valid as if they had originated from CCS.

(ii) The Terminal Operator [74]**[Off-dock Terminal)** shall require no other authorization for handling of vessels and cargo except as provided in 555 (d) (i).

(iii) The Terminal Operator [74]**[Off-dock Terminal)** shall have no obligation or liability for any action performed in accordance with the instructions communicated electronically from CCS.

(c) Entry and Exit control:

(i) The Terminal Operator [74]**[Off-dock Terminal)** shall control all entry and exit points at the terminal and shall not permit entry or exit of any goods, vehicle or person from or to the terminal except through the designated entry and exit points, however, the Terminal Operator [74]**[Off-dock Terminal)** may change or modify or add additional entry and exit points by informing the Collector in writing at least fifteen days in advance of such change, modification or addition, whereupon, the Collector may allow movement of cargo and personnel from such modified or additional exit or entry points after verification by technical team.

(ii) The Terminal Operator [74]**[Off-dock Terminal)** shall not permit entry or exit of any goods, from or to the terminal unless so authorized electronically by CCS.

(iii) The Terminal Operator [74]**[Off-dock Terminal)** shall have complete liability for any breakage, theft or pilferage of any goods from the terminal where against the customs authorities shall not accept any liability for such events.

(iv) The Terminal Operator [74]**[Off-dock Terminal)** shall not allow the removal of any goods or stores from the vessel unless so authorized by CCS where against the Terminal Operator [74]**[Off-dock Terminal)** shall have the right to search any person, package or goods embarking or disembarking to and from the vessel for this purpose.

(v) The Terminal Operator [74]**[Off-dock Terminal)** shall have the right to search any person or vehicle entering or exiting the terminal and in case any unauthorized removal or entry of goods

is discovered, the Terminal Operator [74]**[Off-dock Terminal)** shall hand over the person, vehicle and goods to the customs authorities.

(d) Handling of cargo:

(i) The Terminal Operator [74]**[Off-dock Terminal)** shall have the obligation to provide services as required by CCS for each container discharged or to be loaded and these instructions shall be communicated electronically and shall be carried out only if authorized by CCS and as per the details of the manifest information as communicated electronically.

(ii) The Terminal Operator [74]**[Off-dock Terminal)** shall discharge [74][or removes] empty containers from the vessel [74][or premises] as has been authorized by CCS and the Terminal Operator [74]**[Off-dock Terminal)** shall not require any authorization for movement of empty containers to and from the terminal, however, as and when an empty container is moved to or from the terminal, CCS shall be intimated online.

[90][(iii) Upon communication of the electronic Examination Request from the CCS, the Terminal Operator / Off-dock Terminal shall be obligated to provide grounding along with de-stuffing and arrangement of cargo for examination including availability of sufficient labour with necessary equipment. The Collector of Customs may specify the time frame within which the container has to be grounded beyond which punitive measures shall be initiated for the delay.]

(e) Terminal equipment, consumables, stores and spare:

(i) The Terminal Operator [74]**[Off-dock Terminal)** is obligated to verify that all government taxes, levies and dues have been paid for all terminal equipment, consumables, stores and spare parts, acquired for use within the facility and the Terminal Operator [74]**[Off-dock Terminal)** shall maintain comprehensive records and evidence of such verifications.

(ii) The Terminal Operator [74]**[Off-dock Terminal)** shall be obligated to maintain comprehensive records of all equipment, consumables, stores and spares available in the facility and all equipment, consumables, stores or spares received or removed.

(iii) The Terminal Operator [74]**[Off-dock Terminal)** may remove unusable terminal equipment, consumables, spares or stores and shall maintain comprehensive records of all such removals.

(iv) The Terminal Operator [74]**[Off-dock Terminal)** may receive or deliver specialized equipment for the use of refrigerated containers like gen-sets, etc., and shall maintain comprehensive records of all such receipts and deliveries provided that no such equipment may be allowed to be landed from a vessel without due authorization from CCS and in the manner as aforesaid.

(i) Such records shall be subject to audit verification by customs authorities on demand, where the Terminal Operator [74]**[Off-dock Terminal)** shall be obligated to present all records whenever required by customs authorities and the Terminal Operator [74]**[Off-dock Terminal)** may maintain these records in an electronic format.]

[90][(f) **Auction of cargo:**

(i) The Terminal Operator / Off-dock Terminal shall earmark a dedicated area for storage of un-cleared / abandoned cargo to be put to auction. All such cargo / containers shall be shifted to such dedicated area after the stipulated period in terms of section 82 of the Act. In case the cargo/containers is to be shifted to such dedicated area, beyond the secure environment defined in terms of rule 554, the Terminal Operator or off-dock terminal, shall get such location approved by the Collector of Customs who may prescribe minimum conditions or requirements, including such securities and / or infrastructural requirements prior to allowing shifting of cargo.

(ii) Movement of cargo between the terminal / off-dock terminal and such secure area, as mentioned in sub-clause (i), shall be through inter-port movement

[74]**[Sub-Chapter XV**

Inter Port Movement of Cargo to Off-Dock Terminals

556A. Limitations.- (1) Inter-port movement of import cargo destined for Off-dock terminals shall be allowed through authorized Bonded Carriers licensed by the Customs authorities under Chapter XIV of these rules.

(2) The cargo mentioned below shall not be allowed removal from port of entry to Off-dock terminals under these rules .-

(a) transit goods under Chapter XXV of these rules [151][except for cross-stuffing of transit cargo];
(b) the FCL transshipment goods distinctly manifested for inland Customs stations; and
(c) the goods mentioned under rule 492.

556B. Procedure for removal of import cargo to Off-dock terminals.- (1) The consignments which are manifested for removal to Off-dock terminals shall be visible and accessible to Assistant or Deputy Collector Inter Port Movement (IP), MIS and Off-dock Terminals of the concerned Model Customs Collectorate on filing of IGM in CCS by shipping lines or agents.

(2) After successful manifestation of an Index showing via port as Off-dock terminal, the system shall generate Customs release message for the Terminal Operator discharging the container who shall subsequently make it available to the Customs sealing staff after sending a 'pre Gate-out' message to Customs Computerized System along with relevant information including the name of the bonded carrier and the container number. This message shall also be visible to the Customs sealing staff.

(3) Thereafter, the bonded carrier shall load that container on authorized vehicle and report to the Customs sealing staff for sealing of the container. The Customs sealing staff after verifying that permission for transportation of cargo to the Off-dock Terminal has been allowed by the system, shall physically verify the particulars of the bonded carrier and the container number vis-à-vis the information received through the system, affix the PCCSS seal on the container and feed the sealing information and the vehicle registration number in the System.

(4) The sealing staff shall also generate and print copies of 'Transport Note', as specified in (**Appendix-I)** to this chapter, from the System, in triplicate. Each copy of the 'Transport Note' shall be signed by the Customs sealing staff and the bonded carrier or his representative. One copy of the 'Transport Note' shall be retained by the Customs sealing staff, the second copy shall be handed over to the driver of the vehicle who shall submit the same to the Gate-in staff at the concerned Off-dock Terminal and last copy shall be retained by the representative of the bonded carrier for his record.

(5) A system generated Customs Seal Verification Message (SVM) is communicated to the Terminal Operator on feeding of PCCSS seal information in the system. The Terminal Operator shall perform 'Gate-out' event only after receiving the Customs seal verification message. The Gate-out message shall be communicated by the Terminal Operator to the system which shall include the name of the bonded carrier, vehicle registration number, container number, shipper's seal number; PCCSS seal number and gross weight of the container; The Terminal Operator shall also hand over the weighment slip to the bonded carrier for record and onward presentation to the Customs staff posted at the Off-dock Terminal.

(6) The import containers moved out from the exit gate of the port of entry shall reach at the entry gate of the Off-dock Terminal within twenty four hours. The system shall block the bonded carrier in case of delayed receipt of cargo beyond the prescribed time limit.

(7) In cases where the Assistant or Deputy Collector (IP) finds no cogent reason for delayed receipt of the cargo beyond the prescribed time, he shall recommend necessary legal action against the concerned bonded carrier to Assistant or Deputy Collector Licensing.

(8) Flat-bed containers shall be used only for transportation of heavy packages, heavy coils, electric and telephone poles, heavy generators, boilers and other over- dimensional goods from port areas to Off-dock Terminals. Such goods shall be covered with tarpaulin in sound condition and a cable passed through its eyelets so as to secure the goods to the satisfaction of the sealing staff of Customs. The customs seal shall then be applied to the ends.

556C. Receipt of the departed cargo at Off-Dock Terminal.- (1) On arrival of consignment at the Off-dock Terminal, the Customs sealing staff posted at the entry gate shall check the 'Transport Note' and weighment slip and shall verify the seal of the container and enter or record the same in the system.

(2) Upon receiving the cargo with seal intact, the Off-dock Terminal shall enter 'Gate-in' event in the system and conduct weighment of the cargo and also enter the same in the system.

(3) In case the Customs seal affixed on a container is found broken or tampered with, the respective container shall be examined 100% by the Customs staff in the presence of Off-dock Terminal Operator and a representative of the Bonded Carrier; an inventory of the goods contained in such containers shall be prepared and signed by all witnesses. This inventory shall form a part of the Goods Declaration (GD) filed subsequently for clearance purposes.

(4) In case, there is a difference or variation in gross weight recorded at port of entry *vis-à-vis* the weight found at destination Off-dock Terminal, the Assistant or Deputy Collector IP shall proceeds against the carrier as per relevant law and rules. On the recommendations of Assistant or Deputy Collector (IP), Assistant or Deputy Collector MIS shall allow and enter such difference of weight in the manifest after payment of fine and penalty as per law and rules.

(5) In case no electronic acknowledgment of the receipt of cargo at off-dock Terminal is received after the lapse of 24 hours of its departure from the exit gates of the port of entry, the Customs Computerized System shall compile report of all such containers and generate an alert for the Assistant or Deputy Collector Import, Inter-Port movement (IP) and MIS of the Model Customs Collectorate having jurisdiction at port of entry and Off-dock terminal for action.

(6) The feeding of any amendment in Gate-in particulars at Off-dock terminal arising due to accident or break-down of the vehicle shall be carried out on approval from the Assistant or Deputy Collector IP.

(7) The Assistant or Deputy Collector IP shall carry out manifest clearance electronically on daily basis for closure of IGM lines and, if required, proceed against the concerned Shipping lines or their agents, bonded carriers, Terminals, Off-dock Terminals and other concerned as per provisions of the Act and these rules.

556D. Responsibilities of the carriers.- (1) Notwithstanding any other action taken under the law and the procedure under these rules, the Carrier shall bear all expenses incurred on re-stuffing or re-packing of the goods including the duty and taxes leviable on goods pilfered or damaged on way to or from the Off-dock Terminal under this procedure.

(2) The bank guarantee or Defense Saving Certificates submitted by the bonded carriers at the time of issuance of license under sub-rule (6) of rule 328 shall be taken into account for recovery of the amount of duties and taxes, fine and penalty, if any, involved on the cargo during the course of transportation from port of entry to Off-dock Terminal and *vice versa*, and in case of any eventuality like damage, pilferage, theft, fire, accident etc.

556E. Violation of rules. - In case of violation of these rules or any such violation is detected during inter port movement of cargo from port of entry to the Off-dock terminal, the carrier, the shipping lines or their agent and Off-dock terminal along with other concerned, shall be jointly and severally responsible for duty and taxes involved and the value diminished as a result of any damage or pilferage. They shall be liable

to pay the duty and taxes as may be leviable on such goods in addition to any other action as is authorized under the Act or these rules.

APPENDIX-I

[see rules 495 and 556B (4)]

TRANSPORT NOTE

IGM No._____ date _____Index No._____Via Port_____

(Information required against cargo destined for Off-dock terminal)

TP-GD No. _____date _____ Destination Customs port or station _____ **(Information required for Transshipment Cargo)**

Discharged from Vessel/ Voyage	IGM No. and Date	Index No.
Marks and No.	Container No.	Vehicle No.
Tare Weight of Conveyance	Gross Weight	Net Weight
Seal number of SHIPPER/ CONTAINER YARD	CCSU seal No.	Quantity
Description of Goods	Nature of Packing (Pallets, Packages, Cartons, Cases, Bags, Bales, Sheets, Pieces)	
Name/ Telephone number of the Bonded Carrier		
Certified that the details on this document are correct. Signature with date and Stamp of the Bonded Carrier	Certified that the above mentioned goods have been sealed in my presence. Signature with date and stamp of Customs CCSU Officer at Port of sealing	Certified that the above mentioned goods have been received by Customs on _____ with seal intact. Signature with date and Stamp of Customs CCSU Officer at Port of destination or Off-dock terminal.]

[82&122][Sub-Chapter XVI

Import and Exports at Border Customs-Station

556F. Scope,-The provision of this sub-chapter shall apply to goods being imported or Exported at Border Customs Stations.

556G. Definitions: - In this sub-chapter unless there is anything repugnant in the subject or content,-

(a) "IGM" means the import general manifest, a system based uniquely numbered electronic document generated on daily basic at border stations to record import manifests delivered by unbound vehicles carrying import cargo into Pakistan on a particular date against unique Index or BL number;

(b) "EGM" means the export general manifest, a system based uniquely numbered electronic document generate on daily basic at border stations to record exports manifest delivered by outbound vehicles carrying export cargo out of Pakistan on a particular date against unique Index or BL number

(c) "import manifest" means the import manifest to be delivered under section 144 of the Customs Act, 1969 (IV of 1969), by the person-in-charge of the vehicle carrying imported goods, in the form as provided in the Appendix-A to these rules;

(d) "export manifest" means the import manifest to be delivered under clause (a) of section 54 of the Customs act, 1969 (IV of 1969), by the person-in-charge of the vehicle carrying exported goods, in the form as provided in the **Appendix-B** to the rules;

(e) "cross border officer" means an officer of Custom who shall verify in the system that the goods have been physically exported;

(f) "gate-in-officer" means an officer of Custom who shall be responsible for processing electronic gate-in off the cargo and vehicle in the system;

(g) "gate-out-officer means an officer of Custom who shall allow, in the system,the vehicles and good to exit the terminal; and

(h) "terminal officer" means the authorized officer of terminal operator, responsible for receiving the import manifest from the person-in-change of the vehicle carrying import cargo at the time of its arrival at border station and in case of vehicle carrying export cargo, responsible for its gate-exit from the terminal for cross border.

A. Imports

556H. Data entry of imports manifest at the time of terminal gate-entry. - (1) The person-in-charge of the vehicle carrying imported goods on arrival into Pakistan shall deliver the import manifest in the form as prescribed in these rules to gate-in-officer. On receipt of import manifest, the gate-in – officer shall enter the data of imports manifest against the relevant IGM.

(2) Copies of the import manifest shall also be given to the representative or Frontier Corps or Pakistan Rangers and the terminal operator at the zero-line wherein a terminal operator is functioning.

5561. Processing of gate-in. - After recording of import manifest information, the gate-in-officer shall process gate-in of the vehicle and goods in the system on real time basis.

556J. Filing of imports goods declaration. - Subsequently the importer or his authorized representative shall file goods declaration against the index number already generated in the system for prescribed customs processing.

556K. Release of import cargo.- After completion of Customs processing of goods declaration including payment of leviable duty and taxes and on receiving authorization from the Customs Computerized System (CSS), the terminal officer shall electronically assign vehicle and cargo to the Gate-out-officer for electronic gate-out in the system.

556L. Processing of gate-out.- After receiving the authorization in the CSS, the gate-out office shall record gate-out event in the system.

B. Exports

556M. Filing of export goods declaration. - The exporter or his authorized representative shall file export goods declaration against the vehicle and goods meant for exports, before the vehicle enters the border custom station.

556N. Processing of gate-in. - After the filling of export goods declaration by exporter or his authorized representative, the information shall be verified by the gate-in-officer. The gate-in officer shall record gate-in event in the system.

556O. Processing of GD and out-of-charge.- After completion of processing the GD will be out-of-charged and a message will be sent to the terminal operator. After receiving message from the CSS, the terminal officer shall assign the vehicle and cargo to the cross border officer for electronic cross-border in the system.

556P. Processing of cross border and export confirmation. - The cross border officer shall record the confirmation of exports in the system, after physically verifying export cargo at the terminal/station exit gate, and shall generate system based three copies of "cross-border authorization" to be collected at the zero-line by the official of Customs, Frontier Corps or Pakistan Rangers and terminal operator respectively, to ensure cross border of the vehicle and cargo.

556Q. Amendment in manifest. - After filing of IGM or EGM, no amendment shall be allowed. In case of any human error, the rectification shall be allowed with the approval of an officer not below the rank of Additional Collector of the concerned MCC (Appraisement & Facilitation).

556R. Import and export of cargo. - The procedure provided in the sub-chapter for import, export and other Customs process shall mutatis mutandis apply herein:

Provided that in case any land customs station does not process complete infrastructure, facilities or any required components for implementing all provisions relating to CSS, the collector may order such modification in any provision as may be deemed necessary under intimation to the Board, till such time all required facilities and components become available.

556S. Reconciliation of all incoming and outgoing vehicles.- (1) Everyday in the morning, Customs, Frontier Corps or Pakistan Rangers and terminal operator shall reconcile all the import manifests of the incoming vehicles of the previous day with a system generate list that GDs have been filed for all incoming vehicles as per Appendix-C. In case, GD is not filed within forty eight hours of arrivals of the vehicle, the reasons may be ascertained by the Customs for late filing of GD including verification of location of the vehicle inside the custom station or terminal.

(2) At the end of the day, all cross-border authorizations collected by customs authorities as well by Frontier Corps or Pakistan Rangers and terminal operator shall be reconciled to ensure that all the requisite transport units which were issued gate-passes have crossed the border as per **Appendix-D.**

(3) The daily imports and exports statements reconciled jointly shall be countersigned by the concerned Assistant/Deputy Collector, incharge of the entry or exit gates. While, the Directorate of Transit Trade shall conduct the reconciliation of transit cargo and empty containers as per mechanism already given under the rules.

(4) In case of any discrepancy, the incharge of custom-station will initiate action under the relevant provision of the Customs Act, 1969.

(5) A weekly summary of reconciliation shall be forwarded to the respective Collector/Director to appraise them update.

(6) All concerned authorities i.e., Customs, Frontier Corps or Pakistan Rangers and terminal operator shall keep the original record of import manifest and cross-border authorization s for a period of five years and to made available if required by Custom authorities.

[138][Sub-Chapter XVII
Weighment and scanning of cargo at border customs stations and dryports

556T. Definition.-

(a) **"weighbridge"** means an electronic weighbridge installed and operated by the Terminal Operator, which is integrated with Customs Computerized System (CCS) and also with respective WeBOC module; and

(c) **"scanner"** means a scanner installed and operated by the terminal operator, which is integrated with Customs Computerized System (CCS) and also with respective WeBOC module.

556.U. Procedure for weighing outgoing vehicles.- (1) All outgoing vehicles carrying export or transit goods shall be weighed at a weighbridge inside the cargo terminal as notified by the Board under section 10 of Customs Act, 1969.

(2) A Customs inspector or examiner shall be posted to observe the weighment process.

(3) The weighbridge operator shall generate three copies (original, duplicate and triplicate) of weighment slip. The information in weighment slip shall include date & time, IGM number, vehicle registration No., gross weight (weight of both vehicle & cargo), net weight, description of goods, type of cargo i.e., import, export or transit, No of wheels i.e., 10/18/22 wheeler etc. as per requisite format as per **Appendix-A.**

(4) All the weighment slips shall be signed by the weighbridge operator and Customs inspector or examiner overseeing weighment process.

(5) The original copy of weighment slip shall be handed over to the driver of the vehicle for onward submission to the customs for uploading in Customs Computerized System (CCS) along with goods declaration (GD) through Clearing Agent.

(6) The duplicate copy of weighment slips shall be collected by Customs inspector or examiner and handed over to the Principal Appraiser or Superintendent tasked with daily reconciliation of export consignments or GDs. The triplicate copy shall be retained by the terminal operator for record and reconciliation purpose.

(7) The terminal operators at the cargo terminals shall integrate the weighbridges with the CCS, so that the weighment data is linked with the respective GD in CCS.

556V. Procedure of weighment for incoming vehicles.-(1) All incoming vehicles carrying import of transit goods, after entry into the border terminal and filing of import manifest shall be weighed at a weighbridge inside the cargo terminal as notified by the Border under section 10 of the Customs Act, 1969.

(2) All other steps shall be the same as given in sub-rules (2) to (7) of rule 556U stated above.

556W. Responsibilities of terminal operator.-(1) The terminal operator shall ensure that weighment is carried out properly and exact weights are recorded on the weighment slips.

(2) Upon re-checking, if any discrepancy is found in the weight of any consignment, the terminal operator shall be proceeded against in terms of the Customs Act, 1969 and the rules made thereunder.

(3) The terminal operator shall maintain record of all weighments carried out, vehicle and date-wise, both in electronic and manual form and to be kept for a period of five years in terms of section 32 of the Customs Act, 1969 and rule 126 of the Customs Rules 2001.

556X. Procedure for scanning at Customs Border Stations.- (1) All vehicles carrying import, export or reserve transit cargo shall be scanned inside the cargo terminal as notified by the Board under section 10 of the Customs Act, 1969. However, as envisaged under rule 475 (3) and rule 939(1) of Customs Rules, 2001, the scanning of forward transit cargo shall be done on the basic of risk management system.

(2) A Customs inspector or examiner shall be posted to observe the scanning process on real time basis.

(3) The terminal operator shall ensure that scanning of both vehicle and cargo is carried out properly and with utmost care. The terminal operator shall ensure to post experienced persons as scanner operators. The terminal operator shall ensure installation of CCTV Cameras on all sides of scanning area showing the front and back image of vehicle and also ensure accessibility of footage to the PA of Superintendent, AC or DC and AD or DD concerned.

(4) The scanner operator shall either report any suspicion or confirm the description of goods given in export or import manifest or GD. In case of any suspicion the observation and remarks to the effect shall be recorded and the concerned Superintendent of PA, AC or DC and AD or DD examination shall be informed for conducting 100% examination, if necessary, of the suspected cargo and vehicle. In case of export consignment, the scanning shall only be carried after filing of GD.

(5) The scanner operator shall also provide hard copies of scanned images along with date and time, vehicle registration No., container No., in case of containerized cargo, and observation or remarks in case of suspected cargo.

(6) The scanned images shall be signed by the custom officer, inspector or examiner and scanner operator or representative of the terminal operator.

(7) The customs officer shall upload the signed hard copy of scanned image in the system against the respective Import General Manifest (IGM) and Index No. or GD No. and date in the CCS.

(8) The examining officer while feeding the examination report in the system shall also comment on the scanned image in the examination report as well as upload the examination pictures.

556Y. Responsibilities of terminal operator.- (1) The terminal operators at the cargo terminals shall strive to integrate the weighbridge and scanners with the CCS, so that the weighment and scanning data is uploaded on real time basis and linked with the respective GDs in CCS.

(2) In case, upon rechecking, a discrepancy or mis-declaration is found in the description of any consignment either in weight or description of goods, proceeding shall be initiated against those responsible in terms of the Customs Act 1969 and the rules made thereunder.

(3) The terminal operator shall maintain record of all weighments and scanning carried out, vehicle and date-wise, both in electronic and hard copies form and to be kept for a period of five years in terms section 32 of the Customs Act, 1969 and rules 126 of Customs Rules 2001 for any subsequent Post-Clearance Audit.

(4) The terminal operator shall provide the access to the weighment and scanning process and shall make available CCTV cameras & screens to the supervising officers to check the weighment and scanning processes on real time basis.

556Z. Reconciliation of weighment data.- (1) At the time of daily reconciliation of incoming and outgoing vehicles in terms of SRO. 267(I)/2021, the weighment data may be cross-checked with those given in GDs.

(2) In case of any discrepancy, proceeding shall be initiated against those responsible in terms of the Customs Act 1969 and the rules made thereunder.

556AA. Miscellaneous.- Both incoming imports and transit reverse cargo vehicles shall be weighed first at import terminal. After that each and every cargo shall be scanned. The staff not below the rank of an inspector shall be deputed at the scanner who shall read the scanning images on real time basis. The terminal operator shall provide the hard copy of scanned images. The scanned images shall be signed by the inspector and scanner operator or representative of the terminal operator (NLC) on the face of the hard copy of scanned image.

(2) Registration and chassis number of the vehicle shall be mentioned in the GD for identification. The examining officer shall tally the registration and chassis number of the vehicle mentioned in the GD with the ones physically presented before him. He shall also upload the signed hard copy of scanned image in the system during process of feeding of examination reports.

(3) In case of an abnormal image, the hard copy of scanned image shall be signed by both customs officer (inspector) and representative of terminal operator and the concerned PA or Superintendent, AC or AD and AD or DD shall also be informed on real time on basis to conduct 100% examination of the cargo in all such cases. The examining officer while feeding the examination report in the system shall also mention the fact of abnormal image in the examination report as well as upload the examination pictures.

(4) The terminal operator NLC shall provide access to the scanning process and shall make available screens to the concerned AC or AD, DC or DD and PA or Superintendent to monitor the scanning on real time basis. This procedure shall be in place till such time, the integration of scanning with the WeBOC system or development of any software/application by the terminal operator (NLC) is carried out.

(5) The weighbridge shall be calibrated on weekly basis and a certificate to this effect shall be signed by terminal operator and AC or DC, AD or DD with copy to the Additional Collector or concerned.

Appendix-A
[see rule 556G(c)]

IMPORT MANIFEST AND VEHICLE CARRYING IMPORT CARGO FOR BORER STATION _____ (NAME)

1.	Type of Cargo i.e., import/transit/empty vehicle/empty/returning transit container/empty new container	
2.	Importer Name & Address in Pakistan	
3.	Consigner name and address	
4.	Name of the Driver	
5.	CNIC/Passport Number of Driver	
6.	Vehicle Registration Number	
7.	Chassis Number	
8.	Road Pass number is issued by Pakistan Embassy in Kabul/TAD No.& date (in case of Afghan registered vehicle)	
9.	Container Number (if applicable)	
10.	CMR/Builty/Barnama No. & Date (Please attach a copy)	
11.	Description of Goods	
12.	Weight of the goods	
13.	No. of packages/ bags etc.	
14.	Description of vehicle (Axle Load e.g. 6 wheeler, 10 wheeler etc.)	
15.	Time/Date, place.	

Signature/Thumb Impression
Of Person Incharge of the vehicle.

For Official Use

Import Manifest No._____ (to be allowed by gate-officer)
Time of entry of vehicle_____ (0000 hours)

Date of_____
Received by_____

(Name & Signature of Customs Officer)

Appendix-B
[see rule 556G(d)]

EXPORT MANIFEST FOR VEHICLE CARRYING EXPOERT CARGO FOR BORDER STATION _____ (NAME)

1.	Type of Cargo i.e. export/transit/empty vehicle/empty/ container/empty new container	
2.	Exporter Name & Address in Pakistan	
3.	Name of the Driver	
4.	Consigner name and address	
5.	CNIC/Passport Number of Driver	
6.	Vehicle Registration Number	
7.	Chassis Number	
8.	Container Number (if applicable)	
9.	CMR/Builty/Barnama No. & Date (Please attach a copy)	
10.	Description of Goods	
11.	Weight of the goods	
12.	No. of packages/ bags etc.	
13.	Description of vehicle (Axle Load e.g. 6 wheeler, 10 wheeler etc.)	
14.	Time/Date, place.	

Signature/Thumb Impression
Of person incharge of the vehicle

For Official Use
Export Manifest No._____ (to be allowed by gate-officer)
Time of entry of vehicle_____ (0000 hours)
Date of_____
Received by_____

(Name & Signature of Customs Officer)

Appendix-C
[see rule 556S (1)]

DAILY RECONCILIATION STATEMENT OF EXPORT VEHICLES FOR CUSTOMS STATION…….DATED….

S.No.	Vehicle Registration No.	Description of goods	GD No.	GD date	Cross border authorization/ gate pass No. & date	Remarks (if pending)
(1)	(2)	(3)	(4)	(5)	(6)	(7)

Signature: 1. Representative of Customs : Name & Signature
2. Representative of FC/Pakistan Ranger : Name & Signature
3. Representative of Terminal Operator : Name & Signature

Appendix-D
[see rule 556S(2)]

DAILY RECONCILIATION STATEMENT OF EXPORT VEHICLES FOR CUSTOMS STATION……DATED….

S.No.	Vehicle Registration No.	Description of goods	GD No.	GD date	Cross border authorization/ gate pass No. & date	Remarks (if pending)
(1)	(2)	(3)	(4)	(5)	(6)	(7)

Signature:

1. Representative of Customs : Name & Signature
2. Representative of FC/Pakistan Ranger : Name & Signature
3. Representative of Terminal Operator : Name & Signature

Appendix-A
[see rule 556U(3)]

WEIGHMENT SLIP OF WEIGHBRIDGE OPERATOR

IGM/EGM/ GD No. & Date	Vehicle Registration No.	Gross weight (weigh of both vehicle & cargo)	Net weight	Description of goods	Type of cargo (import/export/transit)	No. of wheels (10/18/22

[36][CHAPTER XXII

TRANSPORT OF POL PRODUCTS TO AFGHANISTAN

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

(a) "Act" means the Customs Act, 1969 (IV of 1969); and the rules made thereunder:-

(b) "Application-Cum-Transport Permit" means the application and the authorization granted thereupon by the Collector of Origination for export and transport of POL products to Afghanistan;

(c) "authorized representative of the carrier" means person(s) duly authorized by the carrier for submission of documents to the customs and for carrying out all functions relating to transport of POL products;

(d) "carrier" means, for the purposes of this chapter, the National Logistic Cell (NLC), any Dry Port Trust or such other carrier as is duly licensed under Chapter VIII of these rules;

(e) "Collector of Clearance" means the Collector of Customs in whose jurisdiction the POL products are entered and cleared for export to Afghanistan;

(f) "Collector of Origination" means the Collector of Customs in whose jurisdiction the POL products are loaded and consigned by an oil company or refinery for export to Afghanistan;

(g) "conveyance and transport unit" means conveyance, vehicle and transport unit used by the carrier for the transport of POL Products from Pakistan to Afghanistan;

(h) "Exports to Afghanistan" or "meant for export to Afghanistan" means exports meant for International Security Assistance Force (ISAF) or Defence Energy Support Centre (DESC) based in Afghanistan;

(i) "goods" means POL products meant for export to Afghanistan; and

(j) "Licensing Authority" means Collector of Origination or his subordinate officer not below the rank of Assistant Collector of Customs, empowered to act as Licensing Authority for applicants within his jurisdiction, under Chapter VIII of these rules.

558. Specifications of transport units and conveyances.- (1) All transport units and conveyances used by the carrier for carrying goods shall be properly secured, riveted, locked and sealed.

(2) The transport units and conveyances used by the carrier shall be so constructed and equipped as to provide for the seals to be conveniently and effectively affixed thereon.

(3) The transport units should be readily accessible for biannual customs inspection by the licensing customs authorities.

(4) The transport units owned by the carrier shall be indelibly painted with (i) name of the carrier, (ii) licence number, (iii) engine No. and chassis No. of the vehicle and (iv) date of calibration and its expiry.

559. Procedure and conditions for licensing of a carrier.- (1) The carrier shall possess a fleet of minimum ten registered vehicles in his name. Before grant of licence, the customs staff shall verify registration particulars of all the vehicles with the respective Motor Registering Authorities, road worthiness and safety particulars of such vehicles.

(2) The licence to carrier for transport of goods shall be granted by the Licensing Authority and it shall be valid for a period of one year, further extendable upto another year upon satisfaction of the Licensing Authority.

(3) The applicant carrier shall also be required to possess, in his name, a valid registration under the Companies Ordinance, 1984, National Tax Number under the Income Tax Ordinance, 2001, and valid memberships of any of the Chambers of Commerce and Industry and the respective registered transporters association.

(4) The applicant carrier shall deposit with the Licensing Authority a Bank Guarantee or Defence Saving Certificate or a mix of such securities amounting to two and a half million rupees to safeguard the duties and taxes involved. The amount of Bank Guarantees or Defence Saving Certificates shall be liable to be forfeited upon any violation of the law and this procedure. This action will be apart from any other penal action that might be taken under the Customs Act, 1969, and the rules made thereunder.

(5) The licence granted to a carrier shall be non-transferable and no other carrier will be allowed to transport goods except by the licensed carrier himself.

[42](6) The licence issued to a carrier by the Collector of Origination shall be valid throughout the country.]

560. Responsibilities of the carriers.- Prior to submission of Application-cum-Transport Permit (hereinafter referred to as 'Permit') in the manner as provided under rules 561 and 562, to the Collectorate of Origination, the carrier shall satisfy himself that the actual description, quantity, quality and weight of the goods are correctly recorded in such Permit and that they are in accordance with the goods actually loaded. In case of any misdeclaration or substitution detected at any subsequent stage, the carrier shall be held responsible and liable to action under the appropriate provisions of the Customs Act, 1969, the Sales Tax Act, 1990 and other applicable laws.

561. Transport documents.- The oil exporting company or refinery shall despatch the goods on a Sales Tax Invoice required under the Sales Tax Act, 1990 and an Application-cum-Transport Permit as prescribed in Appendix-I. No goods shall be removed from the place of filling/loading without the conveyance carrying relevant Sales Tax Invoice and the Permit, which shall be presented alongwith the Goods Declaration filed for the export of goods at the concerned customs station within the jurisdiction of the Collector of Clearance.

562. Provision and processing of transport documents.- (1) The carrier shall apply to the Collectorate of Origination on the Permit, in quintuplicate, for the permission to carry the goods. The representative of the oil exporting company or refinery shall also sign the Permit in confirmation of the contents thereof. After scrutinizing the documents and verifying the information of sealing and weighment as required under rule 563, an officer of the Collectorate not below the rank of Superintendent shall issue the Permit.

(2) Original copy of the Permit issued, shall be retained by the Collectorate of Origination and duplicate, triplicate, quadruplicate and quintuplicate copies thereof shall be handed over to the representative of the carrier to accompany with the vehicle carrying the goods. Upon filing of the Goods Declaration for export at the customs station, duplicate copy shall be retained by the customs staff at the time of clearance. The triplicate, quadruplicate and quintuplicate copies duly endorsed by the customs at export station shall be handed over to the carrier for accompanying with the conveyance to Afghanistan, and for further action as required under rule 564(3).

(3) Any error or omission in the Permit can be got rectified before departure of vehicle from the registered premises of the exporting company or refinery through a request in writing to the Collectorate of Origination by an authorized representative of the carrier.

(4) One Permit shall be valid for one [42][vehicle] only.

563. Sealing and weighment of goods.- The goods loaded by the carrier shall be weighed [42][in metric tons and measured in litres] and the vehicle carrying such goods shall be sealed with high security seals by the oil exporting company or refinery, or by the duly authorized agent of International Security Assistance Force (ISAF) or as the case may be, Defence Energy Support Centre (DESC) before its departure from the premises of oil exporting company or refinery. Details of such weighment, [42][measurement] and sealing shall be recorded in the Permit by the authorized representative of the carrier in the presence of the authorized representative of the oil exporting company/refinery.

564. Clearance of goods for export at the exporting station.- [42][(1) The security seal, as required under rule 563, shall invariably be checked on arrival at the customs-station within the jurisdiction of Collectorate of Clearance. The duplicate copy of the Permit shall be presented to the Customs Officer at the customs-station at the time of filing of Goods Delcaration (GD for export alongwith documents necessary for export.].

[64][(2) The permit shall be deemed cancelled if goods are not transported to the destined customs station for export within thirty days of its issuance or within such extended time not exceeding forty five days in all as may be allowed by the Collector of Clearance.]

(3) The triplicate, quadruplicate and quintuplicate copies shall bear endorsement of International Security Assistance Force (ISAF) or, as the case may be, Defense Energy Support Centre (DESC) to the effect that the goods have been received in accordance with the declaration or otherwise and that the seals were found intact or otherwise. The triplicate copy shall be submitted to the Collector of Origination for his record. The quadruplicate copy shall be retained by the oil exporting Company/refinery. The quintuplicate copy shall be used for the purpose of claiming refund/adjustment of Sales Tax or Federal Excise Duty as and if admissible. The Collectorate of Origination may issue a duly certified copy on the basis of triplicate copy in case a further copy is required for any purpose, which will be specified on such copy.

[42][(4) In case there is any variation of more than one per cent in the quantity declared in the Permit under rule 563 and the one endorsed or certified by the ISAF or, as the case may be, DESC, action under

appropriate provisions of the Customs Act,1969 (IV of 1969), the Sales Tax Act, 1990 and other laws applicable shall be initiated against the carrier and other persons found involved.

565. Monitoring and Checking of conveyance *en route*.- (1) The vehicles meant for transport of goods to Afghanistan shall be fitted with such tracking system as may enable the oil exporting company or refinery as well as the Collectorates of Origination and Clearance to monitor them en route to Afghanistan.

(2) An officer of Customs, Federal Excise or Sales Tax, not below the rank of Superintendent, may, on reasonable suspicion regarding pilferage or substitution of goods by tampering the seals or otherwise while the conveyance is en route, from the oil exporting company/refinery to the customs station for export, may check that the rivets, locks, seals, and labels of the transport unit are intact. Report of such rechecking shall invariably be sent to Collector of Origination by the Collector within whose jurisdiction the rechecking occurs, within twenty four hours and facts of such rechecking shall be recorded on all copies of the permit accompanying the conveyance.

566. Break down or accident *en route*.- (1) In case of any tampering or pilferage or theft or damage caused *en route*, the carrier shall inform the Collectorate of Origination for necessary orders within three days thereof. The carrier shall be responsible for the duties and taxes and loss or reduction in value as a result of such damage notwithstanding any other action which may be taken under the law and the rules made thereunder.

(2) The carrier shall bear all the expenses incurred on restuffing or weighing of the goods.

567. Reconciliation of shipments of the goods.- (1) The Collector of Origination shall, on the day when such shipment takes place, send a statement to the Collector of Clearance giving relevant details of the permit issued. Such details will include, Permit number and date, name of the carrier, registration number of the conveyance, quantity and specification of the goods and seal number. The Collectorate of Origination and the Collectorate of Clearance will also exchange the information regarding transportation from and receipt into their respective jurisdictions on the format to be mutually developed by them, in order to reconcile the number and details of shipments allowed and exported, on monthly basis. In case any discrepancy is found, the same shall also be communicated to the Collectorate of Sales Tax and Federal Excise where the oil exporting company or refinery is registered under the Sales Tax Act, 1990.

(2) In case of export under DTRE facility as provided under the Customs Rules 2001, the oil exporting company or as the case may be refinery shall, in addition to their other legal obligations in this behalf, produce true copies of all the invoices, permits, goods declarations, foreign exchange remittance documents for the purpose of DTRE reconciliation or audit.

(3) The Collector of Origination and the Collector of Clearance will transmit data of despatch and clearance of goods for export to Afghanistan to PRAL under One- Customs on real time basis. The PRAL will ensure that the data of goods may remain available for monitoring electronically.

568. The oil exporting company or the refinery shall submit a monthly statement to the Collectorate of Origination and the Collectorate of Sales Tax and Federal Excise giving details of all the consignments dispatched for export to Afghanistan under this chapter in the format prescribed in Appendix-II.

569. The Collector of Origination and the Collector of Clearance may also issue further instructions, as they may require, in furtherance of the provisions of this chapter.]

Appendix-I
[See rule 561]

APPLICATION-CUM-TRANSPORT PERMIT

Permit No._____ Dated_____

1. Name of the Carrier _____

2. Licence No. and date of expiry _____

3. Licensing Collectorate _____

4. Name of Customs Station/Port from where export is intended

_____

5. Conveyance Registration No. _____

6 Exporter's name, address and phone numbers_____

_____

7. Consignee's name and address _____

8. Specification of POL product and PCT Heading_____

9. Gross Weight _____

10. Net Weight _____

[42][10-A. Net Quantity (in Litres) _____

11. Seal No. _____ affixed by _____

12. Sales Tax Invoice No._____ dated _____

13. Value of goods _____

14. Duty/Taxes involved

(i) Sales Tax (Rs)_____ (ii) F.E.D. (Rs) _____

15. Date of Weighment, loading and sealing _____

16. Station_____

17. It is requested that the transportation may be allowed. We declare that the details given above are true and complete. In case of any incorrect declaration in the Sales Tax Invoice or in this Application-cum-Transport Permit regarding value, weight, quantity, quality and description unearthed at any stage before tendering of goods at destination, we undertake to inform the customs authorities immediately. In case of damage, pilferage, accident, breakage of seals or loss or change in the material quantity, we undertake to inform the Collectorate of Origination and customs authorities at the Collectorate of Clearance and to get the goods examined and vehicles etc re-sealed by the customs authorities.

18. Name, signature and seal of the authorized representative of the carrier _____

_____Date_____

19. Loaded, sealed and weighed in my presence:-

Name, signature and seal of the representative of oil company/refinery_____
_____Date_____

20. Allowed:-

Name, signature and seal of the Customs Officer of Collectorate of Origination_____
_____Date_____

21. Endorsement at Customs (Exports) Station:-

(i) Station_____

(ii) Goods Declaration No. & date_____

Name, signature & seal of Customs Officer _____

Date_____

[42][22. For action by ISAF/DESC

(i) Net Quantity (in litres)_ received ____ (in numbers and words)

(ii) Variation, if any, in quantity received viz-a-viz quantity declared (bith in litres and in percentage):- _____

(iii) Wheather all seals found intact (Yes or No) _____

(iv) Remarks, if any:

Date : _____ Name, signature and seal of

ISAF/DESC representative

in Afghanistan

23. Reconfirmed and certified to be ture.

Name, signature and seal of

ISAF/DESC representative

in Pakistan

(i) Net Quantity (in litres) areceived _____ (in numbers and words)

(ii) Variation, if any, in quanity

Appendix-II

MONTHLY STATEMENT OF POL EXPORTS TO AFGHANISTAN

Name and Address of exporting company/refinery_____ Month _____

Sales Tax Registration No

S.No.	Permit		Sales Tax Invoice		Description of goods	H.S. Code	Value of goods (Rs)	Sales Tax involved (Rs)	F.E.D. Involved(Rs)	Quantity
(1)	(2)		(3)		(4)	(5)	(6)	(7)	(8)	(9)
	No.	Date	No.	Date						

To

(i) The Collector of Sales Tax & Signature_____

Federal Excise/RTO (Authorized Person)
Name & Designation_____

(ii) The Collector of Customs Date:_____"

2 the rules bearing numbers 557 to 569 shall take effect from [41][1st February,2008.]

[39][CHAPTER XXIII

ATA CARNET RULES

570. Short title.—The rules may be called the ATA Carnet Rules.

571. Scope.— These rules shall apply to temporary importation and temporary exportation of goods under an ATA Carnet in or from Pakistan, including broadcasting or cinematographic equipment, and specialized broadcasting vehicles, for display or use at exhibitions, fairs, meetings, or other similar events, but excluding any conveyance, goods restricted or prohibited by the Federal Government from time to time; or goods sent by post, or unaccompanied baggage, or as traffic-in-transit.

572. Definitions.—(1) In this Chapter, unless there is anything repugnant in the subject or context,—

(a) **"Act"** means the Customs Act, 1969 (IV of 1969), and the rules made thereunder;

(b) **"authority",** in relation to the events specified in these rules, means the concerned Ministry of the Federal Government, as per the Rules of Business, 1973, and for all other matters, the Federal Board of Revenue;

(c) **"ATA Carnet"** means ATA Carnet, conforming to the pattern given in **Appendix-I** to these rules, and issued for temporary admission or temporary exportation of goods;

(d) **"Convention"** means the Convention on Temporary Admission (Istanbul Convention 1990), and its Annexes A, B-1 and B-2, acceded to by the Government of the Islamic Republic of Pakistan;

(e) **"event"** includes one or more of the following, as approved by the authority, namely:—

(i) an industrial, commercial or crafts exhibition;
(ii) a scientific, educational, or cultural fair; and
(iii) a news or media occasion.

(f) **"guaranteeing and issuing organization"** means an organization approved and notified by the Ministry of Commerce, i.e., the Pakistan National Committee of International Chamber of Commerce (ICC Pakistan), for guaranteeing payment of import duties and taxes leviable on goods intended for temporary importation into the country or for issuing ATA Carnet for temporary exportation of goods;

(g) **"guaranteeing chain"** means a guaranteeing scheme administered by the International Chamber of Commerce (ICC) to which the guaranteeing and issuing organization is affiliated;

(h) **"import duties and taxes"** means Customs duties, including all other duties, taxes, fees or any other sums which are levied and collected on or in connection with the importation of goods;

(i) **"security"** means a bank guarantee submitted by the guaranteeing and issuing organization to cover the sums payable as import duties and taxes on temporarily imported goods, and valid, at least, for three years;

(j) **"temporary admission"** means the Customs procedure under these rules whereby goods are allowed admission into Pakistan, conditionally relieved from the payment of import duties and taxes, subject to the prohibitions and restrictions notified by the Federal Government under the Imports and Exports (Control) Act, 1950 (XXXIX of 1950), or any other law for the time being in force, and intended for re-exportation within the stipulated period in accordance with these rules, without undergoing any change except normal depreciation;

(k) **"temporary export"** means the Customs procedure under these rules whereby goods are allowed temporary export from Pakistan subject to the prohibitions and restrictions notified by the Federal Government under the Imports and Exports (Control) Act, 1950, (XXXIX of 1950), or any other law for the time being in force, without payment of duty drawback, and meant for subsequent re-importation into Pakistan.

(2) All other expressions used in these rules shall have the same meaning as has been assigned to them in the Act.

573. Goods eligible for temporary importation.— Following goods shall be eligible for temporary admission into the country, namely:—

(a) machinery, apparatus, or any other goods meant for display or exhibition at an event, including items ancillary thereto;
(b) professional equipment (illustrative lists at **Appendix II-IV**);
(c) broadcasting equipment and specially adapted vehicles;
(d) construction or decoration material for temporary stands, including advertisement material, but excluding gifts or give-aways.

574. Conditions relating to temporary importation of goods and their use afterwards.—(1) In order to be eligible for temporary admission, the goods must be—

(a) imported under a valid ATA Carnet, meant for realization in Pakistan, indicating the name of the issuing organization and the guaranteeing chain;
(b) consistent with the material particulars declared in the ATA Carnet, i.e., description, quantity, value etc, as certified by Customs of the country of exportation or exit;

(c) imported for one or more events specified in these rules in accordance with the conditions applicable to them under the Imports and Exports (Control) Act, 1950 (XXXIX of 1950), or any other law for the time being in force; and

(d) identifiable at the time of admission and re-exportation.

(2) In case of cinematic or broadcasting equipment, including specially adapted vans, temporary admission will be granted subject to approval by the authority and subject to the condition that such equipment will be used solely by or under the personal supervision of the Carnet holder.

(3) The goods allowed temporary admission will be used solely for the purpose for which they have been brought, and will not be removed from the place of the event without prior approval of the Collector.

575. Temporary admission documents.—(1) ATA Carnet shall be the sole document for temporary importation and re-exportation of goods and shall be accepted in lieu of a goods declaration required to be filed under the Act.

(2) The validity of temporary admission papers shall be one year from the date of issue.

576. Amendment of particulars in ATA Carnet.— (1) Once an ATA Carnet has been issued, no extra item shall be added to the list of goods enumerated on the reverse of the front cover and vouchers of the Carnet, or any continuation sheets appended thereto **(General List)**.

(2) Any particulars declared in the ATA Carnet by the holder may be altered only with the approval of the issuing organization, which shall endorse such amendments on the Carnet. No alteration in those papers shall be made once they have been accepted by Customs.

577. Loss or theft of ATA Carnet.— In case of destruction, loss or theft of ATA Carnet, while the goods are in Pakistan, the Collector may, at the request of the guaranteeing and issuing organization accept replacement papers, the validity of which will expire on the same date as that of the papers they replace.

578. Procedure for the processing of ATA Carnet.—

(a) On arrival at a Customs station, the ATA Carnet holder shall submit the Carnet to Customs. The appropriate officer will tally the particulars of the Carnet with the goods brought into the country for temporary admission and endorse an examination report on the white importation voucher and counterfoil in the light of the exact number of items mentioned in column 1 in the General List.

(b) In case no discrepancy is found between the goods and the details given in the ATA Carnet vis-à-vis the examination report, the Carnet shall be endorsed/verified by the representative of the guaranteeing and issuing organization and returned to Customs.

(c) All particulars of the ATA Carnet shall be electronically recorded and a machine number allotted to the Carnet. The appropriate officer shall endorse, date, stamp, and sign the white importation voucher and counterfoil in the ATA Carnet, and shall also record thereon the date of expiry of temporary importation. While the white counterfoil shall be retained within the ATA Carnet, the white voucher shall be detached by the appropriate officer.

(d) In case of freight-forwarded goods, the Carnet holder shall file the Carnet in the import section of the Customs station of landing. The procedure given under clauses ‘a’ to ‘c’ of this rule shall be observed and the goods released accordingly.

579. Loss, theft etc of goods temporarily imported.—In case, the goods allowed temporary admission are lost or stolen or cannot otherwise be accounted for by the Carnet holder, such goods shall become liable to import duties and taxes immediately.

580. Period for re-exportation.—The period for re-exportation of temporarily imported goods shall be six months, which can be extended by the Collector for another six months, if so required under the circumstances, while in case of professional equipment, it shall be twelve months from the date of admission into the country:

Provided that the extended period shall in no case exceed the validity period of an ATA Carnet, i.e. one year.

581. Termination of temporary admission. - (1) The temporary admission of goods shall be terminated by one or more of the following eventualities, namely:—

(a) by re-exportation of the goods;
(b) by consigning the goods to a Customs warehouse for subsequent re-exportation;
(c) by clearance for home-consumption on payment of leviable import duties and taxes, subject to the conditions enumerated under the Imports and Exports (Control) Act, 1950, (XXXIX of1950) or any other law for the time being in force;
(d) when the goods are seriously damaged by accident or *force majure*, by recourse to—

(i) action stipulated in clause 'c';
(ii) relinquishing the goods to Customs, in which case no payment of import duties and taxes shall be required; or
(iii) destroying the goods under the supervision of Customs.

(2) In all these cases, an appropriate officer of Customs will make suitable entries in the ATA Carnet, certifying that the position regarding the goods has been regularized, and the Carnet holder and the guaranteeing and issuing organization will be discharged from their obligation accordingly.

582. Discharge of temporary admission papers.— (1) Where the goods allowed temporary admission in the country are entered for re-exportation, the appropriate officer shall physically verify the description and quantity of such goods, and make a report to this effect on the reverse of the re-exportation voucher of the ATA Carnet, and send the same to his supervisory officer.

(2) The supervisory officer will counter-check the details mentioned above, and if satisfied that no material discrepancy exists between these documents, will issue an order for the discharge of the ATA Carnet.

(3) The appropriate officer will thereafter date, stamp and sign the white re-exportation counterfoil and voucher. While the white re-exportation counterfoil will be retained within the ATA Carnet, the white re-exportation voucher will be detached by the appropriate officer.

583. Mode and manner of re-exportation.— The temporarily admitted goods may be re-exported in one or more consignments. Such goods may also be re-exported through a Customs station other than that through which they were imported.

584. Procedure for temporary exportation.— The procedure applicable to the exportation of goods shall apply, *mutatis mutandis*, to the temporary exportation of goods under an ATA Carnet. Additionally, the appropriate officer will date, stamp and sign the yellow exportation counterfoil and voucher. While the yellow exportation counterfoil will be retained within the ATA Carnet, the yellow exportation voucher will be detached by the appropriate officer:

Provided that the exporter shall not be entitled to any duty drawback on goods temporarily exported from Pakistan under an ATA Carnet and intended for re-importation afterwards.

585. Procedure for re-importation of temporarily exported goods. — At the time of re-entry of the goods into Pakistan, the Carnet-holder shall present the Carnet to Customs, along with a declaration of the goods being re-imported in the yellow re-importation voucher, and also sign the same. If no discrepancy is found, an appropriate officer of Customs shall verify and endorse the

yellow re-importation counterfoil and voucher. While the yellow re-importation counterfoil shall be retained within the ATA Carnet, the yellow re-importation voucher will be detached by the appropriate officer prior to the release of the goods.

586. Seizure of goods on breach or violation of the rules.— (1) Where an offence is committed by the Carnet holder at the time of admission of goods into the country in terms of fraud or misdeclaration in securing release thereof, or abuse of such facility afterwards in that the goods are loaned, sold, pledged, mortgaged, hired, given away, exchanged or otherwise disposed of or altered, or where such goods are not re-exported within the stipulated period during the validity of an ATA Carnet, the goods shall be liable to confiscation and such penal action as prescribed under the Act or any other law for the time being in force.

(2) Where the goods are seized for breach or violation of these rules, the requirement of re-exportation shall be suspended for the duration of the seizure and subsequent proceedings.

(3) The respective Customs authority shall notify the guaranteeing and issuing organization of the seizure made by it as soon as possible.

587. Extent of liability of Carnet holder and guaranteeing and issuing organization.— (1) The guaranteeing and issuing organization shall pay, within forty-five days of being notified by Customs, the amount of import duties and taxes and any other sums payable, including fine, penalty etc, in relation to the goods brought into Pakistan under an ATA Carnet in case of breach or violation of these rules.

(2) The guaranteeing and issuing organization shall be jointly and severally liable with the Carnet holder for the payment of the dues mentioned in sub-rule (1).

(3) The liability of the guaranteeing and issuing organization shall not exceed the amount of the import duties and taxes payable in a certain case by more than ten percent. Any sums in excess of that amount shall be charged to the Carnet holder.

(4) Subject to the provisions of sub-rule 3 of rule 589, no liability will accrue against the guaranteeing and issuing organization once the ATA Carnet has been discharged by Customs.

588. Procedure for discharge of liability by guaranteeing and issuing organization.— (1) The guaranteeing and issuing organization will provisionally discharge its liability by depositing the sums due in the treasury.

(2) In case of default in payment, the respective Customs authority will proceed to recover such dues by proportionate encashment of the security.

Provided that an action against the guaranteeing and issuing organization in terms sub-rule (2) shall be taken only after an opportunity of hearing has been granted to the guaranteeing and issuing organization, or the Carnet holder, by an appropriate officer under section 180 of the Act, and a written order to this effect is passed by him within the stipulated period.

Provided further that where the guaranteeing and issuing organization or the Carnet holder furnishes proof of re-exportation of goods or of proper discharge of the ATA Carnet during the pendency of adjudication, the show cause notice shall abate:

(3) Where the guaranteeing and issuing organization discharges its liability within the meaning of sub-rule (1), and is found not liable to such payment afterwards, it shall be entitled to a refund of the amount paid by it within three months of the filing of the claim.

(4) In case the guaranteeing and issuing organization fails to discharge its liability to Customs in relation to an ATA Carnet operation, or any other matter concerning it under the rules, its status as a guarantor

for any subsequent Carnet operations shall be liable to suspension or revocation, as the case may be, by the authority.

589. Time-limit for lodging claim with guaranteeing and issuing organization.— A claim for the recovery of import duties and taxes and any other sums in relation to goods covered by an ATA Carnet shall be lodged by Customs with the guaranteeing and issuing organization within a year of the date of expiry of the validity of the ATA Carnet.

(2) Any claim beyond this period shall be filed against the Carnet holder.

(3) The period for lodging a claim with the guaranteeing and issuing organization or the Carnet holder, in case of fraud in securing release of ATA Carnet, will be five years which shall be computed from the date of the temporary admission of goods into the country.

590. Obligations of guaranteeing and issuing organization.— (1) The guaranteeing and issuing organization shall submit to the authority proof of its affiliation with the ICC annually.

(2) The guaranteeing and issuing organization shall furnish to Customs a security, to the satisfaction of the latter, to cover import duty and taxes leviable on goods under these rules. The amount of security will be enhanced as and when required by Customs.

(3) The security will be deposited with the Model Customs Collectorate, Karachi, and shall cover ATA Carnet operations throughout the country.

591. Constitution of Working Committee.— (1) A Working Committee, comprising officials of the guaranteeing and issuing organization and Customs, shall be constituted by the authority to review the operation of these rules.

APPENDIX I

ICC Pakistan
International Chamber of Commerce
The world business organization
THE PAKISTAN NATIONAL COMMITTEE OF
THE INTERNATIONAL CHAMBER OF COMMERCE

PK

SAMPLE

ATA CARNET
PAKISTAN

Issuing Association
Association émettrice

Pakistan
International Chamber of Commerce
The world business organization

A.T.A. CARNET/CARNET A.T.A.
FOR TEMPORARY ADMISSION OF GOODS
POUR L'ADMISSION TEMPORAIRE DES MARCHANDISES
CUSTOMS CONVENTION ON THE A.T.A. CARNET FOR THE TEMPORARY ADMISSION OF GOODS
CONVENTION DOUANIERE SUR LE CARNET A.T.A. POUR L'ADMISSION TEMPORAIRE DES MARCHANDISES
CONVENTION ON TEMPORARY ADMISSION *CONVENTION RELATIVE A L'ADMISSION TEMPORAIRE*
(Before completing the Carnet, please read Notes on cover page 3/*Avant de remplir le carnet, lire le notice en page 3 de la couverture)*

INTERNATIONAL GUARANTEE CHAIN
CHAINE DE GARANTIE INTERNATIONALE

W.C.F.

ATA CARNET / CARNET ATA

A. HOLDER AND ADDRESS /*Titulaire et adresse*

G. FOR ISSUING ASSOCIATION USE /*Réservé a l'association émettrice*
FRONT COVER/ *Couverture*

a) CARNET No.
Carnet N°. PK

Number of continuation sheets
Nombre de feuilles supplementaires .....

B. REPRESENTED BY*/*Représenté par**

b) ISSUED BY/*Delivré par*

C. INTENDED USE OF GOODS/ *Utilisation prévue des marchandises*

c) VALID UNTIL/Valable jusqu'au
...../...../.....
year *année* **month** *mois* **day (inclusive)** *jour (inclus)*

P. This carnet may be used in the following countries/ Customs territories under the guarantee of the associations listed on page four of the cover:/ *Ce carnet est valable dans les pays/territories douaniers ci-aprés, sous la garantie des associations reprises en page quatre de couverture:*

Austria (AT)
Belgium (BE)
Cyprus (CY)
Czech Republic (CZ)
Denmark (DK)
Estonia (EE)
Finland (FI)
France (FR)
Germany (DE)
Greece (GR)
Hungary (HU)
Ireland (IE)
Italy (IT)
Latvia (LV)
Lithuania (LT)
Malta (MT)
Netherlands (NL)
Poland (PL)
Portugal (PT)
Slovak Republic (SK)
Slovenia (SI)
Spain (ES)
Sweden (SE)
Unitd Kingdom (GB)

Algeria (DZ)
Andorra (AD)
Australia (AU)
Austria (AT)
Belgium (BE)
Bulgaria (BG)
Canada (CA)
China (CN)
Côte d'Ivoire (CI)
Croatia (HR)
Cyprus (CY)
Czech Republic (CZ)
Denmark (DK)
Estonia (EE)
Finland (FI)
France (FR)
Germany (DE)
Gibraltar (GI)
Greece (GR)
Hong Kong, China (HK)
Hungary (HU)
Iceland (IS)
India (IN)
Ireland (IE)
Israel (IL)
Italy (IT)
Japan (JP)
Korea (KR)
Latvia (LV)
Lebanon (LB)

Lithuania (LT)
FYROM (MK)
Malaysia (MY)
Malta (MT)
Mauritius (MU)
Mangolia (MN)
Morocco (MA)
Netherlands (NL)
New Zealand (NZ)
Norway (NO)
Pakistan (PK)
Poland (PL)
Portugal (PT)
Romania (RO)
Russia (RU)
Senegal (SN)
Serbia (CS)
Singapore (SG)
Slovak Republic (SK)
Slovenia (SI)
South Africe (ZA)
Spain (ES)
Sri Lanka (LK)
Sweden (SE)
Switzerland (CH)
Thailand (TH)
Tunisia (TN)
Turkey (TR)
United Kingdom (GB)
United States (US)

The holder of this Carnet and his representative will be held responsible for compleance with the laws and regulations of the country/Customs territory of departure and the countries/Customs territories of importation./ *A change pour le tetulaire et son représentant de se conformer aux lois et règlements du pays/territoire douanier de départ et des pays/territoires douaniers d'importation.*

H. CERTIFICATE BY CUSTOMS AT DEPARTURE /
Attestation de la douance, au départ

a) **Identification marks have been affixed as indicated in column 7 against the following item No(s) of the General List**
Apposé les marques d'identification mentionnées dans la colonne 7 en regard du (des) numéro(s) d'ordre suivant(s) de la liste générale .....
.....

b) **GOODS EXAMINED***/ *Vérifié les marchandises**
Yes/Oui **No/Non**

c) **Registration under Reference No.*** .....
*Enregistre sous le numéro.**

d) ...../...../.....
Customs Office *Bureau de douane Lieu* | **Place** | **Date (year/month/day)** *Date (année/mois/jour)* | **Signature and Stamp** *Signature et timbre*

I. Signature of authorised official and Issuing Association stamp/ *Signature du délégué et timbre de l'association émettrice*

...../...../.....
Place and Date of Issue (year/month/day)
Lieu et date dèmission (année/mois/jour)

J.

X X
Signature of Holder/*Signature du titulaire*

If applicable/ **S'il y a lieu*

TO BE RETURNED TO THE ISSUING CHAMBER IMMEDIATELY AFTER USE / *A RETOURNER A LA CHAMBER EMETTRICE IMMEDIATEMENT APRES UTILISATION*

SAMPLE

A.T.A. CARNET **GENERAL LIST**/*LISTE GENERALE* *CARNET A.T.A.*

Item No./ *N° d'ordre*	**Trad description of goods and marks and numbers, if any**/ *Designation commerciale des marchandises et, le cas échéant, marques et numéros*	**Number of Pieces**/ *Nombre de Piéces*	**Weight or Volume**/ *Poid ou Volume*	**Value***/ *Valuer**	****Country of origin**/ *** Pays d'origine*	**For Customs Use/ Reservé à la douane** *Identification marks/ Marques d'Identificaiton*
1	2	3	4	5	6	7
TOTAL or CARRIED OVER / *TOTAL ou A REPORTER*						

SAMPLE

Stamp/
Timbre

*Commercial value in country/customs territory of issue and in its currency, unless stated differently./ *Valuer commerciate dans le pays/territoire douanier d'émission et dans sa monnai, sauf indication contraire*
Show country of origin if different from country/customs territory of issue of the Carnet, using ISO country codes./*Indequer le pays d'origine s'ill est different du pays/territoire douanier d'émission du carnet, en utilisant le code international des pays ISO*

A.T.A. CARNET / *CARNET A.T.A.* **CARNET No.**/ *Carnet N°*

FOR USE BY CUSTOM OF COUNTRY/CUSTOMS TERRITORY OF TEMPORARY EXPORTATION
RESERVE A LA DOUANE DU PAYS/TERRITOIRE DOUANIER D'EXPORTATION TEMPORAIRE

EXPORTATION / *EXPORTATION*

1. **The goods described in the General List under item No.(s)** ..... *Les marchandises énumérées a la liste générale sous le(s) N°(s)* ..... have been exported *ont été exportées*

2. **Final date for duty-free re-importation**/*Date limite la réimportation en franchise* — year / month / day / / *année / mois / jour* / /

3. **Other remarks***/*Autres mentions** .....

7. .....

Counterfoil/ *Souche* **No.**/*N°*

4. ..... **Customs Office** *Bureau de douane*

5. ..... **Place** *Lieu*

6. ...../...../..... **Date (year/month/day)** *Date (année/mois/jour)*

..... **Signature and Stamp** *Signature et Timbre*

REIMPORTATION / *REIMPORTATION*

1. **The goods described in the General List under item No.(s)** ..... *Les marchandises énumérées a la liste générale sous le(s) N°(s)*

which were temporarily exported under cover of exportation voucher(s) No.(s) ..... **of this Carnet have been re-imported*** *exportées temporairement sous couvert du (des) volet(s) d'exportation N°(s)* *du présent carnet ont été réimportées**

3. **Other remarks***/*Autres mentions** .....

6. .....

Counterfoil/ *Souche* **No.**/*N°*

3. ..... **Customs Office** *Bureau de douane*

4. ..... **Place** *Lieu*

5. ...../...../..... **Date (year/month/day)** *Date (année/mois/jour)*

..... **Signature and Stamp** *Signature et Timbre*

EXPORTATION / *EXPORTATION*

1. **The goods described in the General List under item No.(s)** ..... *Les marchandises énumérées a la liste générale sous le(s) N°(s)* ..... have been exported *ont été exportées*

2. **Final date for duty-free re-importation**/*Date limite la réimportation en franchise* — year / month / day / / *année / mois / jour* / /

3. **Other remarks***/*Autres mentions** .....

7. .....

Counterfoil/ *Souche* **No.**/*N°*

4. ..... **Customs Office** *Bureau de douane*

5. ..... **Place** *Lieu*

6. ...../...../..... **Date (year/month/day)** *Date (année/mois/jour)*

..... **Signature and Stamp** *Signature et Timbre*

REIMPORTATION / *REIMPORTATION*

1. **The goods described in the General List under item No.(s)** ..... *Les marchandises énumérées a la liste générale sous le(s) N°(s)*

which were temporarily exported under cover of exportation voucher(s) No.(s) ..... **of this Carnet have been re-imported*** *exportées temporairement sous couvert du (des) volet(s) d'exportation N°(s)* *du présent carnet ont été réimportées**

3. **Other remarks***/*Autres mentions** .....

6. .....

Counterfoil/ *Souche* **No.**/*N°*

3. ..... **Customs Office** *Bureau de douane*

4. ..... **Place** *Lieu*

5. ...../...../..... **Date (year/month/day)** *Date (année/mois/jour)*

..... **Signature and Stamp** *Signature et Timbre*

SAMPLE

* If applicable/**S'il y a lieu*

DO NOT REMOVE FROM THE CARNET / *NE PAS DETACHER DU CARNET*

A.T.A. CARNET / *CARNET A.T.A.* **CARNET No.**/ *Carnet N°*

FOR USE BY CUSTOM OF COUNTRY/CUSTOMS TERRITORY OF TEMPORARY EXPORTATION
RESERVE A LA DOUANE DU PAYS/TERRITOIRE DOUANIER D'EXPORTATION TEMPORAIRE

EXPORTATION / *EXPORTATION*

1. **The goods described in the General List under item No.(s)** ..... *Les marchandises énumérées a la liste générale sous le(s) N°(s)* ..... have been exported *ont été exportées*

2. **Final date for duty-free re-importation**/*Date limite la réimportation en franchise* — year / month / day / / *année / mois / jour / /*

3. **Other remarks***/*Autres mentions** .....

7. .....

Counterfoil/ *Souche* **No./N°**

4. ..... **Customs Office** *Bureau de douane*

5. ..... **Place** *Lieu*

6. ...../...../..... **Date (year/month/day)** *Date (année/mois/jour)*

..... **Signature and Stamp** *Signature et Timbre*

REIMPORTATION / *REIMPORTATION*

1. **The goods described in the General List under item No.(s)** ..... *Les marchandises énumérées a la liste générale sous le(s) N°(s)*

which were temporarily exported under cover of exportation voucher(s) **No.(s)** ..... **of this Carnet have been re-imported*** *exportées temporairement sous couvert du (des) volet(s) d'exportation N°(s)* ..... *du présent carnet ont été réimportées**

3. **Other remarks***/*Autres mentions** .....

6. .....

Counterfoil/ *Souche* **No./N°**

3. ..... **Customs Office** *Bureau de douane*

4. ..... **Place** *Lieu*

5. ...../...../..... **Date (year/month/day)** *Date (année/mois/jour)*

..... **Signature and Stamp** *Signature et Timbre*

SAMPLE

EXPORTATION / *EXPORTATION*

1. **The goods described in the General List under item No.(s)** ..... *Les marchandises énumérées a la liste générale sous le(s) N°(s)* ..... have been exported *ont été exportées*

2. **Final date for duty-free re-importation**/*Date limite la réimportation en franchise* — year / month / day / / *année / mois / jour / /*

3. **Other remarks***/*Autres mentions** .....

7. .....

Counterfoil/ *Souche* **No./N°**

4. ..... **Customs Office** *Bureau de douane*

5. ..... **Place** *Lieu*

6. ...../...../..... **Date (year/month/day)** *Date (année/mois/jour)*

..... **Signature and Stamp** *Signature et Timbre*

REIMPORTATION / *REIMPORTATION*

1. **The goods described in the General List under item No.(s)** ..... *Les marchandises énumérées a la liste générale sous le(s) N°(s)*

which were temporarily exported under cover of exportation voucher(s) **No.(s)** ..... **of this Carnet have been re-imported*** *exportées temporairement sous couvert du (des) volet(s) d'exportation N°(s)* ..... *du présent carnet ont été réimportées**

3. **Other remarks***/*Autres mentions** .....

6. .....

Counterfoil/ *Souche* **No./N°**

3. ..... **Customs Office** *Bureau de douane*

4. ..... **Place** *Lieu*

5. ...../...../..... **Date (year/month/day)** *Date (année/mois/jour)*

..... **Signature and Stamp** *Signature et Timbre*

* **If applicable**/**S'il y a lieu*

DO NOT REMOVE FROM THE CARNET / *NE PAS DETACHER DU CARNET*

A.T.A. CARNET / *CARNET A.T.A.* **CARNET No.**/ *Carnet N°*

FOR USE BY CUSTOM OF COUNTRY/CUSTOMS TERRITORY OF TEMPORARY IMPORTATION
RESERVE A LA DOUANE DU PAYS/TERRITOIRE DOUANIER D'IMPORTATION TEMPORAIRE

IMPORTATION / *IMPORTATION*

1. **The goods described in the General List under item No.(s)** ..... *Les marchandises énumérées a la liste générale sous le(s) N°(s)* ..... have been temporarily imported / *ont été importées temporairement*

2. **Final date for re-exportation to the Customs of goods*/** *Date limite pour la réexportation/la représentation a la douane, des marchandises** — year / month / day — *année / mois / jour* — / / / /

3. **Registration under reference No.*/***Energistre sous le N°**

4. **Other remarks*** / *Autres mentions**

8. Signature and Stamp / *Signature et Timbre*

Counterfoil/ *Souche No./N°*

5. **Customs Office** / *Bureau de douane*

6. **Place** / *Lieu*

7. **Date (year/month/day)** / *Date (année/mois/jour)*

REEXPORTATION / *REEXPORTATION*

1. **The goods described in the General List under item No.(s)** ..... *Les marchandises énumérées a la liste générale sous le(s) N°(s)*

which were temporarily imported under cover of importation voucher(s) No.(s) ..... *Importées temporairement sous couvert du (des) volet(s) d'importation N°(s)*
of this Carnet have been re-exported*/ *du présent carnet, ont été réexportées**

2. **Action taken in respect of goods produced but not re-exported*** *Measures prises à l'égard des marchandises représentées mais non réexportées**

3. **Action taken in respect of goods not produced and not intended for later re-exportation*** *Measures prises à l'égard des marchandises non représentées et non destinées à une réexportation ultérieure**

4. **Registration under reference No.**/ *Enregistré sour le N°*

8. Signature and Stamp / *Signature et Timbre*

Counterfoil/ *Souche No./N°*

5. **Customs Office** / *Bureau de douane*

6. **Place** / *Lieu*

7. **Date (year/month/day)** / *Date (année/mois/jour)*

SAMPLE

* **If applicable/****S'il y a lieu*

DO NOT REMOVE FROM THE CARNET / *NE PAS DETACHER DU CARNET*

A.T.A. CARNET / *CARNET A.T.A.* **CARNET No.**/ *Carnet N°*

FOR USE BY CUSTOM OF COUNTRY/CUSTOMS TERRITORY OF TEMPORARY IMPORTATION
RESERVE A LA DOUANE DU PAYS/TERRITOIRE DOUANIER D'IMPORTATION TEMPORAIRE

IMPORTATION / *IMPORTATION*

1. **The goods described in the General List under Item No.(s)** ..... *Les marchandises énumérées a la liste générale sous le(s) N°(s)* ..... have been temporarily imported *ont été importées temporairement*
2. **Final date for re-exportation to the Customs of goods*/** *Date limite pour la réexportation/la représentation a la douane, des marchandises** — year / month / day *année / mois / jour* / /
3. **Registration under reference No.*/***Enregistre sous le N°**
4. **Other remarks*** / *Autres mentions**
8. .....

Counterfoil/ *Souche No./N°*

5. ..... **Customs Office** *Bureau de douane*
6. ..... **Place** *Lieu*
7. ...../...../..... **Date (year/month/day)** *Date (année/mois/jour)*

..... **Signature and Stamp** *Signature et Timbre*

REEXPORTATION / *REEXPORTATION*

1. **The goods described in the General List under item No.(s)** ..... *Les marchandises énumérées a la liste générale sous le(s) N°(s)* ..... **which were temporarily imported under cover of importation voucher(s) No.(s)** ..... *Importées temporairement sous couvert du (des) volet(s) d'importation N°(s)* ..... **of this Carnet have been re-exported*/** *du présent carnet, ont été réexportées**
2. **Action taken in respect of goods produced but not re-exported*** *Measures prises à l'égard des marchandises représentées mais non réexportées**
3. **Action taken in respect of goods not produced and not intended for later re-exportation*** *Measures prises à l'égard des marchandises non représentées et non destinées à une réexportation ultérieure**
4. **Registration under reference No.**/ *Enregistré sous le N°*
8. .....

Counterfoil/ *Souche No./N°*

5. ..... **Customs Office** *Bureau de douane*
6. ..... **Place** *Lieu*
7. ...../...../..... **Date (year/month/day)** *Date (année/mois/jour)*

..... **Signature and Stamp** *Signature et Timbre*

SAMPLE

IMPORTATION / *IMPORTATION*

1. **The goods described in the General List under Item No.(s)** ..... *Les marchandises énumérées a la liste générale sous le(s) N°(s)* ..... have been temporarily imported *ont été importées temporairement*
2. **Final date for re-exportation to the Customs of goods*/** *Date limite pour la réexportation/la représentation a la douane, des marchandises** — year / month / day *année / mois / jour* / /
3. **Registration under reference No.*/***Enregistre sous le N°**
4. **Other remarks*** / *Autres mentions**
8. .....

Counterfoil/ *Souche No./N°*

5. ..... **Customs Office** *Bureau de douane*
6. ..... **Place** *Lieu*
7. ...../...../..... **Date (year/month/day)** *Date (année/mois/jour)*

..... **Signature and Stamp** *Signature et Timbre*

REEXPORTATION / *REEXPORTATION*

1. **The goods described in the General List under item No.(s)** ..... *Les marchandises énumérées a la liste générale sous le(s) N°(s)* ..... **which were temporarily imported under cover of importation voucher(s) No.(s)** ..... *Importées temporairement sous couvert du (des) volet(s) d'importation N°(s)* ..... **of this Carnet have been re-exported*/** *du présent carnet, ont été réexportées**
2. **Action taken in respect of goods produced but not re-exported*** *Measures prises à l'égard des marchandises représentées mais non réexportées**
3. **Action taken in respect of goods not produced and not intended for later re-exportation*** *Measures prises à l'égard des marchandises non représentées et non destinées à une réexportation ultérieure**
4. **Registration under reference No.**/ *Enregistré sous le N°*
8. .....

Counterfoil/ *Souche No./N°*

5. ..... **Customs Office** *Bureau de douane*
6. ..... **Place** *Lieu*
7. ...../...../..... **Date (year/month/day)** *Date (année/mois/jour)*

..... **Signature and Stamp** *Signature et Timbre*

* **If applicable**/**S'il y a lieu*

DO NOT REMOVE FROM THE CARNET / *NE PAS DETACHER DU CARNET*

EXPORTATION / *EXPORTATION*

A. HOLDER AND ADDRESS */Titulaire et adresse*

B. REPRESENTED BY* */Représenté par**

C. INTENDED USE OF GOODS/ *Utilisation prévue des marchandises*

D. MEANS OF TRANSPORT*/ *Moyens de transport**

E. PACKING DETAILS (Number, Kind, Marks, etc.)*/
*Détails d'emballage (nombre, nature, marques, etc.)**

F. TEMPORARY EXPORTATION DECLARATION/
Déclaration d'exportation temporaire

I, duly authorised : */ Je soussigné, dûment autorisé :*

a) **declare that I am temporarily exporting the goods enumerated in the list overleaf and descrived in the General List under item No.(s)** */ déclare exporter temporairement les marchendises énumérées à la liste figurant au verso et reprises à la liste generale des marchandises sous le(s) N° (s).*

.....

.....

b) **undertake to re-import the goods within the period stipulated by the Customs Office or regularize their status in accordance with the laws and regulations of the country/Customs territory of importation/** *m'engage à réimporter ces marchandises dans le délai fixé par le bureau de douane ou à régulariser leur situation selon les lois et réglements du pays/territoire douanier d'importation.*

c) **confirm that the informaiton given is true and complete/** *certifie sincères et complétes les indications portées sur le présent volet.*

G. FOR ISSUING ASSOCIATION USE */Réservé a l'association émettrice*
EXPORTATION VOUCHER No.
Volet d'exportation N° .....

a) CARNET No.
Carnet N°

b) ISSUED BY/*Delivré par*

c) VALID UNTIL/*Valable jusqu'au*

...../...../.....

year *année* **month** *mois* **day (inclusive)** *jour (inclus)*

FOR CUSTOMS USE ONLY / *Réservé a la douane*

H. CLEARANCE ON EXPORTATION/ *Dédouanement à l'exportation*

a) **The goods referred to in the above declaration have been exported/** *Les marchandises faisant l'objet de la déclaration ci-entre ont été exportées.*

b) **Final date for duty-free re-importation:**/ *Date limite pour la réimportation en franchise:*

...../...../.....

year *année* **month** *mois* **day** *jour*

c) **This voucher must be forwarded to the Cusoms Office at:*/**
*Le présent volet devra être transmis au bureau de douane de:**

.....

d) **Other remarks:*** */ Autres mentions:**

At / *A* .....

Customs office */ Bureau de douane*

...../...../.....
Date (year/month/day)
Date (année/mois/jour)

.....
Signature and Stamp
Signature et Timbre

Place ..... **Date (year/month/day)** ...../...../.....
Lieu *Date (année/mois/jour)*

Name .....
Nom

Signature X ..... **X**
Signature

[SAMPLE]

***If applicable/** ** S'ily a lieu*

A.T.A. CARNET **GENERAL LIST**/*LISTE GENERALE* *CARNET A.T.A.*

Item No./ *N° d'ordre*	Trad description of goods and marks and numbers, if any/ *Designation commerciale des marchandises et, le cas échéant, marques et numéros*	Number of Pieces/ *Nombre de Piéces*	Weight or Volume/ *Poid ou Volume*	Value*/ *Valuer**	**Country of origin/ ** *Pays d'origine*	For Customs Use/ Resèrvé à la douane *Identification marks/ Marques d'Identificaiton*
1	2	3	4	5	6	7
TOTAL or CARRIED OVER / *TOTAL ou A REPORTER*						

SAMPLE

*Commercial value in country/customs territory of issue and in its currency, unless stated differently./ *Valuer commerciate dans le pays/territoire douanier d'émission et dans sa monnai, sauf indication contraire*
Show country of origin if different from country/customs territory of issue of the Carnet, using ISO country codes./*Indequer le pays d'origine s'ill est different du pays/territoire douanier d'émission du carnet, en utilisant le code international des pays ISO*

IMPORTATION / IMPORTATION

A. HOLDER AND ADDRESS /*Titulaire et adresse*

B. REPRESENTED BY*/*Représenté par**

C. INTENDED USE OF GOODS/ *Utilisation prévue des marchandises*

D. MEANS OF TRANSPORT*/ *Moyens de transport**

E. PACKING DETAILS (Number, Kind, Marks, etc.)*/ *Détails d'emballage (nombre, nature, marques, etc.)***

F. TEMPORARY EXPORTATION DECLARATION/ *Déclaration d'exportation temporaire*

I, duly authorised :*/ Je soussigné, dûment autorisé :*

a) **declare that I am temporarily importing in compliance with the conditions laid down in the laws and regulations of the country/Customs territory of importation, the goods enumerated in the list overleaf and descrived in the General List under item No.(s)**/ *déclare importer temporairement dans les conditions prévues par les lois et réglements du pays/territoire douanier d'importation, les marchandises énumérées a la liste figurant au verso et reprises a la liste générale sous le(s) N° (s).*

.....

.....

b) **declare that the said goods are intended for use at**/*déclare que les marchandises sont destinées á être utilisées á*

.....

.....

c) **undertake to comply with these laws and regulations and to re-export the said goods within the period stipulated bu the Customs Office or regularize their status in accordance with the laws and regulations of the country/Customs territory of importation.**/ *m'engage á observer ces lois et réglements et á réexporter ces marchandises dans les délais fixés par le bureau de douane ou á régulariser leur situation selon les lois et réglements du pays/territoire douanier d'importation.*

d) **Confirm that the informaiton given is true and complete**/ *certifie sincéres et complétes les indications portées sur le présent volet.*

G. FOR ISSUING ASSOCIATION USE /*Réservé a l'association émettrice*
IMPORTATION VOUCHER No.
Volet d'exportation N° .....

a) CARNET No.
Carnet N°

b) ISSUED BY/*Delivré par*

c) VALID UNTIL/*Valable jusqu'au*

...../...../.....
year *année* | **month** *mois* | **day (inclusive)** *jour (inclus)*

FOR CUSTOMS USE ONLY / *Réservé a la douane*

H. CLEARANCE ON EXPORTATION/ *Dédouanement á l'importation*

a) **The goods referred to in the above declaration have been temporarily imported**/ *Les marchandises faisant l'objet de la déclaration ci-contre ont été importées temporairement.*

b) **Final date for re-exportation/production to Custom***/*Date limite pour la réexportation/la représentation á la douane:*

...../...../.....
year *année* | **month** *mois* | **day** *jour*

c) **Registered under reference No.***/ *Enregistré sous le N°**

.....

Other remarks:* / *Autres mentions:**

d)

At / *A* .....
Customs office / *Bureau de douane*

...../...../..... .....
Date (year/month/day) *Date (année/mois/jour)* | **Signature and Stamp** *Signature et Timbre*

Place ..... **Date (year/month/day)** ...../...../.....
Lieu *Date (année/mois/jour)*

Name .....
Nom

Signature X ..... **X**
Signature

SAMPLE

***If applicable**/ **S'ily a lieu*

A.T.A. CARNET **GENERAL LIST**/*LISTE GENERALE* *CARNET A.T.A.*

Item No./ *N° d'ordre*	Trad description of goods and marks and numbers, if any/ *Designation commerciale des marchandises et, le cas échéant, marques et numéros*	Number of Pieces/ *Nombre de Piéces*	Weight or Volume/ *Poid ou Volume*	Value*/ *Valuer**	**Country of origin/ ** *Pays d'origine*	For Customs Use/ Reservé à la douane *Identification marks/ Marques d'Identificaiton*
1	2	3	4	5	6	7
TOTAL or CARRIED OVER / *TOTAL ou A REPORTER*						

SAMPLE

*Commercial value in country/customs territory of issue and in its currency, unless stated differently./ *Valuer commerciate dans le pays/territoire douanier d'émission et dans sa monnai, sauf indication contraire*
Show country of origin if different from country/customs territory of issue of the Carnet, using ISO country codes./*Indequer le pays d'origine s'ill est different du pays/territoire douanier d'émission du carnet, en utilisant le code international des pays ISO*

REEXPORTATION / REEXPORTATION

A. HOLDER AND ADDRESS /*Titulaire et adresse*

G. FOR ISSUING ASSOCIATION USE /*Réservé a l'association émettrice*
IMPORTATION VOUCHER No.
Volet d'exportation N° .....

a) CARNET No.
Carnet N°

B. REPRESENTED BY*/*Représenté par**

b) ISSUED BY/*Delivré par*

C. INTENDED USE OF GOODS/ *Utilisation prévue des marchandises*

c) VALID UNTIL/*Valable jusqu'au*
...../...../.....
year / *année* — month / *mois* — day (inclusive) / *jour (inclus)*

D. MEANS OF TRANSPORT*/ *Moyens de transport**

FOR CUSTOMS USE ONLY / *Réservé a la douane*

H. CLEARANCE ON RE-EXPORTATION/ *Dédouanement à la réexportation*

a) The goods referred to in paragraph F. a) of the holder's declaration have been re-exported.*/ *Les marchandises visées au paragraphe F.a) de la déclaration ci-contre ont été réexportées.**

E. PACKING DETAILS (Number, Kind, Marks, etc.)*/
*Détails d'emballage (nombre, nature, marques, etc.)**

b) Action taken in respect of goods produced but not re-exported.*/*Measures prises a l'egard des marchandises représentées mais non réexportees.**
.....

F. TEMPORARY EXPORTATION DECLARATION/
Déclaration d'exportation temporaire

I, duly authorised :/ *Je soussigné, dûment autorisé :*

c) Action taken in respect of goods NOT produced and NOT intended for later re-exportation.*/ *Measures prises a l'egard des marchandises non représentées et non destinées à une réexportation ultérieure.**
.....

a) declare that I am re-exporting the goods enumerated in the list overleaf and descrived in the General List under item No.(s)/ *déclare réexporter les marchandises énumérées a la liste figurant au verso et reprises à la liste générale sous le(s) N°(s).*
.....
.....
which were temporarily imported under cover of importation voucher(s) No.(s)/ *qui ont été importées temporairement sous le couvert du (des) volet(s) d'importation N°(s).*
.....
of this carnet/ *du présent carnet*

d) Registered under refenece No. :/ *Enregistré sous le N°*
.....

e) This voucher must be forwarded to the Cusoms Office at:* / *Le présent volet devra être transmis au bureau de douane de:**
.....

f) Other remarks:* / *Autres mentions:**

At / *A* .....
Customs office / *Bureau de douane*

b) declare that goods produced against the following item No.(s) are not intended for re-exporation:/ *déclare que les marchandises représentees et reprises sous le(s) N°(s) suivant(s) ne sont pas destinées à la réexportation:*.....
.....

c) declare that goods of the following item No.(s) not produced, are not intended for later re-exportation :/ *déclare que les marchandises non représentées et reprises sous le(s) N°(s) suivant(s) ne seront pas réexportées ultérieurement:*.....
.....

d) in support of this declaration, present the following documents :/ *présente a l'appui de mes déclarations, les documents suivants :*
.....

e) Confirm that the informaiton given is true and complete/ *certifie sincéres et complétes les indications portées sur le présent volet.*

...../...../.....
Date (year/month/day) / *Date (année/mois/jour)*

Signature and Stamp / *Signature et Timbre*

Place ..... Date (year/month/day) ...../...../.....
Lieu *Date (année/mois/jour)*

Name .....
Nom

Signature X X
Signature

*If applicable/ **S'ily a lieu*

SAMPLE

A.T.A. CARNET **GENERAL LIST**/*LISTE GENERALE* *CARNET A.T.A.*

Item No./ *N° d'ordre*	Trad description of goods and marks and numbers, if any/ *Designation commerciale des marchandises et, le cas échéant, marques et numéros*	Number of Pieces/ *Nombre de Piéces*	Weight or Volume/ *Poid ou Volume*	Value*/ *Valuer**	**Country of origin/ ** *Pays d'origine*	For Customs Use/ Reséŕvé à la douane *Identification marks/ Marques d'Identificaiton*
1	2	3	4	5	6	7
TOTAL or CARRIED OVER / *TOTAL ou A REPORTER*						

SAMPLE

*Commercial value in country/customs territory of issue and in its currency, unless stated differently./ *Valuer commerciate dans le pays/territoire douanier d'émission et dans sa monnai, sauf indication contraire*
Show country of origin if different from country/customs territory of issue of the Carnet, using ISO country codes./*Indequer le pays d'origine s'ill est different du pays/territoire douanier d'émission du carnet, en utilisant le code international des pays ISO*

REIMPORTATION / *REIMPORTATION*

A. HOLDER AND ADDRESS */Titulaire et adresse*

B. REPRESENTED BY* */Représenté par**

C. INTENDED USE OF GOODS/ *Utilisation prévue des marchandises*

D. MEANS OF TRANSPORT*/ *Moyens de transport**

E. PACKING DETAILS (Number, Kind, Marks, etc.)*/ *Détails d'emballage (nombre, nature, marques, etc.)**

F. TEMPORARY EXPORTATION DECLARATION/ *Déclaration d'exportation temporaire*

I, duly authorised : */ Je soussigné, dûment autorisé :*

a) **declare that I am re-exporting the goods enumerated in the list overleaf and descrived in the General List under item No.(s)**/ *déclare réexporter les marchandises énumérées a la liste figurant au verso et reprises a la liste générale sous le(s) N°(s).*

.....

.....

were temporarily exported under cover of exportation voucher(s) No.(s)/ *ont été exportées temporaitement sous le couvert du(des) volet(s) d'exportation N°(s)*

.....

.....

request duty-free re-importation of the said goods/ *demande la réimportation en franchise de ces marchandises.*

b) **declare that the said goods have NOT undergone any process abroad, except for those described under No.(s):***/ *déclare que lesdites marchandises n'ont subi aucune ouvraison à l'étranger, sauf celles énumérées sous le(s) N°(s)**:

.....

.....

c) **declare that goods of the following item No.(s) have not been re-imported***: / *I déclare ne pas réimporter les marchandises reprises sous le(s) N°(s) suivant(s)**

.....

.....

d) **Confirm that the informaiton given is true and complete**/ *certifie sincéres et complétes les indications portées sur le présent volet.*

G. FOR ISSUING ASSOCIATION USE */Réservé a l'association émettrice*
IMPORTATION VOUCHER No.
Volet d' réimportation N° .....

a) CARNET No.
Carnet N°

b) ISSUED BY*/Delivré par*

c) VALID UNTIL*/Valable jusqu'au*

...../...../.....

year *année* **month** *mois* **day (inclusive)** *jour (inclus)*

FOR CUSTOMS USE ONLY */ Réservé a la douane*

H. CLEARANCE ON RE-IMPORTATION/ *Dedouanement à la réimportation*

a) **The goods referred to in above paragraph F. a) of the holder's declaration have been re-imported**/ *Les marchandises visées au pragraphe F.a) et b) de la déclaration ci-contre ont été réimportées.*

b) **This voucher must be forwarded to the Customs Office at***/ *Le Présent volet devra être transmis au bureau de douane de**

.....

c) **Other remarks:*** / *Autres mentions:**

At / *A* .....

Customs office */ Bureau de douane*

...../...../..... .....

Date (year/month/day) *Date (année/mois/jour)* **Signature and Stamp** *Signature et Timbre*

Place ..... **Date (year/month/day)** ...../...../.....
Lieu *Date (année/mois/jour)*

Name .....
Nom

Signature X X
Signature

SAMPLE

***If applicable/** **S'ily a lieu*

A.T.A. CARNET **GENERAL LIST**/*LISTE GENERALE* *CARNET A.T.A.*

Item No./ *N° d'ordre*	Trad description of goods and marks and numbers, if any/ *Designation commerciale des marchandises et, le cas échéant, marques et numéros*	Number of Pieces/ *Nombre de Piéces*	Weight or Volume/ *Poid ou Volume*	Value*/ *Valuer**	**Country of origin/ ** *Pays d'origine*	For Customs Use/ Reservé à la douane * *Identification marks/ Marques d'Identificaiton*
1	2	3	4	5	6	7
TOTAL or CARRIED OVER / *TOTAL ou A REPORTER*						

SAMPLE

*Commercial value in country/customs territory of issue and in its currency, unless stated differently./ *Valuer commerciate dans le pays/territoire douanier d'émission et dans sa monnai, sauf indication contraire*
Show country of origin if different from country/customs territory of issue of the Carnet, using ISO country codes./*Indequer le pays d'origine s'ill est different du pays/territoire douanier d'émission du carnet, en utilisant le code international des pays ISO*

A.T.A. CARNET **GENERAL LIST**/*LISTE GENERALE* *CARNET A.T.A.*

Item No./ *N° d'ordre*	Trad description of goods and marks and numbers, if any/ *Designation commerciale des marchandises et, le cas échéant, marques et numéros*	Number of Pieces/ *Nombre de Piéces*	Weight or Volume/ *Poid ou Volume*	Value*/ *Valuer**	**Country of origin/ ** *Pays d'origine*	For Customs Use/ Reservé à la douane * *Identification marks/ Marques d'Identificaiton*
1	2	3	4	5	6	7
TOTAL or CARRIED OVER / *TOTAL ou A REPORTER*						

SAMPLE

*Commercial value in country/customs territory of issue and in its currency, unless stated differently./ *Valuer commerciate dans le pays/territoire douanier d'émission et dans sa monnai, sauf indication contraire*
Show country of origin if different from country/customs territory of issue of the Carnet, using ISO country codes./Indequer le pays d'origine s'ill est different du pays/territoire douanier d'émission du carnet, en utilisant le code international des pays ISO*

CONTINUATION SHEET GENERAL LIST No. .....
FEUILLE SUPPLEMENTAIRE LISTE GENERALE N°

CARNET No./
Carnet N°.

ATA CARNET / CARNET ATA

Item No./ *N° d'ordre*	Trad description of goods and marks and numbers, if any/ *Designation commerciale des marchandises et, le cas échéant, marques et numéros*	Number of Pieces/ *Nombre de Pièces*	Weight or Volume/ *Poid ou Volume*	Value*/ *Valuer**	**Country of origin/ ** *Pays d'origine*	For Customs Use/ Resêrvé à la douane *Identification marks/ Marques d'Identificaiton*
1	2	3	4	5	6	7
TOTAL CARRIED OVER/*REPORT*						
TOTAL or CARRIED OVER / *TOTAL ou A REPORTER*						

SAMPLE

Signature of authorised official and Issuing Association stamp/
Signature du délégué et timbre de l'association émettrice

.....

Signature of Holder/
Signature du titulaire

.....

*Commercial value in country/customs territory of issue and in its currency, unless stated differently./ *Valuer commerciate dans le pays/territoire douanier d'émission et dans sa monnai, sauf indication contraire*
Show country of origin if different from country/customs territory of issue of the Carnet, using ISO country codes./Indequer le pays d'origine s'ill est different du pays/territoire douanier d'émission du carnet, en utilisant le code international des pays ISO*

A.T.A. CARNET **GENERAL LIST**/*LISTE GENERALE* *CARNET A.T.A.*

Item No./ *N° d'ordre*	Trad description of goods and marks and numbers, if any/ *Designation commerciale des marchandises et, le cas échéant, marques et numéros*	Number of Pieces/ *Nombre de Piéces*	Weight or Volume/ *Poid ou Volume*	Value*/ *Valuer**	**Country of origin/ ** *Pays d'origine*	For Customs Use/ Reservé à la douane * *Identification marks/ Marques d'Identificaiton*
1	2	3	4	5	6	7
TOTAL CARRIED OVER/*REPORT*						
TOTAL or CARRIED OVER / *TOTAL ou A REPORTER*						

SAMPLE

*Commercial value in country/customs territory of issue and in its currency, unless stated differently./ *Valuer commerciate dans le pays/territoire douanier d'émission et dans sa monnai, sauf indication contraire*
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A.T.A. CARNET **GENERAL LIST**/*LISTE GENERALE* *CARNET A.T.A.*

VOUCHER No. **CONTINUATION SHEET GENERAL LIST No. .....CARNET No./**
VOLET DE.....N°.....FEUILLE SUPPLEMENTAIRE LISTE GENERALE N°.....CARNET N°

Item No./ *N° d'ordre*	**Trad description of goods and marks and numbers, if any/** *Designation commerciale des marchandises et, le cas échéant, marques et numéros*	**Number of Pieces/** *Nombre de Pièces*	**Weight or Volume/** *Poid ou Volume*	**Value*/** *Valuer**	****Country of origin/** ** *Pays d'origine*	**For Customs Use/ Reservé à la douane** *Identification marks/ Marques d'identificaiton*
1	2	3	4	5	6	7
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VOLET DE.....N°.....FEUILLE SUPPLEMENTAIRE LISTE GENERALE N°.....CARNET N°

Item No./ *N° d'ordre*	Trad description of goods and marks and numbers, if any/ *Designation commerciale des marchandises et, le cas échéant, marques et numéros*	Number of Pieces/ *Nombre de Pièces*	Weight or Volume/ *Poid ou Volume*	Value*/ *Valuer**	**Country of origin/ ** *Pays d'origine*	For Customs Use/ Reservé à la douane *Identification marks/ Marques d'Identificaiton*
1	2	3	4	5	6	7
TOTAL CARRIED OVER/*REPORT*						
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1	2	3	4	5	6	7
TOTAL CARRIED OVER/*REPORT*						
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Guaranteeing Association members of IBCC/A.T.A. International Guarantee Chain.
Association Garantes members de la Chaine de Garantie Internaitonale A.T.A./BICC

ALGERIA (DZ)	Chembre algérienne de Commerce et d'industrie
ANDORRA (AD)	Chambre de Commerce, d'Industrie et des Services d'Andorre
AUSTRALIA (AU)	Victorian Employers' Chamber of Commerce and Industry
AUSTRIA (AT)	Austrian Federal Economic Chamber
BELGIUM / LUXEMBOURG (BE)	Fédération des Chambres de Commerce et d'Industrie de Belgique
BULGARIA (BG)	The Bulgarian Chamber of Commerce and Industry
CANADA (CA)	The Canadian Chamber of Commerce
CHINA (CN)	China Chamber of International Commerce
CÔTE D'IVOIRE (CI)	Chambre de Commerce et d'Industrie de Côte d'Ivoire
CROATIA (HR)	Croatian Chamber of Economy
CYPRUS (CY)	Cyprus Chamber of Commerce and Industry
CZECH REPUBLIC (CZ)	Economic Chamber of the Czech Republic
DENMARK (DK)	Danish Chamber of Commerce
ESTONIA (EE)	Estonian Chamber of Commerce and Industry
FINLAND (FI)	The Central Chamber of Commerce of Finland
FRANCE (FR)	Chambre de Commerce et d'Industrie de Paris
GERMANY (DE)	Deutscher Industrie-und Handelstag
GIBRALTAR (GI)	Gibraltar Chamber of Commerce
GREECE (GR)	Athens Chamber of Commerce and Industry
HONG KONG, CHINA (HK)	The Hong Kong General Chamber of Commerce
HUNGARY (HU)	Hungarian Chamber of Commerce and Industry
ICELAND (IS)	Iceland Chamber of Commerce
INDIA (IN)	Federation of Indian Chambers of Commerce and Industry
IRELAND (IE)	Dublin Chamber of Commerce
ISRAEL (IL)	Federation of Israeli Chambers of Commerce
ITALY (IT)	Unione Italiana delle Camere de Commericio, Industria, Artigianato e Agricoltura
JAPAN (JP)	The Japan Chamber of Commerce and Industry
KOREA (KR)	Korea Chamber of Commerce and Industry
LATVIA (LV)	Latvian Chamber of Commerce and Industry
LEBANON (LB)	Beirut Chamber of Commerce and Industry
LITHUANIA (LT)	Association of Lithuanian Chambers of Commerce, Industry and Crafts
FORMER YUGOSLAV REPUBLIC OF MACEDONIA (MK)	Economic Chamber of Macedonia
MALAYSIA (MY)	The Malaysian Chamber of Commerce and Industry
MALTA (MT)	The Malta Chamber of Commerce
MAURITIUS (MU)	The Mauritius Chamber of Commerce and Industry
MANGOLIA (MN)	Mongolian National Chamber of Commerce and Industry
MOROCCO (MA)	Chambre de Commerc, d'Industrie et des Services de la Wilaya du Grand Casablance
NETHERLANDS (NL)	Amsterdam Chamber of Commerce and Industry
NEW ZEALAND (NZ)	Wellington Regional Chamber of Commerce
NORWAY (NO)	Oslo Chamaber of Commerce
PAKISTAN (PK)	The Pakistan National Committee of the International Chamber of Commerce
POLAND (PL)	Polish Chamber of Commerce
PORTUGAL (PT)	Camara de Comercio e Industra Portuguesa
ROMANIA (RO)	Chamber of Commerce and Industry of Romania
RUSSIA (RU)	Chamber of Commerce and Industry of the Russian Federation
SENEGAL (SN)	Chambre de Commerce et d'Industrie de Dakar
SERBIA (CS)	Chamber of Commerce and Industry of Serbia
SINGAPORE (SG)	Singapore International Chamber of Commerce
SLOVAK REPUBLIC (SK)	Slovak Chamber of Commerce and Industry
SLOVENIA (SI)	Chamber of Commerce and Industry of Slovenia
SOUTH AFRICE (ZA)	South African Chamber of Business
SPAIN (ES)	Consejo Superior de las Cámaras Oficiales de Comercio, Industria y Navegación de España
SRI LANKA (LK)	ICC Sri Lanka
SWEDEN (SE)	The Stockholm Chamber of Commerce
SWITZERLAND (CH)	Alliance des Chambres de Commerce Suisses
THAILAND (TH)	Board of Trade of Thailand
TUNISIA (TN)	Chambre de Commerce et d'Industrie de Tunis
TURKEY (TR)	Union of Chambers of Commerce, Industry and Produce Exchanges of Turkey
UNITED KINGDOM (GB)	London Chamber of Commerce and Industry
UNITED STATES (US)	United States Council for International Business

SAMPLE

Box reserved for use by the issuing Chamber of commerce
cadre réservé à la Chambre de commerce émettrice

As a user of this A.T.A. Carnet, you are entitled to the assistance of your A.T.A. contact person at the Chamber of Commerce and Industry of:
Utilisateur de ce Carnet A.T.A., vous bénéficiez de l'assistance de votre correspondant A.T.A. á la Chambre de commerce et d'industrie de:

Mr/Mrs:
M./Mme:

Address:
Addresse:

Tel.:
Fax:
E-mail:

TO WHOM YOU MUST RETURN THIS CARNET AFTER USE
A QUI VOUS DEVEZ IMPERATIVEMENT RETOURNER CE CARNET APRES UTILISATION

APPENDIX II

Equipment for the press or for sound or television broadcasting

Illustrative list

A. Equipment for the press, such as:

- personal computers;
- telefax equipment;
- typewriters;
- cameras of all kinds (film and electronic cameras);
- sound or image transmitting, recording or reproducing apparatus (tape and video recorders and video reproducers, microphones, mixing consoles, loudspeakers);
- sound or image recording media, blank or recorded;
- testing and measuring instruments and apparatus (oscillographs, tape and video recorder text systems, multimeters, tool boxes and bags, vectorscopes, video generators, etc);
- lighting equipment (spotlights, converters, tripods);
- operational accessories (cassettes, exposure meters, lenses, tripod, accumulators, battery belts, battery chargers, monitors).

B. Sound broadcasting equipment, such as:

- telecommunication equipment such as broadcast transmitter-receivers or transmitters; terminal connectable to network or cable; satellite links;
- audio frequency production equipment (sound pick-up, recording or reproducing apparatus);
- testing and measuring instruments and apparatus (oscillographs, tape and video recorder test systems, multimeters, tool boxes and bags, vectorscopes, video generators, etc);
- operational accessories (clocks stop-watches, compasses, microphones, mixing consoles, sound tapes, generating sets, transformers, batteries and accumulators, battery chargers, heating, air-conditioning and ventilating apparatus, etc.);
- sound recording media, blank or recorded.

C. Television broadcasting equipment, such as:

- Television cameras;
- Telecinema;
- testing and measuring instruments and apparatus;
- transmission and retransmission apparatus;
- communication apparatus;
- sound or image recording or reproducing apparatus (tape and video recorders and video reproducers, microphones, mixing consoles, loudspeakers);
- lighting equipment (spotlights, converters, tripods);
- editing equipment;

- operational accessories (clocks, stop-watches, compasses, lenses, exposure meters, tripods, battery chargers, cassettes, generating sets, transformers, batteries and accumulators, heating, air-conditioning and ventilating apparatus, etc.);
- sound or image recording media, blank or recorded (credit titles, station call signs, music inserts, etc);
- "film rushes";
- musical instruments, costumes, scenery and other stage properties, pedestals, make-up material, hairdryers.

D. Vehicles designed or specially adapted for the purposes specified above, such as:

- television transmitting vehicles;
- vehicles for television accessories;
- video tape recording vehicles;
- sound recording and reproducing vehicles;
- slow motion vehicles;
- light vehicles.

APPENDIX III

Cinematographic equipment

illustrative list

A. Equipment, such as:

- cameras of all kinds (film and electronic cameras);
- testing and measuring instruments and apparatus (oscillographs, tape and video recorder test systems, multimeters, tool boxes and bags, vector scopes, video generators, etc.);
- Camera "dollies" and booms;
- lighting equipment (spotlights, converters, tripods);
- editing equipment;
- sound or image recording or reporting apparatus (tape and video recorders and video reproducers, microphones, mixing consoles, loudspeakers);
- sound or image recording media, blank or recorded (credit titles, station call signs, music users, etc.);
- "film rushes";
- operational accessories (clocks stop-watches, compasses, microphones, mixing consoles, sound tapes, generating sets, transformers, batteries and accumulators, battery chargers heating, air-conditioning and ventilating apparatus, etc.);
- musical instruments, costumes, scenery and other stage properties, pedestals, make-up material, hairdryers.

B. Vehicles designed or specialty adapted for the purposes specified above.

APPENDIX IV

Other equipment

illustrative list

A. Equipment for erection, testing, commissioning, checking, control, maintenance or repair of machinery, plant, means of transport, etc., such as:

- tools;
- measuring, checking or testing equipment and instruments (temperature, pressure, distance, height, surface, speed, etc.), including electrical instruments (voltmeters, ammeters, measuring cables, comparators, transformer recording instruments, etc.) and jigs;
- apparatus and equipment for taking photographs of machines and plant during or after erection;
- apparatus for survey of ships.

B. Equipment necessary for businessmen, business efficiency consultants, productivity experts, accountants and members of similar professions, such as:

- personal computers;
- typewriters;
- sound or image transmitting, recording or reproducing apparatus;
- calculating instruments and apparatus.

C. Equipment necessary for experts undertaking topographical surveys or geophysical prospecting work, such as:

- measuring instruments and apparatus;
- drilling equipment;
- transmission and communication equipment.

D. Equipment necessary for experts combating pollution.

E. Instruments and apparatus necessary for doctors, surgeons, veterinary surgeons, midwives and members of similar professions.

F. Equipment necessary for archeologists, paleontologists, zoologists and other scientists.

G. Equipment necessary for entertainers, theatre companies and orchestras, including all articles used for public or private performances (musical instruments, costumes, scenery, etc.).

H. Equipment necessary for lecturers to illustrate their lectures.

I. Equipment necessary for photography trips (cameras of all kinds, cassettes, exposure meters, lenses, tripods, accumulators, battery belts, battery chargers, monitors, lighting equipment, fashion goods and accessories for models, etc.).

J. Vehicles designed or specially adapted for the purposes specified above, such as mobile inspection units, traveling workshops and travelling laboratories.]

[59][Chapter XXIV

Mutilation or Scrapping of Goods

592. Goods allowed for mutilation or scrapping.- The following old and used items, if imported in serviceable condition alongwith the scrap consignments or imported separately as a scrap and found serviceable,

may be allowed mutilation or scrapping, as the case may be, within the meanings of section 27A of the Act, namely:-

(i) pipes or tubes;
(ii) bars or rods;
(iii) sheets or strips, slab, plates;
(iv) beams, sections, channels or girders, used and pitted railway tracks ; [62][Omitted]
(v) ship plates cutting of various sizes with rough edges and having welded joints [62][;
(vi) foils or films ; [91][Omitted]
(vii) tyres or tubes.][91][;[95][omitted].
(viii) front Cabin/half Cut HTV/LTV/Cars, with or without chassis number for which Master bills of Lading were issued upto fifteenth July, 2017[95][;and
(ix) Industrial inputs as approved by the Collector in the analysis certificate in terms of rule 2(i) of SRO.327(I)/2008, dated 29.03.2008.]

593. Application by importer or agent.- An importer or his agent (hereinafter referred to as the applicant) before filing the goods declaration shall make a request in writing to the Assistant or Deputy Collector of Customs in respect of items specified in rule 592 for the mutilation or scrapping thereof [90][:

Provided that in respect of items mentioned at clause (viii) [95][and (ix)] of rule 592, the requirement of this rule shall not apply

594. Applicant to provide all the necessary information with regard to mutilation or scrapping of goods.- The applicant shall furnish all the import related documents available to the Assistant or Deputy Collector of Customs.

595. Mutilation or scrapping under Customs Supervision.- All operations of mutilation or scrapping of goods shall be carried out by the applicant under the supervision of appropriate officer of Customs at such place as may be approved by the Assistant or Deputy Collector of Customs.

596. Drawal and testing of samples for laboratory test.- If a laboratory test is required, the applicant shall make arrangements for drawal of samples. The samples drawn shall be in adequate quantities to permit more than one test in case such a contingency arises. The result of such tests shall be made available to the applicant.

597. Fee for test and other charges incurred on mutilating or scrapping of goods to be paid by the applicant.- The applicant shall pay fee for supervision charges and all other expenses including incidental charges connected therewith in connection with the mutilation or scrapping of goods.]

[61][CHAPTER-XXV

AFGHANISTAN-PAKISTAN TRANSIT TRADE RULES

Sub-Chapter-I

Preliminary

598. Short title.- These rules may be called the Afghanistan-Pakistan Transit Trade Rules.

599. Scope.- Notwithstanding anything contained in these rules or any other rules made under the Act, the provisions of this chapter shall apply to cargo (goods including vehicles) in transit to and from Afghanistan, namely:-

(a) Afghan commercial cargo imported through Karachi, Port Qasim or [65][,]Gawadar port [65][or Sost];
(b) Afghan commercial cargo from Afghanistan to India through Wagha;
(c) Afghan commercial cargo from Afghanistan to other countries;
(d) non commercial cargo.

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 Collectorate 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 thereunder and the collection of import 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;

XIII. [65]**[customs security"** means encashable financial guarantee, acceptable to Customs, submitted by the traders or through their authorised brokers, on transit goods, for an amount equivalent to the import levies of the host country; **"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];

XIV. **"dangerous goods"** means goods posing a significant risk to health and environment, security and property when being transported or lying in storage;

XV. **"domestic legislation"** means the entire body of national or local laws and rules and regulations in force in respective countries of the contracting parties;

XVI. **"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;

XVII. **"Form-A"** means Transport Note as prescribed under Custom General Order No. 4 of 2007, dated the 31st March, 2007;

XVIII. **"freight forwarder"** means a natural or legal person having a contract of freight forwarding services with a shipper;

XIX. **"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;

XX. **"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;

XXI. **"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);

XXII. **"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;

XXIII. **"host country"** means the country where transportation of goods is performed;

XXIV. **"licensing authority"** means the Collector of Customs (Appraisement), Karachi or any authority approved by the Board;

XXV. **"means of transport"** means road vehicles and railway rolling stock;

XXVI. **"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;

XXVII. **"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;

XXVIII. **"office of departure"** means any Customs office at which a Customs transit operation commences;

XXIX. **"office en-route"** means any Customs office through which goods in transit pass during the course of a Customs transit operation;

a. ***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;*

XXX. **"office of destination"** means any Customs office at which a Customs transit operation is terminated;

XXXI. **"PCCSS"** means Pakistan Customs Container Security System that encompasses sealing as well as de-sealing of transit cargo transiting throughout Pakistan;

XXXII. **"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;

XXXIII. **"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;

XXXIV. **"prescribed time"** means time prescribed under these rules for transportation of transit goods;

XXXV. **"prescribed transport route"** means the land route prescribed for transportation of transit goods within the frontiers of Pakistan;

XXXVI. **"protocol"** means a document attached to the Agreement setting out specific technical and administrative arrangements;

XXXVII. **"sealing"** means affixing of PCCSS seal on transit goods and issuance of Form-A electronically as well as manually;

XXXVIII. **"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;

XXXIX. **"shipper seal"** means the seal affixed on container by the shipper from the port of loading;

XL. **"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;

XLI. **"third country"** means a country that is not a contracting party to the Agreement;

XLII. **"transit goods"** means the goods whether commercial or non-commercial transited through Pakistan to and from Afghanistan;

XLIII. **"transit country"** means a country through the territory of which the transit traffic passes;

XLIV. **"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;

XLV. **"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;

XLVI. **"transport unit"** means aircrafts, freight containers of international specifications transported by road, railway wagons or road vehicle including trailers, semi-trailers; and

XLVII. **"vehicle"** means any rigid road vehicle, articulated vehicle, unaccompanied trailer or semi-trailer.

Sub-Chapter– II

Importation of Afghan Transit Goods

601. Filing and processing of goods declaration for Afghan Transit goods.–(1) The goods which are carried under the Customs transit shall not be subject to the payment of import or export duties and taxes, provided the activities are in conformity with these rules.

(2) The transport operator or the Customs agent shall file the goods declaration (hereinafter called GD) (Afghan Transit) at the office of departure in accordance with these rules. The GD shall be accompanied by following documents, namely:-

(a) original invoice;

(b) bill of lading;

(c) original packing list;

(d) importability documents.-

(i) valid *jawaznama* for Afghan Transit Trade (ATT) commercial goods in original (import permit) attested or verified by the respective Afghan Consulate;

(ii) exemption certificate (*mafinama*) of the Afghan customs department for non-commercial Afghan transit trade goods;

(e) Customs security as provided under these rules;

(f) letter of authorization from the importer based in Afghanistan in respect of his representative undertaking by the concerned Customs agent to the effect that the *jawaznama or mafinama* is valid; and

[65](g) six copies of the GD shall be prepared. The details are given as under:-

GD	Usage or disposal
Original copy	Importer's copy for clearance of goods at the office of departure.
Duplicate copy	(i) 73[In case the goods are imported at sea port, the Customs administration at the office of departure shall send a copy to the office *en route* in Pakistan (Torkham or Chaman) which shall be handed over to Afghan Customs at the border. The Afghan Customs shall send the GD back to the office of departure in Karachi through the respective border Customs stations (Torkham or Chaman on the Pakistani side) along with copy of T-1 issued and attested by Afghan Customs bearing cross reference of GD filed in Pakistan, and a certificate to the effect that the consignment mentioned in the relevant T-1 form has crossed the Customs checkpost or station Samarkhel (Jalalabad) in case of transit through Torkham, and Spin Boldak in case of transit through Chaman. This shall be considered as Cross Border Certificate (CBC) and on the basis of which Customs shall release, after due process, the customs security;] (ii) in case the goods are imported at Border Customs Station and exported through sea port, the copy shall be sent by the office of departure to the Customs at sea port. This copy shall be returned to the office of departure after endorsement of mate receipt (MR) number; and

	(iii) in case the goods are imported at Border Customs Station and exported through another Border Customs Station, this copy shall be returned to the office of departure after endorsement of "Crossed Border" by the appropriate customs officer.
Triplicate copy	Afghan Transit Group office record at Office of departure and for audit purposes.
Quadruplicate copy	(i) In case the goods are imported at sea port, the copy shall be sent to Assistant Collector of Customs at the office en route for endorsement of *"Crossed Border"* stamp by Torkham or Chaman Customs alongwith signatures and name stamp of the authorized officer. This copy shall also be endorsed by stamp and signature of Afghan Customs to confirm that the consignment has crossed the border. The Assistant or Deputy Collector of office en route shall send the copy to the office of departure within **fifteen** days of crossing the border. This copy shall be used for reconciliation and monitoring; and (ii) in case goods are imported at Land Border Station this copy shall be sent to the office of departure after endorsement of MR number or "Crossed Border". This copy alongwith cross border certificate shall be used for reconciliation and monitoring.
Fifth Copy	Carrier's copy to be kept in the transport unit throughout its journey in transit.
Sixth Copy	Copy of the concerned Regional Office of the Directorate General of Intelligence and Investigation..]

602. Processing of documents.- (1) The processing Customs Officer shall,-

(a) receive the documents in Afghan Transit Group and affix stamp bearing his name and designation as well as put up his initial on original copy of G.D in token of receipt;

(b) endorse or post the receipt in the computer system by using his allocated identification (ID) himself;

(c) ensure documents are complete and enter in the register, the particulars of GD and name of the person submitting the GD in Afghan Transit Group Register to be prescribed by Assistant or Deputy Collector in-charge. The entries shall be counter checked at the end of the day by an Appraising Officer (AO) [65][or Customs officer of an equivalent rank] nominated by the Assistant or Deputy Collector for the purpose; and

(d) hand over the documents to the concerned AO for further processing of the documents.

(2) The AO (Processing) [65][or Customs officer of an equivalent rank] shall scrutinize the GD in the light of documents submitted by the importer or clearing agent and satisfy himself that,-

(a) the GD is in order;
(b) the goods declared for customs transit are in conformity with the import documents;
(c) the PCT heading is as per the declaration of the goods;
(d) correct value is determined under section 25 of the Customs Act, 1969;
(e) the goods allowed for transit are in accordance with the prescribed procedure and prevalent law;
(f) Customs security is in order and covers all duties and taxes; and
(g) *jawaznama* is valid.

(3) AO [65][or Customs officer of an equivalent rank] shall also himself enter, through his own ID, the relevant details in the computer system;

(4) After processing the GD, the AO shall also attest invoice, packing list and bill of lading and shall sign the GD and affix his name and designation stamp.

(5) If a consignment of transit goods is selected for examination through risk profiling, the AO [65][or Customs officer of an equivalent rank]shall endorse the examination order on reverse of duplicate, triplicate, [65][quadruplicate and sixth] copy of the GD and send the GD to the Principal Appraiser (Afghan Transit Group) for verification and counter-signature.

(6) If the GD is not selected for examination, the Principal Appraiser shall also endorse **"**checked and passed**"** and affix his stamp bearing his name and designation and shall also sign the GD. In case any discrepancy is found in GD with respect to furnished documents or the details of the goods is not clear then the GD shall not be processed unless the discrepancy is rectified and justified.

(7) The concerned clerk of the Afghan Transit Group shall enter the particulars of the GD in the relevant register and affix the stamp of the free number, which shall be same as the manifestation number already allotted by the PRAL. At the close of business each day, the designated AO shall check and verify entries in the register and put his signatures in the relevant column.

603. Physical Customs inspection at Office of Departure.- (1) All consignments of transit goods shall be inspected to verify the shipper's seal and container number declared in GD.

(2) All containers of transit goods shall be fitted with tracking devices at the office of departure from a tracking company duly approved by the Board.

[65](3) [106][Twenty per cent] containers of transit cargo shall be scanned, on availability of scanners, at the office of departure. The scanning at the office en route shall be done on the basis of risk management.]

(4) Hundred per cent weighment of transit goods shall be carried out at the office of departure and at office en-route.

(5) [65][Upto five per cent of the containers] of transit goods shall be selected for examination through risk profiling or the risk management system. The selected consignment shall be examined hundred per cent.

(6) In case of any suspicion or on receipt of credible information any consignment of transit goods shall be examined by the orders of the officer of Customs not below the rank of Assistant or Deputy Collector of Customs.

(7) The examination report of consignment so examined shall be endorsed on reverse of duplicate, triplicate, fifth, eighth and ninth copy of the GD.

604. Examination of goods.- (1) The AO shall conduct the examination of the transit goods to ascertain its nature, origin, condition, quantity and value with reference to the declarations made in this regard in the transit documents filed with the Customs.

(2) The AO shall endorse the legible and indelible examination report on the reverse of duplicate, triplicate, [65][quadruplicate and sixth] copy of the GD.

(3) [106][omitted]

(4) AO shall also himself enter, through his own ID, the relevant details of the examination report in the computer system.

605. Processing of duplicate copy of GD.- [73][(1) In case the goods are imported at sea port, the Customs administration at the office of departure shall send a copy to the office *en route* in Pakistan (Torkham or Chaman) which shall be handed over to Afghan Customs at the border. The Afghan Customs shall sent the GD back to the office of departure in Karachi through the respective Customs station (Torkham or Chaman on the Pakistani side) alongwith copy of T-1 issued and attested by Afghan Customs bearing cross reference of GD filed in Pakistan, and a certificate to the effect that the consignment mentioned in the relevant T-1 form has crossed the Customs checkpost or station Samarkhel (Jalalabad) in case of transit through Torkham, and Spin Boldak in case of transit through Chaman. This shall be considered, as Cross Border Certificate (CBC) and on the basis of which Customs shall release, after due process, the Customs security. The duplicate copy of GD shall be submitted in the above manner within sixty days extendable by another thirty days by the Additional Collector of Customs concerned, after recording reasons in writing.]

(2) In case the goods imported at Border Station are exported through sea port, duplicate copy of GD shall be returned to the office of departure within fifteen days, extendable by another fifteen days by the Additional Collector of Customs after recording reasons in writing and endorsement of MR number, [65][omitted]

(3) In case the goods imported at Border Station are exported through another border station, duplicate copy shall be returned to the office of departure within fifteen days, extendable by another fifteen days by the Collector after recording reasons in writing and endorsement of "Crossed Border" with date and time by the appropriate Customs officer [65][omitted]

606. Processing of other copies of GD.- (1) [65] [omitted]

(2) In case the goods are imported at sea port, quadruplicate copy shall be sent to Assistant Collector of Customs at office en-route for endorsement of *"Crossed Border"* stamp, with date and time, along with signatures and name stamp of the authorized officer. This copy shall be endorsed by stamp of Afghan Customs to confirm that the consignment has crossed the border. The Assistant or Deputy Collector of office en-route shall send the copy to the office of departure from where the goods entered Pakistan. The office of departure shall monitor the cross border movement through this copy, however, Customs security shall be released on receipt of duplicate copy of GD [73][in the manner prescribed in rule 605]. The cross border confirmation shall be [73][received] within fifteen days extendable by further fifteen days by the Collector after recording reasons in writing.

607. Physical examination of transit goods.- (1)The Customs authorities shall refrain from routine physical examination of the transport unit and transit goods while on the way from port of entry to port of exit unless an irregularity is suspected in view of explicit tampering of seals or locks of the transport unit or some reliable specific intelligence information.

(2) The Customs authorities at the office of departure may require transit goods consigned from or destined to the territory of the Afghanistan to be transported under Customs escort while in the territory of the Pakistan in very exceptional cases like where the goods are precious and highly susceptible to misuse of transit facility, to be determined by the Additional Collector.

Sub-Chapter-III
Importation of Afghan Commercial Vehicles

608. Temporary admission of vehicles.- (1) Vehicles of Afghanistan for the transport of transit goods shall enter Pakistan without payment of import duties and other taxes subject to provisions of this sub-chapter.

(2) The road transit temporary admission document on the prescribed format shall be issued, at the entry point, by the Assistant or Deputy Collector in whose territorial jurisdiction the vehicle of Afghanistan enters.

(3) TAD shall be granted only to transport operators and for vehicles that have been officially inspected and found to be in good working condition during the year preceding the issue of the TAD, and for which a Certificate of Conformity, or corresponding document, has been issued by the competent certifying body in the country where the vehicle is registered.

609. Temporary Admission Document.- (1) Motor vehicles registered in Afghanistan and temporarily brought into the host country territory shall carry a TAD in the prescribed form (Appendix-I)**.**

(2) The TAD shall be valid for one vehicle at a time, for a single journey and only for the carrier to whom it is issued; it shall not be transferable to other carriers.

(3) The period of validity of the TAD in case of goods imported or exported by sea shall not exceed fifteen days (to be issued in pink colored papers) from the date of issue and in case the goods not imported or exported by sea (to be issued in green colored papers) shall not exceed thirty days from the date of issue.

(4) The details of vehicle (prime mover as well as detachable trailers) shall be mentioned separately in the TAD.

(5) The TAD shall also mention the particulars of the bank guarantee or revolving bank guarantee. TAD shall specify period of validity of bank guarantee with a minimum of one year commencing from the date of issuance.

610. **Copies of TAD**.- Five copies of the TAD shall be prepared. The details are given as under:

Copy	Temporary Admission document (TAD)
Original	Importer's copy for clearance of vehicle at the office of departure.
Duplicate	Importers copy on which "Exit stamp" shall be affixed and handed over to Customs for release of Bank guarantee.
Triplicate	Afghan Transit Group office record at Office of Departure.
Quadruplicate	Handed over to driver who shall get it stamped from the office en-route and deposit to office of departure.
Fifth Copy	Office of departure shall send to Assistant Collector of Customs at office en-route who shall keep in his record, after getting stamped *"Vehicle Returned"* with date and time.

611. Exit of Vehicles.- (1) The "Exit Stamp" shall be affixed on duplicate copy of the TAD within the time period allowed. This copy shall be sent to Bank Guarantee Cell, which shall return the bank guarantee.

(2) The vehicles admitted shall leave Pakistan's territory within the prescribed period to be extendable further by fifteen days by Additional Collector after recording reasons in writing, or as specified on the TAD, commencing from the date of their entry into the territory.

612. Fuel accessories, toolkit etc.- (1) The fuel contained in the ordinary supply tanks of vehicles temporarily imported shall be admitted without payment of import duties and import taxes and free of import prohibitions and restrictions.

(2) The articles and tool-kit which form the normal equipment of vehicles need not to be declared specifically.

(3) The accessories, toolkit, and other articles that form the normal equipment of the vehicle and the lubricants, maintenance supplies, and spare parts in reasonable quantities for the repair of the vehicle, shall be exempted from import duties and taxes.

(4) The weight to be declared is the net weight of the vehicles. It shall be expressed in the metric system. The value to be declared shall be expressed in the currency of the country and US dollars where the TAD is issued.

(5) The Contracting Parties shall grant temporary admission for maintenance and recovery vehicles.

613. Levies and charges on temporary imported vehicles.- (1) The Board may through a general order levy charges, generally applicable for all traffic, including fees for weighment, scanning and sealing by customs officials or those commensurate with the administrative expenses for the costs of services rendered.

(2) All charges imposed on traffic in transit shall be applied in a non-discriminatory manner.

614. Prohibition of internal transport and third country transport.-The vehicles shall be prohibited from carrying.-

(a) goods loaded in the territory of Pakistan for delivery at any other point (cabotage); and

(b) goods from or to another country (third country) than the operators home country and to be delivered or picked up to or from the territory of Afghanistan.

615. Identification Marks.- For vehicle and trailer,-

(a) the name or the trademark of the manufacturer of the vehicle;

(b) the manufacturer's production or serial number on the chassis or in the absence of a chassis, on the body; and

(c) The engine number of the vehicle if such a number is placed on it by the maker (not for trailers) shall be placed in accessible positions and shall be easily legible. In addition they shall be such that they cannot be easily altered or removed.

616. Vehicle Registration Number.- Every vehicle in international transport shall display its registration number on a special flat vertical plate fixed at the front and at the rear of the vehicle at right angles to the vehicle's median longitudinal plane, legible at a distance of forty meters. The surface of the plate may be of a reflecting material.

617. Display of sign of the state.- Every vehicle in international traffic shall in addition to its registration number, display at the rear a distinguishing sign of the State in which it is registered. The letters shall be painted in black on white background in the shape of an ellipse with the major axis horizontal.

618. Construction of vehicles.- Vehicles intended to be used for the international transport of goods by road shall be constructed so as to meet the requirements as prescribed in rule 616.

Sub-Chapter-IV
Financial Guarantee

619. Furnishing of Financial Guarantee.- (1) The Afghan [66][omitted] importer of goods or his authorized Customs clearing agents, brokers or transport operator in Pakistan shall furnish Customs security in the form of insurance guarantee from an insurance company of repute, acceptable to Customs, in the prescribed form (Appendix-II) [65][or in any other form prescribed by the Board]which shall be valid for at

least one year and shall be en-cashable in Pakistan, for ensuring the fulfillment of any obligation arising out of Customs transit operation between Pakistan and Afghanistan.

(2) The amount of Customs security for transit operation shall be determined by the AO and Principal Appraiser of the office of departure (Customs port of entry) so that it covers all import levies, [65][omitted].

(3) In case of transport units registered in Afghanistan, carrying transit goods, the transport operator or his authorized Customs clearing agents, or the concerned chamber of commerce or the concerned Government department shall lodge a bank guarantee (Appendix-III) or revolving bank guarantee from a scheduled bank, acceptable to Customs equivalent to twenty [65][ten] per cent of the amount of duty and taxes leviable thereon, which shall be valid for at least one year and shall be encashable in Pakistan:

Provided that in case a transport operator desires to operate less than four transport units, he shall provide a bank guarantee of hundred per cent of the amount of duty and taxes leviable on each transport unit:

Provided further that if a transport unit does not return to Afghanistan as per the provisions of this chapter the bank guarantee shall be encashed for the full amount of duties and taxes leviable on that transport unit[:]

[73][Provided also that the Afghan trucks carrying fresh or dry fruit up to Wagha shall be allowed entry in accordance with these rules, subject to the production of letter of guarantee, in each case, by the Ministry of Transport and Civil Aviation, Government of Afghanistan to the effect that the vehicles would return to Afghanistan within the stipulated time.]

620. Acceptance of Financial Guarantee.- (1) The Principal Appraiser or Superintendent or an officer deputed at the office of departure in this behalf, on receipt of financial guarantee, covering duty or taxes involved on vehicles and goods, as specified in these Rules, entering Pakistan, shall ensure that the financial guarantee has been issued by a company of repute or a scheduled bank, as the case may be, which is en-cashable in Pakistan and contents thereof are in conformity with the particulars of vehicle or consignment against which it is being furnished.

(2) The in-charge Afghan Transit Group at the office of departure or office en-route shall ensure entries in the relevant register as per format prescribed for goods and vehicles separately. After acknowledging receipt of the original financial guarantee, entries shall be made in a separate register to be maintained for the purpose and feed the particulars in the computer system.

(3) In case of border customs station, after accepting the financial guarantee and allowing clearance of Afghan registered vehicles or transit goods, the officer concerned shall submit the financial guarantee in original along with a covering letter to the financial guarantee Cell of the Collectorate within forty eight hours of acceptance for safe custody. Photocopy of the financial guarantee shall, however, be retained in the original file in the concerned office, where these were accepted.

(4) The Financial Guarantee Cell after acknowledging receipt of the original financial guarantee shall make entries in a separate register to be maintained for the purpose and feed the particulars of the instrument in the computer system.

621. Release, encashment and monitoring of financial guarantee.- The financial guarantee shall be released, encashed and monitored in the following manner, namely:-

(a) Submission of documents and release of Customs security for goods.-

(i) [73][In case the goods are imported through sea port, the GD (duplicate copy) sent back by Afghanistan to the office of departure in Karachi through the respective Customs stations (Torkham or Chaman on the Pakistani side) along with copy of T-1 issued and attested by Afghan Customs bearing cross referencing of GD filed in Pakistan and a certificate to the effect

that the consignment mentioned in the relevant form has crossed the Customs checkpost or station Samarkhel (Jalalabad) in case of transit through Torkham and Spin Boldak in case of transit through Chaman;]

(ii) [65][omitted)

(iii) [65][omitted]

(iv) The Principal Appraiser or Superintendent of Customs, as the case may be, after proper scrutiny of the aforesaid documents and satisfying him-self that the duplicate copy received is in order, shall release the Customs security;

(b) Submission of documents and release of Bank guarantee for vehicles.-

(i) In case of vehicles, [69][Omitted] submit duplicate copy of TAD in original from appropriate customs officer with his stamp, name, designation, signature and date and also 'Exit Stamp'; and

(ii) The Principal Appraiser or Superintendent of Customs, as the case may be, after proper scrutiny of the duplicate copy of TAD and satisfying himself that the copy received is in order, shall release the bank guarantee;

(c) Encashment and monitoring of Financial Guarantee:

(i) The Principal Appraiser or Superintendent of the office of departure shall be responsible for taking appropriate steps on fortnightly basis for timely encashment, revalidation or release of financial guarantee. The concerned officer shall also maintain a register for entering the particulars of all financial guarantee accepted;

(ii) In case of non-receipt of cross border certificate or TAD bearing "exit stamp" or non-fulfillment of any conditions against which the security was furnished by the Afghan importer or exporter, the concerned officer at the Office of Departure shall take action for enforcement or encashment of the financial guarantee for recovery of government revenue involved therein;

(iii) Upon finalization of action, the Afghan Transit Group shall forthwith instruct the concerned guarantor or bank or financial institution, as the case may be, to en-cash the guarantees and remit the amount in favor of the concerned Collector of Customs. After receipt of Payment Order from the concerned bank, the officer shall deposit the same in National Bank of Pakistan for transfer into the government treasury.

Sub-Chapter-V

Loading, sealing and gate out at office of departure at sea port

622. Transportation of goods.- (1) Transportation of transit goods by transport operators shall be allowed in containers of international specifications. However, for a period of three years the transit goods shall also be allowed in internationally acceptable and verifiable standard of sealable trucks. Internationally acceptable and verifiable standard of sealable trucks shall be those.-

(a) on which customs seals can be simply and effectively affixed;

(b) from which no goods can be removed from or introduced into the sealed part of these trucks without breaking the customs seal or leaving visible traces of tampering;

(c) which contain no concealed space where goods can be hidden; and

(d) in which all spaces capable of holding goods are readily accessible for customs inspection.

(2) Oversize, heavy and bulky transit goods may be transported in open transport units [65][.]

[65](2A) Export of perishable goods in transit (like fruits and vegetable etc.,) may be transported in open trucks or other transport units.

(3) All packages containing in transit goods shall indelibly bear the marks and number expressly reflecting that goods are in transit to Afghanistan or from Afghanistan to destination country.

623. Responsibilities of Customs officers.- (1) The Preventive Officer or Customs officers of an equivalent rank posted at different sections of Karachi port, Port Qasim or Gwadar port shall ensure that only that container leaves the port which has been weighed, scanned, duly out of charged and sealed by focal point officer of PCCSS. Responsibilities of different sections of preventive staff or relevant customs staff at port shall be as under,-

(a) the bonded carrier or the customs agent shall submit following documents to the officer posted for "Allow Loading";
   (i) *jawaznama* or *mafinama*;
   (ii) relevant Copy in original of GD duly out of charged by the Principal Appraiser;
   (iii) carrier manifest by transport operator;
   (iv) TAD in case vehicles are registered in Afghanistan;
   (v) weighing slip; and
   (vi) scanning slip;

(b) the preventive staff or relevant customs staff designated shall enter following information in the Allow Loading Register, namely:-

S. No.	GD AT No.	Date	Description of goods	Quantity	Name of importer	Name of Customs agent	Container No	Carrier Manifest/ TAD	Weighing slip No and container weight	Scanning slip No.	Vehicle Number	Name of officer /sepoy to supervise loading

(2) The terminal operator or any other officer specifically authorized in this regard by Karachi Port Trust or Port Qasim Authority or Gwadar Port Authority shall issue gate pass in respect of the consignment and allow its loading on the authorized vehicles approved by allow loading officer.

(3) The officer allowing loading shall ensure that container is loaded on the authorized vehicle only. The goods shall be allowed to be moved in containers of international specification or in internationally acceptable and verifiable standard of sealable trucks, as specified above under customs seal only.

[70][(3A) The containers of transit cargo shall be loaded on trucks in such manner that their door sides shall be securely placed against the truck driver's cabin. Similar precautions shall be taken, to the possible extent, in case of containers of transit cargo transported by Pakistan Railways.]

(4) Following stamp shall be endorsed on the GD by allow loading officer

ALLOW LOADING

Sr. No	Actions	Y/N
1	G.D out of charged from A.T G	
2	Carrier Manifest or TAD (if applicable) attached.	
3	Allow Loading Register filled	
4	Serial number of Allow Loading Register entered	
5	Containers loaded on authorized vehicles	
6	Signature of "Allow Loading" officer.	

7	Weighment done	
8	Scanning done	

624. Sealing Requirements.- (1) The containers loaded on the authorized vehicle shall be presented before focal point officer of PCCSS along with following documents, namely:-

(a) out of charge copy of GD bearing stamp, name, designation;
(b) date and signature of the concerned "Allow Loading" officer;
(c) carrier manifest and TAD if applicable;
(d) payment receipt for seal of PCCSS;
(e) port authority's gate pass in case of goods moving from a sea port or if prescribed by the Collector;

(2) The focal point officer shall check the seal (bolt or any designated seal but not plastic seal) and check it for any defect. The bar code on the seal shall be scanned by using the bar code reader and in case bar code is accepted, Form-A shall be completed. In case bar code is not validated a new seal shall be used. He shall certify on Form-A that the bar code was found valid. If otherwise, he shall keep such invalid seals in a separate box and shall return within twenty four hours to the designated officer or to Inspector Preventive Service (IPS) (Admn) Preventive, in case of Customs House Karachi.

(3) The Focal Point Officer shall ensure that PCCSS seal is affixed on the container.

(4) The sealing information shall be entered into the computer system as well as in the prescribed registers.

625. Endorsement of stamp on Form-A.- The Preventive Officer or Customs officer of equivalent rank shall also endorse a stamp on the reverse of Form `A' in the following format, namely:-

STAMP-1	**STAMP-2**
1. Sr. No. of Register (Torkham) _____	1. Sr. No. of Reg. (Chaman) _____
2. Form-A No. & date _____	2. Form-A No. & date _____
3. Date / Time (departure) _____	3. Date / Time (departure) _____
Incharge Sealing/ De-sealing Name & Stamp	Incharge Sealing/ De-sealing Name & Stamp

Copy of Form-A meant for focal point of exit shall be dispatched by focal point of entry by courier.

626. Submission of documents.- The clearing agent or transport operator shall submit following documents to the Senior Preventive Officer (SPO) or Customs officer of equivalent rank in-charge of gate out section, namely:-

(a) out of charged of GD bearing "Allowed Loading" stamp;
(b) Form-A; and
(c) Port authority's Gate Pass in case of goods moving from a sea port or if prescribed by the Collector.

627. Clearance of containers.- (1) The Preventive Officer or Customs officer of equivalent rank at gate out shall allow clearance of container on the basis of following, namely:-

(a) submission of GD duly out of charged;
(b) check whether PCCSS seal is intact; and
(c) ensure that gate out event of 'One Customs' has been updated and the computer gate out number generated and embossed on GD.

(2) The SPO or Customs officer of equivalent rank in-charge of computer gate out section shall then emboss "Gate Out", stamp on the GD and also place his signatures along with name stamp and employment number or any other personal number allotted by the department.

(3) The clearing agent or transport operator shall submit following documents to the designated officer or IPS in-charge of out gate for allowing the physical passing out of the container, namely:-

(a) Out of charged GD bearing allow loading stamp and computer gate out number and Gate out stamp;
(b) Form-A;
(c) Port authority's gate pass in case of goods moving from a sea port or if prescribed by the Collector.

[69][627A. **Manifest of the carrier**.- (1) After taking delivery of goods from the Port and loading thereof on the conveyance, the transport operator shall prepare carrier's manifest as specified in **Appendix-IIIA,** in quadruplicate, having security features as specified by the Collector from time to time, for each transport unit.

(2) The original copy of the manifest shall be retained by Customs staff posted at exit gate while allowing removal of the conveyance from that area. Duplicate copy shall be sent to the office *en- route* for reconciliation. Triplicate copy shall be given to the driver of the conveyance who shall hand over the same at the office *en-route* on arrival. The transport operator shall retain the quadruplicate copy for their official use.

(3) On the day following the date of clearance of transit goods from the port, the transport operator shall submit customs port or station-wise consolidated manifest as specified in **Appendix-IIIB**, of consignments to the Afghan Transit Group who shall enter the particulars in computer for subsequent scrutiny. The transport operator shall get this consolidated manifest cleared within twenty days from Afghan transit group certifying that all consignments covered under the manifest of that period have safely and securely reached at the office *en-route* and have crossed border, accordingly.

(4) The Afghan Transit Group shall carry out the job of manifest clearance in the computer on daily basis and provide to the concerned Assistant Collector with a list of Goods Declarations (G.Ds) the consignments which have not reached the office *en-route* within twenty days.

(5) No further transportation shall be allowed to the transport operator till a certificate from Customs office *en-route* is produced for receipt and cross border of earlier consignments transported twenty days ago.

"Appendix-IIIA
[See rule 627A (1)]

CARRIER MANIFEST

<table>
<tr><td colspan="3">TRANSPORT OPERATOR (PART-I)</td><td colspan="2">Register Page No:</td></tr>
<tr><td>1. Transport operator
i) Name:_____
_
ii) Address:_____
iii) CHAL No:_____</td><td>2.Transport Mode ss appropr(i) Road

(ii) Railway</td><td>3. Transportunit information</td><td>(i) Vehicle type</td><td></td></tr>
<tr><td>4. GD No. & Date</td><td></td><td></td><td>(ii) Registration No.</td><td></td></tr>
</table>

5. Carrier Manifest No:_____ Date:_____			(iii)Driver details	Name:_____ CNIC:_____ Cell Ph Cell Pg
6.IGM No:_____ Date:____	7. Index No:_____		8. Place of loading (Wharf, Terminal Name):	
9.Bill of Lading No.	10.Discharge Vessel		11. Bilty No. & date	
12.Destination Station	13.Clearing Agent (Name/ Address/CHAL)		14.Border Agent (Name/ Address/CHAL)	
15.Via (Specify Route in terms of Rule 631) (i)Route-I (ii) Route-II	16.Container No(s)		17.Total No. of Packages	
18.Gross weight (Kg)	19.Net Wt (Kgs)		20.Tare weight (kgs)	
21.Description of Goods (as per Sr.35 of GD) ……				
22.We, M/s_____, declare that the particulars given in this declaration are true and correct and accept responsibility for fulfilment of the obligations incurred under this Customs transit operation in accordance with the conditions prescribed by the Customs Act, 1969 and the rules, notifications, general orders as issued thereunder.			23.Place_____ 24.Date_____ 25.Signature/Seal	
PCSS FOCAL PERSON OF ENTRY (PART-II)				
26.Name/Designation of PCCSS Focal Entry Officer			27.Allow Loading Stamp:	

		28.Date
29.PCCSS Seal No.	30.Form-A No:	31.Gate-out time:

WAY-POINT ENDORSEMENT (PART-III)

32.Kohat		**33.Khairabad**		**34.Baleli**	
i) Time-in		i) Time-in		i) Time-in	
ii) Signature		ii) Signature		ii) Signature	
iii) Name Stamp of Custom officer		iii) Name Stamp of Custom officer		iii) Name Stamp of Custom officer	
iv) Date:		iv) Date:		iv) Date:	

PCSS FOCAL PERSON AT POINT OF EXIT (PART-IV)

35.Name/Designation of PCCSS Focal Exit Officer	36.Date of Arrival 37.De-sealing Time (in 0000 hrs)	38.Cross-border Allowed (Name/designation of Pakistan Custom Officer) Official seal/ sta mp
…… …….		

COUNTRY OF DESTINATION (PART-V)

39.Point of Entry into Afghanistan	40.Date of Arrival	41.Name/designation of Afghan Customs Officer
----------		Official seal/ sta mp

Appendix-IIIB
[See rule 627A(3)]

No. _____

Transport Operator _____

Dated _____

Customs-port _____

A. CONSOLIDATED MANIFEST FOR GOODS ALLOWED TRANSIT FROM .

It is hereby declared that the following transit goods/containers have been cleared from _____for transit to border Customs station on_____ with Customs seals:-

G.D. AND DATE	CARRIER MANIFEST NO. AND DATED	DUE DATE OF RECEIPT AT DRY PORT	NAME OF IMPORTER
1	2	3	4
1.			
2.			
3.			

DESCRIPTION OF GOODS	QUANTITY	ACTUAL DATE OF RECEIPT AT OFFICE *EN-ROUTE*
5	6	7
1.		
2.		
3.		

Signature and Stamp
of the Transport Operator

B. **CERTIFICATE FOR SAFE DELIVERY OF TRANSIT GOODS**

Certified that the goods covered under the above G.Ds cleared from _____ have safely and securely reached and delivered at office *en-route* except the ones relating to G.Ds at Serial No. _____ _____ above.

Signature and Stamp
of the authorized officer of Customs
Customs-port _____".

Dated _____]

628. Pass out of vehicle.- Preventive Officer or Customs officer of equivalent rank in-charge of out gate shall compare sealing information on Form-A with the container seal number and vehicle number and allow pass out if all the information is valid and emboss the pass out stamp on the gate pass and place his signature along with name seal and employment number or any other personal number allotted by the department.

PASS OUT

S. No	Actions	Y/N
1.	GD is out of charged from ATG	
2.	carrier manifest or TAD is attached	
3.	seal number, container number and vehicle number on Form A, compared and verified physically	
4.	certification of PCCSS about validity of bar code mentioned on Form-A	
5.	gate pass of sea port authority, or if prescribed, is attached	
6.	computer generated gate out number embossed	

7.	gate out stamp and signature of allow loading officer with name and identity number present
8.	signature of designated officer (or IPS) Pass out along with name and identity number mentioned

Sub-Chapter-VI

Verification at office en-route

629. Receipt or acknowledgement or Inspection of seals and loading, unloading of transit cargo at office en- route.- (1) On arrival of the transport unit at the office en-route, the driver or supervisor of the transport unit shall hand over Form-A to the designated Customs officer or PCCSS focal person, who shall,-

a) verify the container number, or railway wagon number and the registration number of the transport unit or trailer or rolling stock and cross check it with Form-A;
b) check the seals affixed thereto including PCCSS seal and reconcile them with Form 'A';
c) carry out weighment;
d) perform electronic reconciliation through system;
e) scan the consignment; and
f) break the seal, in case any discrepancy is observed.

(2) The focal person shall enter the data using his own ID himself into the computer system as per prescribed procedure.

(3) The concerned clearing agent or border agent or supervisor of the transport unit shall also submit the relevant copy of the GD received by him from office of departure, to the Customs authorities at the office en-route, who shall cross check and compare it with the copies of GD received directly from the office of departure by post.

(4) The GD shall then be marked to the examiner or inspector, who shall inspect the container or goods to see that the GD is in order, weight of the container is correct, there is no discrepancy in the images of scanners at the office of departure and at office en-route, seals, fastening and body of the container is intact. The examiner shall, accordingly record his inspection report on reverse of all copies of the GD under his name, designation, date and stamp and shall also himself enter his report in the computerized system.

(5) In case, any discrepancy is reported in weight or any seal is found tampered with or there is discrepancy in the scanning image, the goods shall be examined by hundred per cent and such examination or quantification shall be carried out in the presence of the representatives of the transport operator and customs agent. Proper inventory thereof shall be prepared and signed by each representative and shall be forwarded to the Superintendent or appropriate officer for initiating legal action in case any shortage or variation is found.

(6) In case the GD is found in order, seals of the containers are intact and no discrepancy is found in terms of weight or scanning image or there is no evidence of [65][tampering] of the container, the goods shall be allowed to cross the border.

(7) The designated officer of Customs, after allowing crossing the border shall issue gate pass in triplicate for individual transport unit. The Customs authorities shall retain counterfoil of the gate pass and other two copies will be handed over to the concerned clearing agent or border agent or supervisor of the transport unit.

(8) Duplicate copy of the gate pass shall be collected by the Examiner or Inspector, at the time the Transport unit leaves the Customs area and the triplicate copy shall be delivered to the relevant staff of political administration deployed at the zero point.

(9) At the end of the day, all the gate passes collected by the Customs authorities as well as by the Political Administration shall be reconciled to ensure that all the transport units which were issued the gate passes have crossed the border.

(10) After crossing over the border by transport units, the relevant copies of GDs including Afghan Government's copy, shall be forwarded to the office en-route on the Afghan side for their endorsement in relevant portion of the GD as token of receipt of the transit good. The Afghan office en-route shall return a copy of the GD with acknowledgment of receipt of the consignment to the Pakistan office en-route as confirmation of receipt of the consignment and forward the original GDs to the office of destination on the Afghan side.

(11) At office en-route the sealing information shall be entered in the computer system on real time basis by the appropriate officer to electronically de-seal and to confirm that the transit goods have been received at office en route. The information shall also be recorded manually in a register as per format prescribed by the Collector and in the computer system.

(12) Afghan Transit Group at the office of departure shall be responsible to issue consolidated re-conciliation statement of all the consignments of transit goods actually dispatched during the month preceding the last month for transit to Afghanistan and duly acknowledged by Afghan Customs after crossing border. The statement showing all relevant details including date of dispatch, description of goods, quantity, container number, number of packages, name of bonded carrier or authorized vehicle registration number, railway wagon number, date of receipt at border Customs and date of acknowledgement by Afghan Customs shall be dispatched with a separate list of discrepancies, if any, to Collectorate of office en route, on 10th day of each month.

(13) For Afghan transit consignments transported through Pakistan Railways, all consignment except heavy, oversize and bulky goods shall be transported in containerized form. On arrival of containers at Customs Transit Station Peshawar Cantt and Peshawar City, the PCCSS staff shall verify the PCCSS seals affixed to the containers and check other relevant data in PRAL computerized system. After verification, the Railway authorities shall place the containers at the platform specified for Afghan Transit cargo. The concerned clearing agent shall submit original copy of the GD received by him from the office of departure to the Deputy Superintendent in-charge of the Station who shall countercheck it with the duplicate copy received directly from the office of departure by post. The GD shall than be marked to inspector or examiner for inspection of the consignment. The examiner shall inspect the container or goods to his satisfaction that the GD is in order, weight of the container is correct and seals, fastening and body of the container are intact. The examiner shall, accordingly record his inspection report on the reverse of GD and shall also feed his report in the computerized system. The consignment shall than be allowed loading on the second transport unit i.e. a Pakistani bonded carrier or, as the case may be, an Afghan vehicle allowed entry to Pakistan on TAD. A convoy memo, in the following format, in triplicate showing the following particulars shall be prepared by the Deputy Superintendent in-charge of the concerned transit stations at Peshawar, namely:-

S. No.	GD No. & Date	Description of Goods	Reg. No. of Truck or Trailer with container No. in case of containers	Nos. of Package Loaded.

(14) Original and duplicate copies of convoy memo shall be forwarded to Customs Station, Torkham and triplicate copy shall be retained by the Transit Station at Peshawar. A gate pass in quadruplicate containing following particulars in respect of convoy of vehicles loaded with transit goods shall also be prepared by the Deputy Superintendent in-charge Customs transit stations, Peshawar, namely:-

(a) Convoy number and date;
(b) number of vehicles;
(c) numbers of seals affixed on each vehicle; and

(d) names of inspector or sepoys escorting convoy.

(15) The quadruplicate copy of gate pass shall be retained by Customs transit stations Peshawar in a bound book, duplicate and triplicate copies shall be delivered by the driver at Islamia College Customs check post and Takhtbai check post (manned by political authorities) respectively and original copy of the same shall be handed over along with convoy memo at Customs station Torkham. An inspector along-with sufficient class-IV staff shall be deputed by the Deputy Superintendent in-charge Customs transit stations, Peshawar for escorting the convoy of the vehicles loaded with transit goods up to office en-route i.e. Customs station, Torkham in this case. Subsequent procedure at the office en route shall be the same as given in this sub-chapter.

(16) In case any discrepancy, seal tampering or shortage of goods is observed, the goods shall be examined by hundred per cent in the presence of representatives of Pakistan Railways and the concerned clearing agent and proper inventory thereof shall be prepared and signed by each representative for necessary legal action under the Act and these rules.

Sub-Chapter-VII

Prescribed routes, monitoring and time limits

630. Specified routes for movement of transit cargo.- The transport operator shall adopt one of the designated routes notified by the Ministry of Communications for transportation of transit goods from office of departure to office en-route.

631. Monitoring of transit cargo from Karachi or Port Qasim to up country.-All vehicles carrying transit cargo are required to get registered at the following locations on the way to their respective destinations, namely:-

(a) Route-I (Transit via Torkham)

(iii) [65][omitted];

(iv) Khairabad Customs check post (between Attock and Peshawar); and

(v) Kohat Customs check post.

(b) Route-II (Transit via Chaman)

(i) [65][omitted]; and

(ii) [118][Yaro Customs check post (between Quetta and Chaman).

632. Checking of conveyance on the way.- (1) The movement of each transit cargo container en-route Torkham and Chaman shall be monitored at the designated check posts on route from Karachi to Peshawar or Quetta.

(2) All vehicles carrying commercial transit cargo shall also be required to get registered at the additional locations en-route designated through public notice by the Collector.

(3) The staff posted at check post shall check the seal, container number, documents and shall make the following entries in a serially numbered register, called Check Post Register for Afghan transit in the following format, namely:-

1	2	3	4	5	6	7	8	9
Entries to be made against S.No. as endorsed on the back of Form `A'	Date and time of Entry at Check Post	GD Machine No. and Date	Form `A' No. & date	Container No.	Vehicle's Registration No.	Name of the Driver	PCCSS Sealing No. and Date	Remarks

(4) In order to detect the missing consignments of transit goods immediately, in the Column (1) of the aforesaid register serial number shall be entered, starting from 0001. When a consignment arrives at the check post, the staff shall see the serial number of the register of the port of entry (Torkham or Chaman Register) as endorsed on the back of Form `A' and shall make entries in the check post register against the same serial number. For example, if the entry of the consignment at the time of sealing on the back of Form `A' is made against Serial No.06 at Karachi then on arrival at the check post the relevant entries of the consignment shall be made against Serial No.6 of the Check Post Register. Each register shall be serially page numbered and front page shall bear stamp and signature of the in-charge check posts, certifying total number of pages**.**

(5) The Collectorate concerned of the respective check post shall provide a computer along with an internet connection and a printer to the check post and the manual entries of the register shall also be recorded on computer. Entries shall also be made in the system (in addition to manual register) for reconciliation on real time basis.

(6) In case the seal is found broken or tempered, the In-charge Check Post shall immediately stop the vehicle from further journey and after recording the facts in writing, shall inform the Collector concerned who shall initiate further proceedings on the basis of physical evidence.

(7) The missing serial number shall be communicated by the Collectorate, in whose jurisdiction check post exists, on weekly basis to the Collectorates of entry and exit.

633. Prescribed time limits for movement of transit goods.- The timelines in hours for movement of transit goods transported by road and railway shall be determined and specified by the Board separately through a General Order, in consultation with experts in the transportation field and relevant stakeholders.

634. Unavoidable delay.- If unavoidable delay en-route in the transit of any goods takes place, the carrier shall make a request with specific reason to the concerned Assistant or Deputy Collector for extension in the prescribed period. This extension shall be allowed after recording reasons in writing and subject to condition that the goods shall be hundred per cent examined at the port of exit besides taking penal action, if deemed appropriate.

Sub-Chapter-VIII

Transit through air

635. Air to air transit of goods.- The following procedure is prescribed for movement of Afghan transit goods from only that International Airport of Pakistan where there is a direct flight to an International airport in Afghanistan, namely:-

(a) the authorized representative or cargo handler of the airline or aircraft shall mention the details of transit goods for Afghanistan separately in Import General Manifest (IGM) which shall be up loaded on customs computerized system through web. After unloading, transit goods shall be stored separately at a place earmarked for them in the notified premises of a cargo handlers covered shed inside the airport. The shed shall be supervised and monitored by posting customs staff on regular basis;

(b) cargo so unloaded from one aircraft for storage in shed at airport for subsequent loading at another aircraft for transportation to Afghanistan shall not be allowed under any circumstances to be taken out of the airport. The cargo handler shall be responsible for safe storage and security of the goods. In case of any pilferage or shortage or theft or damage to goods, he shall be liable to make payment of duty and taxes leviable thereon and compensate the owner of goods;

(c) for transportation of stored Afghan transit cargo to the destination in Afghanistan, the clearing agent shall electronically file a GD "Air Transit Permit" (ATP), through web against respective IGM and index to be loaded on an aircraft for transportation to Afghanistan. A GD shall indicate complete details of the consignment. The goods shall be loaded in aircraft under customs supervision when GD is out of charged by the Superintendent or Principal Appraiser. A duplicate copy of the GD with complete details of the consignment shall be kept in record of the customs;

(d) The computerized system shall allot the ATP to the Appraising Officer for examination of the goods and verification of declaration. He shall tally the details on ATP with details on IGM, check description of goods, their quantity, number of packages, and weight on documents and examine the goods accordingly. If everything is found in order by him, he shall file his examination report in the system through his ID allocated to him for this purpose;

(e) the Principal Appraiser, Afghan Transit, through his ID of the computer system shall counter check the declaration vis examination report and all other aspects and if in order, shall allow out of charge of ATP in the system by allotting a free cash number;

(f) after examination of goods, its re packing, security and safe custody till their loading on aircraft for destination, shall be responsibility of the cargo handler;

(g) one copy of ATP shall be retained by customs and other by the cargo handler;

(h) the cargo handler or authorized representative of the airline shall file Export General Manifest (EGM) in respect of such goods through web after departure of the flight; and

(i) Assistant or Deputy Collector (Afghan Transit) shall inspect the transit cargo sheds quarterly and furnish his inspection report to Additional Collector concerned about working of sheds and their short comings, if any.

Note: The facility of air to air transit shall be operationalized in the jurisdiction of Collectorate only with the written permission of the Collector. The concerned Collector may take duly publicized additional measures to prevent misuse of the facility.

Sub-Chapter-IX
Transit from Afghanistan to India through land route Wagha

636. Procedure in respect of transit goods through Wagha.- The following procedure is prescribed for movement of Afghan transit goods from Afghanistan to India through Wagha, namely:-

(a) the Customs officer at the entry gate of National Logistic Cell (NLC) Wagha Border terminal shall check the seals of Afghan trucks bringing goods for India, and after cross checking or tallying the details of the vehicle with that of the accompanied documents shall allow the truck to enter the terminal;

(b) the Customs officer at the gate shall enter particulars on the transit register and hand over a copy of the documents to NLC official for their record;

(c) detailed examination of the goods shall be dispensed with if the seals are intact;

(d) once the truck is inside the terminal it shall be weighed and scanned. In case there is some discrepancy in weight or any doubtful observation from the image produced by scanner is observed, a Customs Officer not below the rank of Assistant Collector shall order inspection or examination;

(e) the particulars of Indian truck on which the goods are to be loaded shall be noted at the back of duplicate copy of GD meant for office of destination;

(f) at the terminal Afghan cargo shall be off loaded on to Indian trucks back to back in the presence of Customs officer and representative of the owner of the goods;

(g) Customs officer at the out gate of the terminal shall tally the details of the documents with that of the truck before allowing Indian truck to leave the terminal;

(h) the duplicate copy of GD with acknowledgement endorsed with "Crossed Border" stamp along with signatures and name stamp of the authorized officer shall be sent to the office of departure from where the goods entered Pakistan;

(i) Customs officer at Wagha shall also enter acknowledgement of transit goods in One Customs. The duplicate copy of GD shall be retained by Customs authorities at Wagha for record; and

(j) the empty Afghan trucks shall not be allowed to carry any goods for Afghanistan on their way back from Wagha.

Sub-Chapter-X

Procedure in respect of Afghan transit export at Karachi [65][port, port Muhammad Bin Qasim and Gwadar port]

637. Procedure on arrival.- (1) On arrival of Afghan transit export cargo at sea ports of Pakistan, the Afghan exporter or his authorized clearing agent shall present the customs staff the duplicate and triplicate hard copies of GD along with TAD if goods are transported through Afghan trucks along with other relevant documents marked as "In Transit from Afghanistan" to respective foreign countries through sea route.

(2) On arrival of goods at port of loading, the driver of the truck or the clearing agent shall get the gate pass from the preventive gate officer. The gate officer shall compare container number, vehicle number, GD and shipping bill number etc., and allow the vehicle to enter the port area.

(3) The clearing agent shall present GD and gate pass to the preventive staff who along with the PRAL staff shall make entry in the manual register and feed the container number, number of containers, number of cartons or packages in the container, shipping bill number as mentioned in the GD into the system. After feeding of all the details in the system, a registration serial number shall be generated which shall be marked on the face of GD. The Preventive gate staff shall sign and stamp "pass-in" bearing number of containers on the reverse of the GD before allowing the vehicle to enter the terminal area.

(4) After "pass-in" at the port area, the clearing agent shall go to port weight scale for weighing of the containers and shall get the weighing slip. Scanning shall also be conducted to match the image with the scan image taken at the Office of departure.

(5) After getting the weighing slip, and scan slip, the vehicle shall move to the Afghan transit shed or the specified area for de-stuffing.

(6) The cargo shall be un-loaded or in case of containerized cargo, the container shall be un-loaded at shipping line yard or the port or terminal.

(7) PCCSS staff shall de-seal after verifying seal and railways wagon or vehicle number. He shall tally the particulars of the documents with that of the vehicle and inspect the seal before allowing entry to the concerned Afghan cargo shed. The PCCSS staff shall check and verify the particulars fed in on-line computer system.

(8) The clearing agent shall present the GD to examination staff (Export) for registration. The detailed examination of the goods shall be dispensed with if the seals are intact.

(9) In case of short shipment, the examination staff shall stamp the GD mentioning short-shipped cargo bearing number of containers and number of packages and value of the goods on the reverse of the GD.

(10) At the terminal, after inspection, Afghan cargo shall be off loaded in the presence of Customs officer and representative of the owner of the goods.

(11) AO concerned shall cross check the particulars of the GD and send it to the concerned Principal Appraiser.

(12) [65][Five] per cent of consignment of transit goods arriving at sea port shall be subject to examination under the risk management system or in case of any information or if the seals are found not intact. The examination shall be carried out in presence of the concerned [65][Customs officer].

(13) After the GD is out of customs charge, the Principal Appraiser Afghan transit [65][Group] shall "allow shipment" and the Preventive staff shall "allow loading" in the system and the goods shall be loaded on vessel for foreign country.

(14) Customs officer shall enter acknowledgement of transit goods in the computer system.

(15) Duplicate copy of GD bearing MR number, cross-border stamp and examination endorsement, if conducted, shall be sent back to the Customs station at Torkham or Chaman from where the goods have entered Pakistan and shall be treated as cross border certificate.

(16) The Quadruplicate copy after affixing of MR number shall be sent to the headquarter office of departure. This copy along with cross border certificate shall be used for reconciliation and monitoring. The fifth copy received directly from the office of departure shall be kept for record in the concerned section at the sea port office.

(17) In case of any discrepancy the violation shall attract the penal provisions embodied in these rules.

Sub-Chapter-XI

Licensing of transport operators

638. Eligibility of a transport operator.- (1) A transport operator is eligible to file application with the licensing authority for the grant of license to operate as transport operator if,-

(b) it is a company or firm;
(c) have adequate knowledge of computer to handle the GD in PRAL or PACCS and of legal matters;
(d) possesses experience regarding choice of vehicle, certification and registration, maintenance, loading and unloading, carriage of dangerous and perishable goods, principles of environment protection in road traffic, road safety, road accident prevention and mitigation;
(e) possesses sufficient knowledge of Customs law and procedure and transport operations management;
(f) possesses a fleet of minimum twenty five registered vehicles in his name or company or are leased by them;
(g) is registered under the Companies Ordinance, 1984 (XLVII of 1984), and with concerned Chamber of Commerce and Industry;
(h) possesses National Tax Number under the provisions of the Income Tax Ordinance 2001 (XLIX of 2001);

(2) All the transport operators shall be required to obtain and possess Custom Clearing and Forwarding License under Chapter VIII.

(3) All transport units and conveyances used by the transport operators for carrying transit goods shall be properly secured, riveted, locked and sealed. The transport units and conveyance used by the transport operators shall be so constructed and equipped as to provide for the customs seals to be conveniently and effectively affixed thereon and containing no concealed space where any goods be hidden. The transport units shall have a permanently installed or fixed tracking device capable of showing the location of the said vehicle or trailer at any given time as well as a track of its route and stoppage etc. The transport unit shall be free from all manufacturing defects so that no goods can be removed from or introduced into the sealed portion of the transport units without leaving visible traces of tampering or breaking of the customs seal. All places, holds or provisions in the transport units capable of holding any goods should be readily accessible for customs inspection. The transport units shall be individually registered with the vehicle registration authority.

(4) Each vehicle shall be equipped with the tracking device from a tracking company duly approved by the Board.

(5) The custom staff shall verify the satisfactory working of the tracker and the identity of the containers and vehicles used by the transport operators for carrying transit goods, as well as the road worthiness of transport unit and registration number and other particulars of the vehicles or transport units.

[149]**[639. Approval of licence**.- On qualifying the criteria mentioned in rule 638, license shall be issued to the transport operator by the respective Director of Transit Trade in whose jurisdiction the business address of the applicant is located for a period of two years on the recommendation of a committee comprising the respective Director of Transit Trade, Collector of Customs Enforcement and Director, Directorate of Intelligence and Investigation-Customs of the jurisdiction, after seeking approval of the Director General of Transit Trade. The licensing authority shall issue approval letter for issuance of licence subject to the following, namely:-]

(a) transport operator shall deposit defence saving certificate duly pledged to [149][the respective Director of Transit Trade], or furnish a Bank Guarantee for rupees fifteen million, as security for operating the transport operator license. The amount of bank guarantee or defence saving certificates shall be forfeited apart from other consequential penal action under the Act and the rules made thereunder, if the transport operator misuses the facilities of transportation of transit goods;

(b) the licensing authority, in addition to the condition in clause (a), shall require the transport operator to deposit a revolving insurance guarantee in the prescribed form (Appendix-IV) amounting to rupees five million from an insurance company of repute covering all types of risks detrimental to the Government revenue involved in the transit goods along with general undertaking in the prescribed form binding them to transit the goods safely and securely as per this procedure. The insurance guarantee shall be issued by an insurance company having paid up capital of not less than rupees one hundred million and which is duly registered with the Controller of Insurance, Ministry of Commerce;

(c) execute a bond for ensuring good conduct and to follow customs rules and regulations and for recovery of any amount adjudged against it or ordered to be paid by it;

(d) [65][transport all the transport operators licensed under this chapter shall also comply with the provisions of rule 329(5) and (6);] and

(e) the license granted to transport operators shall be non-transferable and shall not be allowed to be used by any sub-contractor:

Provided that bonded carriers already licensed under Chapter XIV at the time of operationalization of this chapter shall not be required to obtain license of transport operators under this chapter. However, they shall be required to fully comply with the provisions of this chapter.

640. Renewal of license.- Renewal of licenses issued to transport operators shall be dealt with in accordance with Chapter VIII.

641. Responsibilities of the bonded transport operator.- (1) Prior to submission of carrier manifest the transport operator shall satisfy himself that the actual description, quantity, quality and weight of the goods in transit are as per declaration in the GD. In case any change in the details of cargo is found en-route or at port of exit, the transport operator shall be held responsible under the provisions of the Act.

(2) The transport operator shall be responsible and bound to carry the goods to its destination without any delay and with utmost haste. The transport operator shall also be bound to deliver the bonded transit goods to its destination within the prescribed time-limit, using the transport route, as [65][notified by the Ministry of Communication], from time to time.

(3) The delay in delivery from the stipulated time or deviation from the route shall require a written explanation from the transport operator to focal point (PCCSS) and may entail invocation of penalty provisions.

(4) The transport operator shall be responsible for transporting the transit goods through the designated routes and within the time limits specified by the Board from time to time. In case some route is closed or cannot be used for any reason, the bonded transport operator shall make an application to Assistant Collector at office of Departure for permission to use the alternate route mentioning the alternate route to be used and the time to be consumed by using the alternate route.

(5) In case of any accident on the way between office of departure and office en-route which may cause delay in the delivery of goods beyond the specified time, the nature of accident, exact time and place of accident along with complete detail of the transport operator shall be communicated to the office of departure and office en-route telephonically or electronically.

[149][**641A. Action in case of violations**.- (1) The licensing authority may revoke or suspend a license or permission of any transport operator for one or more than one of following reasons:-

(a) the licensee has made or cause to be made in any application for any license or permission under this chapter, or report filed with the customs, any statement which was, at the time and in light of the circumstances under which it was made, false or misleading with respect to any material fact, or has omitted to state in any such application or report; or

(b) the licensee has been convicted at any time for larceny, theft, robbery, extortion, forgery, counterfeiting, fraud, concealment, embezzlement, fraudulent conversion, or misappropriation of funds; or

(c) the licensee is involved in any manner, including but not limited to, abetting, facilitating, substitution or replacement, removal, pilferage, tampering with transport units or seals etc. of en route transshipment or transit cargo; or

(e) the licensee has knowingly employed, or continues to employ, any individual who has been convicted of any offence referred to under clause (b) and (c); or

(f) the licensee, in the course of its customs business, with intent to defraud, has in any manner, willfully and knowingly deceived, misled or threatened any client or prospective client; or

(g) violation by the licensee of any provision of the Act or the rules, regulations, notifications, instructions or orders issued there under; or

(h) aiding or abetting any individual, firm or company, as the case may be, for violation of any provision of the Act or the rules or regulations made thereunder; or

(i) negligence or inefficiency of the licensee in discharge of its obligations; or

(j) unsatisfactory conduct of the licensee while transacting customs business or in relation to any person who has entrusted it with any customs business; or

(k) failure of the licensee to comply with any condition of the bond executed by him under this chapter; or

(k) concealing, removing or destroying, by the licensee, of its financial and customs business records or refusing to allow an officer of customs to inspect them and take extracts there from; or

(I) attempt by the licensee to influence the conduct of any employee in the custom house, custom station, port, airport or en route transit or transshipment of cargo by the use of force, intimidation, false accusation, duress, bribery or by offering any special inducement or gift; or

(m) failure of the licensee to exercise due diligence and due care to apprehend and forestall an untrue declaration in respect of description, content, classification, origin, quality or value of the goods by its client and en route transit or transshipment of cargo; or

(n) withholding by the licensee, of any information, document or other evidence, from an officer of customs which is likely to prevent any fraud or evasion of customs duties and other taxes or dues and the circumvention or contravention of any restrictions imposed by any law for the time being in force; or

(o) the licensee's previous performance has not been satisfactory or has not been true to the customs or towards his clients; or

(p) the licensee's previous record of customs business due to his being concerned in any customs offence is not free from reasonable doubt.

(2) In case of revocation of a license under sub-rule (1), the licensing authority may, after issuing show cause notice to the licensee, forfeit the whole or part of the security deposited by the licensee under rule 639(a) for the settlement of any duty, taxes or any other charges due from him.

(3) The licensing authority shall not pass any order under sub-rules (1) and (2) of rule 641A to suspend or revoke the license unless the licensee is informed in writing regarding the allegations and opportunity of hearing is afforded. While passing an order for revocation of license, the licensing authority may also direct forfeiture of the security deposited by the licensee under rule 639(a).

Provided that where it is expedient in the public interest, an immediate action is considered necessary against the licensee, for, including but not limited to, abetting, having knowledge of, tampering with transport units and seals affixed thereto, facilitations, substitution, replacement, removal, pilferage etc., during en route transit or transshipment of cargo, the licensing authority may suspend the license forthwith, after recording reasons in writing, pending final action under the Act and rules made there under.

(4) In case the clearing agent license of the transport operator issued under Chapter VIII of the Customs Rules 2001 is suspended or revoked by the respective Licensing Authority, the license to operate as transport operator shall also stand suspended or revoked and vice versa.

(5) **Right to appeal.** Appeal against an order passed under sub-rules (1) and (2) of rule 641A may be filed before the Director General Transit Trade, Karachi, within sixty days of passing of such decision or order.]

Sub-Chapter-XII

Control of precursors and chemical substances

642. Import of controlled substance.- For the import of controlled substances listed in Table I and II below, the importer shall obtain special permission of the Government of the importing Contracting Party. The permission letter shall be received by the customs office of departure through the Ministry of Narcotics Control. The customs shall allow clearance of these substances on receipt of the permission along with NOC from Anti Narcotics Force (ANF).

Table-I:

(a) Acetic anhydride;
(b) N-Acetylanthranilic acid;
(c) Ephedrine;
(d) Ergometrine;
(e) Ergotamine;

(f) Isosafrole;
(g) Lysergic acid;
(h) 3,4-Methylenedioxphenyl- 2 Propanone;
(i) Norephedrine;
(j) 1-Phenyl-2-propanone;
(k) Piperonal;
(l) Potassium permanganate;
(m) Pseudoephedrine; and
(n) Safrole;

Table II:

(a) Acetone;
(b) Anthranilic acid;
(c) Ethyl ether;
(d) Hydrochloric acid;
(e) Methyl ethyl Ketone;
(f) Phenylacetic acid;
(g) Piperidine;
(h) Sulphuric acid; and
(i) Toluene.

643. Checking of containers.- Containers, carrying, controlled substances mentioned in Table I and II shall be subject to hundred per cent examination of goods. The ANF can check such consignments en-route on the basis of any information under intimation and in the presence of the relevant customs authorities.

Sub-Chapter- XIII

Miscellaneous

644. Priority to certain consignments.- The customs may grant priority to consignments consisting of live animals and perishable goods.

645. Cancellation of goods declaration (GD).- In case of short shipment of cargo clearing agent shall produce the short shipment letter from shipping company and request the appropriate officer of Afghan Transit Group for cancellation of GD. Assistant or Deputy Collector of Afghan Transit Group shall allow cancellation of GD on payment of usual fee. In case of change of clearing agent by the importer, new clearing agent shall submit the request of Afghan consignee for change of clearing agent along with previous GD, NOC letter from previous clearing agent certifying that the goods have not been cleared or removed from the Port after approval. The clearing agent shall file fresh GD on payment of usual amendment fee. Thereafter, it shall be submitted to the import section for cancellation in computer system. However consignment of such GD shall be subject to examination.

646. Amendment in IGM.- All types of amendments in IGM shall be allowed by the Assistant or Deputy Collector of Afghan Transit Group. The amendment shall be made on the basis of original bill of lading. If there is any mistake in the original bill of lading, Customs staff shall call the correction advice from port of loading which shall be duly verified by the shipping line. However such consignment shall be subject to examination.

647. Auction of un-cleared goods.- (1) If a request for transit and Customs clearance is not filed for the goods imported for transit within thirty days of its arrival at the port of entry or exit, a notice shall be

sent to the importer or its agent on the address given in the shipping documents for clearance of the goods from the port. If the goods still remain on the port after sixty days of their arrival, a final notice shall be sent to the importer or his agent for clearing the same, otherwise the goods shall then be auctioned after ninety days of the first notice, unless the delay is attributable to the port authorities.

(2) The sale proceed shall be paid to the trader after deducting the expenses on account of auction, freight, charges due to the custodian of the goods and duty and taxes payable in respect of such goods.

648. Frustrated cargo.- Frustrated cargo shall be such transit goods which are not actually meant for transit to Afghanistan and are brought into a customs-station by reason of inadvertence or mis-direction and the consignor wishes to have it re-shipped to him, subject to following conditions, namely:-

(a) the master of the vessel or his authorized agent or the consignee of the goods himself or through his authorized agent shall apply in writing to the Additional Collector of Customs concerned for permission to re-export frustrated cargo;
(b) on receipt of an application, the Additional Collector of Customs shall satisfy himself with reference to the relevant import manifests and other documents that the goods are 'frustrated cargo'; and
(c) if the Additional Collector is satisfied, he would permit re-export of the frustrated cargo under Customs supervision without payment of duties.

649. Eventualities.- (1) In case of any accident en-route which may cause delay in the delivery of goods beyond the specified time, the nature of accident, exact time and place of accident along with complete detail of the transport operator shall be communicated to the concerned PCCSS staff telephonically or electronically at office of the departure and office of en-route.

(2) The transit of arms, ammunition and military equipments unless agreed upon by the two contracting parties, shall not be allowed.

Sub-Chapter- XIV
Periodic Post Clearance Audit

650. Audit.- The Afghan Transit Group shall not only properly maintain the record pertaining to Afghan Transit Trade but shall also regularly conduct on weekly basis post importation audit of the ATT documents or record. In case any discrepancy is found during audit the same shall be immediately reported to the Assistant or Deputy Collector in-charge of the group for initiation of appropriate action under the law. The reconciliation or audit exercise shall *inter alia* include scrutiny of data and documents for ensuring that the goods which were transported had safely and securely crossed the border and relevant poof or copies of GDs have been presented thereof within the prescribed time limit. In case any GD is not reconciled, proceedings under law including demand notice shall be issued immediately to the importer, carrier and clearing agent for recovery of evaded amount of duties and taxes. Top priority shall be accorded by the Assistant or Deputy Collector Afghan Transit Group for regularly conducting post importation audit for reconciliation of clearance data and for pinpointing any illegality or discrepancy.

Sub-Chapter- XV
Offences, Penalties and Operation of this Chapter

651. Offences and Penalties.- Whosoever commits any contravention of the provisions of this chapter shall be liable to be proceeded, after due process of law, under section 156 (1)(64) of the Act.

652. Provisions relating to weighing, scanning and tracking.- Provisions of this chapter relating to weighing of consignments, scanning of containers, tracking and monitoring of vehicles and containers shall become operative once infrastructure and facilities in this regard are available and after the same is notified by the Board through a General Order specifying therein the date of such operation.

Appendix-I
[see rule 609]

GOVERNMENT OF PAKISTAN

OFFICE OF THE ASSISTANT/DEPUTY COLLECTOR

CUSTOMS STATION---------- (TORKHAM/CHAMAN ETC)

TEMPORARY ADMISSION DOCUMENT (TAD) FOR AFGHAN REGISTERED VEHICLES

PART-I ((To be filled in by the Driver)

(For Official use)

- Temporary Admission Documents No._____
- Date of issue _____
- Valid Upto _____
- Visit Allowed _____
- Stay Duration _____

1. This vehicle with details mentioned below, is valid for journey to Peshawar/Lahore/Wagah/Karachi/ (Port Qasim/Karachi Port)/ Gwadar via Torkham and back. (as applicable)

2. This Temporary Admission Document (TAD) is valid from the date of issuance till the date of expiry as mentioned above. The requisite details about the vehicle and the individuals are given below:-

a. **Owner of the Vehicle**

(i)	Name	:	_____
(ii)	Father Name	:	_____
(iii)	Address in Afghanistan	:	_____
(iv)	Address in Pakistan (if any)	:	_____

b. Driver of the Vehicle

(i)	Name	:	_____
(ii)	Father Name	:	_____
(iii)	Permit No and date		
(iv)	If no permit Passport/Visa No and date:		_____
(v)	Address in Afghanistan	:	_____
(vi)	Address in Pakistan (if any)	:	_____

c. Brief description of goods carrying
(Empty vehicle shall not be allowed)

d. GD No and date: : _____

a. **Purpose of visit** **:** **_____**

f. **Detail of vehicle:**

(i)	Make	:	_____
(ii)	Model	:	_____
(iii)	Color	:	_____
(iv)	Registration Number	:	_____

(v)	Chassis Number	:	_____
(vi)	Engine No.	:	_____
(vii)	Driving Hand	:	_____
(viii)	Loading Capacity	:	_____
(ix)	Value of Vehicle	:	_____
(x)	Duty/taxes involved on vehicle.	:	_____
(xi)	Amount of Duty/taxes secured	:	_____
(xii)	Bank Guarantee No. & Date	:	_____
(xiii)	Name of Bank	:	_____

(Name and signature of the driver)

3.

Value of Vehicle Declared	:	_____
Value of Vehicle assessed	:	_____
Duty/taxes assessed	:	_____
Bank Guarantee amount	:	_____
Bank Guarantee No. & Date	:	_____
Name of Bank and branch	:	_____
S. No of BG Register	:	_____

	[93][ROUTES	Pl tick the desired route]
(1)	(2)	(3)
1.	i/Port Qasim – Jamshoro – Hyderabad - Sukkur – D.G. Khan – D.I. Khan – Kohat – Azakhel- Peshawar – Jamrud Terminal - Torkham	
2.	/Port Qasim – Hyderabad - Sukkur – Multan – Faisalabad – Pindi Bhattian – Rawalpindi – Azakhel -Peshawar – Jamrud Terminal – Torkham	
3.	i/Port Qasim – Hyderabad - Rathodero – D.G. Khan – D.I. Khan – Kohat – Azakhel – Peshawar – Jamrud Terminal – Torkham	
4.	Karachi – Bela – Khuzdar – Kalat – Quetta – Chaman Terminal	
5.	ar – Pasni – Ormara – Liari –Khuzdar – Kalat – Quetta - Chaman Terminal	
6.	r – Turbat – Hoshab – Panjgur – Naag – Besima – Sorab – Kalat – Quetta – Chaman Terminal	
7.	dar – Pasni – Ormara – Liari – Karachi – Rathodero – D.I. Khan – Kohat – Peshawar – Jamrud Terminal - Torkham	
8.	– Turbat – Hoshab – Panjgur – Naag – Besima – Khuzdar – Rathodero – D.I. Khan – Kohat – Peshawar – Jamrud Terminal – Torkham	
9.	- Jamrud Terminal - Peshawar (Motorway M-1) - Rawalpindi/Islamabad (Motorway M-2) – Lahore – Wagha **	
10.	– Sost – Chilas – Mansehra – Hasanabdal – Peshawar – Jamrud Terminal - Torkham"	

* These routes will become operational on a later date to be agreed mutually.

** Pakistan will facilitate Afghan exports to India through Wagha. Afghan trucks will be allowed access on designated routes upto Wagha. Afghan cargo will be off loaded on to Indian trucks back to back at Wagha and the trucks on return will not carry Indian exports.]

Certified that the Vehicle is as per prescribed specification and bank guarantee is in order.

Superintendent
(Name, Seal & Signature).

Approved by:

Assistant/Deputy Collector

(Name, Seal & Signature)

EXIT DETAILS

Date and Time of Exit : _____

Date and time of return of BG : _____

Superintendent
(Name, Seal & Signature).

The following important instructions must be adhered to / complied with before permitting the individuals and the vehicles:-

(a) Photocopy of this [65][Temporary Admission Document] is not valid/ acceptable.
(b) Carriage of contraband items is strictly prohibited
(c) The vehicles moving on this Temporary Admission Document are not exempted from search/checking by authorized authorities.
(d) This Temporary Admission Document must be returned to the Customs Authorities at Torkham / Chaman in original within seven days of its expiry and the vehicle should also be brought for inspection at the same day.

Appendix-II
[see rule 619 (1)]

(On appropriately stamped non-judicial paper)

INSURANCE GUARANTEE FOR IMPORTED GOODS IN-TRANSIT

The Collector of Customs,
Model Collectorate of Customs_____
Custom House _____

Dear Sir,
WHEREAS Messers _____ having their registered office at ..... (hereinafter referred to as the Afghan importer) have imported goods in transit to Afghanistan from Messers ..... as per ..... IGM No..... dated ..... Index No..... dated ..... vide GD (AT) No..... dated .....…

2. AND WHEREAS an amount of Rs..... (Rupees .....) has been assessed as duties and taxes in respect of the said goods which are payable by the importer in case he fails to take the goods out of the territorial jurisdiction of Pakistan.

3. AND WHEREAS the Customs Department has agreed to release goods against furnishing of a insurance guarantee equal to the amount of duty/taxes involved on the goods entering Pakistan.

4. NOW, THEREFORE, in consideration of the release of the imported goods, in-transit to Afghanistan, to the importer, we, Messers ..... do hereby bind ourselves with the President of Pakistan to pay to the Collector of Customs the aforesaid guaranteed amount of duties and taxes and the surcharge thereon at the rate of fourteen per cent per annum for the whole period on the amount or any part thereof remained un-paid from the date on which the in-transit goods are released to the importers.

5. **THE COMPANY ISSUING THIS GUARANTEE ALSO UNDERTAKES:-**

(m) That the importer shall pay to you the guaranteed amount in lump sum after demand.

(n) That the importer shall also pay to you the surcharge due on the involved amount at the rate of fourteen per cent per annum.

(o) That in the event of any default on the part of the importer to pay the guaranteed amount on demand alongwith surcharge due as aforesaid, we, Messers ....., shall pay to you the same immediately upon demand by the Collector of Customs. On receipt of demand from the Collector of Customs it shall be considered by us as conclusive evidence of non-payment of the government dues plus surcharge, if payable by the importers.

(p) That we do hereby agree to the payment of duty/taxes and surcharge on the amount chargeable from the date of clearance of goods till the date the payment is made, provided that you agree, on the request of the importers, not to take action under condition (6) (a) of this insurance guarantee.

(q) That we do hereby agree and declare that in the event of any default in the payment of any sum stated above it may, without prejudice to any other remedy which may be available to you, be recovered by you under section 202 of the Customs Act, 1969.

(r) That, notwithstanding anything contained in the foregoing, the guaranteed amount or any part thereof and surcharge, as aforesaid, shall immediately become payable to you.

6. **ADDITIONAL CONDITIONS OF THIS INSURANCE GUARANTEE ARE AS FOLLOWS:-**

(e) Any notice may be given to the importers / company by sending the same, by registered post, which shall be deemed to have been served at the time when it would have been received by the addressee in the ordinary course of the post.

(f) The amount payable hereunder as principal or surcharge at the specified date may be declared and the same shall there-upon become due and payable immediately.

7. That this insurance guarantee is valid upto .....

8. IN WITNESS WHEREOF we have ..... this ..... day of..... 2010 caused this guarantee to be signed under the official stamp in the presence of-

1..... 2.....
Officer Manager

Witnesses:-

1.....

2.....**"**

Appendix-III
[see rule 619(3)]

(On appropriately stamped non-judicial paper).

BANK GUARANTEE FOR AFGHAN VEHICLES ENTERING PAKISTAN

The Collector of Customs,
Model Collectorate of Customs_____
Custom House _____

Dear Sir,
WHEREAS Messers _____ having their registered office at ..... (hereinafter referred to as the Afghan importers) have imported the Vehicle in-transit from Afghanistan under the cover of Temporary Admission Document No……. issued on …….. for transit movement of goods covered under IGM No..... dated ..... Index No..... dated

..... vide GD (AT) No..... dated .....…from Custom Office……. (Pakistan) to Custom Office……(Afghanistan).

2. AND WHEREAS an amount of Rs..... (Rupees .....) has been assessed as duties and taxes in respect of the said vehicle which are payable by the importer in case he fails to take the said vehicle out of the territorial jurisdiction of Pakistan within the time period prescribed in rule 609.

3. AND WHEREAS the Customs Department has agreed to release the temporarily admitted vehicle against furnishing of a bank guarantee equal to the amount of duty and taxes involved on the said vehicle.

4. NOW, THEREFORE, in consideration of the release of the imported vehicle, for transport of transit goods to Afghanistan, to the importer, we, Messers ..... Bank Limited..... do hereby bind ourselves to the President of Pakistan to pay to the Collector of Customs the aforesaid guaranteed amount of duty / taxes and the surcharge thereon at the rate of fourteen per cent per annum for the whole period on the amount or any part thereof remained un-paid from the date on which the temporarily admitted vehicle is released to the importer.

5. **THE BANK ISSUING THIS GUARANTEE ALSO UNDERTAKES:-**

(a) That the importers shall pay to you the guaranteed amount in lump sum after demand.
(b) That the importers shall also pay to you the surcharge due on the involved amount at the rate of fourteen per cent per annum.
(c) That in the event of any default on the part of the importer to pay the guaranteed amount on demand alongwith surcharge due as aforesaid, we, Messers ..... Bank Limited, shall pay to you the same immediately upon demand by the Collector of Customs. On receipt of demand from the Collector of Customs it shall be considered by us as conclusive evidence of non-payment of the government dues plus surcharge, if payable by the importers.
(d) That we do hereby agree to the payment of duty/taxes and surcharge on the amount chargeable from the date of temporary admittance of the vehicle till the date the payment is made, provided that you agree, on the request of the importers, not to take action under condition (6) (a) of this bank guarantee.
(e) That we do hereby agree and declare that in the event of any default in the payment of any sum stated hereunder it may, without prejudice to any other remedy which may be available to you, be recovered by you under section 202 of the Customs Act, 1969.
(f) That, notwithstanding anything contained in the foregoing, the guaranteed amount or any part thereof and surcharge, as aforesaid, shall immediately become payable to you.

6. **ADDITIONAL CONDITIONS OF THIS BANK GUARANTEE ARE AS FOLLOWS:-**

(a) Any notice may be given to the importers / bank by sending the same, by registered post, which shall be deemed to have been served at the time when it would have been received by the addressee in the ordinary course of the post.
(b) The amount payable hereunder as principal or surcharge at the specified date may be declared and the same shall there-upon become due and payable immediately.

7. That this bank guarantee is valid upto .....

8. IN WITNESS WHEREOF we have ..... this ..... day of..... 2010 caused this guarantee to be signed under the official stamp in the presence of-

1..... 2.....
Officer Manager
Bank Ltd..... Bank Ltd……..

Witnesses:-
1.....
2.....**"**

Appendix-IV
[see rule 639(b)**]**

SUBJECT: REVOLVING INSURANCE GUARANTTEE NO. _____ DATED_____ FOR RS._____ EXPIRY DATE _____

Whereas in accordance with the Public Notice No. _____ dated _____ issued by the [149][the Respective Directyor of Transt Trade], vide C.No. _____ dated_____ to M/s _____ to act as approved TRANSPORT OPERATOR in terms of the above public notice for transportation of transit goods from Karachi Port to other customs stations throughout the country, We M/s, _____ - do hereby bind ourselves and our heirs, successors and assignees jointly and severely with the President of Pakistan to pay to the Collector of Customs, (Appraisement) any amount payable as Customs duty, sales tax, surcharges regulatory duty or any other levy at the time at the time in-force in addition to fine and penalties which may be imposed by the said Collector for contravention of the conditions contained in the said public notice by the said transport operator as referred herein above.

Now the condition of this guarantee is such that if M/s _____ fails to discharge their responsibilities in the light of the said public notice in any manner whatsoever and in default falls to pay the amount of duties and taxes etc in addition to fine and penalties which may be demanded by the Collector of Customs, We, M/s. _____ or our successor shall pay to the Collector of Customs, Karachi the demanded amount within fifteen days from the date such demand is raised by the Collector of Customs, falling which a compensation at the rate of twenty per cent per annum shall be paid - ipso facto - from the date when the actual demand is made by the Collector of Customs, Appraisement.

This guarantee shall remain in force till the above mentioned liabilities of the transport operator are completely discharged to the entire satisfaction of the Collector of Customs Appraisement.

It is also specially agreed that the above guaranteed amount may be recovered under section 202 of the Customs Act, 1969, and rules, made thereunder in case the insurance company fails to pay the said amount of revenue.

This Revolving Insurance Guarantee is in accordance with the Public Notice No._____ dated _____ issued by the Collector of Customs Appraisement.]

[85][CHAPTER XXVI

SHIPPING AGENTS RULES

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

(a) "Shipping Agent" means any person or an entity engaged on behalf of the Principal /Owner, charterer or operator of a conveyance, or the owner of the cargo, in providing shipping / freight services including any of the following:-

(i) Collection of freight and or charter or hire of conveyance when appropriate and all related financial matters;

(ii) Arrangements for Customs and cargo documentation and forwarding of cargo in respect of conveyance and port/airport operation;

(iii) Arrangement for procuring, processing the document and performing all activities required related to dispatch of cargo;
(iv) Organizing arrival or departure arrangements for the conveyance;
(v) Arranging for the supply of auxiliary services to a ship while in port or in Pakistan customs waters;

(b) "customs business" means activities, involving transactions with the customs department concerning the entrance and clearance of any conveyance in the custom station or area or port, non vessel common operating carrier, manning of crew, and includes the preparation of documents or forms in any format and the electronic transmission of the documents intended to be filed with the customs in furtherance of such activities or any other activity relating to the Act or rules made there under;

(c) "conveyance" means any means of transport used for carrying goods or passengers such as vessel, aircraft, vehicle or animal;

(d) "carrier" means the person actually transporting goods or in charge of, or responsible for the operations of the means of transport or the owner thereof;

(e) "Form" means a form in this chapter;

(f) "licence" means a licence granted under this chapter to act as Shipping Agent;

(g) "licensee" means a person to whom a shipping agent licence has been granted under this chapter; and

(h) "Licensing Authority" means the Collector of Customs or any officer not below the rank of Assistant Collector of Customs authorized by the Collector to act as licensing authority under this chapter.

654. Application.- An Applicant may submit an application in Form "A" along with the following documents to the Licensing Authority with treasury challan of two thousand rupees in favour of Collector of Customs as application processing fee which shall be non-refundable, namely:-

(a) NTN Certificate
(b) Proof of sound financial status of the applicant,
(c) Copy of CNIC (Verification of CNIC shall be got conducted by Collectorate from NADRA),
(d) Photographs (4X passport size),

Provided that an agency agreement with principal in respect of shipping business shall also be provided subsequently after commencement of business by the applicant.

655. Eligibility to file application.- A candidate is eligible to file application with the licensing authority if he is:-

(a) A citizen of Pakistan;
(b) Not below 21 years of age;
(c) A graduate from a recognized university (this condition of minimum qualification shall be applicable for licenses which are issued after coming into force of these rules);
(d) Having Knowledge of computer to handle the import general manifest/export general manifest in PRAL or WeBOC etc,
(e) Not convicted by any court of law.

656. Qualification test.- (1) The Licensing Authority on receipt of the application shall forward the name alongwith particulars to the office of Directorate General of Training and Research or any other independent educational institution nominated by Board, as the case may be, for including the name of

intending person as candidate for written examination with a view to ascertain his knowledge about English language, computers and the Customs Law and Procedure. This examination shall be conducted simultaneously at Karachi, Lahore and Islamabad twice a year in July and January. [134][Each applicant shall deposit a course fee of rupees five thousands for examination related expenses in the respective account of the Directorate General of Training and Research (Customs) and its Regional Directorates:]

Provided that if the applicant is a retired BS-16 or above officer of Customs having more than ten years service and subject to condition that he has not been removed from the service on disciplinary grounds, he may be exempted by the Collector from the above mentioned test on case to case basis after conducting his interview.

(2) The Licensing Authority shall not consider an application for grant of licence if the applicant fails to secure at least fifty per cent marks in the written examination.

657. Approval of licence.- On qualifying the test, the licensing Authority shall issue approval letter in Form "B" for issuance of licence subject to fulfillment of the following conditions by the applicant, namely:-

(a) deposit as security for rupees three hundred thousand for operating in one customs station and rupees seven hundred thousand for operating on a country wide basis, in the shape of Defence Saving Certificates pledged to the Collector of Customs; and

(b) execute a bond in Form "C" for ensuring good conduct and to follow custom rules and regulations and for recovery of any amount adjudged against him or ordered to be paid by him.

658. Licence and its condition.- (1) The Licensing Authority may, on fulfilling all conditions under these rules, grant a non-transferable licence in Form "D" for a period, initially for two years which shall be renewable after every two years subject to the prescribed conditions.

(2) The Licence shall neither be transferable nor can be sub-let and no licence shall, except with the prior approval of the licensing authority, bring about a change in the composition of the company, proprietorship or firm, as the case may be.

(3) Change of status of firm from proprietorship to partnership shall be allowed on submission of partnership deed duly attested by notary public and on successful passing of interview /test by the new proprietor / partner, to be conducted by the Licensing Authority or any officer authorized in this behalf.

(4) Retirement of partner shall be allowed on submission of an additional undertaking that the existing partner may take the responsibility of all previous and future acts of the company and shall be responsible for payment of any outstanding government dues accrued on the company before and after retirement of the partner.

(5) Dissolution of partnership shall be allowed on submission of dissolution deed and an under taking that the person continuing the firm shall be responsible for the payment of all or any outstanding government dues accrued in the name and title of the firm.

(6) Change of status of firm from proprietorship / partnership to limited company or changes of directorship in case of a company shall only be allowed if duly approved by the Securities and Exchange Commission of Pakistan.

(7) The Licencee shall provide sales tax registration number before commencing of his business after getting the licence.

(8) In case of death of an individual licensee, the licence may be re-issued to his legal heir if he fulfills the criteria prescribed in rules 593,594 and 595. The new licensee shall execute a fresh bond for the purpose, however the licensing Authority may allow the transfer of the security deposit held in the name of the deceased licensee to the name of new licensee subject to adjustment of the liabilities attached to such deposit.

(9) The Licensing Authority may, in anticipation of the passing of test or training and examination, as the case may be, grant a provisional licence for a maximum period of six months or till such time a fresh examination is conducted, on fulfilling conditions laid down in rules 593, 594 and 596.

(10) A licence shall be valid for one or all Collectorates, as the case may be, for a period of two years which shall be renewable after every two years unless revoked earlier in accordance with the provisions of this Chapter:

[134][Provided that subject to such additional conditions as the licensing authority may impose, the licence may be renewed for a period of five years, if it has remained valid for the last ten years and no criminal proceedings have been initiated or pending against the licencee.]

(11) In case the licence or a custom permit is lost or damaged, a duplicate copy thereof may be issued on a written request by the licencee, duly supported by the documentary evidence and on payment of fee of five thousand rupees.

659. Renewal of licence.- (1) An application for renewal of the licence shall be made to the licensing authority two months before its expiry alongwith the following documents, namely:-

(a) [134][an affidavit to the effect that no conviction has taken place from a court of law or tribunal against the licensee or any of the partners, as the case may be;
(b) information about total number of transactions of shipping activity, details of shipments made and proof of fulfillment of criteria and conduct of customs business as prescribed by the Collector.
(c) proof of payment of renewal fee which shall be rupees two thousand for renewal of licence, for two years; rupees three thousand for renewal of license for three years; rupees four thousand for renewal of license for four years; and rupees five thousand for renewal of license for five years;]and
(d) Certificate of participation (for each year) in mandatory course from Directorate-General of Training and Research (Custom, Sales Tax and Federal Excise).

(2) The licensing authority may refuse to renew the licence if it finds that,-

(a) the licencee has failed to apply for renewal of licence within the prescribed time; or

(b) the licensee has become insolvent or bankrupt or is involved in cases of tax fraud or criminal cases, established through conviction under any law for the time being in force ; or
(c) the licensee becomes mentally retarded or lunatic as ascertained by a medical professional; or
(d) the licensee's previous performance pertaining to his actual customs transactions, has not been satisfactory; or
(e) the licensee had violated any applicable law including the provisions of the Act, and rules made thereunder or acted in a dishonest manner; or
(f) the previous record of business showed involvement of licensee in any of the offences mentioned in the Act; or
(g) the license has been revoked under these rules ; or
(h) the licensee, in the previous period of validity of license, has failed to file sufficient number of transactions and conduct customs business as prescribed by the Collector.

660. Authorization to sign the documents on behalf of licensee.- (1) A licensee may authorize not more than three permit holders to sign Customs documents on his behalf.

(2) Such authorization shall be in Form "E" and shall be valid only when accepted by the licensing Authority or an officer authorized on his behalf.

661. Issuance of permits.- (1) The licensee shall apply to the licensing authority in Form "F" for grant of Customs Permit to such persons as he employees for conducting business in Custom House, Customs station, Port or Airport.

(2) Such application shall bear a court- fee stamp worth fifty rupees accompanied by three passport size photographs of the persons whose permits are applied for. Such employee must have passed at least higher secondary school certificate (Intermediate) examination and holds valid CNIC.

(3) A customs permit shall not be transferable and shall be valid for the person for whom it is issued.

(4) A customs permit shall be issued on Form "G" and shall be valid for one year unless suspended or earlier revoked in accordance with these rules.

(5) The licensee shall apply for the renewal of customs permit of the persons clerk at least one month before the expiry of the permit.

(6) The licensee shall inform the licensing authority immediately in case the services of any permit holder are terminated and surrender the custom permit to the licensing authority for cancellation.

(7) A customs permit shall be liable to be revoked or suspended any time by the licensing authority for any irregularity, misbehavior or for any other reason for which a license may be revoked or suspended.

(8) The customs permit shall always be carried by the person to whom it has been issued and shall be produced before the appropriate officer of customs on demand.

(9) The licensee shall be responsible for all acts of his authorized representative or any person holding a Custom permit on his behalf.

662. Shipping Agent to attend course.- All Shipping Agents licensed under these rules shall attend once in each financial year, a mandatory Shipping Agents Course of [134][ten credit hours] from the Directorate General of Training &Research (Customs, Sales Tax & Federal Excise) to be conducted in batches at Karachi, Lahore & Islamabad. A fee of rupees Two Thousand may be charged by the Directorate General as fee of course. The curriculum of the course shall be prescribed by the Directorate General of Training & Research (Custom, Sales Tax & Federal Excise):

Provided that in case of a limited company, the CEO may nominate his senior employee i.e Chief Operating Officer or Chief Finance officer or any other senior level officer to attend the said course.

663. Maintenance of record.- (1) Each licensee shall maintain and reserve complete records of its financial transactions and of all customs documents handled by it and copies of all correspondence, bills accounts, statements and other papers relating to the customs business for a period specified under section 211 of the Act.

(2) The records specified in sub-rule (1) shall be made available for examination at any time to any officer of customs authorized or deputed by the licensing authority under the Act or the rules made there under and no licensee shall refuse access to or taking extracts from the record nor shall conceal, remove or destroy any part of the record.

664. Responsibilities of licensee.- A licensee shall,-

(a) file IGM/EGM in the prescribed manner and procedure giving detailed described of shipper, consignee, goods etc or as required by Customs as per the Act;

(b) be responsible for any or all other documents signed by him or his employee or on his behalf or on behalf of his client;

(c) provide complete information and documents as and when required after clearance of the consignments;

(d) pay the evaded amount of duties and taxes in case it is established that evasion has taken place because of his negligence, failure to perform his function as prescribed under the law or because of connivance or willful act of its employee or permit holder;

(e) not represent a client before an officer of customs in any matters which the licensee dealt as an officer or employee of the customs or of facts of which he gained knowledge while in Government service;

(f) not appear, act or plead in any proceeding under sections 179 to 193, 194A and 196 of the Act for and on behalf of any person other than the person for whom it acted as licensee in relation to matters out of which the proceedings have arisen;

(g) where he knows that a client has not complied with the law or has made any error or omission in any document, he shall immediately bring the matter of such non-compliance, error or omission to the notice of the appropriate officer of customs;

(h) exercise due diligence to ascertain the correctness of any information which he imparts to the customs department or to a client with reference to any customs business;

(i) not withhold information relating to any customs business from the customs or from a client who is entitled to such information;

(j) promptly pay to Government, when due, all sums received for payment of any duty, tax or other debt or obligation owing to the Government and promptly render account to its client regarding any money received from him for Government or received from it in excess of Governmental or the other charges properly payable in respect of the client in its customs business;

(k) not attempt to influence the conduct of any officer of customs in any matter pending before the custom house, custom station, port or airport by the use of force, intimidation, false accusation, duress thereof or by offering any special inducement or promise of advantage, any gift or favor or other thing of value;

(l) not procure or attempt to procure, directly or indirectly, information from the customs record or other Government sources of any kind to which access is not granted by proper authority;

(m) not employ knowingly in any capacity with power of attorney by delegation or otherwise:-

(i) any individual whose application for licence or customs permit has been refused;

(ii) any individual whose licence or permit has been revoked or whose conduct as a partner, manager, director, officer or employee has been the cause of revocation of the licence or permit, for the promotion of or in connection with, the work relating to the licence;

(n) [134][provide all relevant information regarding] the actual shipper or consignee whenever required and declare his Computerized national identity card number, actual office address along with telephone number, tax number and e-mail address;

(o) inform promptly the customer about the objection raised by documents or declaration required under the law and bring the matter to the notice of appropriate officer of customs in writing immediately; and

(p) report immediately to the customs about suspected financial transactions like money laundering or proceeds of crime by its client;

(q) [134][the licensee in case of any additional charges other than freight, shall collect them only if mentioned in notified or published tariff of the shipping agent or carrier and is made available to the client or as specifically written on the bill of lading, airway bill or bill of freight' and]

(r) [134][if mutually agreed between shipper and shipping line, detention tariff per container per day including free days shall be mentioned on the bill of lading, airway bill and bill of freight, otherwise detention shall be applicable and charged as per local published tariff of the shipping agent or carrier which is made available to the client.]

665. Action in case of violations.- (1) The licensing Authority may revoke or suspend a license or permit of any Shipping Agent for one or more than one of following reasons, namely:-

(a) the licensee has made or cause to be made, in any application for any license or permit under this chapter, or report filed with the customs, any statement which was, at the time and in light of the circumstances under which it was made, false or misleading with respect to any material fact or has omitted to state in any such application or report.

(b) the licensee has been convicted at any time for larceny, theft, robbery, extortion, forgery, counterfeiting, fraud, concealment, embezzlement, fraudulent conversion, or misappropriation of funds;

(c) the licensee has knowingly employed or continues to employ any individual who has been convicted of any offence referred to under clause (b);

(d) the licensee has, in the course of its customs business, with intent to defraud, in any manner, willfully and knowingly deceived, misled or threatened any client or prospective client.

(e) violation by the licensee of any provision of Act or the rules, regulations, notifications, instructions or orders issued there under;

(f) aiding or abetting any individual, firm or company, as the case may be, for violation of any provision of the Act or the rules or regulations made there under;

(g) negligence or inefficiency of the licensee in the discharge of its obligations;

(h) unsatisfactory conduct of the licensee while transacting customs business or in relation to any person who has entrusted it with any customs business; failure of the licensee to comply with any of the bond executed by him under this chapter;

(i) concealing, removing or destroying by the licensee of its financial and customs business records or refusing to allow an officer of customs to inspect them and take extracts therefrom;

(j) attempt by the licensee to influence the conduct of any employee in the custom house, custom station, port or airport by the use of force, intimidation, false accusation, duress, bribery or by offering any special inducement or gift;

(k) failure of the licensee to exercise due diligence and due care to apprehend and forestall an untrue declaration in respect of Import General Manifest, Export General Manifest and other relevant customs documents;

(l) withholding by the licensee of any information, document or other evidence from an officer of customs which is likely to prevent any fraud or evasion of customs duties and other taxes or dues and the circumvention or contravention of any restrictions imposed by any law for the time being in force;

(m) the licensee has defaulted in making payment of duties and taxes and Government dues received from their client/principal in time, if any;

(n) the licensee's previous performance has not been satisfactory or has not been true to the customs or towards his clients;

(o) the licensee's previous record of customs business due to his being concerned in any customs offence is not free from reasonable doubt;

(p) [134][in case of violation in respect of any additional charges other than freight not mutually agreed by shipper and shipping line that are not mentioned in publicly notified or published tariff of the shipping agent or carrier and are not made available to the client or are not specifically written on the bill of lading, airway bill or bill of freight, punitive action envisaged in the Act and these rules shall be initiated against the delinquent licensee following the due process of law;

(q) in case of violation in terms of detention charges after lapse of exact free days not mutually agreed by shipper and shipping line that are not mentioned in publicly notified or published tariff of the shipping agent or carrier and are not made available to the client or are not specifically written on bill of lading, airway bill or bill of freight, punitive action as envisaged in the Act and these rules shall be initiated against the delinquent licensee following the due process of law; and

(r) the licensee shall make arrangements for performing transactions which do not require payment of security deposit and only require payment of security deposit when absolutely necessary. The changeable amount of security deposit shall be reasonable and the licensee shall refund the security deposit within fifteen working days after satisfying their accounts. In case of any delay in refund of security deposit beyond the terminal period, punitive action shall be initiated as per law.]

(2) In case of revocation of a licence under sub-rule (1), the Licensing Authority may, after issuing show cause notice to the licensee, forfeit the whole or part of the security deposited by the licensee under rule 596 for the settlement of any duty, taxes or any other charges due from him.

(3) The Collector or the licensing Authority, as the case may be, shall not pass any order under sub-rules (1) and (2) to revoke the license or permit unless the licensee is informed in writing regarding the allegations and opportunity of hearing is afforded. While passing an order for revocation of licence, the

Collector or the Licensing Authority, as the case may be, may also direct forfeiture of the security deposited by the licensee under rule 596.

(4) The licensing authority may, in cases where immediate action is considered necessary against the licensee, suspend his licence forthwith after recording reasons in writing pending the final action under the Act and rules made thereunder.

666. Appeal.- Any Shipping Agent, aggrieved by any decision or order of the licensing Authority denying, revoking or suspending a licence or permit under this chapter, may prefer an appeal with the Chief Collector of Customs (Enforcement) within sixty days of the passing of such decision or order.

667. Repayment of security deposit.- The security deposit, if not forfeited under these rules, shall be repayable after six months from the date of revocation or surrender of the licence, after an application in writing is made, to the person who deposited the same or to the legal heirs, as the case may be.

668. Licence stands revoked.- A licence shall stand revoked if the licensee,-

(a) is declared insolvent or convicted by a court of law for any offence punishable under the Act or for an offence involving moral turpitude or misappropriation of property or breach of trust under the Pakistan penal Code, 1860 (Act XLV 1860) or any other law for the time being in force;

(b) is [134][convicted] in a case of tax fraud under any law for the time being in force;

(c) on failure of renewal of licence for five consecutive years of last renewal;

(d) upon filing of an application for cancellation of its licence; or

(e) is involved in charging extra amount other than agreed charges or those mentioned in bill of lading.

669. Savings.- Notwithstanding anything contained in this Chapter, all the licenses issued earlier shall remain operative until their expiry period. Any new licence and the renewal of the existing licenses shall be subject to the provisions of these rules except mentioned otherwise in the rules.

FORM 'A'
[See rule 654]

APPLICATION FORM FOR SHIPPING AGENTS
LICENCE UNDER CUSTOMS RULES, 2001

Photograph of the Owner/MD

To
Collector/The Licensing Authority,
Model Customs Collectorate,
…….

I/We …….. hereby apply for grant of the Shipping Agents Licence to carryout customs business as Shipping Agent under the customs Rules, the particulars of the applicant are given below:-

1. Full name of the applicant.

2. Nationality
3. Address and location.
4. CNIC No.
5. Nature of enterprise, private individual, partnership concern, private limited or a limited company.
6. Name of Persons who would be in-charge of work relating to this licence in case of company.
7. Educational qualification of applicant.
8. Details of business experience.
9. Details of experience of Shipping business.
10. NTN Number.
11. Sales Tax Registration Number.
12. Name of the Bank account number and certificate to the effect of sound financial condition.
13. Name and designation of employees.

The examination fee of Rs.5000/- has been paid in the Treasury vide challan No. _____ dated _____ which is attached.

I/We hereby declare that the particulars furnished in this application are correct and I/We have read the Customs Rules, 2001 and I/We agree to abide by them.

Yours faithfully.
Name of applicant

FORM "B"
[see rule 657]

Subject: **GRANT OF SHIPPING AGENT LICENCE UNDER CHAPTER VIII OF CUSTOMS RULES, 2001 COMPLETION OF FORMALITIES THEREOF.**

Please refer to your application dated _____ for grant of the Shipping Agent Licence.

2. The Licensing Authority is pleased to grant approval for issuance of the Shipping Agent Licence. You are therefore required to complete the remaining formalities and furnish following documents to the Licensing Authority within 30 days of the issuance of this letter failing which the approval will stand withdrawn/cancelled :-

(a) Deposit a sum of Rs.3,00,000/- (Rupees three hundred thousand only) for operating in one custom station and Rs.700,000/- (Rupees seven hundred thousand only), for operating on a country wide basis in the shape of Defence Saving Certificates pledged to the Collector of Customs;

(b) execute a bond in Form 'C' on stamp paper of Rs.1000 (one thousand).

3. It may be noted that the bond is to be typed on the first page only and if the text is not completed, separate ordinary ledger paper may be used instead of typing on the reverse of the bond paper. It may further be added that the bond is to be signed in presence of two witnesses known to the Custom House.

4. The above formalities should be completed within thirty (30) days from the date of issue of this letter and the bond be submitted to Custom House by _____.

(LICENSING AUTHORITY)

F O R M 'C'
[see rule 657 (b)]

NO:_____ of 20____

Know all the men be these presents that we are held and firmly bound to the President of Pakistan in the sum of Rs._____ (Rupee _____only) for payment where of we hereby bind ourselves and each of us bind himself, our and each of our heirs, executors and administrators firmly by these presents dated this _____day of _____, in the year of 20_____.

Whereas the said M/s. _____ has been authorized to act as Shipping Agent under section 207 of the Customs Act, 1969 (IV of 1969) and the said M/s. _____, has agreed to enter into this bound as required by the rules made under section 219 of the said Act, read with item 21 of the First Schedule thereof and whereas the said M/s. _____ has deposited the sum of Rs._____ (Rupees _____) with the President of Pakistan as security for his faithful behaviour and that of his clerks and servants as regards the Custom House Regulations and officers.

Now the condition of the above written bond is such that if the said M/s._____, and his clerks and servants do all times whilst holding such licence as
aforesaid behave themselves in a faithful manner as regards the Custom House regulations and its officers and if the said M/s. _____, and their executors or administrators do and shall at all times make good to the President of Pakistan all the every sums of money which being due to the Government shall be reason of them is misfeasance or negligence of the said M/s. _____, or of his clerks or servants have not been paid to the President of Pakistan then the above written bound shall be void, otherwise the same shall be remain in full force and virtue and it is hereby agreed and declared that President of Pakistan may apply the said sum of Rs._____ (Rupees _____) deposited as aforesaid and it is hereby agreed that the said sum of Rs._____ shall remain the President of Pakistan for six calendar months after the date upon which the said M/s._____, shall cease to act as a Custom Agent as security for the payment of any sums due to Government by reason of any misfeasance or negligence of the said M/s. _____, or his clerks or servants which may not be discovered until after the said and that this bound shall be and remain in full force and virtue until the expiration of the said terms of six months.

Signed, sealed and delivered by the above named in the presence of witnesses.

Signature & Stamp of C/Agent.
Name of the licensee

Witnesses:
1. _____
2. _____

Executed before me this
Day of _____, 20___

FORM 'D'
[see rule 658(1)]

Warnings:- Not Transferable.

Shipping Agent. Licence No. SA- _____ for entrance and departure of Conveyances.

Photograph of owner or MD

SHIPPING AGENTS LICENCE TO TRANSACT CUSTOM

HOUSE BUSINESS UNDER SECTION 207
OF THE CUSTOMS ACT, 1969

Messers _____ of _____ _____ have been registered in the books of this Customs House / Customs Station / Customs Port / Customs Airport as Shipping Agents. They are authorized to transact business at the _____ (*name of the Custom House / Land Customs Station / Customs Port / Customs Airport*) for a period of two years.

Signature of Licensing Authority.

Dated :_____

Full Address:_____
_____
_____ .

RENEWAL

Renewed	Up to	Signature

F O R M 'E'
[see Rule 660(2)]

FORM OF AUTHORIZATION TO SIGN CUSTOMS DOCUMENTS ETC

From

Mr./ Messrs _____
_____
_____

To
The Licensing Authority
_____
_____

Sir,

I/We _____ owner / MD of Messers _____ have the honor to inform you that I/we have authorized the following assistants, clerks or representatives, shipping agents of _____ to transact Custom business and to sign all the documents related with such business under the licensing rules. Four specimen signatures of each of these persons are also enclosed for records.

I/We undertake to acknowledge these signatures as if they were those of the firm for all purposes in connection with the aforesaid transactions and to accept any liabilities incurred under the said transactions as if they had in fact been signed by me/our firm. Application Fee Rs.100 deposition in National Bank of Pakistan through treasury challan (enclosed).

I/We have the honour to be

Sir,

Your most obedient servant/servants

1. Mr. _____ will sign _____
2. Mr. _____ will sign _____
3. Mr. _____ will sign _____
4. Mr. _____ will sign _____
5. Mr. _____ will sign _____

FORM 'F'
[see Rule 661 (1)]

APPLICATION FOR CUSTOMS PERMIT FOR THE EMPLOYEE OF A SHIPPING AGENTS TO TRANSACT CUSTOM HOUSE BUSINESS

To

The Licensing Authority
_____
_____

Sir,

I/We _____ do hereby authorize Mr. _____ whose particulars are given below to transact Custom House business on my / our behalf and I/We accept all responsibility for his act as if they were my / our own. Particulars of the employee:-

1. Full Name _____ son of _____
2. Age _____
3. CNIC No. _____
4. Residential address _____
5. Educational qualification _____
6. Knowledge of various languages (English, Urdu, or any other local language)
_____
7. Serving in the firm as _____
8. Period of Service _____
9. Experience in Customs work _____
10. No. of previous Identity Card, / Customs Permit if held _____
11. Whether at any time convicted by a Court _____
12. Whether at any time Identity Card/Customs Permit was refused by the Customs if so When _____
13. Details of past service if any _____
14. Reasons for leaving the last firm _____
15. _____ (copies of testimonials and certificates enclosed).
16. Signature of the employee _____

Yours faithfully,

(Name of the licensee)

N.B:- This application should be accompanied by three passport size Photograph of the employee.

FORM 'G'
[see Rule 661 (4)]

PASS HOLDER IS NOT A GOVERNMENT EMPLOYEE
Shipping Agent / Representative Pass
Not Transferable
Mr. _____S/o_____CNIC no
._____of Messer's

_____ CHA Licence No.

_____ has been registered with Custom House

……. as Shipping Agent /Clerk / Assistant / Representative of the Shipping Agent for a period from _____to_____.

Signature & Stamp of the Licensing/issuing Authority

Dated _____

NIC No. _____
Pass No. _____
Specimen Signature _____
* Only valid if displayed.
* Valid during working hours to transact business as Customs.
* Agent / authorized representative.
* Liable to cancellation if misused.
Duplicate copy is not valid.".

[87][CHAPTER XXVII

DISPOSAL OF OVERSTAYED NON-PROHIBITED BORE ARMS AND AMMUNITION

670. Scope.- Notwithstanding anything contained in Chapter V, these rules shall apply to disposal of arms and ammunition of non-prohibited bore imported at customs stations which are not cleared within the time period provided for under section 82 of the Act.

671. Definition.- In this chapter, unless there is anything repugnant in the subject or context,-

(a) "Act" means the Customs Act, 1969 (IV of 1969);
(b) "dealer" means an arms and ammunition dealer possessing an operative valid license issued by the Federal Government or a Provincial Government under the relevant statutes and who posses valid import authorization from the Ministry of Commerce;
(c) "non-prohibited bore" means description, caliber or bore of weapons which are specified as non-prohibited bore by the Ministry of Interior under a notification issued in pursuance of relevant provisions of the Pakistan Arms Ordinance, 1965 (W.P.Ord. XX of 1965); and
(d) "offer" means an offer in writing submitted by the licensed dealer of arms and ammunition in a sealed envelops.

672. Details of un-cleared arms and ammunition and determination of value.- (1) Terminal operators, ports, airports and dry ports shall inform the respective Assistant Collector or Deputy Collector of Customs in-charge of examination at the respective port or land customs-station or air freight unit, as the case may be , about complete details of all arms and ammunition consignments which are not cleared within the stipulated period as provided for under section 82 of the Act.

(2) The Assistant Collector or as the case may be, the Deputy Collector shall determine the status or serviceability of the un-cleared arms and ammunition vis-a-vis their being current, in service or

otherwise through a representative of Pakistan Ordinance Factory, Wah (P.O.F) or nearest Combined Ordinance Depot (C.O.D).

(3) The arms and ammunitions, which is found to be non-current or non-serviceable shall be dealt with in terms of Para 34 (VIII) (b) of CGO 12 of 2002.

(4) The list of arms and ammunition which is found current or serviceable shall be communicated by the Assistant Collector or Deputy Collector to the relevant Collector who will have the customs value and reserve price determined for the same by a committee comprising of officers or officials of the Directorate General of Customs Valuation and the concerned Assessment Group of the Collectorate, with at least one Assistant Director or Assistant Collector from each organization.

(5) The customs value of old arms and ammunition may be reduced @ 1.5% per annum for arms and @ 3% per annum for ammunition, upto maximum of 50% depreciation. This depreciation shall, however, not be applicable in cases of antique arms and ammunition.

673. Invitation of offers.- (1) Arms and ammunition referred to in sub-rule (4) of rule 672 will be offered for disposal to licensed dealers having valid import authorization from the Ministry of Commerce and possessing sufficient quota for import of relevant category of arms through advertisement published

(2) Arms and ammunition may be offered for disposal in lots as may be convenient.

(3) The licensed dealers who have sufficient quota for import of relevant category of arms and who wants to purchase such arms and ammunition will be provided access to the strong room for inspection seven days prior to the prescribed date of disposal.

(4) After inspection all interested dealers shall submit their sealed offers to the Assistant Collector or Deputy Collector-in-charge of such disposal. The sealed offers will be opened on the specified date by the Assistant Collector or Deputy Collector in the presence of all the dealers or their authorized representatives who have submitted their offers.

(5) The name of the dealer making highest offer and its value will be openly announced by the Assistant Collector or Deputy Collector in the presence of all the dealers or their authorized representatives.

(6) If the highest offer is less than eighty per cent of the reserve price it shall be rejected by the Assistant or Deputy Collector on the spot and goods will be put to re-disposal.

(7) Fifty per cent of the highest offer amount will be deposited by the offerer or dealer on the same day i.e. day of falling of hammer, failing which his offer will be deemed to have been rejected and goods will be offered to the next highest offerer or dealer provided his offer is not less than eighty per cent of the reserve price.

(8) In case the second highest offer is less than eighty percent of the reserve price goods will be put to disposal afresh.

674. Acceptance of offer and conditions thereof.- (1) The Assistant or Deputy Collector in-charge of disposal, will forward the successful offer to the Collector for acceptance or otherwise, enclosing, inter alia, the arms dealer license and valid import authorization from Ministry of Commerce having sufficient quota for import of relevant category of arms, duly covering the quantity of goods being offered for disposal. Prior to forwarding the offer to the Collector, the Assistant or Deputy Collector will verify the dealer's license and import authorization from their original.

(2) The Collector may, if otherwise deem appropriate, accept the offer. However, in the absence of a valid import authorization or in the presence of a valid authorization but not having sufficient quota for

import of relevant category of arms, the offer will be accepted subject to provision of the same from the Ministry of Commerce within a period of thirty days, falling which his offer shall stand rejected automatically.

(3) On acceptance of offer by the Collector, balance amount of offer shall be deposited in the National Bank of Pakistan or Government Treasury-

(a) within two working days of acceptance if a valid import authorization from the Ministry of Commerce, having sufficient quota for import of relevant category of arms is available with the offerer;
(b) within two working days of receipt of import authorization from Ministry of Commerce, having sufficient quota for import of relevant category of arms is available with the offere; and
(c) in case of non-acceptance of balance as above, the fifty percent amount paid upfront shall stand forfeited.

(4) In case of non-acceptance of offer, 50% amount of money paid upfront will be refunded to the offerer.

675. Delivery of disposed of arms and ammunition.- (1) After acceptance of offer and payment of whole amount of offer the Assistant Collector or Deputy Collector, in-charge of disposal of arms and ammunition, will issue delivery orders, under his/her signature, giving name, address, arms dealer license number, NTN, date and place of disposal, lot number, full description and quantity, bore, serial number of the weapons and caliber of arms and ammunition to the successful bidder, Copy of the delivery order shall also be endorsed to the custodian.

676. Intimation if particulars of disposed of arms and ammunition.- (1) After delivery of arms and ammunition, written intimation shall be sent by the Assistant Collector or Deputy Collector, in-charge of such disposal, giving complete particulars, as per rule 675 to the Collector of Customs, Ministry of Commerce and Deputy Commissioner or DCO of the areas within whose jurisdiction business premises of the dealer are situated.

(2) The Collector of Customs, in whose jurisdiction registered business of the successful offerer is located, shall ensure that the import quota of relevant category of arms as authorized by the Ministry of Commerce, is properly adjusted so as to prevent exceeding quota ceiling by the successful offerer.

677. Power of Collector to cancel disposal of arms and ammunition.- Notwithstanding anything contained in this chapter, the Collector may-

(a) cancel the whole proceedings of the disposal of arms and ammunition without giving any reason;
(b) restrict or refuse the entry of any person or dealer to the premises where disposal of arms and ammunition is taking place; and
(c) may issue such general or special orders in writing to regulate the disposal of arms and ammunition with regard to public safety, as he may deem fit.

[89][CHAPTER XXVIII

Enforcement of Intellectual Property Rights

678. **Application.—** This chapter shall apply to imported goods only and shall not apply to parallel or grey market imports and de-minimus imports.

679. **Definitions.—** (1) In this Chapter, unless there is anything repugnant in the subject or context,—

(i) "Act" means the "Customs Act, 1969 (IV of 1969);

(ii) "applicant" means a person, including his duly authorized representative making an application on the form prescribed under these rules;

(iii) "de-minimis" imports" means and refer to small quantities of goods of non-commercial nature contained in the travelers personal baggage or sent through post or any other means of transmission;

(iv) “infringing goods” means any goods that are brought into the country in violation of the Copyright Ordinance, 1962 (XXXIV of 1962), the Trade Marks Ordinance, 2001 (XIX of 2001), the Patents Ordinance, 2000 (LXI of 2000), Registered Designs Ordinance, 2000 (XLV of 2000), Registered Layout-Designs of Integrated Circuits Ordinance, 2000 (XLIX of 2000) and section 15 of the Act;

(v) “intellectual property rights” means the rights protected under the Copyright Ordinance, 1962 (XXXIV of 1962), the Trade Marks Ordinance, 2001(XIX of 2001), the Patents Ordinance, 2000 (LXI of 2000), Registered Designs Ordinance, 2000 (XLV of 2000), Registered Layout-Designs of Integrated Circuits Ordinance, 2000 (XLIX of 2000) and section 15 of the Act;

(vi) “intellectual property laws” means the laws specified in the schedule to the intellectual property organization of Pakistan Act, 2012 (XXII of 2012);

(vi) "Intellectual property organization of Pakistan" (IPO-Pakistan) means the intellectual property organization of Pakistan established under section 3 of the intellectual property organization of Pakistan Act, 2012 (XXII of 2012);

(vii) "owner of goods" means an importer, including consignee or his duly authorized representative, who has imported infringing goods;

(vii) "parallel or grey market imports" are non-counterfeit goods which carry genuine trademarks and are imported into the country without the permission and consent of the right holder or outside his specified distribution system, provided that all other conditions for importation have been complied with under the Act and other relevant laws;

(viii) “person” means any natural or legal person and includes any association or body of individuals, whether incorporated or not;

(ix) “recordation database” means the database maintained by the IPO-Pakistan, in respect of the right holders registered with them and is shared with the Directorate General of IPR (Enforcement) in real time; and

(x) "right holder" means a natural or a legal person, including his successor in title, or duly authorized exclusive licensee as well as an individual, a corporation or an association authorized by any of the said persons to protect their Intellectual property rights.

(2) All other words and expressions used but not defined herein shall have the same meaning as defined in the Act and the intellectual property laws.

680. Application by the right holder for enforcement action.— (1) A right holder who has valid grounds for suspicion that imported goods are infringing his intellectual property rights protected under the Copyright Ordinance, 1962 (XIV of 1962) and the Trade Marks Ordinance, 200 (XIX of 2001), may, at the time of arrival of suspected goods at the notified customs station, make an application on the format set out in

Annexure-A to these rules, to the Director, IPR (Enforcement) having jurisdiction, requesting for initiating enforcement action against such goods.

(2) For goods infringing the provisions of the Patents Ordinance, 2000 (LXI of 2000), Registered Designs Ordinance, 2000 (XLV of 2000) and the registered layout-designs of Integrated Circuits Ordinance, 2000 (XLIX of 2000), the right holder or the Collector of Customs, as the case may be, shall follow the same course of action as prescribed under these laws.

(3) The applicant, along with the application, shall submit all prescribed documents as well as a notarized undertaking on the format as set out in Annexure-B to these rules, indemnifying the Customs authorities against all liabilities.

(4) The applicant, at the time of filing an application, shall also submit a bank guarantee on the format as set out in Annexure-C, from a scheduled bank for an amount of Pak Rupees five hundred thousand or twenty-five per cent of the value of suspected infringing goods, whichever is higher, to cover possible compensation for the losses suffered by the owner of goods due to false application, and payment of expenses on account of investigation, warehousing, maintenance, disposal of goods, etc. incurred after detention by Customs.

(5) The Director, IPR (Enforcement) shall refuse to entertain an incomplete application and inform in writing the applicant of the reasons for such refusal.

681. Action to be taken by the Directorate of IPR (Enforcement).—(1) The Director, IPR (Enforcement), upon receipt of an application from the right holder, shall consult the recordation database, so as to verify particulars of the right holder.

(2) When the right holder has applied for enforcement action in accordance with the provisions of these rules, the Director, IPR (Enforcement), shall order for detention of the goods suspected to be infringing goods and notify the same in writing to the applicant as well as to the owner of the goods, asking them to join the proceedings.

(3) Upon joining the proceedings by both the owner of the goods and the right holder, the detained goods shall be examined jointly by an officer of Customs appointed by the Collector having jurisdiction and an officer of the Directorate General of IPR (Enforcement), in presence of both parties.

(4) Upon determination of the fact that the detained goods infringe the Intellectual Property Rights of the Right Holder, such goods shall be seized by the Directorate General of IPR (Enforcement), and the case shall then be forwarded to the concerned Collectorate of Customs having jurisdiction for adjudication, as per the procedure laid down under the Act or judicial authority, as the case may be:

Provided that the owner of the infringing goods may, at any time prior to the seizure thereof, voluntarily give consent in writing to the Director IPR (Enforcement) for the goods being forfeited, in favor of the Federal Government, and upon receipt of such consent, the Director IPR (Enforcement) shall order forfeiture of the infringing goods.

(5) The Director, IPR (Enforcement) to whom an application is made, shall ensure confidentiality of the information contained in the application, unless there is need of disclosure pursuant to any law of the country.

(6) In case a party to a proceeding willfully and without good reason refuses access to or otherwise does not provide necessary information within a reasonable period or significantly impedes a procedure relating to an enforcement action, the officer conducting enforcement action shall have the power to make preliminary and final determinations, affirmative or negative, on the basis of information presented to him including the complaint or the allegation presented by the party adversely affected by the denial of access to information, subject to providing the parties an opportunity to be heard on the allegations or evidence.

682. Action on receipt of information from Customs.—(1) An officer of Customs, having reasonable grounds to believe that the goods infringing the provisions of the Copyright Ordinance, 1962 (XIV of 1962), the Trade Marks Ordinance, 2001 (XIX of 2001) or section 15 of the Act have arrived at the Customs station of his jurisdiction, shall, with the prior approval of the concerned Additional Collector, inform in writing the concerned Directorate of IPR (Enforcement) for taking cognizance in accordance with these rules.

(2) Upon receipt of notice from the officer of Customs intimating about arrival of infringing goods at the Customs station, the Directorate of IPR (Enforcement) shall immediately consult the recordation database to determine as to whether or not, any right holder of infringing goods is registered with IPO-Pakistan.

(3) If the right holder of infringing goods is registered with IPO-Pakistan, the Director, IPR (Enforcement), shall issue him a notice intimating about arrival of infringing goods at a Customs station and seeking right holder's consent to initiate enforcement action against the infringing goods.

(4) In case the right holder is desirous of initiating enforcement action against infringing goods brought at a Customs station, he shall submit an application along with notarized undertaking and bank guarantee, as prescribed under rule 680.

(5) Upon receipt of notice under sub-rule (4), the Directorate of IPR (Enforcement) shall proceed in accordance with rule 681.

(6) If the right holder does not opt for initiating enforcement action against the infringing goods, the Directorate of IPR (Enforcement) shall allow release of infringing goods and notify the same to the concerned Collectorate of Customs.

683. Encashment of bank guarantee.—Where bank guarantee submitted by an applicant under sub-rule (4) of rule 680 has been ordered to be en-cashed, the proceeds thereof shall be used as follows:-

(a) first to pay the expenses incurred by the Customs on account of enforcement action;
(b) then to pay the charges incurred on account of demurrage, detention, warehousing, etc.; and
(c) the balance, if any, shall be refunded to the right holder.

684. Insufficient security.—If the bank guarantee submitted by the applicant right holder is not sufficient to meet expenses incurred as a result of the enforcement action taken by Customs under these rules and to cover the expenses as aforesaid, the differential amount shall be construed as a liability on the applicant, which shall be recovered from him under the provisions of section 202 of the Act.

685. Disposal of infringing goods.— (1) The infringing goods, upon confiscation or forfeiture shall be destroyed in accordance with the provisions of the Act.

(2) Re-exportation and local sale of counterfeit and pirated goods in any state, whether altered or unaltered or by subjecting them to a different customs procedure shall not be allowed.

(3) The Director IPR (Enforcement) or Collector of Customs having jurisdiction shall retain samples of counterfeit or pirated goods prior to their destruction or disposal, for a period of one year or during pendency of litigation or to display the same for informative or training purposes.

686. Miscellaneous.— Notwithstanding anything contained in these rules, the Director, IPR (Enforcement) or the Collector of Customs having jurisdiction may, in exercise of the powers conferred under section 15 of the Act, detain any goods for IPR infringement of health and safety standards.

ANNEXURE – A

[see rule 680 (1)]

APPLICATION

Part 1 – Details of person making application: -

I ……..bearing CNIC No: …….
(Full name of signatory in BLOCK LETTERS)
NTN No ……..
Right Holder □ Holding Power of Attorney □
Declare that …….
(Full individual /company/business name and address in BLOCK LETTERS)……..…
Is/are the Right Holder or authorized attorney or legal representative of the Right Holder.

Part 2a – Details of registered intellectual property right in question: -

IPR Presentation 1	**IPR Presentation 2**	**IPR Presentation 3**

IPR (Word/Logo/design) (attach presentation / photo): ……
IPR Registration No …… Date: ……. Class of Goods/services: …… H.S. Code: ……Description of Goods /services: …….
……
Recordation No: …… Date: ……..(if already recorded)

Part 2b- Past history of recordation: -

1. Do you have any valid Recordation of a Registered IPR other than the current Application?
Yes: □ No: □
If yes, then give details of the following: -
Recordation No. and date (i) ……
(ii) ……..
(iii) …….
2. Do you have any pending Recordation Application (s)? Yes □ No □
If yes then, then give details of the following:
Application No. and date (i) ……..
(ii) …….
(iii) ……

Part 3 – Description of goods to be covered: -

I request Customs to detain the following type(s) of goods that I have reason to believe is /are counterfeit / pirated /infringing. (Also specify any component parts of Counterfeit / infringing Goods, e.g., buttons, labels, packaging materials etc.)

S. No.	Description of goods	H.S. Code	Import	Origin
1.				
2.				
3.				

Part 4 – Details of expected movements of suspected counterfeit / pirated / infringing Goods described in part 3 above (where known):

Place of Customs declaration …….
IGM No ……
Index No ……..
Goods Declaration (GD) No ……..

Container # : ……
Date of expected arrival of goods ……..
Means of transport …….
Importer's details …….
Value of goods in the container Rs ……
CIF Value of Counterfeit or Pirated Goods in the container Rs ……..

Part 5 – Details of authorized traders in legitimate goods: -

(i) I/we have authorized anyone to trade in this right. 1.YES 2.NO

If yes, then:

(ii) Only the following companies have my/our authorization to trade in the legitimate produce within or outside Pakistan. (These details are required to avoid unnecessary disruption of legitimate trade).

Sr. No	Name	Address
1		
2		
3		

Part 6-- Details of Importer (if known) of suspected/counterfeit/pirated/infringing goods

I have reasons to believe that the following persons or companies are involved in the importation of counterfeit or pirated or infringing goods.

Sr. No	Name	Address (including contact number and email)
1		
2		
3		

Part 7 Details of suppliers (if known) of suspected/counterfeit/pirated/infringing goods

Sr. No	Name	Address (including contact number and email)
1		
2		
3		

Part 8 Statement of grounds for detention of goods

A statement of grounds for the detention of goods of the counterfeit or pirated or infringing goods with prima facie evidence (attach extra sheet). 1. YES 2. NO

Part 9- Details of mandatory bond/surety for detention of goods:

1 Indemnity Bond (Annex-B) 1. YES 2. NO

Amount:_____ Date:_____

2. Bank Guarantee (Annex-C) 1. YES 2. NO

BG No._____ Dated_____ Drawn on_____ for the amount of Rs._____ valid till_____ or later.

I_____ DECLARE THAT:-

(a) all the details in this application are true and accurate to the best of my knowledge and belief.

(b) I have read and understood chapter XXVI of Customs Rules, 2001 and indemnify officers/staff of Directorate General Intellectual Property Rights Enforcement and functionaries of Customs department from any liability arising out of this application.

(c) I will abide by the provisions of all the legal instruments and application conditions mentioned in the aforesaid rules.

(d) I have attached the following documents/information:-

(i) IPR Registration Certificate (certified copy)
(ii) Copy of CNIC
(iii) Copy of NTN
(iv) Copy of Passport

(v) Indemnity Bond (Annex-B) and Bank Guarantee (Annex-C)
(vi) Certified copy of Power of Attorney (in case of authorized representative)
(vii) Samples/Photos/media (if available)
(viii) A statement of the grounds for detention of goods of the counterfeit goods/pirated goods with *prima facie* evidence.

Name (in block letters**)_____Signatures:_____**
Contact details of the person authorized to interact on this application/right with Customs:
Name:_____
CNIC:_____
Designation(if any):_____
Tel.off:_____
Tel.Mobile:_____
E-Mail:_____
Postal Address:_____
ANY OTHER INSTRUCTIONS OR INFORMATION:_____

ANNEXURE-B
[see rule 680 (3)]

FORM OF INDEMNITY (SURETY) BOND FOR ENFORCEMENT ACTION
(On non-judicial stamp paper of appropriate value)

INDEMNITY BOND No:-_____
DATED:_____
AMOUNT: PKR:_____
VALIDITY:_____
1. THIS DEED OF INDEMNITY MADE AT _____ this_____ day of _____ between_____having its registered office at_____ (hereinafter called "the Right Holder" which expression shall mean and include the said _____ and its successors and assigns) of the one part AND COLLECOR OF CUSTOMS,_____, GOVERNMENT OF PAKISTAN.

2. WHEREAS the Right Holders have made an Application to the Collector of Customs/Director (hereinafter referred collectively and severally as Collector of Customs) to pass Detention Order (hereinafter called the Order) in respect of Counterfeit/Pirated Goods and the Collector has required that an indemnity bond for the amount equal to 25% of the Customs value of the goods determined by Customs (hereinafter referred as the indemnity sum) or Pak Rupees 500,000/-, whichever is higher, as well as security in the form of Bank Guarantee as specified in chapter XXVI of Customs Rules, 2001.

3. AND WHEREAS the right holder has executed this indemnity bond agreeing to bind himself/themselves/itself firmly, fully and un-conditionally to the Collector of Customs to pay immediately on demand, the indemnity sum as determined by the Collector of Customs in the event of a decision adverse to the right holder being given by the Customs department an event or vacation of any stay etc. which necessitates said payment to be made, whichever is later.

4. AND WHEREAS the right holders have asked for the Customs assistance in enforcement of their right, the Right Holders indemnify Federal Board of Revenue, Pakistan Customs and its officers from any liability arising out of the Enforcement Action or any inadvertent release of such Counterfeit Goods/Pirated Goods or any other action taken in good faith in respect of such Counterfeit Goods/Pirated Goods.

5. The Right Holders further agree and bind themselves that the amount covered by this bond shall be recovered under section 202 of the Customs Act, 1969.

6. We, the Right Holders, do hereby agree and undertake to make the payment of the indemnity sum of Rs._____(Rupees_____) to the Collector of Customs, within the seven days of the issuance of a demand by the said Collector of Customs any other officer authorized by him, without any condition, qualification, reservation, demur or objection or let or hindrance.

7. This indemnity bond is valid up to _____ or the date of full payments to the Collector of Customs,_____ of the amount payable under this bond, and will automatically renew till it is discharged by the Collector.

8. Now the condition of the above written bond is such that if the Right Holder shall immediately, on demand or in the event the decision adverse to the Right Holder being given by the Customs department, or dismissal of writ petition/special leave application or any further order of a competent court of law, whichever is later, pay to the Collector of Customs on demand immediately the full aforesaid indemnity sum of PKR (Rupees_____Only), then the above written bond shall be discharged, otherwise the same shall remain in full force and virtue and shall automatically renew if such event does not take place within the stipulated period of the bond.

9. That this bond shall remain effective notwithstanding the dissolution of change in the constitution of the Right Holder firm or association of persons or the winding up of the Right Holder's company, or death of the Right Holder, as the case may be.

10. That this guarantee shall remain effective notwithstanding any forbearance of the Collector not to sue or take any other measures for the recovery of the amount of this guarantee or the indemnity sum, or the amount of partial/installment recovery made from the Right Holder and not withstanding that the Collector allows time or permits some other arrangement for payment to the Right Holder or if the Collector takes any measures to recover the amount payable by the Right Holder.

11. A demand in writing by the Collector shall be deemed to have been duly given to us (the Right Holder) by informing us and sending the same at our given address above and shall be effective notwithstanding any change in the said address and notwithstanding notice of such change to the Collector.

12. We, M/S_____ undertake to make the payment of Rs._____ (Rupees_____ only) on receipt of demand from the Collector of Customs in this regard, or by an officer authorized by the Collector in this regard, without objection or reservation or any reference to the Right Holder within seven 7 (seven) days of the receipt of demand and in case of delay in payment on any account, with the compensation at the rate of 20% (Bank rate) per annum for the period from the date of expiry of 7 (seven) days to the date when the actual payment is made to the Collector of Customs,_____ account.

13. The bond contained in this Deed is irrevocable, unconditional and unqualified and shall remain in force until the said sum of Rs._____(Rupees_____ only) is paid in full irrespective of anything or on any grounds whatsoever.
For and on behalf of:
Accepted for and on behalf of the Collector of Customs,
(Signature of Authorized Officer)
In presence of 1._____

2._____

ANNEXURE-C
[see rule 680 (4)]

FORM OF BANK GUARANTEE (SECURITY) FOR ENFORCEMENT ACTION

(On non-judicial stamp paper of appropriate value)

Bank Guarantee No._____
Dated:_____
Amount: PKR_____
Validity: _____

THIS DEED OF GUARANTEE MADE AT _____this_____ day of _____ between _____ having its registered office at _____ and one of its branches at _____ (hereinafter called the Bank which expression shall mean and include the said _____ and its successors and assigns) of the one part and COLLECTOR OF CUSTOMS, _____, GOVERNMENT OF PAKISTAN.

2. WHEREAS M/S _____, having resident/registered office _____ (hereinafter called the "Right Holder") which expression shall mean and include the said _____ and its successors and assigns) have made an application to the Collector of Customs/Director (hereinafter referred to as Collector) to pass a Detention Order (hereinafter called the Order) in respect of Counterfeit/Pirated goods and the Collector has required that an indemnity bond for the amount equal to 25% of the Customs value of the goods determined by Customs (hereinafter referred to as Indemnity sum) OR Pak Rupees 500,000/-, whichever is higher, as well as security in the form of Bank Guarantee, amounting to Rs. _____ (Rupees_____) (henceforth referred to as the Bank Guarantee sum) as specified in chapter XXVI of Customs Rules, 2001.

3. AND WHEREAS the Right Holder has executed an indemnity bond agreeing to bind himself/themselves/itself firmly, fully and un-conditionally to the Collector of Customs to pay immediately on demand, the indemnity sum as determined by the Customs department in the event of a decision adverse to the Right Holder being given by the Customs department or an event or vacation of any stay, etc, that necessitates said payment to be made, whichever is later.

4. AND WHEREAS the Right Holders have requested us to furnish a Bank Guarantee to the sum of Rs._____ (Rupees _____) in favor of Collector of Customs,_____.

5. We, _____ Bank Ltd, having offices at _____ do hereby agree and undertake to make the payment of the Bank Guarantee sum of Rs._____ (Rupees) to the Collector of Customs,_____ within seven days of the issuance of a demand by the said Collector of Customs or any officer authorized by him, without any condition, qualification, reservation, demur or objection, or without any reference to the Right Holder. This guarantee is valid up to _____ or the date of full payment to the Collector of Customs, _____ of the amount payable under this guarantee, and will automatically renew till it is discharged by the Collector.

6. NOW THE CONDITION of the above written bond is such that if the Right Holder shall immediately, on demand or in the event the decision adverse to the Right Holder being given by the Customs department, or dismissal of writ petition/special leave application or any further order of a court of law, whichever is earlier, pay to the Collector of Customs on demand immediately the full aforesaid indemnity sum of Rs._____ (Rupees_____ only) then the above written bond shall be discharged, otherwise the same shall remain in full force and virtue and shall automatically renew if such event does not take place within the stipulated period of the bond.

7. That this guarantee shall be enforceable notwithstanding any change in the name of the bank and its restructuring, amalgamation or merger with any other bank or concern.

8. That this guarantee shall remain effective notwithstanding the dissolution of change in the constitution of the Right Holder firm or association of persons or the winding up of the Right Holder's company, or death of the Right Holder, as the case may be.

9. That this guarantee shall remain effective notwithstanding any forbearance of the Collector not to sue or take any other measures for the recovery of the amount of this guarantee or the indemnity sum, or the amount of partial/installment recovery made from the Right Holder and not withstanding that the Collector allows time or permits some other arrangement for payment to the Right Holder or if the Collector takes any measures to recover the amount payable by the Right Holder.

10. A demand in writing by the Collector shall be deemed to have been duly given to us (the Guarantor) by informing us and sending the same at our given address above and shall be effective notwithstanding any change in the said address and notwithstanding notice of such change to the Collector.

11. _____Bank Ltd _____ undertake to make the payment of Rs._____ (Rupees_____ only) on receipt of demand from the Collector of Customs in this regard, or by an officer authorized by the Collector in this regard, without objection or reservation or any reference to the Right Holder within seven 7 (seven) days of the receipt of demand and in case of delay in payment on any account, with the compensation at the rate of 20% (Bank rate) per annum for the period from the date of expiry of 7 (seven) days to the date when the actual payment is made to the Collector of Customs,_____ account.

12. The guarantee contained in this Deed is irrevocable, unconditional and unqualified and shall remain in force until the said sum of Rs._____(Rupees_____ only) is paid in full irrespective of any instruction by the importer to the guarantor to withhold payment thereof or on any grounds whatsoever.

Accepted for and on behalf of the Collector of Customs,

(Signature of authorized officer)

In the presence of 1._____
2._____]

[92][CHAPTER XXIX
TRANSPORTS INTERNATIONAUX ROUTIERS (TIR) RULES

687. Short title.– These rules may be called the International Transport of Goods under Cover of TIR Carnets (TIR) Rules.

688. Scope.– The rules shall prescribe the procedure for transportation of goods as envisaged in the TIR Convention, 1975.

689. Definitions.– (1) In this Chapter, unless there is anything repugnant in the subject or context, –

(i) "annexure" for the purposes of these rules, means the relevant annexure of the TIR Convention, 1975;

(ii) "authority" in relation to these rules, means the concerned Ministry of the Federal Government, as per the Rules of Business, 1973, and for all other matters, the Federal Board of Revenue;

[112][(iia) "body" means Pakistan Naitonal Committee of International Chamber of Commerce (PNC-ICC Paksitan);]

(iii) "Convention" means the Customs Convention on the International Transport of Goods under the cover of TIR Carnets generally referred to as TIR Convention, 1975;

(iv) "container" means an article of transport equipment; (i) fully enclosed to constitute a compartment intended for containing goods, (ii) of a permanent character and accordingly strong enough to be suitable for repeated use,(iii) specially designed to facilitate the transport of goods by one or more modes of transport without intermediate reloading, (iv) designed for ready handling, particularly when being transferred from one mode of transport to another, (v) designed to be easy to fill and to empty, and (vi) demountable bodies are to be treated as containers;

(v) "combination of vehicles" means coupled vehicles, which travel on the road as a unit;

(vi) “contracting party” means a party to the Customs Convention on the International Transport of Goods under Cover of TIR Carnets (TIR Convention, 1975);

(vii) "Customs office of departure" means the Customs office of a contracting party where the TIR transport of a load of goods begins;

(viii) "Customs office of destination" means the Customs office of a contracting party where the TIR transport of a load of goods ends;

(ix) "Customs office *en route*" means the Customs office of a contracting party through which a road vehicle, combination of vehicles or container enters or leaves the Contracting Party in the course of a TIR transport;

(x) “discharge of a TIR operation” means the recognition by Customs authorities that the TIR operation has been terminated correctly by a contracting party. This is established by the Customs authorities on the basis of a comparison of the data or information available at the Customs office of destination or exit (*en route*) and that available at the Customs office of departure or entry (*en route*);

(xi) “guaranteeing and issuing association” means the Pakistan National Committee of International Chamber of Commerce (PNC-ICC Pakistan) or any other association (hereinafter referred to as the “Association”) authorized by the Board for issuing TIR Carnets and in case of any irregularity, for guaranteeing payment of import or export duties and taxes leviable on goods, transported under TIR Carnet into or through the country as well as any adjudged amount of fine and penalty in respect of such irregularity as provided in the Protocol signed between the Association and Pakistan Customs.

(xii) “guaranteeing chain” means a guaranteeing scheme administered by the IRU to which the Association is affiliated;

(xiii) “heavy or bulky goods” mean any heavy or bulky object which because of its weight, size or nature is not normally carried in a closed road vehicle or closed container;

(xiv) “holder” of a TIR Carnet means the person to whom a TIR Carnet has been issued in accordance with the relevant provisions of these rules or on whose behalf a Customs declaration has been made in the form of a TIR Carnet to place goods under the TIR procedure at the Customs office of departure;

(xv) "import or export duties and taxes" means Customs duties and all other duties and taxes, leviable at the time of import or export under the Customs Act, 1969 and any other law in force including any default surcharge;

(xvi) “international organization” means an organization authorized by the administrative committee constituted under the Convention to take on responsibility for the effective organization and functioning of an international guarantee system;

(xvii) “IRU” means the International Road Transport Union;

(xviii) “irregularity” means breach, violation, non-observance or misuse of any provision of these rules;

(xix) “load” means the cargo in transportation under these rules;

(xx) “national authorization committee” means the committee headed by director transit trade, Karachi and comprising of representatives of the Ministry of Communications, Ministry of Commerce, Ministry of Interior and Association, as notified by the Board;

(xxi) "PCCSS" refers to Pakistan Customs Container Security System that encompasses sealing as well as de-sealing of import (safe transportation), export, transshipment or transit cargo throughout Pakistan;

(xxii) "person" means both natural and legal persons and includes a company and association, a body of individuals whether incorporated or not;

(xxiii) "Real-Time SafeTIR (RTS)" refers to the portal or application of the IRU, which ensures automatic exchange of information related to TIR Carnets between the IRU and Pakistan Customs;

(xxiv) "road vehicle" means any rigid road vehicle, articulated vehicle, unaccompanied trailer or semitrailer including any power-driven road vehicle and any trailer or semi-trailer designed to be coupled thereto;

(xxv) "start of a TIR operation" means that the road vehicle, the combination of vehicles or the container have been presented for purposes of control to the Customs office of departure or entry (*en route*) together with the load and the TIR Carnet relating thereto and that the TIR Carnet has been accepted by the Customs office;

(xxvi) "supplementary financial guarantee" means an [112][Insurance guarantee from at least an "A" rated insurance company] obtained by the Association from the TIR Carnet holder at the time of authorization to cover adjudged fines and penalties in case of any irregularity in respect of TIR operations;

(xxvii) "termination of a TIR operation" means that the road vehicle, the combination of vehicles or the container have been presented for purposes of control to the Customs office of destination or of exit (*en route*) together with the load and the TIR Carnet relating thereto;

(xxviii) "TIR Carnet" means customs transit document as prescribed in Annex-1 to the Convention, used to establish the existence of the international guarantee for duties and taxes for the goods transported under the TIR system, within the limits of the amounts specified by the contracting parties and under the conditions stipulated in the TIR Convention 1975 and as specified in version 1, Annex 1 to the Convention;

(xxix) "TIR-EPD (electronic pre-declaration)'' refers to the portal or application of the IRU which allows a TIR Carnet holder to submit advance information on goods transported under TIR procedure to Customs authorities;

(xxx) "TIR operation" means the part of a TIR transport that is carried out in a contracting party from a Customs office of departure or entry (*en route*) to a Customs office of destination or exit (*en route*);

(xxxi) "TIR plus voucher" means a higher level guarantee as specified in the Addendum to the Guarantee Agreement signed between Pakistan Customs and the Association; and

(xxxii) "TIR transport" means the transport of goods from a Customs office of departure to a Customs office of destination under the TIR procedure as laid down in these rules.

(2) All other expressions used and not defined in these rules shall have the same meaning as has been assigned to them in the Act or in the Convention.

690. Movement of prohibited and restricted goods.- The TIR regime shall preclude transport of goods, which are prohibited under a statutory notification issued by the Ministry of Commerce or without fulfillment of conditions imposed in respect of items restricted for TIR under such notification.

691. Vehicles, containers eligible for carrying goods under TIR Carnet.- A TIR operation, originating from Pakistan, shall only be carried out—

(a) by approved road vehicles, as defined in rule 689 (1) (xxiv) that are issued with an individual certificate of approval, by the vehicle authorization authority and such vehicles must display TIR plates as specified in Annex-2 and Annex-3 to the Convention when carrying goods under the TIR regime;

(b) in containers, which have been manufactured according to a specific design and are sealable, duly supported by certificate of approval issued by the appropriate body, as provided in Annex-4 and each container having a permanently affixed approval plate of the type shown in Annex-5. A single certificate of approval may cover several containers; and

(c) in case of transportation of transit load, except in the case of heavy, bulky and oversized cargo, in a secured load compartment (attached or otherwise).

692. Approval of road vehicles and containers for transport of cargo under TIR.- The certification process for approval of vehicles and containers, to be used for international transportation, shall be carried out by the authority in case of vehicles and body in case of containers, duly endorsed by Customs by adhering to the standards and specifications laid down in Annex-2, Annex-3 and Annex-7 to the Convention. The certificate of approval issued by the designated authority or body, in respect of vehicles and containers, as the case may be, shall conform to the specimen provided in Annex-2, Annex-4 and Annex-7 respectively.

693. Special arrangements for heavy, bulky or oversized cargo.- (1) Vehicles other than those approved for TIR, may be used for the transport of heavy, bulky and oversized objects or goods under TIR if the customs authority of the office of departure is satisfied that-

(a) the goods cannot readily be carried in approved vehicles;
(b) the goods can be easily identified from the description on the TIR Carnet or can be affixed with customs seal or provided with identifying marks, so as to prevent any substitution or removal of the goods without it being obvious; and
(c) the carrying vehicle contains no concealed spaces where other goods may be concealed.

(2) In cases under this rule, the Association shall ensure that the cover and all vouchers of the TIR Carnet are clearly endorsed with the words "heavy and bulky goods" or its French equivalent "*marchandises pondéreuses ou volumineuses*" in bold letters.

(3) Customs office of departure shall take the following actions when a TIR Carnet holder wants a load to be carried in an unapproved vehicle as heavy and bulky goods:-

(a) ensure that the above conditions have been met;
(b) check that the cover of the TIR Carnet and all the vouchers are endorsed with the words "heavy and bulky goods" or its French equivalent "*marchandises pondéreuses ou volumineuses*" in bold; and
(c) if packing lists, photographs or drawings are produced, then such documents must bear name and stamp of the Customs TIR processing officer along with date and be attached to the inside cover of the TIR Carnet ensuring that reference is made to them on the manifest of each voucher.

(4) It is not necessary to affix a seal for TIR movements designated 'heavy and bulky goods'. The TIR Carnet holder or his representative must secure TIR plates to the front and rear of the vehicle or vehicles or combination of vehicles so that they are clearly visible.

694. TIR documents. -The following documents shall be presented by the TIR Carnet holder to the Customs TIR processing officer, namely:–

(a) TIR Carnet;
(b) weighment slips;
(c) invoice;
(d) vehicle and container approval certificates; and
(e) packing list.

695. Validity of TIR Carnet.- (1) The Association shall fix the period of validity of the TIR Carnet by specifying a final date of validity after which the Carnet shall not be accepted at the Customs office of departure.

(2) A single TIR Carnet cannot be used to cover more than one vehicle or combination of vehicles; and

(3) If necessary, correction on the TIR Carnet shall be made by crossing out the incorrect particulars and adding, if necessary, the required particulars. Such change shall be initialed by the person making it and endorsed by the Customs authorities. Any corrections, on the TIR Carnet, made in a manner other than as prescribed above shall not be accepted.

696. Eligibility of transport operators to access TIR procedure.- (1) The following minimum requirements and conditions are to be complied with by persons for admission to the TIR procedure, namely:–

(a) the company [112][shall] be a limited company having proven experience or, at least, capability to engage in regular international transport and holding a permit issued by the Ministry of Communications or such other administrative Ministry for carrying out international transport;

[112][(b) have a sound financial standing with certified bank statements and last audited accounts with filed returns. In case of a newly formed or converted entity to private limited, the applicant entity shall provide a certificate of sound financial standing and bank statement from recognized scheduled bank, along with a legal undertaking to provide audited financial statements of three years of registration, as a limited (ltd.) company, after the completion of two years. This should also include the entity's existing tax NTN registration of the entity or its principal proprietor/applicant;]

(c) have a minimum number of vehicles registered in its name as given below:–

(i) in case of a local transport company, [112][one] vehicles;
(ii) in case of a foreign transport company, [112][five] vehicles; and
(iii) in case of a joint venture of foreign and local partners, the company must possess at least [112][five] vehicles registered in its name;

[112][(d) to furnish a supplementary financial guarantee to the Association in the form of insurance guarantee (from an "A" rated insurance company) as given above in rule 689, of fifteen million rupees or defence saving certificates of the equivalent amount [125][on the format prescribed in **Appendix-I**] in terms of clause (xxvi) of sub-rule (1) of rule 689 in favour of Director, Directorate of Transit Trade, Pakistan Customs, Karachi

(e) proven knowledge of Customs law, procedures and in the application of the Convention;

(f) no previous record of serious or repeated offences against Customs or tax legislation;

(g) holder of National Tax Number and Sales Tax Registration Number under the provisions of Income Tax Ordinance 2001 (XLIX of 2001) and Sales Tax Act, 1990 respectively;

(h) should be active [112][register] taxpayer;

(i) should be registered with Customs Computerized System [112][WeBOC];

(j) [112][shall] be registered with Securities and Exchange Commission of Pakistan under the Companies Act, 2017 (XIX of 2017) and with Chamber of Commerce and Industry.

[112][(k) shall submit attested copies of valid registration and vehicle fitness certificate issued by designated standard inspection facilities for validation by National Highways and Motorways Police;]

(l) an undertaking in a written declaration of commitment to the Association that the person–

(i) will comply with all Customs formalities required under the Convention at the Customs offices of departure, *en route* and of destination;

(ii) will pay the sums due, mentioned in rule 711, if required to do so by the Customs authorities; and

(iii) will allow associations to verify information on the above minimum conditions and requirements, as far as national legislation permits; and

(m) fulfill the guarantee requirements of the Association.

(2) Additional and more restrictive conditions and requirements for access to the TIR procedure may be introduced by the Association subject to approval by the Board.

697. Procedure for approval of authorization to access TIR system.- (1) A person seeking access to the TIR procedure may file application with the Association which, after initial scrutiny vis-a-vis requirements laid down in rule 696, shall forward the same to the national authorization committee for grant of authorization as a transport operator.

(2) The national authorization committee headed by Director Transit Trade, Karachi and comprising representatives of the Ministry of Communications, Ministry of Commerce, Ministry of Interior and Association shall scrutinize the application to assess and analyze the applicant's eligibility in terms of the criteria mentioned in sub-rule (1) of rule 696 and then proceed to approve or reject such application within thirty days of its receipt from the Association.

(3) Director Transit Trade, Karachi shall suspend authorization of a transport operator who fails to remain eligible on account of serious or repeated offenses or non-fulfillment of criteria as laid down in sub-rule (1) of rule 696 and is deemed to be unsuitable for access to TIR under intimation [112][with the approval of national authorization committee and update the Customs Computerized Systgem accorindly.].

698. Issuance of TIR Carnets by guaranteeing and issuing Association.- (1) The Association shall be authorized to act as guarantor and issue TIR Carnets, in terms of Annex 9 to the Convention, to persons meeting the requirements and conditions as laid down in rule 696, for availing the TIR procedure.

(2) The Association shall enter into a guarantee agreement with the Board to act as guarantor of import or export duties and taxes in respect of all TIR Carnets issued under the Convention.

(3) The Association shall also sign a separate protocol with the Board to act as guarantor for any adjudged amount of fine and penalty, in case of any irregularity in a TIR operation.

(4) In case the Association fails to fulfill the minimum conditions and requirements of the Convention, the Ministry of Commerce shall, on recommendation of the Board, revoke the authority of the Association, under Annex 9 to the Convention.

699. Processing of TIR Carnet by Customs.- (1) The TIR Carnet holder shall make electronic pre-declaration (EPD) *via* TIR-EPD prior to arrival at the Customs office of departure, entry and exit (*en route*), or destination, which shall contain the name and address of consignor and consignee, container number, if applicable, description of goods, weight, quantity, eight digit Pakistan Customs Tariff code, value of consignment, marks and numbers. A unique Customs reference number shall be allotted to the TIR-EPD by the Customs Computerized System. The Carnet holder shall present the road vehicle, the combination of vehicles or the load together with the documents listed in rule 694 at the Customs office of departure, entry (*en route*), exit (*en route*) or destination, as the case may be.

(2) The validity and genuineness of TIR Carnet shall be automatically crosschecked by Customs Computerized System *via* the Real-Time SafeTIR portal. The Customs TIR processing officer may also crosscheck the validity and genuineness of TIR Carnet through the bar code printed thereon.

(3) The Customs TIR processing officer shall enter information regarding sealing and weighment into Customs Computerized System, which shall be transmitted to the IRU computerized database

and ensure completion of customs processing at the office of departure, entry (*en route*), exit (*en route*) and destination as follows: -

A. Exports under TIR,–

(i) the export consignment shall undergo the prescribed Customs procedures for processing of exports goods declaration (GD) in terms of section 131 of the Act;

(ii) after system generated message indicating completion of Customs formalities of an export consignment, the TIR Carnet holder shall produce the load and vehicle or container together with the TIR Carnet and documents, prescribed in rule 694, at the Customs office of departure;

(iii) the Customs TIR processing officer shall scrutinize the TIR Carnet to check its validity date and the stamp and signature of TIR Carnet issuing authority. He shall also check the vehicle approval certificate, invoice, packing list, photographs of cargo if required, and weighment slip. He may also scan the barcode on the TIR Carnet to verify its authenticity through Real-Time SafeTIR (RTS);

(iv) the officer shall record the following information on the sheet and counterfoils of the TIR Carnet and in the Customs Computerized System:–

(a) endorse, EXPORT, on the part envisaged for official use of the TIR Carnet;
(b) the list of additional documents attached to the TIR Carnet, in case it is not specified on the TIR Carnet;
(c) the name of the Customs Collectorate where the export GD was filed and its machine number allotted by the Customs Computerized System;
(d) the name of the country to which the consignment is destined and the names of *en route* Customs stations;

(v) the Customs TIR processing officer shall scrutinize the Customs examination report on the export GD against the description and quantity mentioned in the TIR Carnet and in case the consignment has not been examined, he shall carry out inspection thereof and feed the report in the system;

(vi) vehicle and container shall also be inspected to ensure that the TIR approval plates are affixed thereon and its load compartment is secured and has no secret compartment;

(vii) thereafter, the Customs TIR processing officer shall seal the load compartment or container and enter the sealing information in the Pakistan Customs Container Security System (PCCSS) and after verification of approved vehicle data by the Customs Computerized System, the "release for transit" message shall be generated by the system which shall also be transmitted to the IRU computerized data base;

(viii) voucher 1 of the TIR Carnet shall be detached and retained by the Customs office of departure and the TIR Carnet shall be handed over to the driver to start journey;

(ix) at the Customs office of exit (*en route*) of Pakistan, the road vehicle, the combination of vehicles or the container together with the load and the prescribed documents shall be produced, for purposes of inspection, to the Customs authorities;

(x) the load compartment or container shall be scanned at Customs office of departure and exit (*en route*), subject to availability of scanner. The weighment of the load shall be done and the seals affixed by Customs office of departure shall be inspected by the Customs office of exit (*en route*) to verify the seal number against the particulars fed in the Customs Computerized System at the Customs office of departure and the seal number mentioned on TIR Carnet;

(xi) if no visible signs of tampering with the load compartment or its seal are found and the weighment done at the Customs office of exit (*en route*) corresponds to the weighment information recorded at the office of departure (up to five percent tolerance level), the Customs TIR processing officer shall process the TIR Carnet for onward transit;

(xii) in case of any suspicion or credible information or visible signs of tampering with the seal or load compartment or variation in weight of cargo (up to five percent variation permissible) or variation in scanning images, an officer not below the rank of an Assistant Collector of Customs or Assistant Director of Customs shall authorize the examination of the load;

(xiii) in case where the Customs authorities conduct an examination of the load at a Customs office (*en route),* they shall record their findings on the remaining TIR Carnet vouchers, the corresponding counterfoils and in Customs Computerized System, particulars of the new seals affixed and of the customs activities carried out.

(B) Transit under TIR,-

(i) in case of transit cargo, the Carnet holder shall present the road vehicle, the combination of vehicles or the container together with all documents as mentioned in rule 694 at Customs office of entry (*en route*);

(ii) the load compartment or container shall be scanned at the Customs office of entry (*en route*), subject to availability of scanner. Thereafter, transit cargo shall undergo weighment and verification of seals affixed by the Customs office of departure;

(iii) the Customs TIR processing officer of entry (*en route*), in Pakistan, shall inspect the container to verify the seal number as mentioned on the TIR Carnet. He may also crosscheck the validity and genuineness of TIR Carnet and the details of journey through the bar code printed thereon or through Real-Time Safe TIR (RTS) portal of the IRU. In case of any suspicion, the images of the seals shall also be crosschecked from the United Nations Economic Commission on Europe (UNECE) website;

(iv) the Customs TIR processing officer of entry (*en route*) shall affix national Customs seals on the load compartment or container, enter the sealing information in the PCCSS and process the TIR Carnet for onward transit through Pakistan;

(v) in case of any suspicion or credible information or visible signs of tampering with seal or load compartment or variation in weight of cargo (up to five percent variation in weight permissible) or variation in scanning images, an officer not below the rank of Assistant Collector of Customs or Assistant Director of Customs shall authorize the examination of the load;

(vi) in case where the Customs authorities conduct an examination of the load at a Customs office *en route*, they shall record their findings on the remaining TIR Carnet vouchers, the corresponding counterfoils and in the Customs Computerized System, particulars of the new seals affixed and of the customs activities carried out including entry in the PCCSS module or Customs Computerized System;

(vii) at the Customs office of exit (*en route*), the Carnet holder shall present the road vehicle, the combination of vehicles or the container along with documents prescribed in rule 694 to the Customs TIR processing officer, who shall proceed to verify the Customs seals and feed the verification report in the Customs Computerized System;

(viii) the TIR load shall undergo weighment and scanning subject to availability of scanner. The Customs TIR processing officer shall inspect the load compartment or container to satisfy that no tampering has been done and shall verify the TIR seal number against the TIR Carnet as well as the national seal number through PCCSS module or Customs Computerized System. He may also crosscheck the validity and genuineness of TIR Carnet and the details of journey through the bar code printed thereon or through Real-Time SafeTIR (RTS) portal of the IRU;

(ix) if no visible signs of tampering with seal are found and the weighment and scanning done at the Customs office of entry (*en route*) corresponds to the information recorded at the Customs office of departure, the Customs TIR processing officer shall process the TIR Carnet for onward transit. The cross-border information shall also be fed in the Customs Computerized System and communicated to IRU computerized data base;

(x) in case of any suspicion or credible information or visible signs of tampering with the seal or load compartment or variation in weight of cargo (up to five percent variation in weight permissible) or variation in scanning images, an officer not below the rank of an Assistant Collector of Customs or Assistant Director of Customs shall authorize the examination of the load; and

(xi) no separate Transit Goods Declaration shall be required to be filed by the TIR Carnet holder in case of load transiting through the territory of Pakistan.

(C) Imports under TIR,-

(i) At Customs office of entry (*en route*) the road vehicle, the combination of vehicles or the container together with relevant documents prescribed under rule 694 shall be presented to Customs authorities for inspection;

(ii) the import load shall undergo weighment, scanning (subject to availability of scanner) along with verification of the seals affixed by the Customs office of departure;

(iii) the Customs TIR processing officer shall verify the seal number against the TIR Carnet. He may also crosscheck the validity and genuineness of TIR Carnet and the details of journey through the bar code printed thereon or through Real-Time SafeTIR (RTS) portal of the IRU. In case of any suspicion the images of the seals may also be crosschecked from the UNECE website;

(iv) if no visible signs of tampering of seal are found and no discrepancy is noticed in the weighment and scanning done at Customs office of entry (en route), the Customs TIR processing officer shall process the TIR Carnet for onward transit to the office of destination;

(v) in case of any suspicion or credible information or visible signs of tampering with seal or load compartment, or variation in weight (up to five percent variation in weight permissible) or variation in scanning images, an officer not below the rank of an Assistant Collector of Customs or Assistant Director of Customs shall authorize the examination of the load;

(vi) if the Customs office of destination and entry (*en route*) are the same for the TIR Carnet, the TIR operation shall be terminated and necessary entries endorsed in Customs Computerized System and in the remaining vouchers of the TIR Carnet by the Customs TIR processing officer;

(vii) in respect of TIR Carnet terminating at inland Customs stations, additional national Customs seals shall be affixed on the load compartment or container at the Customs office of entry (*en route*) and the information of sealing shall be fed in the Customs Computerized System as well as endorsing the same on the remaining TIR vouchers;

(viii) at the inland Customs office of destination, the TIR Carnet holder shall present the road vehicle, the combination of vehicles or container together with all TIR prescribed documents to the Customs TIR processing officer;

(ix) weighment of the cargo shall be carried out at the office of destination. The Customs officer shall inspect the load compartment or container to satisfy that no tampering has been done;

(x) the Customs TIR processing officer at the office of destination shall verify the seal number against the TIR Carnet and through Customs Computerized System. He may also crosscheck the validity and genuineness of TIR Carnet and the details of journey through the bar code printed thereon;

(xi) if no visible signs of tampering with seal are found and the weighment done at the Customs office of entry (*en route*) corresponds to the weighment information recorded at the Customs office of destination, the Customs TIR processing officer shall process the TIR Carnet for termination;

(xii) in case of any suspicion or credible information or visible signs of tampering with seal or load compartment or variation in weight (up to five percent variation in weight permissible)

or variation in scanning images, an officer not below the rank of an Assistant Collector of Customs or Assistant Director of Customs shall authorize the examination of the load;

(xiii) for TIR Carnet terminating in Pakistan at a sea port or border station or inland Customs station, the importer shall file an import goods declaration in terms of section 79 of the Customs Act, 1969 (IV of 1969) in Customs Computerized System and all necessary legal formalities regarding payment of leviable duty and taxes shall be fulfilled as per provisions of the said Act and the rules made thereunder.

700. Filling-in of TIR Carnet by Customs officials.- The TIR Carnet shall be filled-in by the Customs TIR processing officer in the following manner, namely:–

(a) Customs office of departure.- Following shall be functions of the Customs office of departure, namely:–

(i) the Customs TIR processing officer shall fill-in box 16 and 17 on all vouchers in the TIR Carnet;

(ii) the first TIR operation is 'opened' by the Customs office of departure by filling-in boxes 18, 20 to 23 on voucher 1, page 1 (white) and on voucher 2, page 2 (green);

(iii) to start the TIR operation, the Customs office of departure shall fill-in boxes 1-3, 5 and 6 on Counterfoil 1, page 1 (white), retain voucher No. 1 (page 1) and return the TIR Carnet to the holder to begin the TIR transport; and

(iv) the procedure prescribed for 'opening a TIR operation' at the Customs office of departure shall be followed to 'open a TIR operation' at subsequent Customs offices by using the remaining pairs of vouchers on pages 3, 4, 5, 6, 7 and 8;

(b) Functions of Customs office of exit (*en route*).- The Customs office of exit shall fill-in boxes 24, 25 and 27 (if applicable) and 28 on voucher No. 2 (page 2 of the TIR Carnet). The boxes 1, 2, 4, 5 (if applicable) and 6 on counterfoil No. 2 (page 2) shall also be filled. The Customs office of exit shall retain voucher No. 2 (page 2) and return the TIR Carnet to the holder to continue the TIR transport. Following this, the Customs office of exit shall proceed with the discharge of the TIR operation;

(c) Functions of Customs office of entry (*en route*).- The Customs office of entry shall fill in boxes 18, 19 (if applicable) and boxes 20-23 on voucher No. 1 (page 3 of the TIR Carnet) and on voucher No. 2 (page 4) titled "For official use". The boxes 1, 2, 3, 4 (if applicable) and boxes 5 and 6 on counterfoil No.1 (page 3) of the TIR Carnet shall also be filled. The office of entry shall retain voucher No. 1 (page 3) and return the TIR Carnet to the holder to continue the TIR transport;

(d) Functions of Customs office of destination.- The Customs office of destination shall fill-in boxes 24-27 (if applicable) and box 28 on voucher No. 2 (page 4 of the TIR Carnet). It shall also fill-in boxes 1-5 (if applicable) and box 6 on counterfoil No. 2 (page 4 of the TIR Carnet). The office of destination shall retain voucher No. 2 (page 4) and return the TIR Carnet to the holder. Following this, the Customs office of destination shall proceed with the discharge of the TIR operation;

(e) Miscellaneous.- (i) the Customs TIR processing officer shall not fill-in and stamp the yellow sheet of TIR Carnet, except for situations where the holder of the TIR Carnet requests endorsement of changes that have been made. The yellow sheet may not be detached; and

(ii) the instructions for filling-in boxes of TIR Carnet are provided for guidance in Annex-6 to the Convention.

701. Un-used TIR Carnet.-A TIR Carnet holder who fails to utilize a duly issued TIR Carnet shall return the Carnet to the Association with a written declaration that the TIR Carnet has not been used.

702. Accidents *en route*.- In case of an incident or accident compromising the integrity of the cargo, the TIR Carnet holder shall immediately contact the nearest Customs office, which shall proceed as follows:-

(a) Inspect the vehicle and container to verify that they conform to the description on the TIR Carnet;
(b) if the load conforms to the TIR Carnet, the customs officer shall, if required, ensure its transfer to another TIR approved vehicle and seal the vehicle;
(c) complete the 'certified report ' in the TIR Carnet;
(d) if the vehicle or container is continuing its journey or after any transfer of the load to another vehicle has been completed, seal and reseal the vehicle or container;
(e) if it is not possible to check the load, endorse the 'certified report' with the remarks, "Not examined *en route*" on the TIR Carnet;
(f) note the incident in the Customs Computerized System as soon as practicable; and
(g) in case where TIR procedure is terminated in Pakistan, the office of destination shall crosscheck the contents of the load with the 'certified report' and endorse the same in the Customs Computerized System.

703. Special vehicles moving under their own power.– Special vehicles such as buses, tank-vehicles, cranes, sweepers, and concrete laying machines etc., exported and, therefore, considered themselves as goods that travel under their own power from a Customs office of departure to a Customs office of destination may be regarded as the load in a transit operation and may be allowed by Customs to travel under the cover of a TIR Carnet.

704. Amendments in TIR Carnet.- Once TIR Carnet has been registered with Customs authorities of departure, no amendment shall be made with regard to the particulars of the TIR load under transportation except in exceptional circumstances for reasons to be recorded, by an officer not below the rank of an Additional Collector of Customs or Additional Director of Customs under intimation to the Association.

705. Loss or theft of TIR Carnet. - In case of destruction, loss or theft of TIR Carnet, while the goods are in Pakistan, the Collector or Director having jurisdiction may, at the request of the Association, accept a newly issued TIR Carnet having the same validity of the original TIR Carnet. However, in this situation a new TIR operation will be started as envisaged in these rules.

706. Termination of a TIR operation.- (1) Termination of a TIR operation shall be certified by the Customs authorities on fulfillment of prescribed procedure and conditions with or without reservation. The termination shall be certified with reservation on account of any discrepancy connected with the TIR operation duly indicated by Customs authorities in the TIR Carnet by filling-in box 27 on voucher No. 2 of the TIR Carnet and by placing an "R" under item No. 5 on counterfoil No. 2 of the TIR Carnet.

(2) TIR Carnet shall be deemed to have been terminated when TIR load and the TIR Carnet relating thereto are presented to the Customs office of exit (*en route*) or destination. In case the load is presented at the Customs office of destination, the following process shall indicate the termination event, namely:–

(a) By clearance for home-consumption on payment of leviable import duties and taxes, subject to the conditions enumerated under the Imports and Exports (Control) Act, 1950, (XXXIX of 1950) or any other law for the time being in force;
(b) destroying the load under supervision of the Customs or when it is established that the goods specified in TIR Carnet have been destroyed or have been irrecoverably lost by accident or force majeure;
(c) relinquishing the load to Customs, in which case no payment of import duties and taxes shall be required;
(d) transfer of the load to another Customs procedure or another system of Customs control; and

(e) seizure of load by the Customs authorities.

(3) The officer of Customs shall endorse entries in the TIR Carnet certifying that the cargo is regularized in accordance with one of the abovementioned categories. The Carnet holder and the Association shall be discharged from their obligation accordingly.

4) Upon termination of the TIR operation, the data shall be transmitted to the IRU through the Customs Computerized System in line with Annex 10 to the Convention.

707. Discharge of a TIR operation.- (1) The Customs TIR processing officers shall keep separate registers in their Customs ledgers for TIR Carnets.

(2) The Customs office of departure or entry (*en route*) shall retain voucher No. 1 of the TIR Carnet. With a view to assisting in the return of voucher No. 2, it may enter in the box, "For official use" of voucher No. 2 the text, "Certificate of termination, on green voucher 2 page….To be returned to ...." followed by the name and full address of the Customs office to which voucher No. 2 must be returned (where applicable, directly or to a centralized office). This text shall, as far as possible, be inserted by means of a stamp and shall be clearly legible.

(3) The Customs office of departure or entry (*en route*) shall ensure that box 22 in voucher No. 1 contains the name of the Customs office of destination or exit (*en-route*) with a view to facilitating inquiry procedures.

(4) The Customs office of destination or exit (*en route*) shall detach and send without delay, within five working days, following the termination of the TIR operation, the part of voucher No. 2 relating to boxes 18 to 28, to the Customs office designated in the box 'For official use', where applicable, *via* or to a central office.

(5) On termination of the TIR operations, the Customs office of destination shall make available, without delay, all information concerning the termination of the TIR operation in an authorized international control system, such as the Real-Time SafeTIR system of the IRU, in accordance with Annex 10 to the Convention.

(6) A system generated acknowledgement containing data from voucher No. 2 of the TIR Carnet may be used as a confirmation of termination instead of sending by mail voucher No. 2, or a return slip, from the Customs office of destination or exit (*en route*) to the Customs office of departure or entry (*en route*).

(7) Upon receipt of the voucher No. 2 or the online acknowledgement, the Customs office of departure or entry (*en route*) shall without delay compare the information contained therein with that contained in the retained voucher No. 1 of the TIR Carnet referred to in sub-rule (2).

(8) In case of several Customs offices of departure or destination, the procedure in the aforesaid sub-rules shall, *mutatis mutandis* apply.

(9) In cases where the Customs office of destination or exit (*en route*) is different from that mentioned in voucher No. 2 of the TIR Carnet, that office shall inform the office mentioned in voucher No. 2 without delay while allowing the TIR Carnet holder to continue his journey to its actual destination.

708. Loss, theft etc. of goods brought in under TIR movement.– In case, the goods allowed transit under the TIR Carnet regime are lost or stolen or cannot otherwise be accounted for by the TIR Carnet holder, such goods shall become liable to import duties and taxes and fine and penalty, as provided for in rule 709.

709. Liability of guaranteeing and issuing Association.- (1) The Association shall pay guaranteed amount of the import or export duties and taxes together with any surcharge as determined by the

Customs due under the Act and the rules made thereunder, for any irregularity including pilferage or loss of goods in connection with a TIR operation. It shall be liable, jointly and severally with the persons from whom the said government dues are payable.

(2) The liability of the Association shall not exceed the payable amount of import or export duties and taxes together with any default surcharge.

(3) In case the adjudged fine and penalty are not paid by the Carnet holder, the Association shall pay such fine and penalties in terms of sub-rule (3) of Rule 698.

710. Procedure for discharge of liability by guaranteeing and issuing Association.- (1) The Association shall discharge its liability by depositing the sums due in the relevant head of account within three months of the receipt of claim from the Customs authorities.

(2) Where the Association discharges its liability within the meaning of sub-rule (1), to the satisfaction of the concerned Collector of Customs or Director of Transit Trade and is found not liable to such payment afterwards, it shall be entitled to a refund of the amount paid by it within [112][three years] of the filing of its claim.

(3) In case the Association fails to discharge its liability to Customs in relation to a TIR Carnet operation or any other matter concerning it under the rules, its status as TIR Carnet issuing authority for any subsequent TIR operations shall be liable to suspension or revocation, as the case may be, by the Ministry of Commerce on recommendation of the Federal Board of Revenue, besides legal action for recovery of claimed amount as per provisions of rule 698.

711. Procedure for lodging claim with guaranteeing and issuing Association.- (1) A claim for payment of import or export duty and taxes up to maximum of the guaranteed amount per TIR Carnet and in case of TIR plus voucher, the total amount of the combined guarantee of TIR Carnet and TIR plus voucher may be lodged by Customs with the Association within a period not exceeding two years starting from the date of receipt of a notification of irregularity.

(2) A claim to the person directly liable including a Carnet holder shall be filed before issuing any claim to the Association. In case the Carnet holder or any other person, to whom the claim has been issued, fails to pay the claim within thirty days, the Customs authorities shall lodge the claim against the Association and the following documents shall accompany the claim, namely:-

(a) calculation sheet showing payable amount of duties, taxes, default surcharge, fine and penalties etc;
(b) notice issued to Carnet holder for payment of determined liabilities, copy of reminder, if issued;
(c) a copy of voucher No.1 of TIR Carnet duly filled-in and stamped by the Customs authorities; and
(d) details of the violation committed.

712. Tracking and Monitoring of TIR cargo.- The movement of TIR cargo throughout its journey across the territory of Pakistan may be subjected to tracking and monitoring by the Federal Board of Revenue as per provisions of the Tracking and Monitoring of Cargo Rules, 2012.

713. Prescribed time limits for movement of goods under TIR.- The journey time of load under TIR Carnet through the territory of Pakistan, excluding the Customs clearance time, shall not exceed ten days. The time limit may further be extended by an officer not below the rank of an Assistant Director or Assistant Collector of Customs for a period not exceeding ten days after satisfying himself about genuineness of the extension and for reasons to be recorded.

714. Specified routes for movement of transit goods.- The TIR Carnet holder shall adopt one of the designated routes notified by the Authority, for TIR transport during its journey from a Customs office of

entry (*en route*) or departure to a Customs office of exit (*en route*), or destination in Pakistan. The TIR Carnet holder shall adopt specific routes for transportation of import, export or transit load, as specified in respective bilateral or transit transport agreements or protocols with a country.

715. Baggage allowance for drivers of TIR vehicles.- The drivers of TIR vehicles shall be allowed duty free allowance on the following items, namely:–

(a) personal wearing apparel and clothing;
(b) toilet requisites;
(c) one personal mobile phone;
(d) one personal wrist watch; and
(e) professional tools of the value not exceeding one hundred US Dollars.

716. Offenses and penalties.- (1) Contravention of any provisions of these rules shall be deemed as a violation of sections 2(s) and 129 of the Customs Act, 1969, liable to penal action, after due process of law, under the provisions of section 156(1) of the Act *ibid*.

(2) The TIR operation shall be suspended in case the load is seized for any breach or violation of these rules.

(3) The respective Directorate of Transit Trade or Collectorate of Customs shall notify the Association about the seizure made by Customs as soon as possible.]

[125][Appendix-I
[see rule 696(d)]

INSURANCE GUARANTEE FOR ADMISSION TO THE TIR PROCEDURE

Guarantee No: _____
Date of Issue: _____
Date of Expiry: _____
Amount PKR: 15,000,000/-

The Director
Directorate General of Transit Trade,
Custom House,
Karachi.

Subject: **SUBMISSION OF INSURANCE GUARANTEE OF PKR:15,000,000 (RUPEES: FIFTEEN MILLION) TO BE PRODUCED BY APPROVED TIR TRANSPORT OPERATOR IN ACCORDANCE WITH CLAUSE (xxvi) of the TIR RULE 689 & CLAUSE (d) OF TIR RULE 696 (1)**

Dear Sir,

WHEREAS, according to the provisions of rule 696(1)(d) of Transports *Internationaux Routiers* (TIR) Rules issued vide SRO 1066 (1)/2017 dated 20.10.2017 and the amending SRO 1433 (1)/2020 dated 30.12.2020 or any other amendment made from time to time by the Federal Board to Revenue (FBR) one of the prerequisite condition for TIR admission is that the applicant has to furnish a Supplementary Financial Guarantee (from an "A" rated Insurance Company) of Fifteen Million in terms of clause (xxvi) of sub – rule (1) of TIR Rule 689 in favor of the Director, Directorate General of Transit Trade, Pakistan Customs, Karachi.

2. AND WHEREAS Messer's _____(Name of TIR Operator) having their registered office at _____ (hereinafter referred to as a TIR

Operator) will have goods in transit under TIR Carnets, after TIR Admission Approval granted by National Authorization Committee (NAC), which requires submission of this "Financial Insurance Guarantee" in accordance with the International Transport of Goods under cover of TIR Carnets (TIR) Rules issued vide S.R.O. 1066 (1)/2017 dated 20. 10. 2017, amended vide S.R.O. 1433 (1)/2020 dated 30.12.2020.

3. AND WHEREAS, for the coverage of adjudged fine and penalty in case of any irregularity in respect of TIR Operations in Pakistan, an amount of PKR 15,000,000/- (Rupees: Fifteen Million only) has been determined in terms of Sub-rule (d) of Rule 696 (1) of S.R.O. 1066 (I)/2017 dated 20.10.2017 as the amount of the supplementary financial guarantee required to be submitted in favor of the Director Transit Trade Karachi for the admission as approved TIR Transport Operator.

4. Now, the condition of this guarantee is such that if in case, the goods allowed transit under the TIR Carnet(s), issued to TIR Transport Operator, are either lost or stolen in Pakistan or before reaching at destination are declared as TIR Operation Termination in Pakistan or cannot otherwise be accounted for by the TIR Carnet holder, and such goods become liable to "fine and penalty" after due process of law and adjudication in term of Rule 708 and as provide in Rule 709 the Director, Directorate General of Transit Trade, Pakistan Customs, Custom House, Karachi can enforce this guarantee to recover the adjudged amount of fine and penalty.

5. NOW, THEREFORE, on behalf of M/s._____ (TIR Transport Operator), we, _____ (Insurance Company) do hereby bind ourselves with the President of Pakistan to pay to the Director, Directorate General of Transit Trade Karachi, the aforesaid guaranteed amount or any part thereof on being demanded by the Director, Directorate General of Transit Trade, Customs House, Karachi.

6. We M/s._____ or their successor shall pay to the Director, Directorate General of Transit Trade, Pakistan Customs, Custom House, Karachi (A), PKR:15,000,000/- (Rupees: Fifteen Million Only) or part thereof, as demand, immediately on lodging of such demand by the Director, Directorate General of Transit Trade, Customs House, Karachi (B), failing which an additional amount of the demand at the rate of 20% per annum shall be also be paid by us from the date of demand made to us till the payment is actually made to the Director Transit Trade.

7. **The company issuing this guarantee also undertakes:**

(a) That the TIR operator shall pay to you the guaranteed amount in lump sum after demand.

(b) That the TIR operator shall also pay to you the surcharge due on the involved amount at the rate 20% per annum.

(c) That in the event of any default on the part of the TIR operator to pay the guaranteed amount on demand along with the surcharge due as aforesaid. We M/s._____ shall pay to you the same immediately upon demand by the Director, Directorate General of Transit Trade. On receipt of demand from the Director, Directorate General of Transit Trade, it shall be considered by us as conclusive evidence of non – payment of the government dues plus surcharge, if payable by the TIR operator.

(d) That we do hereby agree and declare that in the event of any default in the payment of any sum stated above, it may without prejudice to any other remedy which may be available to you, be recovered by you under section 202 of the Customs Act, 1969.

(e) That notwithstanding anything contained in the foregoing, the guaranteed amount or any part thereof and surcharge, as aforesaid, shall immediately become

payable to you.

8. Additional conditions of this guarantee are as follows:

(i) This Insurance Guarantee shall be enforceable notwithstanding any change in the name of the Insurer or merger with any other insurance company.

(ii) This Insurance Guarantee shall be enforceable for import, export and transit goods under TIR regime to cross border either by Sea, Land or Air.

(iii) This Insurance Guarantee shall cover TIR operations within the territorial limits of Pakistan and shall be en – cashable in Pakistan for ensuring the fulfillment of any obligation arising out of Customs transit operation within the territorial limits of Pakistan.

(iv) This Insurance Guarantee shall remain in force till the time all above mentioned outstanding liabilities of the TIR Transport Operator are completely discharged to the entire satisfaction of the Director Transit, Directorate of Transit Trade, Pakistan Customs, Custom House, Karachi.

(v) It is agreed that the above guarantee amount or demanded part thereof may be recovered under Section 202 of the Custom Act, 1969, and rules made thereunder in the case the Insurance Insurer fails to pay the said amount.

9. Insurance Guarantee is in accordance with the TIR Carnets (TIR) Rules of Pakistan as mentioned above and shall remain in force for one year from its date of issuance till the date of expiry mentioned above. This guarantee is extendable for subsequent consecutive term or terms on the request and desire of customer according to the law and procedures.

IN WITNESS WHEREOF we have M/s._____ this _____ day of _____ caused this insurance guarantee to be signed under the official stamp in by the authorized of:-

1. _____
   Officer
2. _____
   Manager

Witness:

1. _____
   CNIC No:
2. _____
   CNIC No].

[94][CHAPTER-XXX

APPEALS AND ALLIED MATTERS

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

(a) "authorized representative" means a person, duly authorized by the appellant to appear, plead and act before the Collector of Customs (Appeals);

(b) "Collector of Customs (Appeals)" means an officer appointed under clause (aa) of section 3 of the Customs Act, 1969 (IV of 1969);

(c) "Appendix" means an Appendix to this chapter; and

(d) "Schedule" means a Schedule to this chapter.

(2) All other expressions used and not defined in these rules shall have the same meaning as has been assigned to them.

718. Prescribed form of appeal to the Collector of Customs (Appeals).- An appeal under section 193 shall be filed as memorandum of appeal on the format as set out in Appendix-I and verified in the manner indicated therein.

719. Date of presentation and filing of Appeals.- (1) Any officer authorized by the Collector of Customs (Appeals) in this behalf shall endorse on front page of every memorandum of appeal the date on which it is presented or deemed to have been presented under sub-rule (2), sign the endorsement and thereafter the endorsed appeal memo shall be entered in a register as provided under rule 732.

(2) A memorandum of appeal sent by registered post or courier under sub-rule (1) shall be deemed to have been presented to officer authorized by the Collector of Customs (Appeals) on the day on which it was received in the office of the Collector of Customs (Appeals).

720. Documents to accompany appeal.- (1) Every memorandum of appeal shall be accompanied with the following documents along with checklist specifying the documents attached with the memorandum in duplicate, one of which shall be a certified copy, namely:-

Documents/Check List

(a)	the order-in-original or assessment order under section 80, etc., appealed against;	☐
(b)	proof of payment of appeal fee;	☐
(c)	a certificate showing the date of service of the impugned order-in-original or duty assessment order to the appellant;	☐
(d)	a certificate showing the date of communication of the memorandum of appeal and grounds of appeal to the respondent department;	☐
(e)	Affidavit duly signed by the appellant; and	☐
(f)	Stay application if any.	☐

(2) The appellant shall annex an index on face of memorandum of appeal, showing the documents filed under this rule along with paging in paper book form in duplicate.

721. Intimation of filing of appeal to the respondent.- The appellant shall before filing of appeal send a copy of the memorandum of appeal and grounds of appeal to the respondent and a certificate to this effect shall be appended with the appeal. The Collector of Customs (Appeals) office shall also forward a copy of appeal to the respondent for submission of comments.

722. Filing of affidavit.- Where a fact, which cannot be borne out by or is contrary to the record, is alleged, it shall be stated clearly and concisely by a duly sworn affidavit and shall have to be filed with the memorandum of appeal.

723. Defective appeals, etc.- (1) Where a memorandum of appeal is not filed in the manner specified in these rules, the official authorized under rule 719 may require the appellant or his authorized

representative, if any, to bring the memorandum of appeal in conformity with the provisions of these rules within such time, not exceeding three working days, as he may specify.

(2) Where the appellant or his authorized representative does not meet the requirement under sub-rule (1), the authorized officer shall place the matter before the Collector of Customs (Appeals) for appropriate orders.

724. Appellant to give reasons for delay.- (1) Upon the presentation of memorandum of appeal, the officer authorized under rule 719, shall examine the copy of the order appealed against and shall calculate whether after allowing time given in section 193 of the Act, the memorandum of appeal has been presented within time or not.

(2) If the memorandum of appeal is presented after the limitation period, as prescribed under section 193 of the Act, a note to this effect shall be recorded by the officer authorized in this behalf under rule 719.

(3) Where the appellant has not tendered, with memorandum of appeal, any explanation in writing setting out the reasons for delay, the Collector of Customs (Appeals) may allow the appellant to submit an explanation in writing and upon sufficient cause having been shown, may admit appeal for hearing.

725. Power of attorney etc., by authorized representative.- Where an authorized representative has been appointed or declared, such representative shall annex with the memorandum the document showing his authority and his acceptance thereof, which shall be signed and dated by the representative and shall also specify his capacity in which he is acting as such.

726. Procedure for filing and disposal of stay application.- (1) On receipt of application for grant of stay against the implementation of order appealed, the official authorized in this behalf shall fix the application for hearing in the following manner, namely:-

(a) for applications received before 01:00 PM on a working day, hearing shall be fixed on the next working day; and

(b) for applications received after 01:00 PM on a working day, hearing shall be fixed on the day after the next working day.

(2) Stay applications shall be disposed by the Collector of Customs (Appeals) within seven working days of fixation.

727. Date and place of hearing of appeal.- (1) The Collector of Customs (Appeals) shall issue and properly serve notices on both the parties to the appeal informing them about the date and place of hearing of appeal.

(2) The Collector of Customs (Appeals) may, where deemed necessary, require the respondent to submit para-wise comments in response to the appellant's written submissions, if any, on or before the due date of hearing.

728. Hearing of appeal.- On the day fixed for hearing or any other day to which the hearing is adjourned the appellant shall be heard and the Collector of Customs (Appeals) shall then hear the respondent against the appeal and in that case the appellant shall have a right to reply.

729. The provisions of rule 718, 719, 720, 727 and 728 for filing and hearing of appeals shall apply to applications of stay in the same manner.

730. Notice to be issued to both parties under third proviso to sub-section (3) of section 193A.- The Collector of Customs (Appeals) shall issue notices to both parties within the time-limit specified in

section 32 of the Act, for providing them a reasonable opportunity to present their stance in case he is of the opinion that any duty has not been levied or has been short levied or erroneously refunded.

731. Order to be signed, dated and communicated.- (1) The order of the Collector of Customs (Appeals) shall be in writing and shall be signed by him.

(2) The Collector of Customs (Appeals) shall cause its order to be communicated to appellant, respondent and adjudicating authority.

732. Maintenance and preservation of registers.- (1) The registers for maintenance of record on the formats prescribed in Appendix-II shall be maintained.

(2) The registers of the Collector of Customs (Appeals) specified in sub-rule (1) shall be preserved for ever.

733. Reports.- (1) The Collector of Customs (Appeals) shall submit monthly performance report (MPR) to the Federal Board of Revenue on the format given at Appendix-III by the 5th day of each month.

(2) The Collector of Customs (Appeals) shall submit the stay application's disposal report to the Federal Board of Revenue on the format prescribed in Appendix-IV by the 5th day and 20th day of each month.

734. Arrangement and preservation of record.- (1) The record of appeals and other applications shall consist of two parts, namely 'Part-A' and 'Part-B'.

(2) The documents specified in the Schedule shall form "Part-A" of the record unless otherwise directed by the Board and all other documents shall form "Part-B**"** of the record.

Explanation.- The expression "documents" used in this rule includes all forms of electronic record.

(3) The documents forming part of appeals and other applications specified in this rule shall be preserved for a period specified below, which shall be reckoned from the date of final order, namely:-

(a) documents to be preserved permanently, are-

(i) Part "A" of the appeals and applications; and

(ii) judgments of High Courts, Supreme Court;

(b) documents to be preserved for twelve years, are Part "B" of the appeals record and any other documents as directed by the Board; and

(c) destruction of record, after the prescribed period as provided in clause (b), shall be in the manner as directed by the Board.

735. Manner of destruction of record.- (1) After expiry of the period of preservation specified in rule 734, the record of the appeals and other applications shall be destroyed in supervision of Collector of Customs (Appeals).

(2) All court fee stamps, affixed to documents which are to be destroyed, shall be removed there from and burnt.

(3) The record shall be destroyed by tearing, shredding or otherwise so that no document may be used again.

(4) After destruction of the record, the Collector of Customs (Appeals) under whose supervision the record was destroyed shall certify that the destruction has been rendered and such record is of no use.

(5) The fact of destruction of appeals and other applications shall be recorded under signatures of the Collector of Customs (Appeals) immediately after their destruction in the register in which such appeals and applications are entered and also in the index prefixed to the record.

736. Seal of the Collector of Customs (Appeals).- (1) There shall be a seal of the Collector of Customs (Appeals) on which shall be inscribed his name insignia, designation and jurisdiction.

(2) The seal shall remain in custody of the officer as the Collector of Customs (Appeals) may direct and shall be affixed on each order passed by the Collector of Customs (Appeals).

737. The procedure and record prescribed under these rules shall be computerized on availability of resources.

SCHEDULE
Part-A

(a) folder containing the particulars of appeals, applications and brief abstract of the impugned Order-in-Original/ Appellate order of the Collector;
(b) order sheet or chronological abstract of orders and Note sheet;
(c) original copy of memorandum of appeal;
(d) original copies of grounds of Appeal;
(e) affidavits;
(f) judgment or any other final order against which appeal is preferred; and
(g) Judgments and orders of High Courts and Supreme Court.

Appendix-I
[see rule 718]

FORM OF APPEAL

APPEAL NO._____
APPEAL DATE_____
(For office use only)

To
THE COLLECTOR OF CUSTOMS
(APPEALS) _____

1. Amount of appeal fee paid		2. Date of payment of Appeal fee	
3. Amount of duty and other taxes demand based on Order in original/Assessment order/etc._____			
4. Value of offending goods as in seizure report/contravention report:_____			
5. Goods Declaration No. & date (if applicable) _____			
6. National Tax Number of Appellant		-	-

or CNIC of Applicant

7. Jurisdiction _____

8. Name of Appellant

9. Address of Appellant

10. Name of Authorized Representative (if any)

11. CNIC of Authorized Representative:_____

12. Address to which the Notice may be sent

13. Name of the officer (who passed the order)

14. Designation of officer who passed the order in original_____

15. Code

16. Duty/Taxes Declared

Assessed

Signature of the official who received the appeal

Name _____

(in capital letter)

Designation _____

17. DUTY ASSESSED

(a) Customs duty											Indicate the section and sub-section of the Customs Act, 1969 under which appeal filed.
(b) Sales Tax											
(c) Other Taxes											
(d) Penalty/Redemption fine											
(e) Total											
(f) Undisputed liability. This shall not be less than the duty due on the basis of Order-in-Original/ duty assessment order.											
(g) Total Demand											

N.B. (i) The appeal should be filed in duplicate and should be accompanied with

a) the Order-in-Original/ duty assessment order appealed against;

b) proof of payment of appeal fee;

c) a certificate showing the date of service of impugned Order-in-Original/ duty assessment order to the appellant; and

d) a certificate showing the date of communication of the memorandum of appeal and grounds of appeal to the respondent department alongwith evidence of service.

18. BRIEF HISTORY AND FACTS OF THE CASE

_____
_____
_____
_____

19. GROUNDS OF APPEAL
(Attach separate sheets, if required)

(a)_____
(b)_____
(c)_____
(d)_____

20. BRIEF CLAIM IN APPEAL/ PRAYER

_____
_____
_____

21. VERIFICATION

(a) I,_____ S/o_____ the proprietor/partner/managing director/member of M/s._____ the appellant, do hereby declare that whatever is stated above is true to the best of my knowledge and belief.

(b) I am competent to file the appeal in my capacity as _____.

(c) I further certify that a true copy of this form of appeal has been sent by Registered Post/ AD/ Courier service, or delivered personally to the concerned Office of the Collector of Customs _____ on _____ (date).

Evidence of service by any of the following modes attached:-
(Please tick the relevant box)

i) Receipt of registered post ☐
ii) Receipt of courier service ☐
iii) Receipt of personal service ☐

Signature of Appellant_____
Name (in capital letters)_____
CNIC Number of person signing the appeal_____

The form of appeal and verification form appended thereto shall be signed:-
(a) in case of an individual by the individual himself
(b) in case of a company by the principal officer.
(c) In case of AOP by member/partner.-

_____

This portion is for official use

Appeal received by transfer From Collectorate of Customs Appeal

Date appeal received by transfer

In ward register No.

_____

Appeal transferred to Jurisdiction

Date of appeal transferred out_____

Outward register No.

UDC/LDC/ Officer of Appeal Section _____ (Initial)

Collector (Appeal) _____ (Initial)

APPEAL ACKNOWLEDGEMENT RECEIPT

Collector of Customs (Appeals) _____
City_____

National Tax No/CNIC.

Appeal No. _____

Appellant" Name_____

Signature of Appellant

Date of receipt of Appeal

Signature, and name of receiving Official
Designation_____

_____ _____

Appendix-II
[see sub-rule (1) of rule 732]

FORMAT OF REGISTERS
APPEAL REGISTER

S #	Appeal No.	Date of institution of Appeal	Name / address of	NTN / CNIC	Field formation	Revenue involved	Date of Order-in-Appeal	Status (extended/ confirmed

			Appellant					/modified/annulled/ other
1	2	3	4	5	6	7	8	9

STAY APPLICATION REGISTER

S.#.	Appeal No.	Date of institution of Appeal	Name/ Address of Appellant	Date of receipt of stay application	Field formation	Revenue involved	Stay granted for number of days/not granted	Date of order
1	2	3	4	5	6	7	8	9

EARLY HEARING REGISTER

S.#	Appeal No.	Date of institution of Appeal	Name, / Address of Appellant	Request date for early hearing	Request made by (Appellant/ Respondent)	Field formation	Revenue involved	Date of Appellate order
1	2	3	4	5	6	8	9	10

COMPLIANCE REGISTER OF COURT DIRECTIONS/ORDERS

S.#	Appeal No	Title	Date of Receipt of Court Order	Direction/Order of the Court	Last Date for Disposal	Date of Appellate order
1	**2**	**3**	**5**	**6**	**7**	**8**

Appendix-III
[see sub-rule (1) of rule 733]

MPR (APPEALS) FOR THE MONTH OF _____ 201 /
(COLLECTOR OF CUSTOMS (APPEALS)

Particulars of reporting officer:

Code:	**Name of Collector**	**Telephone / Mobile No.**	**E-mail Address**	**City**

Appeals for Disposal

Opening Balance	**Transfer**			**Fresh Filling**	**Available for Disposal**	**Revenue involved (M)**
	In	**Out**	**Net**			

Disposal		**Revenue Involved**		**Balance Pendency**		**Revenue Involved (M)**	
During the month	Upto the Month	During the month (M)	Upto the Month (M)	During the month	Upto the Month	During the month (M)	Upto the Month (M)

Withdrawal		**Revenue (Million)**		**Stay of Proceedings as per ADRC**		**Revenue (M)**	
During the	Up to the	During the	Up to the	During the	Up to the	During the	Up to the

month	month	month	month	month	month	month	month

Aging Composition

Upto 4 Months Old		4 to 6 Months Old		7 to 12 Months Old		More than year Old	
No. of Cases	**Revenue Involved (M)**	**No. of Cases**	**Revenue Involved (M)**	**No. of Cases**	**Revenue Involved (M)**	**No. of Cases**	**Revenue Involved (M)**

Analysis of Appeals decided.

	No. of Appeals	**Extended**	**Confirmed**	**Modified**	**Annulled**	**Others**	**Total**
For the Month							
Up to the Month							

Disposal of Stay Applications

Opening Balance of Stay Applications	New stay application filed in the month	No. of applications decided during month	Stay application pending for more than 10 days	Closing balance (end of month)

Disposal of cases on directions of Superior Courts.

Opening balance of cases remanded by Superior Courts	New cases referred / remanded during the month	Cases decided during the month	Closing Balance

Appendix-IV
[see sub-rule (2) of rule 733]

STAY APPLICATIONS DISPOSAL REPORT
FOR THE MONTH OF_____, 201

S.#	Appeal No.	Name of Taxpayer	NTN/ CNIC	Date of Receipt of Application	Date of Fixation	Date of Disposal
1	2	3	4	5	6	7".

[99][Chapter XXXI

Risk Management System Rules

738. Definitions.- All the terms used in this chapter shall have the same meanings as defined in the Customs Act, 1969 (IV of 1969) and rules made thereunder.

739. Role and responsibilities of the Directorate General of Risk Management(DGRM).-

(1) The Directorate General of Risk management shall be responsible to-

(i) Manage risk involved in customs clearance of containerized, LCL and bulk cargo including but not limited to transit cargo, international passengers and accompanied and unaccompanied baggage thereof including clearances against carnet-de-passage/TIR;

(ii) Plan, design and implement strategies by applying accredited risk management tools and techniques specific to each transaction types relating to imports, exports and transit of goods and clearance of international passengers;

(iii) Monitor, evaluate and review Risk Management System based on changing national and international trends and feedback from stakeholders;

(iv) Examine clearance patterns of various sectors and commodities to identify, analyze and evaluate risk, develop mitigation strategies and present the same to Risk Management Committee (RMC) for approval and implementation;

(v) Developed system whereby different stakeholders' compliance levels are determined. Complaint stakeholders are facilitated in the system;

(vi) Review and address risks identified by the Collectorates/Directorates through Risk Management Committee(RMC);

(vii) Associate when necessary other government entities on need basis to deal with risk relating to the compliance requirements under allied laws;

(viii) Coordinate with Directorate General of Training & Research (DGTR) for training of officers dealing with RMS related issues at major customs locations;

(ix) Coordinate with Directorate General of Intelligence and Investigation-Customs (DG I&I) to get feedback in the structured format after completion of investigations of cases or studies undertaken by the (DG I&I);

(x) Coordinate with Directorate General of PCA & Internal Audit to evaluate and identify risk parameters for selection of audit cases;

(xi) Coordinate with the Directorate General of Customs Valuation to develop checks and parameters for selection of cases requiring valuation scrutiny;

(xii) Maintain security and confidentiality of the RMS and its related data and records;

(xiii) Conduct awareness seminars to promote voluntary compliance;

(xiv) Identify requirements of IT tools/skills and models for improvement of RMS; and

(xv) Prepare quarterly reports on functioning of RMS for Federal Board of Revenue.

(2) There shall be a Risk Management Committee(RMC), head by a BPS-21 officer of Customs preferably Director General RMS and shall comprise as many BPS-19 and BPS-20 officers of Customs as may be notified by the Board.

(3) The Committee may co-opt any officer of Customs or representative of other government departments for the assistance whenever required.

(4) The head of RMC shall nominate an officer of BPS-19 of the Committee to be secretary of the Committee.

(5) Meetings of RMC shall be convened at least once every month. The RMC shall perform the following key functions, namely:-

(a) To review performance of the RMS;

(b) To review risk parameters and behavior of important risk indicators; targeting the risky consignments or entities; and

(c) To review major detections by the Collectorate or Directorates (I&I)-Customs with respect to RMS.

(6) **Local Risk Management Committee (LRMC).-** There shall be a Local Risk Management Committee in each Collectorate consisting of three to four members and headed by the respective Collector. The Director General of Transit Trade shall have its own local risk management committee at headquarters to provide input to RMC in transit trade risk parameters.

(7) The LRMC shall meet at least once every month and perform the following functions, namely:-

(a) to review the risks at Collectorate level; and

(b) to make proposals or suggestions to the DG RMS based on interventions and detections.]

[109][Chapter XXXII
Authorized Economic Operator Rules

740. The provisions of this chapter shall apply to the authorized economic operators (AEOs) certified by a designated authority under section 212A of the Act.

741. Definitions.-Unless there is anything repugnant in the subject or context, for the purpose of this chapter,-

(a) "AEO board" means board of officers constituted under these rules by the Federal Board of Revenue to allow or disallow authorized economic operator status to an entity;

(b) "authorised economic operator" or "AEO**"** means a certified entity which fulfills the security criteria and other laid down obligations and derives benefits as prescribed under these rules and may include manufacturers, importers, exporters, custom house agents, brokers, shipping lines, carriers, consolidators, intermediaries, ports operators, airports operators,[120][airlines custodians or] terminal operators, integrated operators, warehouses, [120][authorized couriers, ground handling agents], distributors, freight forwarders and logistic service providers;

(c) "Director or Collector" means the Director or Collector AEO in whose jurisdiction business premises of an authorized economic operator is located and if more than one such premises exist then the Director or Collector in whose jurisdiction the principal office or head office, duly registered in the sales tax is located.

(d) "Customs Computerized System" means the customs computerized system as defined in clause (ia) of section 2 of the Act;

(e) "certificate" means a certificate issued to an entity by the Certifying Authority under these rules;

(f) "certifying authority" means a Director or Collector AEO in whose jurisdiction business premises of an authorized economic operator is located and who certifies an entity as authorized economic operator under section 212A of the Act after approval from AEO Board;

(g) "economic operator" means any entity like a legal person, undertaking or establishment which in the course of business is involved in activities covered under the Act or rules made thereunder;

(h) "Regulatory Directorate or Collectorate" means the Directorate or Collectorate of AEO in whose jurisdiction an authorized economic operator is located;

(i) "Mutual Recognition Agreement or MRA" means an international agreement by which two or more countries agree to recognize conformity assessments of authorized economic operators of each other. After signing of MRA, AEO certification notified by one country is recognized by other agreeing country on reciprocal basis; and

(j) "SAFE framework of Standards" means set of standards devised by World Customs Organization that provide supply chain security and facilitation at a global level to promote certainty and predictability in international trade.

(2) All other words and expressions used, but not defined herein, shall have the same meanings as are assigned thereto in the Customs Act, 1969 (IV of 1969), the Sales Tax Act, 1990 and Federal Excise Act, 2005.

742. Types of authorised economic operator (AEO) certificates.- The Director or Collector AEO may, on filing application by an economic operator, after approval from the AEO Approval Board, issue the following Authorized Economic Operator Certificates (hereinafter referred to as AEO certificate) to which the applicant may be eligible as per the eligibility conditions and criteria laid down under rule 744-

(a) Gold Certificate may be granted to importers or exporters. For the purpose of this certificate,-

(i) the economic operator shall fulfill the criteria mentioned in sub-rule (2) of rule 744; and

(ii) all other requirements as stipulated in sub-rules (3), (4), (5), (6) and (7) of rule 744 shall be considered to have been fulfilled if information and documents submitted by the applicant have been physically verified by customs by visiting the concerned places or premises of the applicant and found to be true to the satisfaction of the Director or Collector AEO;

(b) Platinum Certificate may be granted to importers or exporters. For the purpose of this certificate,-

(i) the economic operator shall be eligible for Platinum certification after successfully availing the status of Gold category for at-least twelve months; or

(ii) the economic operator must be a Gold certificate holder, and its other business partners namely importers or exporters, Logistics service providers, Custodians, Terminal operators, Customs Brokers and Warehouse operators are holders of Gold or Silver certificate or any other equivalent AEO certificate granted by foreign Customs;

(b) silver certificate may be granted to categories of economic operators other than importers and exporters, including Logistics Providers, Custodians or Terminal and off-dock terminal Operators, Customs Agents and Warehouse Operators. For the purpose of this certificate:-

(i) the economic operator should fulfill the criteria mentioned in sub-rule (2)of rule 744; and

(ii) all other requirements as stipulated in sub-rules (3), (4), (5), (6) and (7) of rule 741 shall be considered to have been met if the information and documents submitted by the applicant have been physically verified by the customs by visiting the concerned places or premises of the applicant, and found to be true to the satisfaction of the Director or Collector AEO.

743. Application for AEO status.-(1) Application for AEO status may only be accepted from an economic operator which in the course of business is involved in activities covered by the Act, 1969 and rules made thereunder.

(2) An applicant for grant of any of the aforesaid three AEO statuses, namely gold, platinum and silver, should submit the application as per Appendix-A, which contains ten annexures. An applicant is required to fill-in and submit only those annexures which may be applicable to him, as mentioned in the Table below, namely:-

TABLE

Sr No	Annexure	Subject	Application for grant of		
(1)	(2)	(3)	(4)		
			Gold	Platinum	Silver
			(i)	(ii)	(iii)
1	Annexure-A	Application Form	YES	YES	YES
2	Annexure-B	Security Plan	YES	YES	YES
3	Annexure-C	Business Process Map	YES	YES	YES
4	Annexure-D	Site Plan	YES	YES	YES
	Annexure-E	Self-Assessment Form			
5	Annexure-E.1	General Compliance	YES	YES	YES
6	Annexure-E.2	Legal Compliance	YES	YES	YES
7	Annexure-E.3	Managing commercial and (where appropriate) transport records	YES	YES	YES

8	Annexure-E.4	Financial Solvency	YES	YES	YES
9	Annexure-E.5	Safety and Security	YES	YES	YES
10	Annexure-F	Business Partner Details	NO	YES	NO

Note: Annexure E.5 itself is in seven parts E.5.1 to E.5.7 and all of them need to be filled in for grant of Gold, Platinum or Silver status.

(3) In case the applicant is already holder of any one of the three AEO certificates, he shall clearly highlight in its application all the changes in respect of any information and documents submitted earlier, with a view to expeditious processing of the application by the regulatory directorate or collectorate.

(4) The applicant shall nominate a readily accessible central point or contact person within the administration of the applicant, in order to make available to the regulatory directorate **or** collectorate all the information necessary for proving compliance with the requirements for issuing the AEO certificate.

(5) The application should be sent to the director or collector AEO having jurisdiction of the competent regulatory directorate or collectorate.

(6) All communication between AEO applicants and Customs shall be online through secure communication mediums including registered e-mail.

744. Eligibility conditions and criteria for grant of AEO status.-(1) Any economic operator applying for AEO status must fulfill the following criteria in order to qualify for an AEO authorization-

(a) have an appropriate record of compliance with customs requirements;
(b) have a satisfactory system of managing commercial and, where appropriate, transport records, which allows appropriate customs controls;
(c) demonstrate, where appropriate, proven financial solvency;
(d) practical standards of competence or professional qualifications directly related to the activity carried out; and
(e) maintenance of appropriate security and safety standards.

(2) Eligibility to apply for AEO certificate-

(a) any entity involved in the international supply chain that undertakes Customs related activity in Pakistan can apply for AEO status. Such entity may include exporters, importers, [120][manufacturers, importers, exporters, customs house clearing agents, brokers, shipping lines, carriers, consolidators, intermediaries, ports, operators, airports operators, airlines, custodians or terminal operators, stevedores, integrated operators, warehouses or terminal operators, stevedores, integrated operators, warehouses, authorized couriers, ground handling agents, freight forwarders and logistics service providers.] In case of importers and exporters, at the time of filing of AEO application, annual turnover of the business must be 2.5 million USD or above while applying for gold or platinum status;
(b) businesses that are not involved in Customs related work or activities will not be entitled to apply. Thus banks, insurance companies, consultants and the like categories of businesses shall not be eligible for AEO status;
(c) application for AEO status will only cover the legal entity of the applicant and shall not automatically apply to a group of companies;
(d) there is no provision to grant AEO status to specific site, division or branch of legal entity of the applicant. The application must cover all the activities and locations of the legal entity involved in the international supply chain and the prescribed criteria will be applied across all those activities and locations;

(e) in order to apply for AEO status, the office of the applicant must be established in Pakistan. For this purpose, the applicant should provide evidence which may include-

(i) NTN and STRN certificates;
(ii) a certificate of registration issued by the Registrar of Companies;
(iii) details of places and locations where goods are being handled, e.g. loading, unloading, storage etc., in the course of supply to or from international supply chain; and
(iv) proof that the business has its own accounts;

(f) the applicant should have business activities for at least three financial years preceding the date of application. However, in exceptional cases, on the basis of physical verification of internal controls of a newly established business entity, the Director or Collector AEO may consider it for certification;

(g) an AEO status shall apply only to the legal entity applying for such status in its own capacity and covering only its role in the international supply chain, and will not confer similar status on its business partners or clients who will need to apply separately for that status;

(3) Legal Compliance-

(a) an entity must have a clean tax profile which means that there should be no adjudged arrears during last three financial years involving serious violations of law including fraud, forgery, outright smuggling, illegal removal of goods, illegal claim of duty drawback or sales tax refunds, illegal availing of tax exemptions;

(b) there should be no case wherein prosecution has been launched or is being contemplated against the applicant or its senior management;

(c) if the quantum of disputed duty demanded or drawback demanded or sought to be denied, as adjudged under the Act other than those mentioned in clause (a) and (b) during the last three financial years, is less than ten percent of the total duty paid and drawback claimed during the same period, a review would be taken of the nature of cases and decision for eligibility may be taken by the Director or Collector AEO after taking into account all aspects and circumstances of the disputed cases.
Explanation: for clauses (a), (b) and (c) the cases where the proceedings have been dropped or decided in favour of the applicant by the adjudicating or appellate authorities shall not be considered;

(d) where applicable, the applicant has satisfactory procedures in place for the handling of imports and exports connected to prohibitions and restrictions including measures to distinguish goods subject to the prohibitions or restrictions from other goods and measures to ensure compliance with those prohibitions and restrictions;

(e) an applicant will also need to demonstrate that he has-
(i) procedures in place to identify and disclose any irregularities or errors to the Customs authorities or, where appropriate, other regulatory bodies; and
(ii) taken appropriate remedial action when irregularities or errors are identified;

(f) once an error has been identified, the applicant is expected to take steps to ensure that they do not happen again or, at least, to ensure that they are immediately rectified if they do arise. Failure to take such steps could count against applicant;

(g) in case of applicant being a sole proprietorship, the criteria laid down in clauses (a) to (f) shall be considered to be fulfilled if, over the last three years, the applicant and where applicable the person in charge of the applicant's customs matters have not committed any serious infringement or repeated infringements of customs legislation and taxation rules and have had no record of serious criminal offences relating to their economic activity;

(h) in case of applicant not being a sole proprietorship, the criterion laid down in clauses (a) to (f) shall be considered to be fulfilled where, over the last three years, none of the

following persons has committed a serious infringements of customs legislation and taxation rules or has had a record of serious criminal offences relating to his economic activity-

(i) the applicant;

(ii) the persons in charge of the applicant company or exercising control over its management; and

(iii) the person in charge of the applicant's customs matters:

Provided that the criterion referred to in sub-rules (a) to (f) may be considered to be fulfilled where the regulatory directorate or collectorate considers an infringement to be of minor importance, in relation to the number or size of the related operations, and the customs authority has no doubt as to the good faith of the applicant;

(i) in case the applicant entity is established for less than three years as a result of a corporate re-organization, the customs authorities shall consider the customs activities performed by the pre-existing company provided that they are unchanged;

(j) the applicant or the person in charge of the applicant's customs matters complies with one of the following practical standards of competence-

(i) a proven practical experience of a minimum of three years in customs matters; and

(ii) the applicant or the person in charge of the applicant's customs matters has successfully completed training covering customs legislation consistent with and relevant to the extent of his or her involvement in customs related activities, provided by any of the following, namely:-

(A) a customs training authority providing such qualification;

(B) a national or foreign educational establishment recognized by the customs authorities, for the purposes of providing such qualification; and

(C) a national or foreign professional or trade association recognized by the customs authorities for the purpose of providing such qualification;

(k) it should be noted that the person in charge of the applicant's customs matters can be an employee of the applicant or a contracted person. The applicant has to prove that the contracted person is actually the one in charge of the applicant's customs matters;

(l) in case of outsourced customs activities, it is sufficient that either the applicant, the applicant's employee in charge of customs matters or contracted person fulfils the criterion. If the applicant outsources its customs activities to more than one contracted person, the criterion must be fulfilled by all of them; and

(m) it should be noted that when the applicant has an internal office or department involved in customs matters which allows the supervision and control on the customs formalities that have been outsourced, the criterion can be fulfilled by the applicant.

(4) Managing commercial and (where appropriate) transport records.-

(a) the applicant must have a satisfactory system of managing commercial and, where appropriate, transport records. To enable the regulatory directorate or **c**ollectorate to establish that the applicant indeed has such a system, the applicant shall-

(i) maintain an accounting system consistent with Generally Accepted Accounting Principles (GAAP) or International Financial Reporting Standards (IFRS) which facilitates audit-based Customs control;

(ii) have an administrative set up which corresponds to the type and size of business and which is suitable for the management of the flow of goods and have internal controls capable of detecting illegal or irregular transactions;

(iii) wherever applicable, have satisfactory procedures in place for the handling of licenses and authorizations connected to export or import;

(iv) have satisfactory procedures in place for archiving of the company's records and information, and also for protection against the loss of information;

(v) ensure that employees are made aware of the need to inform the Customs authorities whenever compliance difficulties are discovered and establish suitable contacts to inform the Customs authorities of such occurrences;

(vi) have satisfactory procedures for verifying the accuracy of Customs declarations; and

(vii) have appropriate information technology security measures to protect the applicant's computer system from unauthorized intrusion and to secure the applicant's documentation;

(b) allow the customs authority physical access to its accounting systems and where applicable, to its commercial and transport records; and

(c) allow the customs authority electronic access to its accounting systems and where applicable to its commercial and transport records where those systems or records are kept electronically [120][to the extent deemed necessary by the tegulasstory Collector];

(d) have satisfactory procedures in place for the archiving of its records and information and for protection against the loss of information; and

(e) have appropriate security measures in place to protect the applicant's computer system from un-authorised intrusion and to secure the applicant's documentation.

(5) Financial solvency-

(a) financial solvency shall mean a good financial standing which is sufficient to fulfill the commitments of the applicant, with due regard to the characteristics of the type of business activity. Generally, consistent profitability of a business (importers or exporters), having annual turnover of 2.5 million USD or above, will be considered financially solvent, however, there may be exceptions in certain cases when sisters companies operate and consistent profitability of one business provides financial support to the related business which might not be profitable directly, but it contributes to the profitability of the other related business. For instance, a marketing company and a manufacturing company can operate as sister concerns in such a way that the marketing company only incurs expenditure while promoting sales of the manufacturing company and the considerable or consistent profits made by the manufacturing company, then, render both sister-concern companies as financial solvent. Thus, in case of group of companies, over all model of operations and profitability needs to be observed while deciding the condition of financial solvency;

(b) the applicant's financial solvency shall be deemed to have been met if his solvency can be proven for the last three years. If the applicant has been established for less than three years, his financial solvency shall be judged on the basis of records and information that are available;

(c) evidence of financial solvency can be provided through any of the following, namely:-

(i) a statement from the applicant's auditors or an audited report;

(ii) a copy of their finalised accounts if the accounts have not been audited;

(iii) evidence from a bank or financial institution;

(iv) a guarantee from a parent company regarding financial support;

(v) a list of any personal assets that are used to support the solvency of the business;

(vi) official records of insolvencies, liquidations and administrations;

(vii) the record for the payment of customs duties and all other duties, taxes or charges which are collected on or in connection with the importation or exportation of goods during the last three years;

(viii) the published financial statements and balance sheets of the applicant covering the last three years in order to analyse the applicant's ability to pay their legal debts;

(ix) draft accounts or management accounts, in particular any interim reports and the latest cash flow, balance sheet and profit and loss forecasts approved by the directors or partners or sole proprietor, in particular where the latest published financial statements do not provide the necessary evidence of the current financial position or the applicant has a newly established business;

(x) the applicant's business case where the applicant is financed by a loan from a financial institution and confirmation from that institution;

(xi) the conclusions of credit rating agencies or credit protection associations;

(xii) other evidence which the applicant may provide, for example a guarantee from a parent (or other group) company that demonstrates that the applicant is financially solvent; and

(xiii) higher annual turnovers with consistent net profits will be an important indication that a business is financially viable and solvent; and

(d) an applicant must be financially solvent during the three financial years preceding the date of application. The applicant should not be listed currently as insolvent, or in liquidation or bankruptcy. Further, the applicant should not have defaulted in payment of due Customs duties during the past three years. The applicants must submit an undertaking regarding its solvency and a Solvency Certificate issued by the Statutory Auditor of the applicant.

(5) Safety and security- The applicant must have in place appropriate internal controls and measures to ensure safety and security of applicant's business and supply chain, in addition to any specific legal requirements that may be applicable to the business. In order to satisfy the requirements of AEO status, the applicant shall need to ensure security of procedures, cargo, conveyances, premises, personnel and business partners. The applicant's security and safety standards shall be considered to be appropriate if the following conditions are fulfilled, namely:-

(a) Procedural Security-

(i) in order to ensure security of the international supply chain, the applicant must have in place appropriate internal controls and measures to ensure safety and security of procedures relating to applicant's business and his supply chain. With this view, following criteria should be fulfilled by the applicant;

(ii) the applicant must develop and maintain a security policy and procedure manual containing detailed guidelines on procedures to be followed to preserve the integrity of the cargo while in custody, during loading and unloading from transport conveyance and during transport. The manual should also stipulate how seals are to be controlled and affixed to cargo and transport conveyances;

(iii) security measures must be in place to ensure the integrity and security of processes relevant to the transportation, handling, and storage of cargo in the supply chain;

(iv) proper documentation of management procedure must be in place to ensure that all documentation used in the clearing of cargo is legible, complete, accurate and protected against the exchange, loss of introduction of erroneous information;

(v) procedure must be in place to ensure that information received from business partners is reported accurately and timely as well as declared in the time limit regulated by Customs; and

(vi) procedure must be in place to ensure that-

(A) import and export cargo are reconciled against the information on the bill of lading;

(B) the weights, labels, marks and piece count of the import or export cargo are accurately indicated;

(C) import and export cargo are verified against purchase or delivery orders;

(D) drivers delivering or receiving cargo are positively identified before cargo is received or released; and

(E) all shortages, overages, and other significant discrepancies or anomalies must be resolved or to be investigated appropriately;

(b) premises security, in order to ensure security of the international supply chain, the applicant must ensure that the buildings to be used in connection with the operations to be covered by the certificate are constructed of materials which resist unlawful entry and provide protection against unlawful intrusion. In addition, the applicant must ensure that appropriate access control measures are in place to prevent unauthorized access to loading, unloading areas and cargo areas. The following criteria shall be fulfilled by the applicant, namely:-

(i) buildings must be secure against unlawful entry;
(ii) all gates, fences and windows must be secured with locking devices or alternative access monitoring or control measures;
(iii) authorized personnel must control the issuance of locks and keys;
(iv) adequate internal and external lighting must be provided especially for entrances and exits, cargo handling and storage areas, fence lines and parking areas;
(v) gates through which vehicles or personnel enter or exit must be manned, monitored or otherwise controlled. Vehicles accessing restricted areas must be parked in approved area and their license plate numbers furnished to Customs upon request;
(vi) only properly identified and authorized persons, vehicles and goods may be permitted access;
(vii) access to document or cargo storage areas may be restricted;
(viii) there should be appropriate security systems for access control;
(ix) restricted areas should be clearly identified;
(x) integrity of structures and systems must be periodically inspected;
(xi) perimeter fencing should enclose the areas around cargo handling and storage facilities;
(xii) clear demarcation within a cargo handling structure should be created to segregate domestic, international, high value and hazardous cargo;
(xiii) the number of gates should be kept to the minimum necessary for proper access and safety;
(xiv) unauthorized vehicles should be prohibited from parking in or adjacent to cargo handling and storage areas;
(xv) a large manufacturer might have to have a perimeter wall or fence, security guards, and CCTV; and
(xvi) cameras etc. while for a customs agent operating from a single room in a building with locks on doors, windows and filing cabinets it may be sufficient to have a detailed procedure for access control including responsibilities;

(c) Cargo security- in order to ensure security of the international supply chain, the applicant must have in place appropriate measures for the handling of goods which include protection against the introduction, exchange or loss of any material and tampering with cargo units. The following criteria shall be fulfilled by the applicant, namely:-

(i) only properly identified and authorized persons should have access to the cargo;
(ii) integrity of cargo should be ensured by permanent monitoring or keeping in a safe, locked area;
(iii) all seals must meet the international standards for high security seals. for containerized cargo, only PAS or ISO 17712 seals shall be used, however in case of loose cargo, security seals compatible with international standards shall be used;
(iv) the integrity of container seals should be checked by the authorized person by following the procedure prescribed in the security policy manual;
(v) only authorized personnel should distribute container seals and safeguard their appropriate and legitimate use;
(vi) when appropriate to the type of cargo container used, a seven-point inspection process is recommended: front wall, left side, right side, floor, ceiling or roof, inside or outside doors, outside or undercarriage;
(vii) appropriate procedures should be laid down on measures to be taken when an unauthorized access or tampering is discovered;

(viii) goods should be uniformly marked or stored in designated areas and procedures should exist to weigh and tally them and also to compare these against transport documents, purchase or sales orders and customs documents;

(ix) internal control procedures should exist when discrepancies or any irregularities are discovered;

(x) there must be designated areas for all stages. Goods shall not be left unsupervised outside of their designated areas; and

(xi) if the company uses container seals, they must be stored, handled and fixed appropriately. They shall be stored under lock and key, removal recorded, and fixed by two persons.

(d) Conveyance security- In order to ensure security of the international supply chain, the applicant must ensure that the conveyances to be used in connection with the operations to be covered by the certificate are handled in a manner which ensures security of the cargo. With this view, the applicant shall-

(i) ensure to the extent possible that all conveyances used for the transportation of cargo within the supply chain are capable of being effectively secured;

(ii) ensure to the extent possible that all operators of conveyances used for transport of cargo are trained to maintain the security of the conveyance and the cargo at all times while in its custody;

(iii) require operators to report actual or suspicious incident to designated security department staff of the applicant company as well as to maintain records of these reports, which should be available to the regulatory directorate or collectorate;

(iv) ensure that potential places of concealment of illegal goods on conveyances are regularly inspected;

(v) ensure that transporters make sure that conveyance integrity is maintained while the conveyance is en-route transporting cargo to export and import points or import or transit containers by utilizing a tracking and monitoring activity log or records;

(vi) ensure that pre-determined routes are identified by the dispatcher, and procedures must consist of random route checks along with documenting and verifying the length of time between the loading point or trailer pickup and the delivery destinations;

(vii) ensure that drivers must notify the dispatcher of any route delays due to weather, traffic and re-routing; and

(viii) ensure that the management of transporters must perform a documented, periodic, and random verification process to ensure the logs are maintained and conveyance tracking and monitoring procedures are being followed and enforced;

(e) Personnel security: In order to secure the international supply chain, the applicant must conduct, as far as possible, security screening of prospective employees to be employed in security sensitive positions, and carry out periodic background checks. With this view, following criteria should be fulfilled by the applicant, namely:-

(i) all reasonable precautions must be taken when recruiting new staff to verify that they are not previously convicted of security-related, Customs or other criminal offences;

(ii) periodic background checks must be conducted on employees working in security sensitive positions;

(iii) employee identification procedures should require all employees to carry proper identification that uniquely identifies the employee and organization;

(iv) procedures to identify, record and deal with unauthorized or unidentified persons, such as photo identification and sign-in registers for visitors etc. must be ensured at all points of entry; and

(v) procedures must be in place to expeditiously remove identification and access to premises and information for employees whose employment is terminated;

(f) Business partner security: In order to secure the international supply chain, the applicant must have implemented measures to ensure a clear identification of his business partners. With this view, following criteria should be fulfilled by the applicant, namely:-

(i) the applicant must have written and verifiable process, including the capability of financial soundness and compliance with the safety requirement set by the contracts as well as the capability of detection and correction of safety defects, for the selection of business partners;

(ii) for those business partners having AEO certification, the applicant must get those business partners' copies of certification;

(iii) for non-AEO partners, the applicant must get written confirmation of meeting AEO equivalent security criteria. Such business partners must have one of the following written documents demonstrating their compliance with security criteria, namely:-

(A) contractual document;

(B) a completed self-assessment security questionnaire from the applicant;

(C) a written statement from the business partner demonstrating their compliance with AEO security criteria provided under these rules;

(D) senior business partner officer attesting to compliance; and

(E) documents from the business partners demonstrating their compliance with and equivalent and accredited security program administered by a foreign Customs authority; and

(iv) periodic reviews of business partner's processes and facilities must be conducted based on risk, and must maintain the security standards required by the applicant; and

(g) Security Training and Threat Awareness,-In order to secure the international supply chain, the applicant must ensure that its concerned employees actively participate in security awareness programmes. With this view, following criteria should be fulfilled by the applicant, namely:-

(i) the applicant should ensure that-

(A) a threat awareness program is established and maintained for employees to foster awareness of the threat at each point in the supply chain;

(B) employees are aware of the procedures the company has in place to address a situation and how to report it; and

(C) specific training is offered to assist employees in maintaining cargo integrity, recognizing internal conspiracies and protecting access controls;

(ii) supply chain security training of employees must include the following items, namely:-

(A) security policy of the company;

(B) potential risk to internal security of the company;

(C) maintaining cargo security;

(D) access control measures of the company;

(E) identifying and reporting suspicious cargo and personnel; and

(F) conveyance management and cargo security for conveyance management personnel;

(iii) Records of security training must be maintained and made available for verification by the AEO Team and the Customs.

(7) Risk based Management System-

(a) a risk based management system shall be in place, which shall allow for-

(i) a continual cycle of identifying needs or requirements;

(ii) evaluating the best means for complying with the requirements;

(iii) implementing a managed process for applying the selected management actions;

(iv) monitoring the performance of the system; and

(v) maintaining evidence of the application of processes used to meet business objectives, and identify functional or business improvement opportunities,

including reporting mechanisms on gaps, incidental mistakes and possible structural errors;

(b) above aspects shall be in place within the framework of complying with the legal and regulatory requirements to which the organization subscribes or is required to comply;

(c) risk and threat assessment should cover all risks relevant for AEO status, keeping in mind the role of the economic operator in the supply chain and shall include, namely:-

(i) security and safety threats to premises and goods;

(ii) fiscal threats;

(iii) reliability of information related to customs operations and logistics of goods;

(iv) visible audit trail and prevention and detection of fraud and errors; and

(v) contractual arrangements for business partners in the supply chain; and

(d) the risk and threat assessment for security and safety purposes should cover all the premises that are relevant to the economic operator's customs related activities.

745. Procedure for issuing AEO certificates.-(1) Each application shall be acknowledged and recorded in the WeBOC module.

(2) If application is incomplete or deficient, the applicant shall be suitably informed within thirty days of the receipt of application. In following cases, the application shall not be processed until the deficiencies are rectified, namely:-

(i) when application is incomplete – it may be resubmitted with the complete information;

(ii) where the application has not been made by a legal person – It can only be resubmitted by the concerned legal entity;

(iii) where no responsible person is nominated as the Point of Contact – This can only be resubmitted when the applicant nominates a responsible person who will be the point of contact for the AEO Programme;

(iv) where the applicant is subject to bankruptcy proceedings at the time the application is made - This may be resubmitted when the applicant becomes solvent; and

(v) where a previously granted AEO status has been revoked – Application may not be resubmitted until the period as prescribed in sub-rule (6) (d) of rule 751 has elapsed after the date of revocation.

(3) Rejection of application-

(a) the application shall not be accepted in any of the cases, namely:-

(i) where the applicant is not eligible for grant of AEO status; or

(ii) where the deficiency noticed in the application cannot be rectified.

(b) the information regarding the rejection of such application shall be given to the applicant by director or collector AEO within thirty days of the receipt of the complete application; and

(c) such applicant shall have right to file appeal to review the Customs Department's decision within thirty days from the date of receipt the decision. The Director General/Chief Collector AEO shall review and issue review order within forty-five days from the date of receiving the appeal. The review order shall be considered final.

(4) Processing of application-

(a) on receipt of the complete application and after ensuring that the applicant is eligible to apply, the information and documents submitted by the applicant shall be scrutinized to assess whether or not the eligibility conditions and criteria for granting the AEO certificate as mentioned under the rule744 are met by the applicant;

(b) if necessary, further information and/or documents in support of the claim of the applicant may be called for by an officer not below the rank of Assistant Director/ Collector. Such request shall be sent in writing;

(c) all such requests for additional information and/or documents shall be sent in writing;

(d) the applicant shall submit such information and/or documents within a reasonable time;

(e) in case of an application for grant of Gold or Silver status, the information and/or documents submitted by the applicant shall be scrutinized, and if they are found eligible to the satisfaction of the Director/Collector AEO, the applicant shall be duly intimated within thirty days of submission of the information and/or documents. Thereafter, the successful application will be assigned to a specific AEO Team comprising of two appraising officers, two assistant or deputy directors and one additional director within fifteen days to carry out physical verification of the information and documents. The date for physical verification would be decided by the team in consultation with the applicant. AEO team will proceed in the following manner, namely:-

(i) the AEO Team of the Directorate/Collectorate will, within thirty days, visit the business premises for verification of the information and documents provided. Such visit shall be made on a convenient date after consulting the applicant;

(ii) if within forty five days of the date of intimation issued in terms of sub-rule (e), the applicant has not been contacted by the AEO Team for visit, then the applicant should contact the Additional Director/Collector AEO immediately;

(iii) during the course of such verification, the applicant, for Gold or Silver status, should be prepared to answer questions or provide additional information on all aspects of the application to the visiting AEO team;

(iv) evaluation of the criteria laid down under rule 744 shall be carried out for all the premises which are relevant to the customs related activities of the applicant for Gold or Silver**,** status. The evaluation as well as its results shall be documented by the AEO team;

(v) in case several premises of the applicant are run in a similar way by standard systems of record keeping and security etc. there will be no need for the AEO Team to visit all of them. However, if the business of the applicant covers a range of activities or different premises have different methods of operating, then it may be necessary for more visits to be made;

(vi) the duration of visit or verification would depend on the size of business, number of premises, how they operate etc. The AEO team will give the applicant for Gold or Silver status an estimate of time required, though this may have to be amended once the verification has commenced. The date(s) for physical verification would be decided by the team in consultation with the applicant. The evaluation by the Team will be carried out as per prescribed criteria provided under rule 744;

(vii) during the course of physical visit/verification, the person who is nominated in the application form as point of contact must ordinarily be available unless unforeseeable situation arises. In addition, individuals responsible for specific business activities such as transport, record keeping and security should also be available;

(viii) on completion of verification, the AEO Team will prepare their report and make a recommendation to the Director/Collector AEO within sixty days of completion of visits or verification. The contents of report and recommendation can be seen by applicant who shall get the opportunity to sign the same, but this shall not be a mandatory requirement; and

(ix) within thirty days of such recommendation by the AEO Team, the applicant shall be suitably informed, including issue of the appropriate AEO certificate for Gold or Silver status, by the Director or Collector AEO;

(f) where the application for grant of Gold or Silver status is not accepted by the Director or Collector AEO after verification by the AEO Team, the applicant will be intimated of the criteria that have not been met and the applicant will be given sufficient time to adapt procedures to rectify the deficiency. If applicant is unable to make required changes within the specified time limits, the Director AEO will issue a decision, in

writing, to reject applicant's AEO application, explaining the reasons for such rejection;

(g) in exceptional cases, the physical verification may be held in abeyance by consensus between the applicant for grant of Gold or Silver status and the Director or Collector AEO in order for the applicant to provide additional information or to permit minor problems to be addressed. The period of such suspension or stoppage of physical verification will normally not be longer than six months and applicant will be informed in writing of the date when the AEO verification will recommence and the revised date by which applicant can expect a decision on his application;

(h) in case, an application for grant of platinum status is submitted by a holder of Gold status, who has been continuously enjoying the Gold status for a period of twelve months or more, the applicant shall be issued the Platinum certificate within thirty days of submission of the application. However, in case of any significant changes in the business or the processes since the previous physical verification by an AEO Team, the applicant may be subjected to physical verification as may be deemed necessary by the Director or Collector AEO by following the procedures under clauses (e), (f) and (g);

(i) in case, an application for grant of Platinum status is submitted by a holder of Gold status, who has not been continuously enjoying the Gold status for a period of twelve months or more, but who satisfies the eligibility condition mentioned at sub-rule (c) (ii) of rule 742, the application will be assigned to a specific AEO Team within fifteen days to carry out physical verification of the information and documents submitted in Annexure-F only. The date for physical verification would be decided by the team in consultation with the applicant. Thereafter, the procedures as mentioned in sub-rules (e), (f) and shall be followed:

Provided that in case of any significant changes in the business or the processes since the previous physical verification by an AEO Team, the applicant may be subjected to physical verification as may be deemed necessary by the Director AEO by following the procedures as mentioned in sub-rules (e), (f) and (g).

(5) Time limit for processing an application-

(a) The time limit for processing an application is one hundred and twenty days from the date the application is accepted. If the customs authority is unable to meet this deadline this period may be extended by further period of sixty days; and

(b) If issues of non-compliance with the qualifying criteria are discovered during the preliminary checks or during the physical inspection the applicant should be given an opportunity to address the issues. In these circumstances, the time period mentioned in sub-rule (4) may be extended indefinitely.

746. Evaluation by the AEO Team.-(1) It is the responsibility of the AEO Team to plan and carry out the evaluation with a view to obtaining reasonable assurance as to whether the applicant is compliant with the prescribed criteria.

(2) When carrying out checks for possible infringements, the following shall be taken into account, namely:-

(a) the assessment of compliance should cover compliance across all customs activities of the applicant;

(b) the term "infringement" refers not only to the acts which are discovered by Customs on the occasion of checks carried out at the time when the goods are introduced into the customs territory, or being placed under a customs procedure. Any infringements of the customs rules discovered on the occasion of any post clearance control carried out at a later stage, will also be considered and assessed, as well as any infringements that could be discovered through the use of other customs authorisations and any other source of information available to Customs;

(c) infringements made by freight forwarders, customs agents or other third parties acting on behalf of the applicant must be also taken into account. The applicant should show

evidence that appropriate measures have been put in place to ensure the compliance of persons acting on its behalf such as clear instructions to those parties, monitoring and checking of the accuracy of declarations and remedial action when errors occur;

(d) failure to comply with National non-customs legislation by the applicant shall not be ignored, although in this case those failures should be considered in the light of the entity's good faith and relevance to its customs activities; and

(e) where penalties related to a specific infringement are revised by the competent authority following an appeal or review, the assessment of the seriousness of the infringement should be based on the revised decision. Where the penalty for an infringement is withdrawn in full**,** the infringement shall be deemed not to have taken place.

(3) AEO team shall carryout a site visit, starting at the goods inward department and finishing in the accounts department, via manufacturing, warehousing and goods outward. AEO team may observe the following while evaluating an applicant list is not conclusive and may include other questions as per nature of business and plan chalked out by the AEO Team, namely:-

(i) receipt of goods and how they are recorded into the system;
(ii) how are unexpected deliveries of goods managed;
(iii) ask to see a copy of recent receipts for goods;
(iv) how is receipt of goods verified before payment is made;
(v) how are imported and locally purchased goods identified;
(vi) how are goods tracked into the manufacturing or production process check daily production documents;
(vii) how are the finished goods tracked into stocks or storage;
(viii) how are goods released for shipment;
(ix) what accompanies goods to docks or customer;
(x) who completes customs documents;
(xi) who makes customs declarations; and
(xii) who arranges or books transport.
(xiii) who owns the goods used by the applicant and where are they stored prior to loading;
(xiv) how and by whom are the goods checked before loading;
(xv) depending on the type of goods, is the 7-point check conducted on containers; appropriate.;
(xvi) in relation to the reporting of incidents with incoming goods, storage, production or outgoing goods, who has responsibility;
(xvii) the company to move its goods normally uses what means of transport;
(xviii) incoming goods – where and how are they received, are they physically checked, and how are they secured;
(xix) is there comparison of the goods with the paper work;
(xx) are goods always expected;
(xxi) do there exist any requirements for the suppliers?
(xxii) storage: are regular stock-takes carried out;
(xxiii) if parts of the processes are carried out at other premises, is this part of the production line;
(xxiv) process secure? are goods tracked during the production process;
(xxv) are outgoing goods sealed;
(xxvi) are paper checks undertaken against the physical goods, do customers impose any security requirements on the packing and loading of goods;
(xxvii) has functionality of the audit trail been established;
(xxviii) what computer system does the company use - Mainframe, mini, PC network, or stand alone PC;
(xxix) does the system suit the volume and type of business being conducted by the operator;
(xxx) what is the separation of functions between the development, testing and operational areas;

(xxxi) what is the separation of functions between the different company departments?
(xxxii) who is responsible for what;
(xxxiii) it must be confirmed with the economic operator that customs be given physical or electronic access at all times;
(xxxiv) how is access to various parts of the system controlled;
(xxxv) are different systems used for the financial and logistical administration, what software packages are used, is it bespoke (tailored package) or a standard package?
(xxxvi) who supplied the software package and who provides maintenance;
(xxxvii) if applicable, does the system able to differentiate/separate between imported and locally purchased goods;
(xxxviii) what are the links between the financial and logistical systems;
(xxxix) where are computer activities undertaken, are any computer or accounting activities undertaken off site;
(xl) check the procedures for staff in the purchase, storage, production and sales department;
(xli) does the applicant regularly and fully review/audit procedures? if procedures are changed, how are the changes notified to staff;
(xlii) can the applicant provide any evidence of where remedial action was taken to correct deficiencies;
(xliii) have any of these procedures been ISO approved or subject to any external audit?
(xliv) what are their procedures for changing standing data;
(xlv) what are the applicant's procedures for the sale/purchase of goods and delivery of goods to their premises;
(xlvi) what procedure has the applicant for controlling stock movements and manufacturing processes;
(xlvii) check the procedures for back up, recovery, fall back, archiving and retrieval of business records;
(xlviii) how long are records kept;
(xlix) where is the main server located;
(l) details of how the main server is secured;
(li) in relation to firewalls, virus protection, access and password control, what are the documented procedures;
(lii) what procedures are in place for the protection of documents and paper records;
(liii) how are the external boundaries of the premises secured? (type of buildings, windows, gates and fences, burglar alarm systems and CCTV systems);
(liv) how many access points to the building are there and how are they controlled, loading bay doors should be locked unless container is present;
(lv) is there key control and key holders;
(lvi) is there adequate lighting, where required;
(lvii) who controls the codes for alarms;
(lviii) how long are CCTV images retained, who monitors the screens;
(lix) does the plant operate on a twenty four hours and seven days a week basis;
(lx) how is visitor and subcontractor access controlled, do visitors report to reception and wear badges, are badges returned;
(lxi) are there car park controls;
(lxii) how would an unauthorised access be handled;
(lxiii) is there internal control of movement of staff and visitors, only authorised personnel should have access to loading bays;
(lxiv) are there regular checks made on buildings and access controls;
(lxv) does applicant employ a recognized consultant that will perform a background check on their behalf while making recruitments; and
(lxvi) while making recruitments, does there exist sufficient checks to ensure hiring of employees with clean background.

747. Approval.- All AEO applications, after being thoroughly evaluated, as provided under these rules, shall be placed before the AEO Board for decision regarding grant of AEO status or otherwise. AEO Board can allow or disallow AEO status to an applicant on the basis of evaluation report, and can also order for further evaluation.

748. Certification.-

(a) upon approval to grant AEO status, Director/Collector AEO shall issue the Certificate of AEO status to the applicant in hard copy along with endorsing an electronic copy through WeBOC;

(b) the Certificate shall bear the 'AEO logo' that may be used by an AEO at entity's stationary, on vehicles or at other publicity materials where it is appropriate to do so. The copyright for the logo shall be owned by the Directorate General or Collectorate of AEO on behalf of Pakistan Customs; and

(c) the AEO status shall be registered and activated in WeBOC. The AEO, after acquisition of a valid AEO Certificate, shall apply for AEO user ID to the WeBOC Registration Authority which shall be issued within a week from the date of issuance of AEO Certificate.

749. Benefits of an AEO Certificate.-The scope of the benefits to the AEOs based on their status would be as under:

[120][(1) All port authorities or terminal operators shall provide in accordance with applicable law such suitable facilities and arrangements for AEO certificate hodlers as directged by the Regulatory Colllector.]

(2) Benefits for Gold status-

(a) priority placement/front line of treatment shall be accorded under WeBOC module for all processes including assessment, examination and scanning to ensure shorter cargo release time;

(b) facility of Direct Port Delivery (DPD) of their import Containers and or Direct Port Entry(DPE) of their Export Containers would be available. A special space shall be earmarked at port or terminal area for handling AEO containers for speedy clearance;

(c) ID cards to be granted to authorized personnel for hassle free entry to Custom Houses, terminals, off-dock terminals and dry ports;

(d) wherever feasible, they will get separate parking space and sitting/waiting area earmarked in Custom Houses, terminals, off-dock terminals, dry ports etc;

(e) in case they are required to furnish a Bank Guarantee, the quantum of the Bank Guarantee would be fifty percent of that required to be furnished by an importer and exporter who is not an AEO Certificate Holder; and will provide PDC or corporate guarantee for the remaining fifty percent;

(f) they will not be subjected to regular transactional PCA, instead of that onsite entity-based PCA will be conducted;

(g) they will be allowed 24/7 clearances on request, if required, at all customs clearance stations;

(h) in case where laboratory analysis is required for assessment purposes, the sample from AEO consignment shall be retrieved and consignment shall be released provisionally except for agricultural goods; and

(i) the duty drawback claims filed through Customs Computerized System along with Bank Credit Advice (BCA) shall automatically be placed at top of the queue and processed on priority;

(j) The refund claims of Sales Tax and Federal Excise Duty, after submission of complete documents, shall be processed on priority; [120][and

(k) Facility of deferred payment of duty and taxes will be provided in such manner that all duty and taxes payable in a month shall be paid within that month by the last day of the month in which the clearance was made, otherwise AEO holder shall pay surcharge at the rate of 3% plus KIBOR from date of clearance of goods, and shall be liable for action deemed appropriate by the regulatory Collector under the applicable law, which may include the suspension or revocation of the AEO status.]

(2) Benefits for Platinum status may be provided over and above the benefits offered in, Gold category, namely:-

(a) they shall get trade facilitation by a foreign Customs administration with whom Pakistan enters into a mutual recognition agreement or arrangement.

(b) in case they are required to furnish a Bank Guarantee/pay order, the AEO Certificate Holder may provide Post Dated Cheque or corporate guarantee for the required amount.

(c) they shall be given choice of location for control and clearance (on-site inspection and examination) of goods at the premises of the authorized economic operator.

(d) random select on for checks, without prior approval from FBR, will be avoided by other government agencies. An approach based on specific information and Risk based interventions, in case of requirements originating from the Acts administered by other Government Agencies and Departments, will be adopted for providing better facilitation in imports and export of their consignments.

(e) automated disbursal of drawback amount and sales tax refunds by giving priority treatment.

(f) the duty drawback claims filed through Customs Computerized System along with Bank Credit Advice (BCA) shall automatically be placed at top of the queue and processed on priority;

(g) the refund claims of Sales Tax and Federal Excise Duty, after submission of complete documents, shall be processed on priority.

(3) Benefits for Silver status.- The following benefits would be provided to Silver category:

Sr.No	Entity	Facilities to be provided
(1)	(2)	(3)
1	Bonded Carrier, Transport Operator	(a) Waiver of 25% bank Guarantee in case of trans-shipment or transit of goods.
2	Terminal Operators and Off Dock Terminals	(a) Substitution of 25% bank Guarantee with corporate guarantee.
3	Customs Agents or Brokers	(a) Waiver of submission of security certificates. (b) Extended validity (till validity of AEO status) of licenses granted under Customs Rules 2001. (c) Waiver from fee for renewal of license required under Customs Rules 2001.
4	Warehouse Licensees or Operators	(a) Faster approval for new warehouses within 15 days of submission of complete documents. (b) Waiver of insurance.

750. AEO Code.-AEO code shall be constructed as follows, namely:-

(a) part 1: the first two letters shall always indicate the country, i.e. Pakistan.

(b) part 2: the next four letters will indicate the Directorate or Collectorate that issued the authorization;

(c) part 3: the next two letters or digits will indicate the type of authorization i.e. Gold, Platinum and Silver.

(d) part 4 the final part of the number will be a series of 8 digits issued automatically by the system;

(e) an example of an AEO number for Gold Certificate is as follows: PK-EPPQ-GD-00000027 [i.e. Pakistan (PK) Exports Port Qasim (EPPQ) GC (Gold Certificate) Serial Number 00000027]

751. Post-certification Provisions.-

(1) **Validity of AEO Certificate-** The validity of AEO certificate shall be two years for Gold, three years for Platinum and Silver.

(2) **Renewal of AEO certificate-** the AEOs, if they so desire to continue their AEO status and avail the benefits, must submit their application for renewal of AEO certificate before expiry of validity as per the following:-

Sr	AEO Status	Timelimitforsubmissionofapplicationforrenewalbeforelapseofvalidity
(1)	(2)	(3)
1	Gold	45days
2	Platinum	45 days
3	Silver	45 days

(b) while submitting the application for renewal, the applicant shall clearly highlight the changes from the last application; and

(c) Director or Collector AEO and AEO team may consider the renewal applications by following the procedure adopted while granting fresh AEO status.

(3) Maintenance of AEO Status-

(a) after obtaining AEO status, the AEO status holder should maintain their eligibility by adhering to the prescribed criteria.

(b) The holder of a Certificate of AEO Status is required to inform Director or Collector AEO any significant change in business and processes which may affect the AEO status. These changes may include the following:

(i) changes to the legal entity;
(ii) change of business name and address;
(iii) change in the nature of business i.e. manufacturer or exporter etc.;
(iv) changes to accounting and computer systems;
(v) changes to the senior personnel responsible for Customs matters;
(vi) addition or deletion of locations or branches involved in international supply chain;
(vii) Any other change relevant to the AEO holder;

(c) the AEO status holder should notify the AEO Team as soon as the change is known or, at least within 14 days of the change taking place;

(d) if the legal entity changes, the AEO status holder needs to reapply for AEO in the name of new legal entity; and

(e) if the AEO status holder makes customs related errors, they must be reported to the relevant "Deputy Collector AEO Relationship" as well as the AEO Team. Errors that are voluntarily disclosed will not impact the AEO status provided that the AEO status holder has;

(i) examined the reasons for the errors; and
(ii) taken appropriate remedial action to prevent recurrence;

(3) Review of AEO status,-The AEO team shall review AEO status periodically to ensure continued adherence to the conditions and standards of grant of certificate of AEO status. The AEO status holder shall continue to re-assess its compliance with the conditions of certification and act upon any identified problems as soon as they arise. The frequency of such review shall be two years, three years and three years in case of Gold, Platinum and Silver respectively. As far as possible, the review and the onsite Post Clearance Audit, if applicable, shall be conducted simultaneously and necessary liaison will be maintained between the Directorates of PCA and the Directorates or Collectorates of AEO.
(Note: AEO evaluation primarily evaluates the governance of an entity while Post Clearance Audit aims to check legality of clearances and correct payment of leviable duty or taxes)

(4) Suspension or downgrading of AEO status-

(a) an AEO authorization may be suspended by the AEO Board in the following circumstances:-

(i) where any non-compliance with the conditions or criteria for the Certificate of AEO status has been detected; or
(ii) where there is sufficient reason to believe that an act, which gives rise to criminal court proceedings and linked to an infringement of the customs rules, has been perpetrated by the AEO; and
(iii) in the case of a Custodian or Custom Agent or Warehouse Operator, where the basic license as a Custodian or Custom Broker or Warehouse Operator, as the case may be, has been suspended by the competent authority;

(b) if any customs officer discovers any of the above, the competent AEO Directorate should be contacted immediately;

(c) in the case of an AEO importer or an AEO exporter, if any amount has been adjudged due to infringement of duty and taxes, other than those covered under sub-rule (3)(a) of rule 744, the regulatory Director or Collector AEO may downgrade the status of an Platinum to Gold or suspend the status of the AEO, as deemed appropriate. The decision shall be taken after due diligence and on careful evaluation of the material evidence and arguments against the AEO of the case. The regulatory Director or Collector AEO may consult the jurisdictional field formations before arriving at the final decision in this regard;

(d) depending on the circumstances the authorization may;

(i) be suspended immediately;
(ii) the suspension may be postponed pending a court decision; and
(iii) the operator may be given 30 days to regularize or correct the situation. This period may be extended by another 30 days if the trader can provide evidence;

(e) if the operator fails to take the necessary measures within the suspension period provided, the regulatory Director AEO will revoke the authorization and will communicate the same to the operator accordingly; and

(f) where an AEO is temporarily unable to meet any of the criteria they may request suspension of their authorization. In such circumstances the trader must specify the reason for the non-compliance, the intended measures to regularize the situation and the time period required to regularize the situation. The time period may be extended if the AEO has acted in good faith. Such suspension shall be communicated to all customs authorities through the central Customs Computerized System database. If the situation is not regularized within the specified time or after a reasonable extension, the authorization will be revoked as provided in sub-rule (6).

(5) Restoration of suspended or downgraded AEO Status-

(a) where AEO status had been suspended on account of detection of any non-compliance with the conditions or criteria for the Certificate of AEO Status, and if the AEO holder takes the necessary remedial measures to the satisfaction of the Director/Collector AEO within 60 days of suspension, the AEO Board may restore the AEO status from notified date;

(b) where AEO status had been suspended on account of suspension of the basic license as a Custodian or Custom Agent or Warehouse Operator or as the case may be, and subsequently such suspension of the basic license is revoked by the competent authority, the Director **or** Collector AEO may consider restoration of AEO status, and if deemed appropriate may restore the AEO status from a date to be notified;

(c) where AEO status had been suspended on account of issue of adjudged arrears, and if the ratio of disputed duty demanded or drawback demanded or sought to be denied under the Customs Act, 1969 during the last three years to the total duty paid and drawback claimed during the said period is not more than ten percent, the AEO Board may consider restoration of AEO status, and if deemed appropriate may restore the AEO status from a date to be notified; and

(d) in case an AEO status has been downgraded, it shall be open to the entity to apply again for higher status as and when the eligibility conditions and criterion are met by it. AEO Board will consider such applications by following the procedure, which was adopted while granting the fresh AEO status.

(6) Revocation of AEO Status-

(a) in following circumstances, the Certificate of AEO Status shall be revoked, namely:-

(i) where the Certificate of AEO Status is already suspended and the AEO holder fails to take the remedial measure within 60 days to have the suspension withdrawn; or

(ii) where there is a reasonable belief that an act has been perpetrated that is liable to lead to prosecution or is linked to an arrest of person under Customs Act, 1969 as mentioned in sub-rule (3)(b) of rule 744; or

(iii) an amount has been adjudged involving fraud, forgery, outright smuggling, clandestine removal of goods or cases where incidence of duty/taxes has been passed on to the customers but not deposited in to the Government treasury as mentioned in sub-rule (3)(a) of rule 744; or

(iv) where serious infringements related to customs rules have been committed by the AEO and there is no further right of appeal; or

(v) where the AEO status holder requests for the revocation of AEO certificate;

(b) all cases for the revocation of AEO status will be placed before the AEO Board for decision;

(c) prior to any decision to revoke authorization, the applicant will be issued a show cause notice. Revocation shall apply from the date of revocation as notified; and

(d) in case the AEO status is revoked, AEO status holder will not be entitled to reapply for the AEO certificate for a period of one year from the date of revocation. However, such applicant shall have right to file appeal to review the decision of revocation within thirty days from the date of receipt the decision. The AEO Board shall review and issue review order within forty-five days from the date of receiving the appeal. The review order shall be considered final.

752. Monitoring.-AEO section shall issue a letter to the monitoring officer twelve months after the AEO status was granted and thereafter every twenty months requesting submission of the monitoring report.

(2) The monitoring shall include the following, namely:-

(i) a walkthrough of the operator's premises to check that the safety and security procedures examined at evaluation stage are still in place and are being implemented;
(ii) specific risks identified during the evaluation and included in the set of conditions should be checked periodically to ensure they are being adhered to;
(iii) a random sample of the operator's Good Declarations (GDs) should be checked for quality and accuracy of data declared on a periodic basis, having regard to the size, type of business, the volume of GDs being submitted and the range of goods being handled;
(iv) the operator's general tax compliance should be checked to ensure that there are no financial solvency issues;
(v) reports of any audits, assurance checks or aspect enquiries carried out on the operator should be checked for any issues that might affect the operators AEO status;
(vi) findings of monitoring actions undertaken should be submitted to Director AEO in the form of a report by the AEO Team;
(vii) intimation by the operator of any issues that may affect their AEO status should be investigated, followed by appropriate action; and
(viii) If the operator was established for less than three years at the time the initial evaluation was carried out, the monitoring should be more intensive during the first twelve months of the authorization.

Annexure – A
[see rule 743(2)]

APPLICATION FORM FOR GRANT OF AEO STATUS

(Contains ten annexures A, B, C, D, E.1 to E.5 and F)
(Please fill-up the annexures as may be applicable to the applicant)

(Applicable for grant of *Gold, Platinum, and Silver*)

1.	Name of Company / Economic Operator:
2.	Category of business entity: (i.e. importer / exporter / Logistic Service Provider/ Custodian or Terminal Operator/ Customs Broker/ Warehouse Operator)
3.	Whether already AEO certified? (If yes, annex copy of certificate and furnish following:) 1. Identification number/code: 2. Issued on: 3. Valid upto:
4.	Address: (If there are more than one site/ location, a separate list should be attached for all sites/ locations)
5(a).	Contact person:*
5(b).	Designation:
5(c).	Phone number:
5(d).	Mobile No.:
5(e).	Fax No.:
5(f).	Email address:
6.	Company's NTN:

7.	Company's STRN:
8.	List of sites, under control, where import /export goods are handled, e.g. packed / unpacked / loaded / unloaded / consolidated etc. in the course of supply to/from international supply chain. Please include site address, phone number and contact person. (A separate list can be attached)
9(a).	Major Items of import (in case of importers):
9(b).	Main countries of import (in case of importers):
9(c).	Major Items of export (in case of exporters):
9(d).	Main countries of export (in case of exporters):
10.	Number of import documents filed during the preceding financial year (in case of importers):
11.	Number of export documents filed during the preceding financial year (in case of importers):
12.	Whether the business entity falls under the category of micro, small or medium enterprise (yes/no) (if yes, annex copy of evidence):

Signature:
Place: Full Name:
Date: Position in Company:

*The applicant should nominate a readily accessible central point of contact person (who should be a senior management official within the administration of the applicant) in order to make available to the Director AEO or to any officer authorized by the Director AEO all the information necessary for the proving compliance with the requirements for issuing the AEO certificate.

Annexure – B
[see rule 743(2)]

(Applicable for grant of Gold, Platinum, and Silver)

SECURITY PLAN

The economic operator wishing to participate in the AEO Programme shall submit to Customs a security plan documenting the policies, processes and procedures that it has in place to ensure that goods for export/import are packed at a secure premise/facility, accurately accounted for and transported securely to the point of export/import from the point of origin.

The security plan must detail the company's written and verifiable policies, processes, procedures etc., in respect of the following:

1. Procedural security.
2. Document security.
3. Physical security.
4. Access controls.
5. Personnel security.
6. Training and skill upgradation.
7. Compliance with other Government security related requirements, if any.

Annexure – C
[see rule 743(2)]

(Applicable for grant of Gold, Platinum, and Silver)

PROCESS MAP

Process map should illustrate the flow of goods and documentation/ information from receipt of order to the point of export/delivery/receipt of the product.

It should describe all the activities/ operations and role of the applicant and that of other business partners who are involved in the import-export supply chain in any manner.

Annexure – D
[see rule 743(2)]

(Applicable for grant of Gold, Platinum, and Silver)

SITE PLAN

The site plan should cover the whole area managed by the company, clearly illustrating the following (if present):

1. The external perimeter of the area, including features such as boundary roads, railway lines, streams/rivers, neighboring properties.
2. All access points to the site (e.g. vehicle, rail and pedestrian entrances) with traffic flows.
3. All buildings identified with access ways (e.g. administration office, export/import storage areas, export/import packing areas, export container movement).
4. Internal and/or external lighting facilities that contribute to security.
5. Other security features (e.g. CCTV, electronic access gates).
6. Visitor, contractor and company personnel parking areas.
7. Perimeter fences with description (e.g. 2-metre high security fence).
8. Areas used for container storage.

Note: Site plan should be submitted with respect to all the sites of the entity.

Annexure – E

[see rule 743(2)]

SELF-ASSESSMENT FORM

Annexure - E.1 General Compliance

(Applicable for grant of Gold, Platinum, and Silver)

E.1	Compliance	Yes	No	Remarks
(a)	Whether having Customs and/ or other Departments' license/ certificate with respect to category of AEO application? Copy of the same may be provided.			
(b)	Whether having other Customs, Income Tax, Sales Tax, Services Sales Tax and other Department's licenses/ registration/ certificates? If yes, copies of these may be provided.			
(c)	Type of business entity: Whether Proprietorship Firm, Partnership Firm, Public or Private Limited Company etc.? Copy of the concerned registration etc. may be provided.			
(d)	Whether your entity is established in Pakistan? If yes, please provide evidence in Remarks column which may include: 4. (iv) A certificate of registration issued by the Registrar of Companies. 5. (v) Type of business entity, whether Proprietorship Firm, Partnership Firm, Public or Private Limited Company and in that case the details of the Proprietor, Partners and Directors as the case may be should be provided along with the details of Company Secretary. (vi) Details of places/locations where goods are being handled, e.g. loading, unloading, storage etc., in the course of supply to/from international supply chain. (vii) Proof that the business has its own accounts.			
(e)	Whether your entity has business activities for at least three financial years preceding the date of application?			
(f)	Whether you have filed or handled at least 25 documents i.e. goods declarations, with the Customs Authorities during the last financial year. A summary sheet may be provided.			
(g)	Whether the applicant has ever been convicted of a criminal offence? If so complete details of the same should be submitted.			

Note:

1. **The Self-Assessment can be carried out by the applicant themselves or through a third party having expertise.**

2. **If some points are not applicable, these should be mentioned in the 'Remarks' column with reason thereof.**

Annexure-E.2 Legal Compliance
[see rule 743(2)]

(Applicable for grant of Gold, Platinum, and Silver)

E.2	**Compliance**	**Yes**	**No**	**Remarks**
(a)	Whether there is any cases of infringement of Customs Laws by any of the following persons over the three financial years preceding the submission of the application: (i) The applicant; (ii) The person in charge of the applicant company or exercising control over its management; (iii) The person in-charge of dealing with customs related matters If yes, please indicate the details of the cases. Further, submit details related to volume of the customs related operations in '**Remarks'** column.			
(b)	Whether any amount has been adjudged during last three financial years involving fraud, forgery, outright smuggling, clandestine removal of goods or cases where incidence of duty/taxes has been passed on to the customers but not deposited in to the Government treasury. If yes, please indicate the details in '**Remarks'** column.			
(c)	Whether there is any case against you wherein prosecution has been launched? If yes, please indicate the details in '**Remarks'** column.			
(d)	i. What is the amount of disputed duty demanded or recovery of drawback paid in excess or sought to be denied, in all the adjudged cases under the Customs Act,1969 during the last three financial years? ii. What is the total duty paid and drawback claimed during the preceding three financial years? iii. What is the ratio of the disputed duty amount involved in the adjudged cases to the total duty paid/ drawback claimed during the preceding three years?			
(e)	i. Whether procedures are in place to identify and disclose any irregularities or errors to the Customs authorities or, where appropriate, other regulatory bodies? If yes, enclose evidence in support of this. ii. Whether system is in place to take appropriate remedial action when irregularities or errors are identified? If yes, enclose evidence in support of this.			

Annexure E.3
[see rule 743(2)]

Managing commercial and (where appropriate) transport records
(Applicable for grant of Gold, Platinum, and Silver)

E.3	**Compliance**	**Yes**	**No**	**Remarks**
(a)	Whether maintaining an accounting system consistent with Generally Accepted Accounting Principles (GAAP) / International Financial Reporting Standards (IFRS) which facilitates audit-based Customs control?			
(b)	Whether there is an administrative set up which corresponds to the type and size of Business and which is suitable for the management of the flow of goods, and have internal controls capable of detecting illegal or irregular transactions?			
(c)	Wherever applicable, have satisfactory procedures in place for the handling of licenses and authorizations connected to export/import?			
(d)	Whether having satisfactory procedures in place for archiving of the company's records and information, and also for protection against the loss of information?			

(e)	Whether there is a system to ensure that employees are made aware of the need to inform the Customs authorities whenever compliance difficulties are discovered and establish suitable contacts to inform the Customs authorities of such occurrences?			
(f)	Whether there is a satisfactory procedure for verifying the accuracy of Customs declarations?			
(g)	Whether there is an appropriate information technology security measures to protect the applicant's computer system from unauthorized intrusion and to secure the applicant' s documentation?			

Note: The applicant should enclose appropriate documentary evidences in support of above claims.

Annexure E.4 Financial Solvency
[see rule 743(2)]

(Applicable for grant of Gold, Platinum, and Silver)

E.4	Compliance	Yes	No	Remarks
(a)	Whether the applicant has been financially solvent during the three financial years preceding the date of application? (Solvency would generally be defined as good financial standing that is sufficient to fulfill the commitments of the applicant including ability to pay duties) Please attach Balance Sheets for last three Financial Years.			
(b)	Whether, where required, the accounts have been filed with Registrar of Companies within the time limits laid down by law?			
(c)	Whether, where applicable, audit qualifications or comments in the annual accounts about the continuation of the business as a going concern?			
(d)	Whether there are any contingent liabilities or provisions?			
(e)	Whether the net current assets are positive?			
(f)	Whether the entity has been defaulted in payment of due taxes during the past three years?			
(g)	Whether there is solvency certificate issued by the Statutory Auditor? If yes, provide the copy.			
(h)	Whether the business entity is currently listed as insolvent, or in liquidation or bankruptcy?			

Annexure E.5 Safety and Security
[see rule 743(2)]

(Contains seven parts E.5.1 to E.5.7)
(Applicable for grant of Gold, Platinum, and Silver)
(Note: The applicant should enclose appropriate documentary evidences in support of their claims under this section)

E.5.1	Procedural Security	Yes	No	Remarks
(a)	i. Whether there is a security policy and procedure manual which contains detailed guidelines on procedures to be followed to preserve the integrity of the cargo while in its custody, loading and unloading from transport conveyance and during transport? ii. Whether there is any laid down procedures and manual which stipulates how seals are to be controlled and affixed to cargo and transport conveyances?			
(b)	Whether security measures are in place to ensure the integrity and security of processes relevant to the transportation, handling, and storage of cargo in the supply chain.			
(c)	Whether there is proper documentation of management procedure in place to ensure that all documentation used in the clearing of cargo is legible, complete, accurate and			

	protected against the exchange, loss of introduction of erroneous information?			
(d)	Whether there is a procedure in place to ensure that information received from business partners is reported accurately and timely as well as declared in the time limit regulated by Customs?			
(e)	Whether procedure are in place to ensure that: 1. Import / Export cargo are reconciled against the information on the bill of lading? 2. The weights, labels, marks and piece count of the import/export cargo are accurately indicated? 3. Import/export cargo are verified against purchase/delivery orders? 4. Drivers delivering or receiving cargo are positively identified before cargo is received or released?			
	Whether all shortages, overages, and other significant discrepancies or anomalies are resolved and/or investigated appropriately?			
E.5.2	**Premises Security:**	**Yes**	**No**	**Remarks**
(a)	Whether building is fully secured against unlawful entry?			
(b)	Whether all external and internal gates, fences and windows are fully secured with locking devices or alternative access monitoring or control measures?			
(c)	Whether the issuance of locks and keys is controlled by management or authorised personnel only?			
(d)	Whether adequate internal and external lighting have been provided especially for entrances and exits, cargo handling and storage areas, fence lines and parking areas?			
(e)	Whether gates through which vehicles and/or personnel enter/exit have been manned, monitored or otherwise controlled?			
(f)	Whether vehicles accessing restricted areas are parked in approved area and their license plate numbers furnished to Customs upon request?			
(g)	Whether only properly identified and authorized persons, vehicles and goods are permitted access?			
(h)	Whether access to document or cargo storage areas is restricted?			
(i)	Whether there are appropriate security systems for access control?			
(j)	Whether restricted areas have been clearly identified?			
(k)	Whether the integrity of structures and systems is periodically inspected?			
(l)	Whether perimeter fencing exists for enclosing the areas around cargo handling and storage facilities?			
(m)	Whether interior fencing exists within a cargo handling structure to segregate domestic, international, high value and hazardous cargo.			
(n)	Whether the number of gates is kept to the minimum necessary for proper access and safety?			
(o)	Whether unauthorized vehicles are prohibited from parking in or adjacent to cargo handling and storage areas?			
E.5.3	**Cargo Security:**	**Yes**	**No**	**Remarks**
(a)	Whether only properly identified and authorized persons have access to the cargo?			
(b)	Whether integrity of cargo is ensured by permanent monitoring or keeping in a safe, locked area?			
(c)	Whether all seals meet the required seal standards prescribed by customs for high security seals especially with maritime containerized cargo?			
(d)	In cases of air consignments/courier consignments where it is not possible to procure and use PAS / ISO 17712 seals, whether any international seal compatible with standards of PAS/ISO 17712 is being used?			
(e)	Whether the integrity of container seals are being checked by the authorized person by following the			

	procedure prescribed in the security policy manual of the company?			
(f)	Whether only authorised personnel distribute container seals and safeguard their appropriate and legitimate use?			
(g)	Whether the seven-point inspection process is carried out in respect of containers before stuffing of cargo therein? (These seven points include: Front wall, Left side, Right side, Floor, Ceiling/Roof, Inside/outside doors, Outside/undercarriage.)			
(h)	Whether it is possible to deliver goods to an Unsupervised area?			
(i)	Whether appropriate procedures have been laid down on measures to be taken when an unauthorized access or tampering is discovered.			
(j)	Whether goods are uniformly marked or stored in designated areas only?			
(k)	Whether appropriate procedures exist to weigh / tally the goods and compare them against transport documents, purchase/sales orders and Customs papers?			
(l)	Whether internal control procedures exist to deal with situations when any discrepancies and/or irregularities are discovered?			

E.5.4	**Conveyance Security**	**Yes**	**No**	**Remarks**
(a)	Whether, to the extent possible, all conveyances used for the transportation of cargo within the supply chain are capable of being effectively secured?			
(b)	Whether, to the extent possible, all operators of conveyances used for transport of cargo are trained to maintain the security of the conveyance and the cargo at all times while in its custody?			
(c)	Whether all operators are required to report actual or suspicious incident to designated security department staff of the applicant company as well as to maintain records of these reports, which should be available to the AEO Programme Team and the Customs?			
(d)	Whether potential places of concealment of illegal goods on conveyances are regularly inspected? (Such places include all internal and external compartments & panels.)			
(e)	Whether the transporters are required to maintain the conveyance integrity while it is en-route transporting cargo to export/import points or import/transit containers by utilizing a tracking and monitoring activity log or records?			
(f)	Whether pre-determined routes are identified by the dispatcher?			
(g)	Whether procedures are in place for random route checks, and for documenting and verifying the length of time between the loading point/trailer pickup and the delivery destinations?			
(h)	Whether there is a system to ensure that the drivers notify the dispatcher of any route delays due to weather, traffic and/or rerouting?			
(i)	Whether the management of transporters is required to perform a documented, periodic and random verification process to ensure that the logs are maintained and conveyance tracking and monitoring procedures are being followed and enforced?			

E.5.5	**Personnel security:**	Yes	No	Remarks
(a)	Whether all reasonable precautions have been taken when recruiting new staff to verify that they are not previously convicted of security-related, Customs or other criminal offences?			
(b)	Whether periodic background checks are conducted on employees working in security sensitive positions?			
(c)	Whether employee identification procedures require all employees to carry proper identification that uniquely identifies the employee and organization?			
(d)	Whether procedures are in place to identify, record and deal with unauthorized or unidentified persons, such as photo identification and sign-in registers for visitors etc at all points of entry?			
(e)	Whether procedures are in place to expeditiously remove identification and access to			

	premises and information for employees whose employment is terminated?			
E.5.6	**Business Partner Security**	**Yes**	**No**	**Remarks**
(a)	Whether the applicant has written and verifiable process, including the capability of financial soundness and compliance with the safety requirement set by the contracts as well as the capability of detection and correction of safety defects, for selection of business partners?			
(b)	For AEO business partners, whether the applicant has obtained the copies of their AEO certificate?			
(c)	For non-AEO business partners, whether the applicant has obtained written confirmation from them that they meet AEO equivalent security criteria? The applicant may obtain one or more of the following written documents from such business partners for demonstrating their compliance with security criteria? i. Contractual document ii. A completed self-assessment security questionnaire from the applicant. iii. A written statement from the business partner demonstrating their compliance with AEO security criteria. iv. Senior business partner officer attesting to compliance. v. Documents from the business partners demonstrating their compliance with and equivalent and accredited security program administered by a foreign Customs authority.			
(d)	Whether a system exists to encourage other concerned business entities/trading partners to assess and enhance supply chain security?			
(e)	Whether a system is in place for periodic reviews of business partner' s processes and facilities based on risk, and maintenance of security standards by the business partners is as required by the applicant?			
E.5.7	**Security Training and Threat Awareness**	**Yes**	**No**	**Remarks**
(a)	Whether the applicant has established and maintained a threat awareness program for employees to foster awareness of the threat at each point in the supply chain?			
(b)	Whether employees of the applicant are aware of the procedures which are in place to address a situation and how to report it?			
(c)	Whether specific trainings are offered to assist employees for maintaining cargo integrity, recognizing internal conspiracies and protecting access controls?			
(d)	Whether supply chain security trainings of employees include the following items? i. Security policy of the company. ii. Potential risk to internal security of the company. iii. Maintaining cargo security. iv. Access control measures of the company. v. Identifying and reporting suspicious cargo and personnel. vi. Conveyance management and cargo security for conveyance management personnel.			
(e)	Whether the records of security training are maintained and are available for verification by the AEO Team and Customs.			

Annexure F Business Partners Details
[see rule 743(2)]

(Applicable for grant of Platinum only)

Please furnish list of all the business partners of the applicant, who are in any manner involved in the international supply chain, as under:

Sr. No.	Name and address	Nature of business (Logistics Service providers, Custodians/ Terminal operators, Customs Brokers or Warehouse operators)	Whether holder of AEO certificate (Yes/No)]

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[107][CHAPTER XXXIII
ELECTRONIC AUCTION (E-AUCTION)
SUB-CHAPTER (1)
OVERSTAYED GOODS

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

(i) "auctionable goods" means goods imported or to be exported goods ripe for auction at sea port terminal, aiport, Dryport, land customs station, an off-duck terminal, public or private bonded warehouse;
(ii) "bidder" means any person registered as abider in Customs Computerized System and offers a bid electronically in respect of goods put to auction;
(iii) "bid" means the price offered at e-auction portal for the goods put to auction separately or in lots or in a combination of lots by a bidder registered with customs computerized system;
(iv) "system" means the Customs Computerized System to the extent applied and notified under section 155A of the Customs Act, 1969;
(v) "unique auction number" means a unique number allotted to the lot of goods or vehicles; and
(vi) "custodian" means sea port terminal operator, port authority, Ground Handling Agent or Shed operator at airport; and included authority or organization or entity operating Dry port, Land Customs Station or Off Dock Terminal and public or private warehouse keeper or any entity notified by Customs.

(2) All other expression used and not defined in these rules shall have the same meaning as has been assigned to them for Customs Computerized System under Chapter XXI of the Customs Rules, 2001.

754. e-Registration of the bidders.- Any person bolding a valid CNIC or NICOP may get himself registered as a bidder by submitting the electronic form available at e-auction portal of the system against prescribed fee for processing of registration. The system shall acknowledge the registration of the person as a bidder by allocating him a Unique Identification or registration Number and transmitting the same at his valid e-mail address and mobile number. At the time of registration processing officer may verify the registration particulars and may reject the registration on valid grounds.

755. Role of Custodian of goods.- The system shall register the already registered Terminal Operators under Sub-Chapter XIV of Chapter XXI of the Customs Rules, 2001, or Ground Handling Agent at airports or Off dock terminal operator/public or private warehouse keeper being the Custodian of imported or to be exported goods, or any other authority, organization, company or entity and provide the following functionality in the system. The Custodian shall perform the following functions, namely:-

(i) identify the goods as-
  (a) unclaimed manifested goods;
  (b) uncleared Manifested goods;
  (c) overstayed warehoused goods in public or private bonds;
  (d) port sweeping;
  (e) cases under recovery under clause (b) of sub-section (1) of section 202 of the Customs Act, 1969 (IV of 1969); and
  (f) Any other goods approved by the Collector of Customs.
(ii) update the list of auctionable goods in the system for e-auction;

(iii) feed the details of goods as identified in clause (i) and forward the same to the Assistant / Deputy Collector (Auction) for initiation of auction proceedings as prescribed in rule 743;

(iv) deliver the auctioned goods to the successful bidder after ensuring payment of duties and taxes in the head of account of Collector of Customs and other related charges and after fulfillment of the conditions or restrictions as provided in Import Policy Order and relevant laws; and

(v) keep record of successful bidders and their related documents.

756. Procedure for issuance of notices.- (1) If the goods, imported into Pakistan are not cleared from any customs station or public or private bonded warehouse within the time limit as specified in section 82 or section 98 as the case may be, of the Customs Act, 1969 (IV of 1969), al such consignments shall be assigned by the system to the Assistance or Deputy Collector (Auction) for initation of auction proceedings.

(2) The system shall generate a notice under section 82 or sub-section (2) of section 112 of the Customs Act, 1969 (IV of 1969) for issuance to relevant trader, customs agent, shipping agent or shipping line as the case may be, as per the details available in the manifest or any other record. The system generated manual and electronic notice under section 82 shall be dispatched/ transmitted to the relevant person.

757. Procedure for examination and assessment for fixation of Reserved Price.- If no reply is received within stipulated time of the notice generated under sub-rule (2) of rule 741, the following action shall be taken, namely:-

(a) the system shall allot a "Unique Auction /Lot Number" against the BL or AWL in case of manifested goods or against an auction documents in case of confiscated goods or non0mainfested goods;

(b) the system shall assign the goods for examination. The examining officer while feeding examination report shall upload clear and complete images and suggest classification of goods and any other report (if required) of the goods under auction ;

(c) after completion of examination of goods, the system shall mark the goods for assessment on the basis of classification proposed by the examining officer; and

(d) the Assessing Officer shall on the basis of examination report and available information in the system, finalize the assessment of the goods and determine the reserve price of the goods. The appraising officer may also call samples for assessment of value. The assessing officer shall mention the NOCs and other documents where required as per the conditions and restrictions imposed under the Import Policy Order or any other law applicable thereon, for compliance by the bidder as well as by the custodian. For assessment of vehicles, the Assessment officer will follow the instructions contained in Chapter-IV titled "Assessment of Vehicles" of CGO 12/2002 dated 15.06.2022.

758. Auction Proceedings.- The online auction proceedings shall be initiated by the Assistant or Deputy Collector (Auction) or by any other officer authorized by the Collector. The information regarding the goods under auction shall be provided or displayed at auction portal against each Unique Auction Number. It may include:-

(a) details or descriptions of auctionable goods;

(b) quantity or units, as the case may be;

(c) high definition images of the goods;

(d) lab or other reports (if any);

(e) NOC or conditions or restrictions as per Import Public Order or Export Policy order or any other laws applicable thereon;

(f) auction starting and finishing date and time;

(g) auctionable goods location;

(h) mode of auction, whether "As is where is basis' or on weight basis' or any other mode;

(i) opening value of the goods for the bid.

759. Bidding Process and acceptance of bid.- (1) After completion of examination and assessment the goods shall be displayed at auction portal for inviting bids by the Assistant or Deputy Collector (Aucation). Once displayed at auction portal the lot shall be available for online bidding and, will be available for 72 hours from the time of receipt of first bid and the time will be displayed against each lot at e-auction portal.

(3) The system will be displaying the highest bid each time on receipt of higher bid.

(3) After the completion of bidding time of 72 hours, the highest bids/offers received against the reserved price will be processed for approval or rejection by the concerned Assistant or Deputy Collector (Auction) or the Additional Collector (Auction) as per the following criteria.

Bid Offer	Authority to approve Bid
Bids greater than 80% of the reserve price	AC/DC Auction
Bids less than 80% of the reserved price	ADC Auction

(4) The bids received will be considered by the Assistant or Deputy Collector (Auction) within next 72 hours' time to accept or reject the same. All cases, where no decision is taken within the stipulated time, the same shall be assigned to the Additional Collector (Auction) for a decision. If no decision is taken by the Additional Collector within seventy two hours, then the bid shall be auto-rejected by the system.

(5) In case of acceptance of a bid, the system shall calculate the duties and taxes and other charges, PSID will be generated for payment and the same will be displayed to the successful bidder and the AC or ADC auction.

(6) If the successful bidder does not deposit the payable amount within seventy two hours, then the system shall select the second highest bid and mark the same to the Assistant or Deputy Collector (Auction) or the Additional Collector for a decision within the time stipulated in rule 773(4). In case of rejection of second highest bid by the Assistant or Deputy Collector(Auctrion0 or the Additional Collector (Auction) as the case may be, the system shall not mark the third highest bid to the authority. However, in case of non-payment for the second highest bid, the system shall forward the third highest bid to the authority for a decision.

(7) Bid acceptance message shall be communicated to the successful bidder through an e-mail and through registered mobile phone mentioning the amount required to be paid and the time limit for payment. The total payable amount, after the acceptance of bid, should reflect the component of advance Income Tax (10% in case of filer or 15% in case of non-filer, collected under section 236 (A) of the Income Tax Ordinance, 2001 (XLIX of 2001).

(8) The successful bidder is required to pay 100% of the accepted bid amount to the given head of account of Collector of Customs or PSID within seven days through e-payment system.

(9) Before the payment, the system shall check if the goods have been released or gated-out during the process of auction, then in such case, the system shall not accept the payment and informed the bidder accordingly.

(10) After confirmation of payment of bid amount the Assistant or Deputy Collector (Auction) shall send the 'release message' of the auctioned goods to the Terminal Operator and Auctioneer.

760. Delivery of auctioned goods by Terminal Operator and e-Auctioneer.- (1) The Terminal Operator after receipt of the 'release message' shall ensure and verify all the relevant documents or NOC as per Import Policy Order or any other relevant laws have been received from the successful bidder.

(2) The Terminal Operator shall also verify the original CNIC of the successful bidder at the time of delivery.

(3) The Terminal Operator shall generate and issue the 'Goods Delivery Challan' / Copy of Auction GD at the time of delivery of auctioned goods for the Gate in-charge.

761. Apportionment of Sales Proceeds.- (1) The sale proceeds will be apportioned as per the Section 201(2) of the Customs Act, 1969 (IV of 1969) at the rate of duty and taxes prescribed by the relevant laws and rules made thereunder.

(2) if the received bid amount is more or less, the system should automatically adjust the value of the goods as per the bid amount and accordingly the incidence of duty and taxes on such value. The value amount will be deposited / adjusted against Customs duty-head of account.

762. Depreciation and Revision of reserved price.- Depreciation and revision of reserved price shall be governed as per first proviso to rule 58(2) and sub-rule (2A) of rule 58 of Chapter V(Auction) of Customs Rules, 2001, respectively.

Explanation: The reserve price shall consist of the depreciated value, duties and taxes and other charges.

763. Auction of perishable or hazardous goods.- Auction of perishable or hazardous goods shall be governed as per rule 71 of Chapter V (Auction) of Customs Rules, 2001.

764. Power of the Collector of Customs. (1) Notwithstanding anything contained in this chapter, the Collector may-

(i) cancel the whole proceeding of an auction without assigning any reason;
(ii) recall the proceedings and recover the goods even after delivery of goods if it is proved that there has been a deliberate attempt to cause loss to the public exchequer.
(iii) restrict or refuse the entry of persons to the premises where an auction is held or their taking part in the auction.
(iv) can disallow or de register the User ID of the bidder at e-portal on reasonable grounds; and
(v) the Collector can put the auction of certain goods/vehicles on hold in case of order from any court.

(2) Notwithstanding the procedures prescribed above, the Collector may issue such general opr special orders, regulating the auction as he thinks fit in order to safeguard the public interest.

765. Miscellaneous.- (1) The goods not fit for human consumption shall be destroyed.

(2) The Assistant or Deputy Collector (Auction) shall have the authority to send the goods under auction for re-examination or revision of reserved price.

(3) If no bid is received against a lot in five subsequent auctions (Unique Auction Lot Number) , then the auctionable goods may either be marked for re-auction or revision of reserved price by the Authorized Officer.

(4) In case of non-payments by a successful bidder after the approval of the bid by the authority, the system shall disable the user ID and the CNIC for a period of six months. The system shall automatically enable the user –ID and the CNIC after the expiry of six months. During that time period, the bidder will not be able to login to the auction portal of the WeBOC nor his case will be considered and allowed by the Collector of Customs.

(5) The following goods shall not be put to auction and be sold or disposed in the manner as prescribed by the Board, namely:-

(a) arms and ammunition;
(b) liquor and narcotics and like goods;
(c) confiscated books, written material which is obscene, subversive, anti-state or anti-religious; and
(d) diplomatic cargo.

766. Date of implementation.- The e-auction rule shall be applicable from the date as notified by the Board.

SUB-CHAPTER (2)
SEIZED OR CONSIFACTED GOODS

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

(a) "auctionable goods" means seized or confiscated goods lying in a state warehouse or elsewhere;
(b) "bidder" means any person registered as a bidder in Customs Computerized System and offers a bid electronically in respect of goods put to auction;
(c) "bid" means the price offered at e-auction portal for the goods put to auction separately or in lots or in a combination of lots by a bidder registered with customs computerized system;
(d) "system" means the Customs Computerized System to the extent applied and notified under section 155A of the Customs Act, 1969 (IV of 1969);
(e) "unique auction No.|" means a unique number allotted to the lots of goods/vehicle under auction; and
(f) "custodian" means custodian of seized or confiscated goods lying in state warehouse or at any place notified by Customs.

(2) All other expressions used and not defined in these rules shall have the same meaning as has been assigned to them for Customs Computerized System under Chapter XXI of the Customs Rules, 2001.

768. e-Registration of the bidders.- Any person holding a valid CNIC or NICOP may get himself registered as a bidder by submitting the electronic form available at e-auction portal against prescribed fees for processing of registration. The system shall acknowledge the registration of the person as a bidder by allocating him a Unique Identification or Registration Number and transmitting the same at his vlaid e-mail address and mobile number. At the time of registration processing officer may verify the registration particulars and may reject the registration on valid grounds.

769. Role of Custodian of goods.- The system shall register the Custodian of goods who will feed information with reference to auctionable goods in the e-auction module and provide the following functionality in the system. The custodian shall perform the following functions, namely:-

(i) identify the goods as:
  (a) auctionable confiscated goods;
  (b) legacy goods (goods where manual auctions proceedings were started)
  (c) cases under recovery under section 202(1)(b) of the Customs Act, 1969; and
  (d) any other goods approved by the Collector of Customs.

(ii) update the list of auctionable goods in the system for e-auction;
(iii) feed the details of goods as identified in clause (i) and forward the same to the Assistant or Deputy Collector (Auction) for initiation of auction proceedings as prescribed in Rule 741;
(iv) deliver the auctioned goods to the successful bidder after ensuring payment of duties and taxes in the head of account of Collector of Customs and other related charges

and after fulfillment of the conditions/restrictions as provided in Import Policy Order and relevant laws; and

(v) keep record of successful bidders and their related documents.

770. Procedure for referring goods to e-auction.- (1) The goods which are ready for auction under the law shall be uploaded by the Custodian at e-auction module with required details.

(2) The system shall assign the goods to folder of AC/DC Auction and generate the notice under section 82 or under the section 169(I) or under the section 201 of the Customs Act, 1969 as the case may be. The auction notice will also be issued manually to owner of the goods or his agent before start of the proceedings of the auction.

771. Procedure for examination and assessment for fixation of reserved price.- (1) In cases where reply of auction notice issued to owner of goods or his agent is not received with in prescribed time or found unsatisfactory, the goods shall be proceeded for auction. The system shall allot a 'Unique Auction Lot Number' against an auction documents in case of confiscated goods forwarded by custodian of the goods.

(2) The system shall assign the goods for examination. The examining officer while feeding examination report shall upload clear and complete images and any other report (if required) of the goods under auction in system.

(3) After completion of examination of goods, the system shall mark the goods for assessment on the basis of HS Code proposed by the examining officer. The Assessment officer shall finalize the assessment and determine the reserve prices of goods on the basis of examination report and other information/ data available regarding the value of goods.

(4) The assessing officer shall mention the NOCs and other documents where required as per the conditions and restrictions imposed under the Import Policy Order or any other law applicable thereon, for compliance by the bidder as well as by the custodian. For assessment of vehicles, the Assessment officer will follow the instructions contained in Chapter –IV title "Assessment of Vehicles" of CGO 12/2002 dated 15.06.2002.

772. Auction proceedings.- The online auction proceedings shall be initiated by the Assistant or Deputy Collector (Auction) or by any other officer authorized by the Collector. The information regarding the goods under auction shall be provided/displayed at auction portal against each Unique Auction Number. It may include-

(i) details or descriptions of auctionable goods;
(ii) quantity or units as the case may be;
(iii) high definition images of the goods;
(iv) lab or other reports if any;
(v) NOC, conditions or restrictions as per Import Policy Order or Export Policy Order or any other laws applicable thereon;
(vi) auction starting and finishing date and time;
(vii) auctionable goods location;
(viii) mode of auction, whether 'As is where is basis' or 'on weight basis\ or any other mode; and
(ix) Opening value of the goods for the bid.

773. Bidding Process and acceptance of bid.- After completion of examination and assessment, the goods shall be displayed at auction portal for inviting bids. Once displayed at auction portal the lot shall be available for online bidding, and will be available for seventy two hours from the time of receipt of first bid and the time will be displayed against each lot at e-auction portal.

(2) The system will be displaying the highest bid each time on receipt of higher bid.

(3) After the completion of bidding time of seventy two hours, the highest bids/offers received against the reserved price will be processed for approval or rejection by the concerned Assistant or Deputy Collector (Auction) or the Additional Collector (Auction) as per the following criteria, namely:-

Bid Offer	Authority to approve Bid
Bids greater than 80% of the reserve price	AC/DC Auction
Bids less than 80% of the reserved price	ADC Auction

(4) The bids received will be considered by the Assistant/Deputy Collector (auction) with in next seventy hours' time to accept or reject the same. All cases, where no decision is taken within the stipulated time, the same shall be assigned to the Additional Collector (Auction) for a decision. If no decision is taken by the Additional Collector within seventy two hours, then the bid shall be auto-rejected by the system.

(5) In case of acceptance of a bid, the system shall calculate the duties and taxes and other charges, a PSID will be generated for payment and the same will be displayed to the successful bidder and the AC/DC auction.

(6) If the successful bidder does not deposit the payable amount within seventy two hours, then the system shall select the second highest bid and mark the sme to the Assistant or Deputy Collector (auction) or the Additional Collector for a decision within the time stipulated in rule 744(4). In case of rejection of second highest bid by the Assistant/Deputy Collector (Auction) or the Additional Collector (Auction as the case may be, the system shall not mark the third highest bid to the authority. However, in case of non-payment for the second highest bid, the system shall forward the third highest bid to the authority for a decision.

(7) Bid acceptance message shall be communicated to the successful bidder through an e-mail and through registered mobile phone mentioning the amount required to be paid and the time limit for payment. The total payable amount, after the acceptance of bid, should reflect the component of advance Income Tax (10% in case of filer or 15% in case of non-filer, collected under section 236(A) of the Income Tax Ordinance, 2001).

(8) The successful bidder is required to pay 100% of the accepted bid amount to the given head of account of Collector of Customs /PSID within seven days through e-payment system.

(9) Before the payment, the custodian of goods shall check if the goods have been released/gated-out during the process of auction, then in such case, the system shall not accept the payment and inform the bidder accordingly.

(10) After confirmation of payment of bid amount the Assistant/Deputy Collector (Auction) shall send the 'release message' of the auctioned goods to the custodian of goods.

774. Delivery of auctioned goods by custodian.- (1) The custodian of goods after receipt of the 'release message' shall ensure and verify all the relevant documents or NOC as per IOP or any other relevant laws have been received from the successful bidder.

(2) The custodian of goods shall generate and issue the 'Goods Delivery Challan / Copy of auction GD ' at the time of delivery of auctioned goods to the Gate In-charge.

775. Apportionment of Sales Proceeds.- (1) The sale proceeds will be apportioned as per the Section 201(2) of the Customs Act, 1969 at the rate of duty and taxes prescribed by the relevant laws and rules made thereunder.

(2) If the received bid amount is more or less, the system should automatically adjust the value of the goods as per the bid amount and accordingly the incidence of duty/taxes on such value. The value amount will be deposited / adjusted against Customs duty-head of account.

776. Depreciation and Revision of reserved price.- Depreciations and revision of reserved price shall be governed as per first proviso to rule 58(i) and sub-rule 2A of rule 58 of Chapter V (Auction) of Customs Rule3s, 2001, respectively.

Explanation: The reserve price shall consist of the depreciated value, duties and taxes and other charges.

777. Auction of perishable /hazardous goods.- Auction of perishable /hazardous goods shall be governed as per rule 71 of Chapter V (Auction) of Customs Rules, 2001.

778. Power of the Collector of Customs.- Notwithstanding anything contained in this chapter , the Collector may-

(i) cancel the whole proceeding of an auction without assigning any reason;
(ii) recall the proceedings and recover the goods even after delivery of goods if it is proved that there has been a deliberate attempt to cause loss to the public exchequer;
(iii) restrict or refuse the entry of persons to the premises where an auction is held or their taking part in the auction;
(iv) can disallow or deregister the User ID of the bidder through e-portal on reasonable grounds; and
(v) The Collector can put the auction of certain goods/vehicles on hold in case of order from any court.

(2) Notwithstanding the procedures prescribed above, the Collector may issue such general or special orders, regulating the auction as he thinks fit in order to safeguard the public interest.

779. Miscellaneous.- (1) The goods not fit for human consumption shall be destroyed.

(2) The Assistant and Deputy Collector (Auction) shall have the authority to send the goods under auction for re-examination or/and revision of reserved price.

(3) If no bid is received against a lot in five subsequent auctions (Unique Auction Lot Number) , then the auctionable goods may either be marked for re-auction or revision of reserved price by the Authorized Officer.

(4) In case of non-payments by a successful bidder after the approval of the bid by the authority, the system shall disable the user ID and the CNIC for a period of two years. During that time period, the bidder will not be able to login to the auction portal of the WeBOC nor his case will be considered and allowed by the Collector of Customs. After the expiry of two years, the black listed person will request the Collector for reconsideration of his case for de-blocking.

(5) The following goods shall not be put to auction and be sold or disposed in the manner as prescribed by the Board, namely:-

(i) arms and ammunition;
(ii) liquor /narcotics and like goods;
(iii) confiscated books, written material which is obscene, subversive, anti-state or anti-religious ; and
(iv) diplomatic cargo.

780. Date of implementation.- The e-auction rule shall be applicable from the date as notified by the Board.]

[108][Chapter XXXIV
De minimise rules for imported goods

781. Application.- This chapter shall apply to the goods imported through postal service and air couriers only.

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

(a) "de minimis value" means the value of goods upto five thousand rupees in terms of the provisions of section 19C of the Customs Act, 1969;

(b) "postal goods" means goods cleared in terms of the provisions of Landing and Clearing of Parcels Rules as mentioned in Chapter XVI of the Customs Rules, 2001; and

(c) "courier goods" means air cargo cleared by couriers in accordance with rules specified by the Board.

783. For the purpose of application of the provisions of section 19C of the Customs Act, 1969, the value mentioned on label of the postal goods or the courier receipt shall be considered as the declared value.

784. For conversion of invoice value into Pak Rupees, the postal or courier authorities shall take the official exchange rate of the previous day.

785. The postal or courier authorities shall submit a separate list of goods along with invoices and other documents, if any, wherein the declared value is upto five thousand rupees in accordance with rule 366.

786. The Customs authorities shall scrutinize the list and shall have the right to examine or detain any goods to verify the declared value or compliance to the requirements of any other applicable thereon.

787. The postal or courier authorities shall not file goods declaration or demand payment of duty and taxes for goods with value upto five thousand rupees.

788. The postal courier authorities shall submit a consolidated monthly e-statement of all such clearances alongwith copies of invoice of the imported goods cleared under these rules to the concerned Customs authorities for re-conciliation of the record on the following format, namely:-

S.No.	Courier/Parcel No.	Name of consignee	Tel/Mobile No.	Description of goods	Value as per invoice (in Pak rupees)	Country of origin of parcel]

[114][Chapter XXXV
Advance Ruling

789. Short, title and commencement.- (1) These rules shall be called the Customs (Advance Ruling) Rules, 2020.

(2) They shall come into force on the date of publication thereof in the official Gazette.

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

(a) "**Act**" means the Customs Act, 1969 (IV of 1969); and the rules made thereunder;

(b) "**application**" means the applications made by an applicant to the committee authorized by the Board, on the format annexed to these rules;

(c) "**applicant**" means a person or a legal entity or representative thereof, authorized to file an application for advance ruling under the Act and rules;

(d) "**Advance Ruling Committee**" means a committee constituted under the rules by Board, headed by a customs officer of BPS-21 and comprising of two customs officers of BPS-20) as members and a customs officer of BPS-19 as secretary. A permanent secretariat with as much staff as required shall also be established and notified by Board for meetings of the committee in this regard. The committee shal be empowered to co-opt any officer of Customs other than those notified by the Board and representative eof trade body or association for assistance; and

(e) "advance ruling appellate authority" means the Member Customs (Policy) to process under these rules all the appeals filed against the issuance of the advance rulings and to decide accordingly.

791. Issuance of advance ruling.- Advance ruling shall be issued in following cases, namely:-

(a) classification of goods under first-schedule to the Customs Act, 1969;
(b) determination of origin of the goods under the rules of origin notified for bilateral and multilateral agreements; and
(c) applicability of notifications issued in respect of duties under Customs Act, 1969 or any tax or duty chargeable under any of the law for the time being in force in the same manner as duty of customs leviable under this Customs Act.

792. Procedure for submission of application.- An applicant desirous of obtaining an advance ruling under these rules may make an application on the prescribed format (Annex-A & B) to the secretary Advance Ruling Committee, stating the question on which the advance ruling is sought. An undertaking to the effect that, to the best of the applicant's knowledge, no issues concerning the goods for which a ruling is sought, is pending before any customs office or port of entry or before any adjudicating authority, tribunal or court. All requisite information and documents should be attached with the application.

793. Scrutiny of application.- The Committee will examine the application and the attached documents and inform the applicant within fifteen days if any further details or documents are required.

794. Processing of application.- The Committee may direct the applicant to appear in person or through his authorized representative before the Committee to present their view point and to address any queries of the Committee. The Committee will pass the order within ninety days from receipt of application with all requisite documents.

795. Validity of the order passed by the Committee.- A ruling passed by the Committee shall be binding on the applicant unless the applicant prefers an appeal as per rule 797 of the rules;

Provided that a ruling issued by the Committee shall be binding on the customs for a period of one year unless there is a change in fact or circumstances on the basis of which the advance ruling was pronounced.

796. Conditions where Committee will decline to process the application.- The Committee will refuse to process the application in the following situations, namely:-

(a) if the applicant has submitted incomplete, incorrect, false or misleading information;
(b) if law, facts or circumstances of the case changes;
(c) if the issue is pending before any adjudicating authority, appellate tribunal or court of law; or
(d) if the issue has already been decided by an adjudicating authority, appellate tribunal or any court of law:

Provided that before such rejection, an opportunity of being heard shall be given to the applicant in person and reasons thereof shall be recorded in the order.

797. Appeals against the ruling passed by the Committee.- The applicant may file an appeal with the Member Customs (Policy) within thirty days of the ruling. The Member Customs (Policy) after examining the record of the proceedings and appeal application shall pass an appropriate order within sixty

days, from the date of filing of appeal or within such extended period not exceeding thirty days as the Member Customs (Policy) may for reasons to be recorded in writing extend, confirm, modify or annul the decision or order appealed against and after giving an opportunity of hearing to the appellant:

Provided that during the appeal period of thirty days the operation of ruling shall remain suspended unless the applicant accepts the ruling.

798. Advance ruling to be void in certain circumstances.- (1) Where the Advance Ruling Committee finds on its own or on a representation made to it by the customs or otherwise that an advance ruling pronounced by it under sub-section (1) of section 212B of the Act has been obtained by the applicant by providing incomplete, incorrect, false or misleading information, it may revoke, modify or invalidate the ruling with retrospective effect and thereupon all the provisions of the Act shall apply to the applicant as if such advance ruling had never been made.

(2) A copy of the order made under sub-rule (1) shall be sent to the applicant and the respective customs authority.

Annex-A

APPLICATION FOR ADVANCE RULING (CLASSIFICAITON)

1. Application (name, address)	For official Use Date of receipt: Date of issue:
2. NTN:	
3. Description of Goods	
4. Enclosures being submitted to assist with classification of the goods. Sample ☐ Photograph ☐ Plans ☐ Catalogues ☐ Other ☐	
5. Commercial designation and additional information	
6. Classification envisaged by applicant (Customs tariff nomenclature code)	
7. General Interpretation Rule (s) considered being applicable for the classification envisaged. (In this box applicant can provide any additional information justifying the classification envisaged in box 6)	
8. Have you previously applied for an advance ruling for identical of similar goods ? Yes ☐ No ☐ If yes, please give details	
9. Are you aware of the existence of an advance ruling for identical or similar goods ? Yes ☐ No ☐ If yes, please give details	
10. Are you aware whether the goods are the subject of a classification or verification process or any instance of review or appeal before any: Ye ☐ No ☐ If yes, please give details	
I declare the all information and statements on this form and any attachment is true, accurate and complete to the best of my knowledge and belief. Applicant's Signature Date: Telephone: Fax: email address	
*Please attaché an additional sheet if you need more space	

Annex-B

APPLICATION FOR ADVANCE RULING (CLASSIFICAITON)

1. Application (name, address)	For official Use Date of receipt: Date of issue:
2. NTN:	
3. Importer, exporter, producer, and the agent (name, address (if known)	
4. Legal framework (preferential/ non-preferential)	
5. Description of Goods	6. Tariff Classification of Goods
7. Description of materials used in manufacture Material HS. Code Origin Value Other	8. Rule considered to be satisfied.
9. Country of Origin envisaged by applicant Country of Origin Country of export (where different) Country of Imports	
10. Enclosures being submitted to assist with determining the origin of the goods Sample Photograph Plans Catalogues Other	
11. Commercial designation and additional information	
12. Have you previously applied for an advance ruling for Identical or similar goods? Yes No If yes, please give details	
13. Are you aware of the existence of an advance ruling for Identical or similar goods?: Ye No If yes, please give details	
14. Are the goods subject to origin verification process or any instance of review or appeal any governmental agency, appellate tribunal or court ? Yes No	
I declare the all information and statements on this form and any attachment is true, accurate and complete to the best of my knowledge and belief. Applicant's Signature Date: Telephone: Fax: email address	
*Please attaché an additional sheet if you need more space	

[117][Chapter XXXVI

Transportation of Coastal Goods Rules

799. Short t title and commencement.- (1) These rules may be called the Transportation of Coastal Goods Rules, 2020.

(2) They shall come into force at once.

800. Scope.- (1) These rules shall apply to the goods transported in a coasting vessel from one port in Pakistan to another, excluding imported goods on which customs duty has not been paid and also not include baggage and stores.

(2) These rules shall also apply to the Full Container Lead (FCL) containerized cargo being carried in domesticated or imported containers or the Less than Container Load (LCL) or the bulk cargo as the case may be.

(3) Sections 48, 60, 64, 65 and 66 of the Customs Act, 1969, shall apply to coastal goods and vessels as they apply to the imported goods or the goods for export.

801. Application for approval at loading port.- (1) The consignor of any coastal goods or his clearing agent shall intimate to concerned Deputy or Assistant Collector of the customs at least two days before the shipping of intended goods from one customs port to coastal port to another customs port or coastal port and the concerned Deputy or Assistant Collector shall depute an appropriate officer who shall scrutinize the documents for details of the goods, and examine the goods and ensure the transfer of goods to the coasting vessel.

(2) The terminal operator or port authorities shall intimate, the Deputy or Assistant Collector, schedule of coasting vessel in advance along with details of the goods i.e. description quantity, origin etc. being shipped under these rules.

802. Filing of outward general manifest by coasting vessel calling at loading port.- (1) The master of the coasting vessel or his authorized shipping agent shall file an outward coastal general manifest specifying all details of the goods and the crew loaded or boarded on the vessel, an any vessel calling to the Port of Loading can be a coasting vessel provided the master of the vessel or his authorized shipping agent file outward coastal general manifest with customs before time as per rules.

(2) The appropriate officer at any time when the vessel is in customs port or coastal port may board the vessel, and may examine and check the goods (marking sealing, locks, etc.) and may remain on board for such time considered appropriate by him.

803. Filing of outward coastal goods declaration.- (1) Under section 147 of the Customs Act, 1969, the consignor of the goods or his clearing agent shall present to the appropriate officer, an outward coastal goods declaration (GD) as per prescribed format.

(2) No vessel shall take on board any coastal goods until the outward coastal goods declaration relating to such goods has been scrutinized and passed by the appropriate customs officer:

Provided that an officer of the Customs not below the rank of Deputy or Assistant Collector may, in circumstances of exceptional nature, for reasons to be recorded in writing, on a written application by the master of the vessel or his agent, permit loading of coastal goods pending presentation and passing of outward coastal goods declaration related to such goods.

(3) The terminal operator shall maintain detailed record of all such outward coastal general manifest and outward coastal goods declarations filed under these rules and submit details and documents of such clearances to the concerned Deputy or Assistant Collector for reconciliation.

804. Customs procedures at loading port.- (1) The Deputy or Assistant Collector concerned (loading port collectorate) shall nominate an appropriate officer of Customs who shall-

i) Inspect and examine the coastal goods as per provided documents, their description quantity marks, seals and packaging;
ii) Ensure that containers or tanks etc. used for carrying coastal goods were before empty, and also check proper packaging and sealing of these containers or tanks containing such goods;
iii) Ensure the coastal goods after being checked, examined, sealed and packed are loaded on the vessel and all the necessary documents are delivered; and
iv) The appropriate Customs officer shall then record his observations on prescribed format on GD and shall allow "**Set Sail**" to the vessel.

(2) The outwards coastal goods declaration presented by the consignor shall be in quadruplicate, the copies shall be distributed as follows:-

(i) 1st copy record or the loading port collectorate;
(ii) 2nd copy to the shipping agent for submission to unloading or discharge port collectorate; and
(iii) 3rd copy for transfer by loading port collectorate to discharge or unloading port Collectorate; and
(iv) 4th copy shall be retained by consignor for his record.

805. Filing of outward general manifest by vessel departing load port customs station loading of goods.- No vessel which has been loaded with any coastal goods at any customs port or coastal goods portal shall depart from such port until the concerned Customs officer signs the outward general manifest and gives port clearance.

806. Ensuring the goods are not changed en-route.- (1) The vessel shall have on-line tracking device for real time tracking and shall follow the approved geo-fenced routes only. The customs authorities shall have a real time access to online tracking of the vessel and can call any agency for checking the vessel en-route as per provisions of the Customs Act, 1969.

(2) A specific timeframe shall be provided to any coasting vessel for the voyage, to be prescribed by the Board, and the vessel must report to the unloading port within that specific time period. However, in cases of exceptional circumstances the timeframe of the vessel may be extended by the collector of customs unloading or discharge port collectorate, on written request of the master of the vessel or his authorized agent, after recording the reasons in writing.

(3) In case, where master of the vessel or his authorized agent fail to provide an appropriate explanation for the delay the collector of customs unloading or discharge port collectorate may block the vessel from future carrying the coastal goods.

(4) The vessel carrying the coastal goods under these rules shall not call at any foreign port after departure from loading port and before arrival at discharging or unloading coastal port and shall not load or unload any other cargo during the voyage.

807. Filing of inward coastal general manifest by vessel calling at destination customs port for unloading of goods.- (1) The master of the vessel or his authorized shipping agent shall file inward coastal general manifest specifying all details of goods and crew loaded or boarded on the vessel, and any vessel calling to the port of unloading or discharge can be a coasting vessel provided the master of the vessel or his authorized shipping agent file inward coastal general manifest with customs before time as per rules.

(2) The appropriate office at any time, when the vessel is in customs port or coastal port, may board the vessel, and may examine and check the goods (marking, sealing, locks etc.) and may remain on board for such time considered appropriate by him.

808. Issuance of master bill of lading by the master of vessel.- The master of the vessel or his authorized agent, in case file inward coastal general manifest on behalf of master of vessel, shall issue master bill of lading (MBL) by declaring the complete particulars of goods shipped on accordance with outward coastal goods declaration (OCGD) by mentioning en-route from one customs or coastal port of loading to customs or coastal port of unloading or discharge of goods collectorate to the consignor and consignee as well. The consignee shall submit MBL along with 3rd copy of OCGD with Collectorate for clearances or discharge of goods itself or through their authorized clearing agent.

809. Customs procedure at customs destination port. – The Assistant or Deputy Collector concerned at (destination port collectorate) will nominate an appropriate customs officer who shall.-

(i) ensure that al the coastal goods as presented in the inward coastal goods general manifest are unloaded from the vessel and all the necessary documents are received;
(ii) ensure that the coastal goods after being unloaded are checked, examined, marks and seals intact, and packaging and containers are identical as declared; and
(iii) the appropriate customs officer shall then record his observations on prescribed format on GD and shall allow "Set Release" to the goods.

810. Manifest clearance and reconciliation.- (1) The inward and outward coastal general manifest clearance shall be the responsibility of both the customs formations i.e. customs collectorate at loading port and the discharging port.

(2) In case any sport of discrepancy arises, action shall be taken by the respective Collectorates under the Customs Act, 1969 and rules made thereunder as deemed appropriate'

811. Electronic filing of coastal general manifest and goods declaration.- Notwithstanding anything contained in above rules, an inward or outward coastal goods general manifest also includes such manifest filed electronically and an inward or outward coastal goods declaration also includes such declarations filed electronically in Pakistan Customs Computerized System, operational and notified under section 155A of the Customs Act, 1969, and all the relevant rules made thereunder and notified vide Chapter XXI of the Customs Rules, 2001 shall be applicable.

812. Saving clause.- Consignor, consignee and the master of the coasting vessel shall ensure strict compliance with the provisions of Chapter XXI of the Customs Act, 1969.]

[111][Chapter XXXVII
FORFEITURE OF PROPERTY RULES

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

(a) "administrator" means a person or persons appointed under the Act to manage the affairs and business of the property forfeited under these rules;
(b) "assets" means property, both movable and immovable, owned, controlled or belonging to a person convicted on the charges of smuggling, whether directly or indirectly, or in the name of his spouse or relatives or associates inside and outside Pakistan;
(c) "associate" in relation to a person, means-

(i) any individual who is or has been residing in the residential premises, including out-houses and servant-quarters, of such person;
(ii) any individual who is or has been managing the affairs or keeping the accounts of such person;
(iii) any association of persons, body of individuals, partnership firms, or private limited company within the meaning of Companies Act, 2017 (XIX of 2017), of which such person is or has been a member, partner or director;
(iv) any individual who is or has been a member, partner or director of an association of persons, body of individuals, partnership firm or a private limited company referred to in sub-clause (iii);
(v) a trustee of any trust created by such person; or

(vi) where the Special Judge, for reasons to be recorded, considers that any property of such person is held on his behalf by any other person, such other person;

(d) "relative" in relation to an accused, means the spouse or any lineal descendant of the accused and includes any other person holding property for or on his behalf;

(e) "freezing" means prohibiting parting, transfer, conversion, disposal or movement of any assets and includes the holding, controlling, assuming custody or managing any assets in pursuance of such order and, in the case of assets which are perishable the disposal thereof; and

(f) "tracing" means finding out the true nature, source, disposition, movement or ownership of assets and includes determining the movement or conversion of assets by any means, and "trace" shall be construed accordingly.

814. Assets acquired by smuggling not to be held.- (1) It shall not be lawful for any person_to hold assets_acquired_through_proceedc ofsmuggling either directly in his own name or indirectly in the name of any relative or associate.

(2) Where a person is found to hold any assets in contravention of the provisions of the Customs Act, 1969, such assets shall be liable to be forfeited to the Federal Government in accordance with the provisions of the Act ibid.

Explanation.- "smuggling" shall have the same meaning as defined in section 2 of the Customs Act, 1969.

815. Power to trace and freeze assets.- (1) During the investigation or trial of an offence of smuggling, the Collector or an officer authorized in this behalf under section 163 of the Customs Act, 1969 shall trace and identify assets for the purpose of forfeiture by the Special Judge, regarding which suspicion arises of having been acquired by any person through proceeds of smuggling and holds them either directly in his name or indirectly in the name of his relatives or associates.

(2) This may include inquiry, investigation in respect of any premises, place, property, conveyance, documents and books of accounts.

(3) Whenever an Officer of Customs, not below the rank of Assistant Collector or an offic-Qr authorized in this behalf under section 163 of the Customs Act, 1969 has reasons to believe that within the limits of his jurisdiction any person, either in his own name or on behalf of any relative or associate holds any assets, which are reasonably suspected of having been acquired through proceeds of smuggling, the officer of customs after obtaining approval from Collector may freeze such assets for fifteen days and before the expiry of fifteen days the freezing order shall be submitted to the Court of the Special Judge Customs with the grounds on which such freezing was carried out and further continuation of the freezing or forfeiture shall so be decided by the Court.

Where the Special Judge trying an offence of smuggling is satisfied that there appear reasonable grounds that accused has committed such an offence, he may order the freezing of assets of the accused, his relatives and associates.

816. Notice to person holding property suspected to be acquired through smuggling.- (1) Whenever a Special Judge receives information through the Collector of Customs or any officer authorized under section 163 of the Customs Act, 1969, that within the limits of his jurisdiction any person, either in his own name or in the name of any relative or associate, is holding assets which are reasonably suspected to be acquired through proceeds of smuggling, the Special Judge shall call upon such person to show cause by means of a notice, within such time as stipulated in the notice, and not less than thirty days, as to why the whole or any part of such goods should not be declared as property acquired by smuggling and be ordered to be forfeited to the Federal Government.

Provided that no such proceedings shall commence against the accused unless, taking into consideration one's sources of income, past involvement in smuggling or abetting the act of smuggling, conviction under any law meant to prevent smuggling, the Special Judge has reasonable grounds (which he shall record in writing) for commencing proceedings against the accused.

817. Order of Special Judge.- (1).Where the Special Judge is satisfied that any assets were derived, generated or obtained through proceeds of smuggling, he may order that such assets shall stand forfeited in the name of the Federal Government free from all encumbrances.

(2) The burden of proving that any assets specified in a notice under rule 8160) is not acquired through proceeds of smuggling shall be in accordance with section 187 of the Customs Act, 1969.

818. Option to pay fine in lieu of property forfeited.- (1) Where by virtue of an order made by the Special Judge less than full of any asset stands forfeited to the Federal Government and such asset is indivisible or cannot be easily separated from the rest without substantially impairing the value of the asset, the person holding it prior to such declaration shall be given, by the Special Judge, an option to pay in lieu of forfeiture of that part of the asset a fine equal to the market value of the asset prevalent at the time of its forfeiture.

(2) Where such person pays the tine in lieu of forfeiture, within such time as may be allowed to him, the Judge may, by order, revoke the declaration of forfeiture made under rule 817 and thereupon such asset shall stand released.

819. Transfer of certain assets void.- (1) After the issuance of a notice under rule 8160), the property mentioned in such notice shall not be transferred by any mode whatsoever, nor shall any change be created thereon, until proceedings of forfeiture are pending in the court.

820. Power to conduct inquiry, investigation, etc.- (1) Notwithstanding anything contained in any other law for the time being in force, for the purpose of any proceedings under these rules, or initiation of any such proceedings, the Collector shall have the power to conduct or cause to be conducted any inquiry, investigation or survey in respect of any person, place, assets, documents, books of accounts and any other relevant matters.

(2) For the purposes of this section, the Collector shall have the power to require any officer or authority of the Federal Government including civil armed forces and Federal Investigation Agency or a Provincial Government including Police and Revenue Authorities or a local authority or any financial institution to furnish any information in relation to such persons, property, assets or other matters as are, in his opinion, useful for or relevant to, the purposes of this Chapter.

821. Forfeited property to be surrendered.- (1) Where any property has been declared to be property acquired by smuggling and forfeited to the Federal Government under this Act, or where a person who has been given option under rule 818 has not paid the fine within the specified time, the Collector may direct such person or any other person who is in possession of such property to surrender or deliver possession thereof to an Administrator authorized in this behalf by the Collector within thirty days of the service of such directions.

(2) If any person to whom a direction has been issued under this section refuses or fails to comply with such direction, the Collector may cause possession of the property to be taken and for that purpose may authorise use of such force as may be necessary.

(3) The property forfeited under the said rule, if it is agricultural property, be mutated in the name of the Federal Government, or be transferred to an Administrator duly authorised by the Collector in such manner as the Court may direct.

(4) For the purpose of taking possession of forfeited property under these rules, the Collector can requisition the services of any officer of the civil armed forces including Police for assistance and it shall be the duty of such officer to comply with such requisition.

822. Proper accounting of properties.- The Administrator shall, at the time of receiving the assets, ensure proper identification of such assets with reference to its particulars mentioned in the freezing order or as the case may be, the forfeiture order made under the Act.

823. Management of property. - The Administrator may authorize any member of staff or other persons, provided to him by the Collector, to take possession of vacant property in respect of which-

(a) an order or orders of freezing of such property have been made under the Act; and

(b) an order or orders of forfeiture of such property have been made under the Act.

824. Disposal of property. - The property so forfeited shall be disposed of by the Administrator or any other Customs officer authorized by Collector after completion of legal formalities in the following manner, namely:-

(a) the movable property shall be disposed of through public auction and shall be governed by Chapter V (Auction), of the Customs Rules, 2001; and

(b) the disposal of immovable property shall be governed by Chapter XI (Recovery of Arrears), Part III and Part IV, of the Customs Rules, 2001.]

[115][Chapter XXXVIII
Import and Export of E-Commerce Rules

825. Application.- (1) These rules shall apply for assessment and clearance of imported or exported goods of business-to-consumer (B2C) transactions through authorized dealer via designated customs stations.

(2) These rules shall not apply to the following goods, namely:-

(a) goods requiring testing of samples;
(b) animals;
(c) perishable goods;
(d) food stuff including beverages;
(e) medicines of any sort;
(f) alcoholic drinks;
(g) restricted items subject to fulfillment of import and export regulations under the relevant law;
(h) prohibition under sections 15 and 16 of the Customs Act, 1969 (IV of 1969) along with allied law; and
(i) import and export goods which are intended for clearance from customs station or airport other than at which arrived.

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

(a) "e-commerce" means buying and selling of goods or services including digital products through electronic transactions conducted via the intemet or other computer-mediated (online communication) networks;

(b) "e-commerce exporter" means an exporter who has been registered by an authorized dealer of the State Bank of Pakistan in the B2C e-commerce module in WeBOC;

(c) "e-commerce importer" means an importer or end consumer receiving goods meant for personal use, not for commercial activity, who has been registered with the WeBOC e-commerce portal;

(d) "registered courier" means a courier company registered with the Pakistan Customs;

(e) "individual shipment" means products of e-commerce arriving or departing through an aircraft, vessel or conveyance shall be treated as single or individual shipments of e-commerce importer or exporter, if declared in the same IGM or EGM; and

(f) "courier manifest" means the manifest presented by the registered courier to customs indicating the details of the individual shipment.

827, Presentation of manifest.- The registered courier shall file the prior arrival manifest of e-commerce goods on the format as set out in Annexure-A. The Risk Management System (RMS) shall be applied at the manifest filing stage.

828. Registration of shipment by e-commerce importer.- Consumer shall provide the details of shipment and e-commerce importer. E-commerce goods of the consumer shall be cleared upon provision of information prior to the manifest or post arrival of the goods.

829. Filing of goods declaration at import and export stage.- Goods declaration shall be filed by the registered courier on behalf of e-commerce importer and exporter on the specified type of goods declaration for the purpose of e-commerce.

830. Clearance of e-commerce goods at import and export stage.- The goods shall be cleared upon examination and assessment through WeBOC system upon decision by the RMS.

831. Payment of duty and taxes.- Duty and taxes shall be paid by the e-commerce importer and exporter through following methods, namely:-

(a) self-payment by the e-commerce importer and exporter through a unique payment ID; or
(b) payment through authorized registered courier.

832. Responsibilities of registered courier and e-commerce importer.- Following details shall be provided by the registered courier and e-commerce importer in relation to shipment, namely:-

(a) consignor name;
(b) name and address of e-commerce importer;
(c) exact description;
(d) declaration of correct value;
(e) quantity;
(f) packages;
(g) weight;
(h) origin; and
(i) payment details and CNIC (by e-cotrunerce importer).

833. Responsibilities of registered courier and e-commerce exporter.- Following details shall be provided by the registered courier and e-commerce exporter in relation to shipment, namely:-

(a) name and NTN of e-commerce exporter;
(b) consignee name and address of consumer;
(c) payment details of consumer; registered account;
(d) exact description; rebate details;
(e) weight; and
(f) quantity.

834. Return of goods.- Goods imported or exported through e-commerce shall be returned upon submission of specific request by the registered courier upon following conditions, namely:-

(a) specific reason is to be provided by the registered courier at the time of import or export of e-commerce goods;
(b) payment details and its reversal mechanism as prescribed by the SBP;
(c) refund of duty and taxes shall be given to e-commerce importer in case of return of goods upon completion of export transaction and receipt of foreign exchange remitted at the time of import; and

(d) in case of exported goods, return goods can be imported temporarily for alteration or replacement or in case of cancellation of order by consumer without payment of duty and taxes subject to declaration at import stage.

835. Mis-declaration at import or export.- Registered courier shall be responsible along with the e-commerce importer or exporter, as the case may be, for making any declaration in the transaction of any business relating to the customs, knowing or having reasons to believe that such declaration is false in any particulars manner, and as such shall be dealt with under the relevant provisions of the Customs Act, 1969 (W of 1969).

Annexure-A
[see rule 827]

Presentation of courier manifest

Registered Courier Company:
NTN No. _____
STRN No. _____
Flight No. _____
IGM No: _____
Date: _____
Port of departure: _____

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(1)	(2)	(3)	(4)	(5)	(6)

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			e-commerce	Completely landed/short landed/short shipped]
(12)	(13)	(14)	(15)	(16)

[121][Chapter XXXIX
CHINA PAKISTAN ECONOMIC CORRIDOR (CPEC)
Sub-Chapter 1

Gwadar Tax Free Zone Rules

837. Definitions: - In these rules, unless there is anything repugnant in the subject or context;-

(a) "Act" means the Customs Act, 1969 (IV of 1969), the Federal Excise Act, 2005 and the Sales Tax Act, 1990;
(b) "analysis certificate" means a certificate issued by the regulatory collectorate under rule 844;
(c) "Appendix" means an appendix to these rules;
(d) "Authority" means the Gwadar Port Authority established under the Gwadar Port Authority Ordinance, 2002 (LXXVII of 20021);

(e) "Collector", means the Collector of Customs, in whose jurisdiction the Free Zone is located;

(f) "customs computerized system" or "CCS" means the customs computerized system or CSS as defined in clause (ia) of section 2 of the Customs Act, 1969 (IV of 1969);

(g) "concession holder" means China Overseas Ports Holding Company Limited or any other company having rights from the Gwadar Port Authority to develop, manage and operate Gwadar Free Zone in terms of concession agreement signed under Gwadar Port Authority Ordinance, 2002 (LXXVII of 2002);

(h) "export" means acquisition of goods from tariff area to a zone as provided for in rule 840;

(i) "export abroad" means exports of goods from the zone to foreign countries in terms of rule 841, and include exports of goods:

(i) against international tenders;

(ii) to project or sections entitled to import or purchase such goods free of duties and taxes; and

(iii) to export processing zones, to private or public bonded warehouse including manufacturing bond or to export oriented unit, but excluding diplomatic bond;

(j) "general trading unit" means investor, undertaking or establishment engaged in the acquisition, distribution or supply of goods in same state as specified by the licensing authority and duly registered as such in the CSS;

(k) "import" means removal of goods from a zone in the tariff area for home consumption in term of rule 842;

(l) "import from abroad" means import of goods into zone from foreign countries in terms of rule 839 also includes goods introduced into a zone from export processing zone or public bonded warehouse, but excluding diplomatic bond;

(m) "input goods" means goods coming from abroad or tariff area for consumption by an industrial unit in the manufacture of output goods as mentioned in the analysis certificate under these rules, and includes:

(a) raw materials, trims, accessories and assemblies, sub-assemblies, component, and sub component;

(b) unrecorded media for development of software and recorded software used as tools for development of software;

(c) electricity and gas; and

(d) coal, furnace or diesel oil for the generation of electricity used for, manufacture of goods;

(n) industrial unit" means an industry , undertaking or establishment engaged in the process of manufacture after declaring input output ratios and authorized in this behalf by the licensing authority and duly registered as such in the Customs Computerized System;

(o) "investor" means a person or company having a valid license issued by the licensing authority to carry business in the free zone area; and duly registered as such in the CSS;

(p) "logistic, international transport or services unit" means investor, undertaking or establishment engaged in the distribution or supply or services as specified in this behalf by the licensing authority and duly registered as such in the CSS;

(q) "license" means a license issued to the investor by the licensing authority under the Gwadar Port Authority Ordinance, 2002;

(r) "licensee" means a person, investor or firm to whom a license is granted by the licensing authority;

(s) "licensing authority" means an agency, department, or company authorized by the concession holder Authority to develop, manage and operate Gwadar free zone as per terms of agreement signed under Gwadar Port Authority Ordinance 2002;

(t) "manufacture" with its grammatical variations and cognate expressions means any process, incidental or ancillary, to the manufacturing of output goods under this chapter, whether through the use of any machinery or manual labour;

(u) "Ordinance" means the Gwadar Port Authority Ordinance , 20021 (LXXVII of 2002) and the Income tax Ordinance, 2001 (XLLX of 2001);

(v) "output goods" means any goods manufactured by an industrial unit under these rules;

(w) "registration authority" means an officer of customs who is authorized to issue a unique user ID to a license for conducting operation through CSS;

(x) "regulatory collectorate" means the Model Customs Collectorate of Gwadar in whose jurisdiction Gwadar Free Zone is located;

(y) "tariff area" means any area in Pakistan outside the limits of a zone but excludes export processing, zone private or public bonded warehouse including manufacturing bond or export oriented unit;

(z) "vendor or sub-contractor" means a person who is registered under the Sales Tax Act, 1990, and has an agreement with an industrial unit in the zone for partial manufacture of goods or provision of services in respect of input goods provided by the industrial unit; and

(zz) "zone or Gwadar Free Zone" an area notified by the Authority under section 3 of the Gwadar Port Authority Ordinance, 2002 and appointed under section 12 of the Customs Act, 1969, duly governed under these rules, and includes customs-station notified by the Federal Board of Revenue (FBR) under sections 9, 10 and 78 of the Customs Act, 1969 for clearance of goods.

(2) All other words and expressions used, but not defined herein, shall have the same meanings as are assigned in the Act.

838. Registration to operate under CCS.- (1) An investor shall apply to the registration authority for a user ID after grant of a valid license from the licensing authority.

(2) The business premises of a investor including manufacturing areas and stores shall be verified by the Customs and upon such verifications, a user ID shall be issued to the investor by the registering authority to start operation through CSS;

Provided that regulatory collectorate mat devise the procedure for registration with necessary modifications in Sub- Chapter II of Chapter XXI of the Customs Rules, 2001, if required.

(4) Upon any violation under the Act of these rules, the registration authority may proceed to take necessary action under section 155F of the Customs Act, 1969.

839. Import from abroad (entry of goods into the Free Zone from abroad).- (1) Subject to sub-rules (6) and (7), any goods may be imported into the Free Zone from abroad.

(2) A goods declaration in respect of goods imported for a free zone along with other documents, as required under the Act and the rules made there under, shall be presented in terms of section 79 of the Customs Act, 1969.

(4) The goods declaration shall be filed by the investor, or a clearing agent duly authorized in terms or section 207 of the Customs Act, 1969 and subject to procedural formalities as prescribed under the Customs Act, 1969 are the rules made there under.

(5) Goods imported into a free zone shall be examined and assessed in accordance with the provisions of the Customs Act, 1969 and rules made thereunder. The exemption granted under the Act and Ordinance shall be applicable to plant, machinery, equipment, apparatus and materials to be used solely within the limits of a free zone and to goods imported into the zone by the investors:

Provided that plant, machinery, equipment and apparatus including capital goods imported shall be retained for a period of at least five years from the date of importation:

Provided further that the disposal of plant, machinery, equipment and apparatus before the expiration of five years shall be subjected to following reduced rated of duty and taxes levied at the time or importation, namely:-

S.No.	**Duration Period (for disposal in tariff area)**	**Duty and Taxes**
(1)	(2)	(3)
1.	If sold or otherwise disposed of before the expiration of three years from the date of importation.	Full
	If sold or otherwise disposed of after three and before four years from the date of importation.	50%
	If sold or otherwise disposed or after four and before five years from the date of importation	25%
	If sold or otherwise disposed of after five years from the date of importation.	0%

(6) Notwithstanding the provisions of sub-rule (3), plant and machinery imported under these rules may be surrendered at any time to the regulatory collectorate without payment of any custom duties and taxes for further disposal by the Collector.

(6) Admission of goods imported for free zone shall not be refused except when the goods are liable to restrictions or prohibitions imposed on grounds or public morality or order, public security, hygiene or health or for sanitary or phyto-sanitary considerations, or relating to the protection of patents, trademarks, or intellectual property rights as envisaged in import policy order.

(7) Hazardous goods may be allowed to be admitted to a free zone only when a safe area specially designed for it storage has been made available within the Free Zone to the satisfaction of the licensing authority and Customs as well as such conditions under relevant national laws have been compiled with.

(8) Input goods, other than plant and machinery, admitted to free zone by an investor shall be consumed within two years from the date of entry into the zone. For duly justified reasons, extensions may be granted for another one year by a written approval of an officer not below the rank of Collector of Customs.

(9) Duty and tax free vehicles shall be allowed to be imported by the concessions holders and its operating companies for constructions, development and operations of Gwadar Port and free zone area under the regulatory mechanism. The regulatory mechanism for such vehicles, including the numbers and types importable, shall be devised by the Ministry of Port and Shipping and FBR, in consultation with the Provincial Government if so required, and shall be notified by the FBR.

(10) Investor operating in the free zone and employing upto twenty five workers shall be entitled to import or purchase one duty/tax free coaster, while investor employing more than twenty five shall be entitled to import or purchase one duty/tax free bus upto fifty seats. Investors having exports of five million US $ or more per annum shall be entitled to import or purchase one duty/tax free cargo vehicle or track and one motor car up to 1600 CC subject to verification of the amount of exports and approval by the Collector of Customs.

(11) An investor providing logistic services may be import vehicle and equipment, free of leviable duty and taxes proportionate to their operational requirements determined under the regulatory mechanism devised under sub-rule (9) and after recommendation from the authority.

(12) The duty and the tax free vehicles shall be retained subject to following conditions, namely:-

(a) Life of Vehicle shall be five years unless damaged to the extent that it cannot be further used;
(b) for claiming replacement of any vehicle, the vehicle required to be replaced shall be surrendered to the regulatory collectorate free of cost; and
(c) regulatory collectorate shall either use such surrendered vehicle for operational use or cause it to be auctioned under the relevant rules provided that the decision for operational use or auction shall not be taken by an officer below the rank of Collector.

840. Export (entry of goods into the zone from tariff area).- (1) Goods, excluding petty items, from the tariff area shall be admitted into the zone upon completion of export formalities which are observed for export to foreign countries.

(2) A goods declaration in respect of goods exported into the zone shall be presented to Customs authorities of the regulatory collectorate for processing and clearance accompanied by the documents showing details as required under the Act and the rules made thereunder.

(3) Goods which are entitled to exemption or repayment of Custom-duties and sales tax on exportation shall qualify for such exemption or repayment immediately after these have been admitted into a free zone as per Act, Ordinance and rules made thereunder.

(4) Petty items shall be admitted in the free zone under rule 844.

(5) After clearance of exports goods declaration field by tariff area exporter, the free zone investor shall file corresponding goods declaration for import (import tariff) so that the goods are credited to the free zone investor:

Provided that such import goods declaration filed by the investor shall be cleared immediately without any further customs formalities.

841. Export abroad (removal of goods from the free zone to abroad).- (1) Any goods removed from a free zone for exportation to foreign countries shall be exported under the export procedure as laid down in the Act under the rules made thereunder.

(2) A goods declaration under this rule shall be presented to the Customs authorities for clearance along with documents showing such details are required under the Act and the rules made thereunder.

(3) All Custom formalities regarding clearance of goods shall be completed at the designated custom examinations and assessment area for clearance of goods within the free zone.

(4) In special circumstances, an investor may request for examination of goods at his business premises which may be allowed by the Collector for duly justified reasons:

Provided that a post examination Pakistan Custom Container Sealing System (PCCSS) seal shall be applied to the container examined at the business premises and the container number and seal number shall be entered in to the system.

842. Import. - (1) Any goods removed from a zone for importation to tariff area shall be imported under the import procedure as laid down in the Act and the rules made thereunder.

(2) Removal of goods in the same state or output goods produced by industrial units in a free zone to tariff area shall be allowed on filing a goods declaration for home consumption by the tariff area importer subject to the Import Policy Order, in force, applicable to imports from abroad, and payment of custom-duties and other taxes levied on such imports.

(3) The goods produced in a free zone and removed to tariff area for home consumption shall be chargeable to custom-duties and taxes in the state in which they enter the tariff area.

(4) Wastage such a packing materials, empty drums, cartons etc. shall be allowed removal from free zone to tariff area on payment of duties and taxes after filing of goods declaration:

Provided that wastage and factory rejects, as per ratios approved in the analysis certificate, shall be allowed for removal to tariff area subject to the conditions, restrictions and limitations contained in the Import Policy Order for the time being in force on payment duties and taxes after filing of goods declaration.

(5) In case produced wastage are of no commercial value, the same shall be allowed to be destroyed by an officer of Customs not below the rank if an Assistant Collector in such manner as may be prescribed by the Collector of Customs:

Provided that a "goods declaration from for destructible waste", as devised by the regulatory collector on the pattern of goods declaration containing description, quantity, value and tariff headings, shall be filed by the investor and after approval of the appropriate officer, such wastage my be allowed to be dumped or destroyed at the specified placed designed by the licensing authority for safe destruction.

(6) Tariff area imported shall be file import goods declaration for home consumption after clearance of corresponding export goods declaration filed by the free zone investor (export tariff), so the goods are debited from the free zone.

843. Petty items. - Petty items, included construction material, food item etc. for consumption within free zone may be allowed entry in the free zone on filing of petty items declaration in the CSS, without Form-E or filing a goods declaration. The petty items declaration form shall be devised by the regulatory collector on the pattern of goods declaration containing description, quantity, value and tariff heading of petty items. The regulatory collector shall also fix a value-based limit of the petty items that can be acquired by an investor, based on his annual turnover, investment and quantum of employment:

Provided that no refund or repayment of duty taxes shall be allowed on such petty items.

844. Analysis certificate for industrial units. - (1) The industrial units shall submit inputs- output ratio through a self-declared analysis certificate as per format set out in **Appendix-I** showing the input-output ratio of imported goods vis-a-vis manufactured goods along with wastages. Such input output ratios shall be declared initially at the time of registration with the registration authority for which the regulatory collector ate shall issue a unique system based unique user ID that would allow the CSS to debit the stock of imported goods against manufactured finished goods.'

(2) In case input to output ratios are found abnormal, the regulatory collectotrate may proceed to re-determined input to output ratios after undertaking physical inspection of the manufacturing process keeping in view the industrial standard or may refer the matter to the IOCO or Engineering Development Board or an independent laboratory or authority to determine the input to output ratios along with wastages:

Provided that period for re-determined of input to output ratios shall be not exceed thirty days.

(3) Analysis certificate shall be submitted separately for each finished item and approval of the regulatory collectorate shall be required for each finished product. A new analysis certificate shall be submitted in case any change occurs in the input to output ratio of any finished product.

(4) Analysis certificate shall not be required for every consignment or input goods if the finished item is the same for which Analysis Certificate has already been issued and there occurs no change in the input-output ratio for that finished item. However, a separate Analysis Certificate shall be required whenever there is a change of in the input ratio of any finished product.

845. Sub-contracting for units of the tariff area.- (1) Subject to the approval of Collector, the investor licensed as industrial units in the free zone shall be allowed to provide sub-contracting or vendor services for units of the Tariff Area. The subcontracting shall be allowed only for partial processing, embellishment, decoration of further manufacturing. The licensed industrial units shall apply on the form as set out in **Appendix-II** to the regulatory collectorate. The duty and taxes shall be paid by the units of Tariff area units on value addition.

(2) Subject to the approval of regulatory collectorate, the industrial units operating in the tariff area shall also be allowed to provide sub-contracting or vendor services for industrial units of the free zone on such conditions, restrictions and limitations as may be prescribed. The subcontracting shall not be allowed without pre-determination of input-output ratios. The licensed industrial units shall apply on the form as set out in **Appendix-III** to the regulatory collectorate.

(3) The facility of subcontracting shall be extended on submission of copy of work contract and after physical verification of the manufacturing facility and production capacity of the unit operating in the tariff area as per procedure specified in **Appendix-IV** which may be modified by the regulatory collectorate in a manner that secures the duty-free goods from any pilfering / replacement during the sub-contracting process. The duty and taxes involved on the outgoing goods from free zone for subcontracting in the Tariff area shall be secured through post dated cheque and indemnity bond as set out in **Appendix-V** subject to drawl of the samples of both the outgoing and incoming goods. The relevant securities shall be released after completion of the subcontracting activity.

(4) The period of subcontracting shall be determined by the Assistant or Deputy Collector of Customs, but such period shall not exceed three months, which shall be accounted for from the date of exit and entry of sub-contracted goods. An officer not below the rank of Additional Collector may extensions of time upto another three months subject to submission of revalidated security for the extended period.

846. Movements of goods for repair.- Movement of machinery, equipments, apparatus, appliances, components sub-components and parts out of free zone for repair may be allowed on submission of securities as per satisfaction of the regulatory collectorate on such conditions, restrictions and limitations as may be prescribed to ensure that any goods are not replaced or pilfered in the process.

847. Record Keeping. - An investor or license shall maintain the records of all (as provided for in the rules), alongwith soft copies, that allow for matching the goods that were entered into or left the zone, after being subjected to the approved activity. The record, both hard/ soft copies shall be produced to customs for examination whenever required.

848. Quarterly return. - Concession holder, their operating companies, contractors and sub-contractors or the licensees or investors of the free zone shall file a quarterly return with the regulatory collectorate giving item-wise summary of all incoming and outgoing goods in the format as set out in **Appendix-VI** of these rules, except for industrial units which shall file a quarterly return in the format as set out in **Appendix-VII** of these rules. Such quarterly return shall be filed not later than 15th days of the following months after the closing date of the quarter.

Provided that in case of non-submission of quarterly return within prescribed time, the investor shall be liable to pay a system-based penalty and in case of non-submission of two consecutive quarterly returns, the user ID of the investor shall also be blocked as provided for in the Act or the Rules.

849.- Audit.- (1) The regulatory collectorate shall conduct audit of the concession holder, their operating companies, contractors and sub-contractors or the licensees or investors of the free zone, whenever necessary but at least once in a year. The audit will examine all incoming and outgoing goods and services in the light of input to output ratios and any violation of these rules.

(2) If the concession holder, their operating companies, contractors and sub-contractors or the licensee or investors of the free zone fail to give proper account of the goods to the satisfaction of the regulatory collector, they shall pay on demand an amount equal to the duties and taxes leviable thereon and shall also be liable to penal action and payment of fine and penalties as provided for under the Act and rules.

850. Destruction. - Any goods admitted to the zone which are rendered unfit for further consumption whether produced in the course of manufacture of output goods, or deterioration or damaged caused by any reason beyond the control of the licensee, may be allowed to the destroyed by an officer of Custom not below the rank of an Assistant Collector of Customs in such manner as may be prescribed by the Collector of Customs.

851. Remission of duties.- Subject to the satisfaction of the Collector of Customs, the duties and other taxes, if any, may be remitted in full or in part, as the case may be, in the following cases, namely:-

(i) when any goods are damaged or destroyed by unavoidable circumstances or cause beyond the control of the investor;
(ii) when the waste or refuse of the goods is destroyed in accordance with rule 850; and
(iv) when goods imported are bona fide samples for study, testing, exhibition or designed purposes.

852. Restrictions on removal of goods from the zone. - No goods shall be taken out from the free zone except as provided in these rules.

853. Movements of goods to and from zone.- Removal and movement of all goods imported to or exported from free zone shall be governed as per procedure laid down in Chapter XIV of the Customs Rules 2001, with necessary modifications as deemed appropriate by the regulatory Collector to ensure that any goods are not replaced or pilfered during transportation.

854. Transfer of ownership.- Transfer of ownership of goods within the zone may be allowed on filing a goods sale declaration from for internal sale by the investors purchasing and selling such goods.

Provided that the investor selling such goods shall filed goods sale declaration form for internal sale and the investor purchasing such goods shall file a goods sale declaration form for internal purchase. The goods declaration forms for internal sale and purchase shall be cleared immediately under green channel.

855. Security of the zones. - (1) Zone shall be fenced and bound with a secure boundary wall and shall remain under twenty four hour customs surveillance/supervision. Suitable check posts shall be established to the satisfaction of the Collector of Customs. The zone authority shall fix CCTV infrastructure at all entry/ exit points and also along the boundary wall. The camera filed shall also be provided of the Customs for enforcement controls.

(2) All entry and exit points of the free zone shall be under the supervision of regulatory collectorate.

(3) The constructions of the check posts and their maintenance shall be carried out by the Authority of concessions holder in accordance with the lay out plan approved by the Collector of the Customs.

(4) The Collector of Customs may impose restrictions on means of access to a free zone and establish the hours of business. The Collector of Customs may keep the means of access to a Free Zone under permanent or intermittent supervision, and make randomized checks not exceeding 5% on the goods introduced into the free zone to ensure that no unauthorized goods or transport vehicles introduced.

856. Role of Authority and concession holder under section 14A of the Customs Act, 1969.- (1) Authority concession holder or its operating company managing and operating free zone, shall be responsible for providing infrastructure for the smooth running of operations and implementation of these rules in the free zone including scanning equipment. They shall provide all facilities to Customs provide under section 14 A of the Customs Act, 1969.

(2) They shall provide goods movement and handling infrastructure and provide sufficient space for de-stuffing and storing of imports and exports goods, empty containers etc as provided for in Chapter XIV with suitable amendments. The goods shall be stacked index vise leaving enough space between the rows to facilitate ispections and examination of goods by Custom staff. A separate bounded area shall be ear-marked for examination which shall be adjacent to entry and exit gate.

(3) There shall be single entry and exit gate for the free zone. Custom offices and examinations and assessments areas shall be adjacent to the entry and exit gates clearance of incoming and outgoing goods:

Provided that regulatory collectorate may allow more entry and exit gates in special circumstances after ensuring that examination and assessment area have been established adjacent to such gates for the clearance of goods:

(4) Residential and retail areas within the free zone shall be fully separated from the other areas of the free zone and special arrangements shall be made to the satisfaction of the collector to ensure that duty / tax free goods are not pilfered in such areas.

857. Access to Customs on premises within the free zone.- Customs shall have the right to visit any premises within the zone, call relevant record and take legal action in case of commission of any offense.

858. Blocking, suspension and cancellation of user ID or the license.-(1) The registration authority may block the user ID of concession holder, operating company, contractor or sub-contractor, license or investor as provided or in section 155F of the Customs Act,1969.

(2) The regulatory collector may permanently cancel the user ID of any investor upon establishment of any offense under the Customs Act 1969, or rules made there under, after affording an opportunity of being heard besides any other action which may be taken under Ordinance. Thereafter, customs shall forward a copy of the order to proceed under the Ordinance, including revocation of all relevant provision for operations in the zone.

859. Cancellation of License.- Licensing authority shall not cancel, suspend, revoke, amend or change in any manner the terms of license without prior NOC from the customs. The NOC shall be issued after audit and upon verification that no recovery or duty/ tax liability is outstanding against a license or investor.

860. Violation.- Subject to the provision of the Act and rules made thereunder, in case any violation of Act or rules or on the grounds of public morality or order, public security hygiene or health or for veterinary or phyto-pathological considerations, or relating to the protection of patents, trademarks or copy-rights, or relating to smuggling or illegal removal of goods, the Authority, concession holder, licensing authority and the investor or license and their clearing agent, if any, the carrier, the shipping lines or their agent and terminal along with other concerned, as the case may be, shall be jointly or severally responsible for duty and taxes involved on such goods. They shall be liable to pay leviable duty and taxes on such goods in addition to fine and penalty and shall also be liable to any other action, which may be taken under the Act, or the rules.

861. General provisions.- The authority, concession holder and its operating company shall be custodian of import and export goods moving into and out of the zone. They will receive containers and effect deliveries of import and export goods to respective investors after completion of custom formalities and clearance of goods as prescribed under the Act and rules made there under.

(2) The Authority, concession holder and its operating company shall maintain an account of all incoming and out-going goods and services with relevant details to track whereabouts of any goods which shall be provided to customs whenever required.

(3) All goods shall be allowed to entry or exit on authorized vehicles, which are duly registered with customs in the CCS:

Provided that the regulatory collectorate may devise the procedure for registration of vehicles in the Customs Computerized System with necessary modifications in Sub-Chapter II of Chapter XXI of Customs Rules, 2001.

(4) As long as CSS does not become fully operational or is suspended due to any reason, all the records and processes shall be maintained and managed under one customs or manually, as the case may be.

(5) The rules and procedures prescribed under the Act like transshipment, transit, examination, assessment, auction, recovery, etc. shall apply to all matters not specifically mentioned in these rules.

862. Savings: Imports and exports made to or from Gwadar free zone prior to the framing of these rules shall be deemed to have been made as if the same had been effected under these rules.

Sub-Chapter 2

IMPORTS BY CONCESSION HOLDER AND OPERATING COMPANIES

863. The concession holder, its operating companies and contractors/subcontractors may import materials and equipment (plant, machinery, appliances and accessories), exclusively for construction and operation of the terminals and the free zone area subject to filing a goods declaration to that effect:

provided a designated officer of the Authority shall certify that imported materials equipment are the *bonafide* requirement of the terminals and the free zone area:

provided further that the importer shall submit an account of imports and consumption activities to regulatory collectorate on quarterly basis as per prescribed format set out at **Appendix-VIII.**

(5) Duty and taxes free vehicles shall be allowed to be imported by the concession holder and its operating companies for construction, development and operations of Gwadar Port and free zone area under the regulatory mechanism. The regulatory mechanism for such vehicles, including the number and types importable, shall be devised by the Ministry of Ports and Shipping and FBR in consultation with the Provincial Government if so required, and shall be notified by the FBR.

(3) Plant, machinery, equipment and apparatus including capitals goods imported shall be retained for a period at least five years from the date of importation:

Provided further that the disposal of plant, machinery, equipment and apparatus before the expiration of five years shall be subject to following reduced rated of duty and taxes levied at the time of importation, namely:-

S.No	Duration period (for disposal in tariff area)	Duty and Taxes
(1)	(2)	(3)
1.	If sold or otherwise disposed of before the expiration of three years from the date of importation.	Full
2.	If sold or otherwise disposed of after three and before four years from the date of importation.	50%
3.	If sold or otherwise disposed of after four and before five years from the	25%

	date of importation.	
4.	If sold or otherwise disposed of after five years from the date of importation.	0%

(4) Notwithstanding the conditions at sub-rate (9) above, plant and machinery imported under these rules may be surrendered at any time to the regulatory collectorate without payment of any customs duties and taxes for further disposal by the regulatory collectorate.

(5) The duty/tax free vehicles shall be retained subject to the following conditions, namely:-

(a) life of vehicle shall be five years unless sooner it is damaged to the extent that it cannot be used;
(b) for claiming replacement of any vehicle, the vehicle required to be replaced shall be surrendered to the regulatory collectorate free of cost; and
(c) regulatory collectorate shall either use such surrendered vehicle for operational use or will place it for auction, provided that the decision for operational use or auction shall not be taken by an officer below the rank of Collector.

(6) The concession holder, its operating companies and contractors/subcontractors shall maintain the records of all incoming goods, consumptions and outgoing goods, if any, with cross reference so that the same could be accounted, for which shall be produced to customs for examinations whenever required.

(7) The regulatory collector shall conduct audit of the concession holder, its operating companies and contractors or subcontractors whenever necessary but at least once a year.

Provided that if the concession holder, its operating companies and contractors/subcontractors fail to give proper account of the goods to the satisfaction of the regulatory collector, they shall pay on demand an amount equal to the duties and taxes leviable thereon and shall also be liable to penal action and payment of fine and penalties as provided under the Act and rules.

Sub-Chapter 3
IMPORT AND SUPPLY AF SHIP BUNKER OILS FOR GWADAR PORT

864. Import and supply of ship bunker oils for Gwadar port.- The Authority, concession holder or its operating company shall apply to the Collector for the grant of a warehousing licence under section 12 of the Customs Act, 1969 for the storage of ship bunker oils or POL products required solely for supplying fuels and lubricants to the incoming and outgoing vessels at the Gwadar port:

Provided that ship bunker oils or Pol products shall be supplied by the authorized oil marketing companies.

(6) All goods imported for the purpose specified in rule (1) above shall be warehouse in a bonded area specially designated for the storage of such goods and will be dealt with accordance with the provisions of the Act regarding warehoused goods.

(3) The regulatory collectorate shall devise the procedure for the calibration of oil tanks, its sealing and de-sealing, checking of dips, receipt and withdrawal of oils, and other procedures for reporting and monitoring with necessary modifications in Chapter XV of preventive Service Manual.

(4) The goods warehoused under rule (2) above shall not be allowed to be removed to the tariff area from home consumption except on payment of duties and taxes leviable under the Act and as per provisions of the prevalent import and Export Policy Order.

(5) Supply of fuels and lubricants to the ships used in the ports and its terminals shall be allowed on filing of goods declaration by the importer or his clearing agent without payment of duty and taxes:

Provided that examination and quantifications of fuels will be done through dip and/or electronic metering or through other method to the satisfaction of the Customs officers.

(6) The warehouse licensee shall inform regulatory Collector in writing before starting bunkering operation in the following manner:

Name/Number of the store tank/ off shore tank/barge	**Total quantity available**	**Quantity to be discharged**	**Name of the Vessel bunkered**	**Balance**

(7) The licensee and the importer on daily basis shall inform of the incoming and outgoing goods in the prescribed manner given below;

Daily report for import and supplies for the date_____

Carry forward Quantity (metric tonnes)	Value (PKR)	Import GD		Imports during on the Date_ (metric tonnes)	Value (PKR)	Total Quantity Available on the Day (metric tonnes)	Value (PKR)	Name of vessels bunkered	Quantity bunkered (metric tonnes)	Value (PKR)	Balance Quantity (metric tonnes)	Value (PKR)
		GD No	Da te									

(8) The licensee and the importer shall maintain the records of all incoming and outgoing goods with cross reference so that the same could be accounted for, which shall be produced to customs for examination whenever required.

(9) The regulatory collectorate shall conduct audit of the licensee and the importer whenever necessary but at least once in a year.

Provided that if the licensee and the importer fail to give proper account of the goods to the satisfaction of the regulatory collectorate, they shall pay on demand an account equal to the duties and taxes leviable and shall also be liable to penal action and payment of fine and penalties as provided under the Act and rules.

Sub-Chapter 4

SPECIAL ECOCOMIC ZONE RULES

865. Definitions. - In these rules, unless there is anything repugnant in the subject or context,-

(a) "Act" means the Customs Act, 1969 (IV of 1969), the Federal Excise Act, 2035 Sales Tax Act, 1990, and Special Economic Zones Act, 2012;

(b) "Appendix" means an appendix to this sub-chapter:

(c) "Authority" means the Board of Approval or Special Economic Zones (SEZ) Authority established under the Special Economic Zone Act, 2012;

(d) "BOA" means the Board of Approvals constituted under section 5 of the Special Economic Zone Act, 2012;

(e) "Collector of Customs", in relation to a Special Economic Zone, means the Collector of Customs, in whose jurisdiction such zone is established:;

(f) "Customs Computerized System" means the customs computerized system as defined in clause (ia) of section 2 of the Customs Act, 1969 (IV of 1969);

(g) "developer" means an enterprise, which as entered into a development agreement with a Special Economic Zone (SEZ) Authority under the Special Economic Zone Act, 2012 (SEZ);

(h) "enterprise" means a person or company investing in a zone having a valid license by the developer or licensing authority; and duly registered as such in the Customs Computerized System;

(i) "license" means a license issued to an enterprise by the licensing authority under the Special Economic Zone Act, 2012 (SEZ);

(j) "licensee" means a person, enterprise or firm to whom a license is granted by the licensing authority;

(k) "licensing authority" means any agency, department, or company authorized by SEZ Authority or BOA to develop, manage and operate Special Economic zone as per terms of agreement under the Special Economic Zone Act, 2012 (SEZ);

(l) "Ordinance" means the Income Tax Ordinance, 2001 (XLLX of 2001);

(m) "plant and machinery" or "capital equipment" means plant, machinery, apparatus accessories, or component part of machinery and equipment identifiable for use in or with machinery required for relevant economic activities and machinery includes machinery and equipments of any description, such as is used in industrial process, manufacture, production or processing of other goods and rendering services, except the goods that are consumed in the manufacturing, production of processing of goods or provision of services;

(n) "registration authority" means an officer of custom who is authorized to issue a unique user ID to a licensee for conducting operation through Customs Computerized System;

(o) "SEZ Authorities" means the Provincial SEZ Authorities established under section 10 of the Special Economic Zone Act, 2012;

(p) "Special Economic Zone" or "(SEZ)" means a geographically defined and delimited area which has been approved and notified by the Board of Approval"

(q) "zone enterprise" means an enterprise admitted into a SEZ by a developer;

(2) All other words and expressions used, but not defined herein, shall have the same meaning as are assigned thereto in the Acts.

866. Registration to operate under Customs Computerized System.- (1) The licensee of zone shall apply for a user ID to the registration Authority after acquisition of a, valid license from the licensing authority.

(7) The business facility of a licensee including manufacturing areas and stores shall be verified by the Customs and upon such verification licensee shall be issued a user ID by the registration authority to start operations through Customs Computerized System on the basis of items allowed under respective tariff headings:

Provided that regulatory collectorate may devise the procedure for registration with necessary modifications in Sub-Chapter II of Chapter XXI of Customs Rules, 2001, if required.

(3) Upon any violation under the Act or these rules, the registration authority may block the user ID of an enterprise.

(4) The registration authority upon establishment of any offence under the Act or relevant rules may cancel the user ID, after issuance of show cause notice, besides any other action which may be taken under the Act.

867. Exemption and import of goods for Special Economic Zone.- (1) Plant and machinery or capital equipment, except the items listed under chapter 87 of the Pakistan Custom Tariff, shall be exempt from duty and taxes for setting up of a Special Economic Zone by zone developer or for the establishment of enterprise within a Special Economic Zone:

Provided that some exemptions shall be allowed on one time basis:

Provide further that the goods on which tax exemption has been availed shall be solely used within the limits of a Special Economic Zone:

Provided also that no exemptions shall be allowed to an enterprise which does not hold a valid license issued by the developer of a Special Economic Zone or which Is not registered under the Customs Computerized System through a unique user ID.

(2) The location and geographical limits of a Special Economic Zone shall be notified by the Board of Approval.

(3) In case of partial shipments, the importer shall, at the time of arrival of first partial shipment, furnish complete details of the plant and machinery or capital equipment by furnishing complete requirement and the Chief Executive, or the person next in hierarchy duly authorized by the Chief Executive shall communicate in the prescribed manner and format as per **Appendix-IX** that the goods are company's bona-fide requirement and BOI shall certify the same.

(4) An enterprise shall be allowed to import plant and machinery or capital equipment through partial shipment provided that total period of import shall not exceed twenty months from the date of first import.

(5) A goods declaration in respect of plant and machinery or capital equipment imported for a special Economic Zone along with other documents showing details of the goods as required under the Act and the rules made there under shall be presented to the Customs authorities for clearance.

(6) Capital goods imported into a Special Economic Zone shall be examined and assessed in accordance with the provision and procedures of the Act and rules made there under.

868. Retention Period.- (1) Plant and machinery or capital equipment" on which exemptions has been availed, shall be retained for a period of at least five years from the date of importation and shall not be sold or otherwise disposed off without prior approval of an officer not below the rank of Assistant Collector of Customs having jurisdiction of Special Economic Zone:

Provided further that the disposal of plant and machinery or capital equipment before the expiration of five years, shall be subject to the following reduces rates of duty and taxes levied at the time of importation, namely:

S.No	Disposal Period	Duty and taxes
1.	If sold or otherwise disposed of before the expiration of three years from the date of importation	Full
2.	If sold or otherwise disposed of after three and before four years from the date of importation.	50%
3.	If sold or otherwise disposed of after four and before five years from the date of importation.	25%
4.	If sold or otherwise disposed of after five years from the date of importation.	0%

(2) Plant and machinery or capital equipment shall be allowed to be transferred to other licensed enterprises operating in a Special Economic Zone with prior approval of the Collector.

869. Annual Survey.- (1) The Assistant or Deputy Collector of Customs shall conduct annual survey of the enterprise established in a SEZ to verify availability of plant and machinery or capital equipment on which exemption has been availed.

(2) If any enterprises fails to give proper account of the plant and machinery or capital equipment to the satisfaction of the Assistant or Deputy Collector of Customs, the enterprises shall pay on demand on amount equal to the duty and taxes leviable at the time of import, and shall also be liable to pay penalties imposed under the Act and the rules made there under.

870. Facilities for customs operations.- (1) All customs formalities shal be completed within the Customs-station located in a Special Economic one through one-window operation which will operate on 24 x 7 basis.

(2) All goods imported from abroad shal be transported to the SEZ in accordance with rules notified under Chapter XIV of Customs Rules, 2001 and will be examined, assessed and cleared within a Special Economic Zone in the customs station and bonded area earmarked for the purpose in accordance with and Act and rules made thereunder.

(3) BOI or the developer authorized by it to manage a Special Economic Zone shall be responsible to provide space and facilities in a Special Economic Zone for establishing custom-house with assessment and examination areas for smooth functioning of customs the operations as provided under section 14A of the Customs Act, 1969.

(4) Each Special Economic Zone shall be a delimited area with well defined boundary limits and shall have proper custom-house and ample space facilities for examinations including scanners and cargo handling. The location of the custom house and examinations area within a SEZ shall be in accordance with the layout plan approved by the Collector of Customs.

(Appendix-I)
[See rule 844(1)]

ANALYSIS CERTIFICATE
(One Analysis Certificate for each Finished Product)

C.No._____ Date: _____

1. Name, Address and License No. of the Industrial Unit/investor
2. Finished Product

Output/Finished Item (Description)	HS Code	Quantity (per unit)		Per Unit Value in Rs	Value Addition
		UoM	Kgs		

3. Input Goods

S.No	Input Goods (Description)	HS Code	Import Abroad/Import Tariff	Quantity (per Unit Requirements)		Value [Per Unit]	I/O Ratio	Duty-Tax (Per Unit)
				UoM	Kgs	(Rs)		(Rs)
1	2	3	4	5	6	7	8	9
(i)								
(ii)								
Total								

Wastage		
UoM	Kgs	%age
10	11	12

IOCO/EDB Ref No & Date._____(if applicable)

Prepared/Declaration By: (Investor)
Name & Designation (Signature & Seal)

Accepted/Countersign by: (Customs)
Name & Designation (Signature & Seal)

(Appendix-II)

[see rule 845(1)]

The Assistant/Deputy Collector of Customs
Gwadar Free Zone
Karachi

Subject: **APPLICATION OF PERMISSION OF SUB-CONTRACTING AT GWADAR FREE ZONE**

Kindly permit us to transfer raw material / semi-finished goods from tariff area to Gwadar Free Zone for further processing. Necessary particulars are given below:

1. **NAME,ADDRESS, NTN AND STRN OF THE FIRM/ ENTERPRISES IN THE TARIFF AREA**

_____

2. **MATERIAL TO BE TRANSFERRED ZONE**

Description
_____
Quantity (In UoM and in Kgs)
_____
Unit Value (in Foreign Currency)
_____
Total Value (in Foreign Currency)
_____

3. **DUTY FREE IMPORTED MATERIAL TO BE USED BY THE INVESTOR**

Description
_____
Quantity (In UoM and in Kgs)
_____

4. **PROCESS TO BE CARRIED OUT:**

(i) _____
(ii) _____
(iii) _____
(iv) _____

5. **INPUT TO OUTPUT RATIO OF GOODS/MATERIALS USED IN PER UNIT PRODUCTION OF PROCESSED GOODS**_____

(use separate sheet to give the details as per Analysis Certificate Format)

20

6. **MANUFACTURED / PROCESSED GOODS ULTIMATELY TO BE CLEARED FOR TARIFF AREA:**

Description _____
Quantity_____ (In UoM and in Kgs)
Unit of Value _____
Total Value _____

7. VALUE ADDITION AS PER TERMS OF CONTRACT

8. DUTY AND TAXES LEVIABLE (ON VALUE ADDITION AND ON DUTY/ TAX FREE GOODS USED IN PROCESSING):

Custom Duty _____
Sales Tax _____
Income Tax _____

9. (i) Indemnity Bond Number & Date _____
(ii) PDC Number & Date _____
(iii) Others _____

It is certified that the above mentioned particular in this application are true and correct and we undertake that the goods shall be sent back to the tariff area as per declaration given

Name Signature and Seal of the
Authorized person of the Investor

PART – II
PERMISSION FOR TRANSFER OF GOOS FROM TARIFF ARE TO GFZ

This is to certify that the above referred particulars have been verified and found correct. It is therefore recommended that permission may please be granted in respect of aforementioned incoming goods to be transferred to GFZ from Tariff Area.

1. Name, Signature and seal of _____
Authorize Officer of Gwadar Free Zone Company _____

Forwarded to Assistant / Deputy
Collector of Customs, Incharge GFZ

(Appendix_III)
[see rule 845(2)]

The Assistant Collector of Customs,
Gwadar Free Zone,
Karachi.

SUBJECT:- **APPLICATION FOR PERMISSION OF SUB-CONTRACTING IN TARIFF AREA**

Kindly permit us to transfer raw-material / semi-finished goods to Tariff Area for further processing. Necessary Particulars are given below:-

1. Name and address , NTN and STRN of the firm/ Enterprise in the Tariff Area to whom the sub-contract is awarded. _____
Nature of sub-contract work _____
(use separate sheet to give the details)

2. Description and Quantity of goods/material to be Transferred to Tariff Area
_____(in UoM and in Kgs)

3. Form& Shape of processed goods
_____

4. input to Output ratio of goods/materials used in per unit production of processed goods
_____
(use separate sheet to give the details as per Analysis Certificate Format)

5. Value added in the Tariff Area that will Be surrendered to State Bank of Pakistan _____
(Attached the terms & conditions of sub-contract in support of it)

6. Quantity of Processed goods that will Be brought back to the Zone. (in UoM and in Kgs) _____

7. Expected date of return of processed goods back to the Zone. _____

Description of Security attached
_____

It is certified that the above mentioned particulars in this application are true and correct and we undertake that goods shall be to the zone as per declaration given above.

Name, Signature and seal of the

Authorize person of the
Investor/Industrial Unit

PART-II

CERTIFICATE FOR TRANSFER OF GOODS TO TARIFF AREA

8. Permission is hereby granted to transfer the raw material / semi processed material / goods to Tariff Area that will eventually return to Gwadar Free Zone after partial processing in the form, shape and quantity as above.

Name, signature and seal of
Authorize Officer of Gwadar Free
Zone Company

Forwarded to
Assistant Collector
Of Customs, In-charge,
Gwadar Free Zone.

NOTE: Issuance of this certificate of transfer of goods is based on the statement & representations contained in this application. any false statement or mis-representation in this application will rendered the applicant liable to legal activity action by Customs.

PART-III

9. Goods as per declaration against serial number 3 above are allowed to be removed from the zone to Tariff Area.

_____

Seal of Customs Officer at GFZ

Note: (Any discrepancy in the quantity actually removed and those declared must be recorded below).

PART-IV

10. I/We hereby certify that an amount of _____ has been paid to Messrs ……..

(Name of Tariff Area Firm)

With the details of work and payment in respect thereof vide Bank Draft No. / Pay Order/ Cheque No. ……

_____

Signature & Seal of Investor / or his Authorized representative.

PART-V

11. Description of processed Goods actually brought back into the Zone.
_____

12. Quantity of processed Goods actually brought back into the Zone.
_____ (in UoM and in Kgs)

NAME OF INDUSTRIAL UNIT/INVESTOR:
_____

GFZ LICENSE NO: _____

DATED: _____

Appendix-IV
[see rule 845(3)]

PROCEDURE OF TRANSFER OF GOODS FROM GWADAR FREE ZONE TO TARIFF AREA FOR PARTIAL PROCESSING

The following procedure is laid down to avail the facility of sub-contracting in the Tariff Area by the Investors of Gwadar Free Zone:-

1. The facility of sub-contracting shall be restricted to only such type of goods which are capable of identification before leaving the GFZ area, and re-entry into the GFZ after the goods have been processed, embellished, worked and further manufactured.

2. The investor in the GFZ area make out an application a s per Appendix-III for rules in the name of Assistant Collector.
3. The processing staff in the GFZ shall examine the consignment in the place within the zone approved for the purpose and tally particulars given already in the application made by the investors and would calculate the amount of duty and taxes involved on the goods.
4. The investor shall than furnished a bank guarantee equivalent to the amount of duty and taxes involved from a schedule bank of Pakistan in case the goods are importable in the Tariff Area of Pakistan and if the foods are not importable than in addition to the amount of duty and taxes leviable an amount equal to the value of goods. After a Certificate in the form set out in Part-II of the Appendix-III issued by the Gwadar Free Zone Company is produced and the bank guarantee is furnished, the Assistant Collector of Customs Incharge GFZ may then allow the removal of the goods to the Tariff Area for the purpose of processing by another party by the way of sub-contracting.
5. No Custom escort would be provided as it would be the responsibility of the investor to the safely transfer the goods to the destination and bringing it back to zone. The investor will then take the goods outside the Zone as its own risk and cost for purpose for further processing and would be responsible to return the goods back to the Zone within the specified time for the purpose. The samples of outgoing and incoming goods shall be signed and retained by Customs Examinations Staff for cross-matching.
6. After the completion of the processing, the goods shall be brought back to the GFZ and would be examined, verified and cross matched by the examination staff. On satisfaction that outgoing goods have been received back, the Assistant Collector of Customs will release the bank guarantee to the investor.
7. Where the investor thinks that the job of further processing is not expected to be completed within the specified time due to certain reasons beyond the control of the other party to whom the job of the sub-contracting has been given, he may apply to the Assistant Collector before the expiry of the said period for granting
   extension in time limit. The Assistant Collector after satisfying himself would allow the extension in the time period upto a maximum limit of two months.
8. In case investors fails to bring back to the goods to the GFZ, the Assistant Collector of Customs shall forthwith encash the bank guarantee lying already with the Customs and the investors shall for such violation also be liable to pay penalty laid down in the Act and the rules made thereunder.

Appendix-V

[see rule 845(3)]

ON APPROPRIATE NON JUDICIAL STAMPED PAPER

INDEMNITY BOND

Date of issuance: _____
Date of expiry: _____
Amount Rs. _____

This indemnity is made on the _____ day of 2 years between the M/s._____ (Industrial Unit/ Investors in GFZ), through Deputy Collector/ Assistant Collector of Customs Gwadar Free Zone.

Whereas, the Assistant / Deputy Collector of Customs has in accordance with terms of Gwadar Free Zone Rules has allowed us to release the consignment for transfer of goods from Gwadar Free Zone to Tariff Area for sub-contracting under the conditions that we shall:

i. Observe rules, procedure and instructions that have been prescribed in respect of sub-contracting in terms of Gwadar Free Zone Rules.

ii. Pay on demand a sum of rupees _____ that become the double the value of the goods in question as penalty imposed by the Collector of Customs/ Adjudicating Officer for violation of rules and act.

iii. Maintain record of input goods and output goods.

iv. Abide by such further conditions imposed by the collector of Customs as may be necessary for the purpose of identification and accounting of input goods used in the sub-contracting of the goods.

v. We shall compete the sub-contracting work within the time period allowed by Deputy / Assistant Collector (GFZ).

vi. Bring back the input goods which have not undergone sub-contracting within the stipulated period. If not so, abide by the decision of Collector of Customs/ Adjudicating Officer, regarding imposition of penalties and other action.

Now therefore in pursuance of this Bond the Manufactures M/s._____ herby agrees to indemnity if the said Collector of Customs (MCC Gwadar) to the extent of Rs._____ (Rupees _____) and also against cost and expense which may be incurred by the Collector of Customs in recovery of the above amount.

It is further agreed that the above amount may be recovered by Customs as an arrears of Land Revenue under sub-section (2) of section 202 of the Customs Act, 1969 (IV of 1969), if the Manufactures fail to abide by any condition laid down in rules and act.

In witness of the parties hereto have hereon put their hands and seals the day above mentioned.

1. M/s. _____
   Name (Director of the Firm) _____
   Signature: _____
   GFZ License No. _____
   NIC/Passport No. _____

2. Deputy / Assistant Collector of Customs
   Gwadar Free Zone for and behalf of the
   Collector of Customs (MCC Gwadar).

Appendix-VI/A
[see rule 848]

M/s _____

Monthly return for the Mont of _____F. Year_____

GD-Wise Details – Income Good

Date	**Imports**		**Value of Goods**	**Quantity of Goods**		**Duty /tax Exempted**				
	GD No	**GD Date**		**In UoM**	**In Kg**	**C.Duty**	**Sales Tax**	**Income Tax**	**Add Tax**	**Total**
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1st Day on Month										

Last Day of Month										

GD-Wise Details – Outgoing Goods

Date	Exports		Sales to Tariff Area		Value of Goods	Quantity of Goods		Duty/tax Paid, if any				
	GD No	GD Date	GD No	GD Date		In UoM	In Kg	C.Duty	Sales Tax	Income Tax	Add Tax	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)

1st day of Quarter												
Last day of Quarter												

Appendix-VI/B

[see rule 848]

M/s_____

Item-Wise Summary for the Month – Incoming Goods, Consumptions and Outgoing goods

Description of Incoming Goods	PCT	Opening Balance As on 1st day of the Month			Imports During the Month			Consumption During the Month		
		Quantity (UoM)	Quantity (Kg)	Value (Rs)	Quantity (UoM)	Quantity (Kg)	Value (Rs)	Quantity (UoM)	Quantity (Kg)	Value (Rs)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Total										

Exports/ Sales During the month, if any			Closing Balance as on Last Day of the Month			Total duty/tax exemption availed on item				
(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)
Quantity (UoM)	Quantity (Kg)	Value (Rs)	Quantity (UoM)	Quantity (Kg)	Value (Rs)	**C.Duty**	**Sales Tax**	**Income Tax**	**Add Tax**	**Total**

Duty/tax paid, if any				
(23)	(24)	(25)	(26)	(16)
C.Duty	**Sales Tax**	**Income Tax**	**Add Tax**	**Total**

Appendix-VII/A
[see rule 848]

(Part-A: Imports)

Quarterly Return for the 1st Quarter of F: Year _____For Industrial unit M/s_____

Date	Import Abraod		Import Tariff		Value of Goods	Quantity of Goods		Duty/tax exempted				
	GD No	GD Date	GD No	GD Date		In UoM	In Kgs	C.Duty	Sales Tax	Income Tax	Add Tax	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
1st day of Quarter												
Last day of Quarter												

Item-Wise Summary for the Quarter- Incoming Goods

Description of Income Goods	PCT	Opening Balance as on 1st day of the Quarter			Import Abroad / Import Tariff During the Quarter			Export Abroad / Export Tariff During the Quarter		
		Quantity (UoM)	Quantity (kg)	Value (Rs)	Quantity (UoM)	Quantity (kg)	Value (Rs)	Quantity (UoM)	Quantity (kg)	Value (Rs)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Total										

Closing Balance as on Last Day of the Quarter			Duty/ taxes exempted on closing stock				
Quantity (UoM)	Quantity (Kg)	Value(Rs)	C.Duty	Sales Tax	Income tax	Add Tax	Total
(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)

Total							

Appendix-VII/B

[see rule 848]

(Part-B: Export of Finished Goods)

Quarterly Return for the 1st Quarter of F: Year_____Investor: M/s_____

GD-Wise Details – Outgoing Goods: Finished Goods

Date	Export Abroad		Export Tariff		Value of goods	Quantity of goods	
	GD No	GD Date	GD No	GD Date		In UoM	In Kgs
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1st day of Quarter							
Last day of Quarter							
Total							

Item-Wise Summary for the Quarter- Factory Rejects

Description of Income Goods	PCT	Opening Balance as on 1st day of the Quarter			Import Abroad During the Quarter			Export Tariff During the Quarter		
		Quantity (UoM)	Quantity (kg)	Value (Rs)	Quantity (UoM)	Quantity (kg)	Value (Rs)	Quantity (UoM)	Quantity (kg)	Value (Rs)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Total										

Closing Balance as on Last Day of the Quarter			Duty/ taxes exempted on closing stock				
Quantity (UoM)	Quantity (Kg)	Value(Rs)	C.Duty	Sales Tax	Income tax	Add Tax	Total
(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
Total							

Appendix-VII/C

[see rule 848]

(Part-B: Export of Finished Goods)

Quarterly Return for the 1st Quarter of F: Year_____Investor: M/s_____

GD-Wise Details – Outgoing Goods: Finished Goods

Date	Export Abroad		Export Tariff		Value of goods	Quantity of goods	
	GD No	GD Date	GD No	GD Date		In UoM	In Kgs
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1st day of Quarter							
Last day of Quarter							
Total							

tem-Wise Summary for the Quarter-Outgoing Goods: Factory Rejects

Description of Income Goods	PCT	Opening Balance as on 1st day of the Quarter		Import Abroad During the Quarter		Export Tariff During the Quarter				
		Quantity (UoM)	Quantity (kg)	Value (Rs)	Quantity (UoM)	Quantity (kg)	Value (Rs)	Quantity (UoM)	Quantity (kg)	Value (Rs)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Total										

Closing Balance as on Last Day of the Quarter			Duty/ taxes exempted on closing stock				
Quantity (UoM)	Quantity (Kg)	Value(Rs)	C.Duty	Sales Tax	Income tax	Add Tax	Total
(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
Total							

Appendix-VII/D

[see rule 848]

(Part-B: Export of Wastages)

Quarterly Return for the 1st Quarter of F: Year_____Investor: M/s_____

GD-Wise Details – Outgoing Goods: Wastages

Date	Export Abroad		Export Tariff	Value of goods	Quantity of goods		
	GD No	GD Date	GD No	GD Date		In UoM	In Kgs
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1st day of Quarter							
Last day of Quarter							
Total							

Item-Wise Summary for the Quarter-Outgoing Goods: Wastages

Description of Income Goods	PCT	Opening Balance as on 1st day of the Quarter			Import Abroad During the Quarter			Export Tariff During the Quarter		
		Quantity (UoM)	Quantity (kg)	Value (Rs)	Quantity (UoM)	Quantity (kg)	Value (Rs)	Quantity (UoM)	Quantity (kg)	Value (Rs)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Total										

Closing Balance as on Last Day of the Quarter			Duty/ taxes paid, if any				
Quantity (UoM)	Quantity (Kg)	Value(Rs)	C.Duty	Sales Tax	Income tax	Add Tax	Total
(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
Total							

Appendix-VIII/A

[see rule 863]

M/s_____

Quarterly Return for the Month of_____ F: Year _____

GD-Wise Details – Income Goods

Date	Import Abraod		Value of Goods	Quantity of Goods		Duty/tax exempted				
	GD No	GD Date		In UoM	In Kgs	C. Duty	Sales Tax	Income Tax	Add Tax	Total
(1)	(2)	(3)								

1st day of Quarter										
Last day of Quarter										

GD – Wise Details – Outgoing Goods

Date	Exports		Sales to Tariff Area		Value of Goods	Quantity of Goods						
	GD No	GD Date	GD No	GD Date		In UoM	In Kgs	C. Duty	Sales Tax	Income Tax	Add Tax	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
1st day of Quarter												
Last day of Quarter												
Total												

Closing Balance as on Last Day of the Quarter			Duty/ taxes exempted on closing stock				
Quantity (UoM)	Quantity (Kg)	Value(Rs)	C.Duty	Sales Tax	Income tax	Add Tax	Total
(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
Total							

Appendix-VIII/B

[see rule 863]

M/s_____

Item-Wise Summary for the Quarter –Incoming Goods, Consumption and Outgoing Goods

Description of Incoming Goods	PCT	Opening Balance As on 1st day of the Quarter			Imports During the Quarter			Consumption During the Quarter		
		Quantity (UoM)	Quantity (Kg)	Value (Rs)	Quantity (UoM)	Quantity (Kg)	Value (Rs)	Quantity (UoM)	Quantity (Kg)	Value (Rs)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Total										

Exports/ Sales During the Quarter, if any			Closing Balance as on Last Day of the Quarter			Total duty/tax exemption availed on item up to a day				
(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
Quantity (UoM)	Quantity (Kg)	Value (Rs)	Quantity (UoM)	Quantity (Kg)	Value (Rs)	C.Duty	Sales Tax	Income Tax	Add Tax	Total

Duty/tax paid on item during the Quarter, if any				
C.Duty	Sales Tax	Income Tax	Add Tax	Total
(20)	(21)	(22)	(23)	(24)

Head Information											
NTN/FTN of Importer				Regulatory Authority: BOI			BOI of Reference No.				
(1)				(2)			(3)				
Details of goods (to be filled by the Regulatory Authority)							Goods imported (Collectorate of import)				
HS Code	Description	Specs	Customs Duty rate (applicable)	Sales Tax rate (applicable)		**Quantity**	UoM	Quantity Imported	Collectorate	GD No.	GD Date
(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)

Appendix-IX

[see rule 867(3)

CERTIFICATE. It is certified that the description and quantity mentioned above are commensurate with the projects requirements and that the same are not manufactured locally. It is further certified that the above items shall be solely used within the limits of Special Economic Zone and shall not be used for any other purpose.

Signature of Chief Executive, or
the persons next in hierarchy duly
authorized by the Chief
Executive

Name
N.I.C. No._____

CERTIFICATE BY BOI: It is certified that the goods are genuine and bonafide requirement of the project and that the same are not manufactured locally.

Signature: (Owner, CEO or Managing Director of Enterprise)

Designation:.

[154][Sub-Chapter 5
SPECIAL TECHNOLOGY ZONES RULES

870A. Definitions.- In thee rules, unless there is anything repugnant in the subject or context,-

(a) "**Act**" means the Customs Act, 1969 (IV of 1969), the Federal Excise Act, 2005, Sales Tax Act, 1990 and Special Technology Zones Act, 2021;
(b) "**Ordinance**" means the Income Tax Ordinance, 2001 (XLIX of 2001);
(c) "**Appendix**" means an appendix to this sub-chapter;
(d) "**Authority**" means the Special Technology Zones Authority established under section 3 of the Special Technology Zones Authority Act, 2021 (XVII of 2021);
(e) "**Collector of Customs**", in relation to a Special Technology Zone, means the Collector of Customs, in whose jurisdiction such zone in established;
(f) "**Customs Computerized System**" means the Customs Computerized system as defined in clause (ia) of section 2 of the Customs Act, 1969 (IV of 1969);
(g) "**development agreement**" means a duly approved agreement between Authority and a zone developer, agreed to and endorsed by the Approvals Committee that authorities zone developer to develop and establish a zone or a part of thereof, as provided under section 2(h) of the Special Technology Zone Authority Act, 2021 (XVII of 2021);
(h) "**person**" includes any person as specified in clause (pa) of section 2 of the Customs Act, 1969 and provided in section 2(1) of the Special Technology Zone Authority Act, 2021 (XVII of 2021);
(i) "**rules**" means rules under PCT 9917 (4)(i) and (ii) of the 1st Schedule of the Customs Act, 1969 (Pakistan Customs Tariff) framed by the Federal Board of Revenue.
(j) "**zone developer**" having same meaning as assigned to it in section (s) of the Special Technology Zone Authority Act, 2021(XVII of 2021);
(k) "**zone enterprise**" having same meaning as assigned to it in section 2(t) of the Special Technology Zone Authority Act, 2021(XVII of 2021); and
(l) "**zone**" having same meaning as assigned to it in section 2(u) of the Special Technology Zone Authority Act, 2021(XVII of 2021).

870B. Registration to operate under Customs Computerized System.- (1) The licensee of the Authority shall apply for a user ID to the registration authority after acquisition of a valid license from the Authority.

(2) The busi9ness facility of a licensee including manufacturing areas and stores shall be verified by the Customs and upon such verification licnesee shall be issued a user ID by the registration authority to start operations through Customs Computerized System on the basis of items allowed under respective tariff headings.

Provided that regulatory Collector may devise the procedure for registration with necessary modifications in Sub-Chapter II of Chapter XXI of Customs Rules, 2001, if required.

(3)Upon any violation under the Act or these rules, the registration authority may block the user ID of a licensee of the Authority.

(4) The registration authority upon establishment of any offence under the Act or relevant rules may cancel the user ID, after issuance of show cause notice, besides any other action which may be taken under the Act.

870C. Import of goods for Special Technology Zones.- (1) The benefits under these rules shall be provided only if import thereof is made for a period of ten years commencing from the date of signing of the development agreement, or issuance of license, as the case maybe, for consumption within zones by the eligible importers under these rules.

(2) The goods on which duty or tax exemption has been availed shall be solely used within the limits of a Special Technology Zone, unless otherwise approved by the Authority and concurred by the Federal Board of Revenue on a case to case basis and shall not be disposed of except with the prior approval of the Federal Board of Revenue.

(3) No exemption shall be allowed to an enterprise which does not hold a valid license issued by the Authority and which is not registered under the Customs Computerized System through a unique user ID.

(4) Upon the import of every consignment, the authorized officer of STZA shall certify in the prescribed manner and format, as per **Appendix-A,** that the imported goods are bona fide project requirements.

Provided that an eligible importer under these rules shall be allowed to import capital goods through partial shipments provided the total period of import of these partial shipments shall not exceed twenty-four months from the date of first importer.

(5) Whether or not capital goods are imported in one complete shipment or through partial shipments, the importer shall furnish complete details and requirements of the machinery to be imported in assembled or disassembled form, duly supported by the technical specifications and documents justifying such imports as a business requirement of the licensee.

(6) For clearance of the imported goods through Customs Computerized System, the authorized officer of the STZA shall furnish all relevant information online as per said format through a specific user ID and password obtained under section 155D of the Customs Act, 1969 (IV of 1969). Only those goods shall be considered for the benefits under these Rules and PCT heading 9917 (4) of the First Schedule to the Customs Act, 1969 which are uploaded un the system by the Authority so that automated quantity debiting is made by the computerized system against each import by authorized importers.

(7) A Goods Declaration in respect of goods imported for a Zone along with other documents showing details of the goods as required under the Act and the rules made there under shall be presented to the Customs Authorities for clearance.

870D. Retention period.- (1) The goods falling under Chapters 84 and 85 of the Pakistan Customs Tariff, imported under the scope of these Rules shall be retained for a period of at least five years from the date of importation and shall not be sold or otherwise disposed of without prior approval of the Federal Board of Revenue. Whereas, other goods imported under these Rules shall be retained for a period of at least ten years from the date of importation.

Provided that the disposal of goods falling under Chapters 84 and 85 of Pakistan Customs Tariff, before the expiration of five years shall be subject to following reduced rates of duty and taxes levied at the time of importation, namely:-

S.No.	Disposal Period	Duty and taxes
1.	If sold or otherwise disposed of before the expiration of three years from the date of importation.	Full
2.	If sold or otherwise disposed of after three and before four years from the date of importation.	50%
3.	If sold or otherwise disposed of after four and before five years from the date of importation.	25%
4.	If sold or otherwise disposed of after five years from the date of importation.	0%

Provided further that the disposal of other goods before the expiration of ten years shall be subject to following rates of duty and taxes as applicable at the time of importation of these goods, namely:-

S.No.	Disposal Period	Duty and taxes
1.	If sold or otherwise disposed of before the expiration of five years from the date of importation.	Full
2.	If sold or otherwise disposed of after five but before seven and a half years from the date of importation.	50%
3.	If sold or otherwise disposed of after seven and half years but before ten years from the date of importation.	25%
4.	If sold or otherwise disposed of after ten years from the date of importation.	0%

(2) The Assistant or Deputy Collector of Customs or any other person authorized by Collector of Customs or FBR shall conduct annual audit of the enterprises established in a Special Technology Zone to verify the availability of imported goods on which benefits under these rules have been availed.

(3) If any enterprise fails to give proper account of the imported goods to the satisfaction of FBR or any other organization or person authorized by the FFBR, as the case may be, the enterprise shall pay on demand an amount equal to the duty and taxes leviable on such goods at the time of original import, and shall also be liable to pay penalties imposed under the Customs Act, 1969 and the rules made there under.

Appendix-A
[See rule 870C(4)

Header Information								
NTN or FTN of importer								**Approval No.**
(1)								**(2)**
Details of input goods (to be filled by the authorized officer of the Regulatory Authority)								
HS Code	Description	Specification	Customs-duty rate (applicable)	Sales Tax rate (applicable)	WHT	Quantity	UOM	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	

Certificate.- It is certified that the goods to be imported are genuine and bona fide requirement of the project, and admissibility of the same, for benefit of concessions of duties and taxes shall be determined by the concerned officer of Pakistan Customs in accordance with PCT heading 9917(4) of the 1st Schedule to the Customs Act, 1969.

Signature: _____
Designation:- _____.]

[124][Chapter XL]
Export Facilitation Scheme 2021

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

(a) **"acquisition"** means import or purchase of foreign origin goods from authorized user, Common Export Houseand users of export schemes under SRO 450(I) 2001dated 18.06.2001 Chapter XV, DTRE, SRO 327(I)2008 dated 29.03.2008, including banned or restricted items or procurement of locally manufactured goods and taxable or excisable services covered under this Chapter, including energy sources such as coal, coke of coal, carbon blocks, diesel,furnace oil or gas etc. for inhouse energy production or use in the manufacturing processand also includes Engineering Goods as classified under chapter 72 to 96 or as approved by Engineering Development Board (EDB):

Provided that acquisition of banned or restricted items shall be subject to prior permission from the Ministry of Commerce;

(b) **"Act"** means the Customs Acts, 1969 (IV of 1969), the Federal Excise Act, 2005, the Sales Tax Act, 1990, and the Income Tax Ordinance,2001(XLIX of 2001);

(c) **"analysis certificate"**means a certificate issued by the Regulatory Collector or the Director Input Output Co-efficient Organization (IOCO), as the case may be, either manually or electronically, showing input and output ratios of input goods vis–a–vis finished goods along with wastages, as per Appendix IIunder these rules

(d) "**appendix"** means an Appendix to thisChapter;

(e) **"applicant"** means a person who files an application in the form set out in Appendix I for grant of authorization under this chapter;

(f) **"commercial exporter"** means a person engaged in purchase and export of goods in the same state from the domestic market or from an indirect exporter and export these goods;

(g) **"Common Export House"** means a warehouse authorized by the Collector under this chapter, for import, warehouse and supply of input goods without payment of customs duty, sales tax, federal excise duty and withholding tax, to the small and medium export enterprises, direct or indirectexporters or commercial exporters;

(h) **"corporate export enterprise"** means an export unit registered with the SECP;

(i) **"direct exporter"** means a manufacturer cum exporter who is exporting the goods under the name of his firm or company [157][authorized under these rules];

(j) **"engineering goods"** includes goods classified under Chapter 72 to Chapter 96 of the First Schedule of the Customs Act, 1969 or as approved by the EDB;

(k) **"export"** includes supply ofgoods,–

(a) by an indirect exporter to a directexporter;

(b) [144][Omitted];

(c) [144][to industrial units, projects, institutions, agencies and organizations, entitled to import the same at concessionary rates;]and

(d) to export processingzones**,** and Gwadar free zone;

(l) **"indirect exporter"** means a person who has a firm contract or export purchase order from a direct exporter or commercial exporterfor the manufacture and supply of goods to such exporter [157][authorized under these rules] ;

(m) **"input goods**" means goods whether imported or procured locally and includes serviceseligible for acquisition.Such "import" includes the purchase of input goods from aCommon Export Houseor from the licensees of S.R.O 450(I)/2001, dated the 18th June, 2001,Chapter XV, DTRE or S.R.O 327(I)/2008, dated the 29th March, 2008, used in the manufacture of output goods, as approved in the analysis certificate;

(n) **"insurance guarantee"** means a guarantee issued by an insurance company registered with the Ministry of Commerce and has a minimum Pakistan Credit Rating Agency rating of "AA";

(o) **"international toll manufacturing"** means an arrangement wherein a foreign principal provides input goods to an exporter to produce finished goods for subsequent export;

(p) **"large export enterprise"** means an export unit havingexportquantum above five million US dollars perannum;

(q) **"manufacture"** includes any process incidental, or ancillary undertaken in the manufacturing of output goods under thisChapter;

(r) **"manufacturer"** includes any person engaged in the process of manufacture and duly

authorized to do so under these rules, duly registered as manufacturer under the Sales Tax Act, 1990;

(s) **"manufacturer-cum-exporter"** means any person or firm registered under the Sales Tax Act, 1990 as a manufacturer-cum-exporter;

[157][**(sa)** **"**online market place" means an electronic interface such as a market place, e-commerce platform, website portal or similar means which facilitate export of goods, including third party export;]

(t) **"Pakistan Single Window (PSW)"** means a facility as defined under clause (m) of section 2 of the Pakistan Single Window Act, 2021;

(u) **"regulatory authority"** means Additional Collector of Customs duly authorized by the Collector to act on his behalf under these rules;

(v) "**regulatorycollector"** means the Collector of Customs in whose jurisdiction the place of business or manufacturing unit of the applicant, duly registered under the Sales Tax Act, 1990, is located. In case an applicant has multiple manufacturing facilities in different jurisdictions, the Collector in whose Jurisdiction, the head office of the applicant [157][or principal manufacturing unit] is located shall act as the Regulatory Collector;

(w) **"small and medium export enterprise"** means an export unit having export quantum up to five million US dollars perannum;

(x) **"utilization period"** means the period commencing from the date of import or local purchase of the input goods to thedate of export of the out put goods as specified in rule 783;

(y) **"user"**means a person authorized to utilize this scheme; and

(z) **"vendor"** means a person who is registered under the Sales Tax Act, 1990; and to whom goods are provided by the authorized exporter under this chapterfor further processing towards the manufacture of output goods.

872. Scope of the scheme.–(1) This scheme shall be available to the following persons subject to authorization of import, warehouse and purchase of input goods under these rules and registration in the WeBOC or PSW:

(a) persons registered under the Sales Tax Act, 1990, as manufacturer-cum-exporter,who make value-addition in the manufacture and export of goods, which shall not be less than ten per cent;

(b) manufacturers who act or intend to act as contracted vendors of foreign principal as toll manufacturers;

(c) commercial exporters;

(d) persons registered under the Sales Tax Act, 1990, as manufacturer and operating as indirect exporters;

(e) manufacturers including manufacturers of engineering goods who intend to supply against international tenders; and

(f) Common ExportHouse:

Provided that this scheme shall be allowed for the export of goods authorized under the export policy order. Incase of export of goods restricted or prohibited under the export policy order, specific permission from the Ministry of Commerce shall be required.

873. Authorization for acquisition of input goods. – (1) Acquisition of input goods without payment of duty and taxes under these rules shall be granted based on:

(a) export performance for last two financial years; and

(b) firmcontract of export.

(2) The applicant can apply for authorization based on both performance and contractbasis simultaneously.

(3) An applicant having multiple contracts of export may apply for consolidated approval for all such contracts.

874. Categorization of exporters. - (1) For the purpose of this chapter exporters shall be treated as per the following categories:

(i) **Category A:**Manufacturers-cum-exporters with 60% or above exports of their total annual productionin [157][or exports with minimum value of USD 20 million] last two years.

(ii) **Category B:**Manufacturers-cum-exporters with less than 60% total annual production being exported [157][excluding those having exports with minimum value of USD 20 million], this category shall be further subcategorized as under

(a) **Category B1**: Manufacturers-cum-exporters having more than 3 years of export history.

(b) **Category B-2:** Manufacturers-cum-exporters having less than 3 years export history.

(iii) **Category C:** Indirect exporter, commercial exporters and international toll manufacturers

(a) **Category C1:**Manufacturershaving more than 3 years history of supplying to direct exporters or export as commercial exporter or international toll manufacturing;

(b) **Category C2:**Manufacturers having less than 3 years history of supplying to direct exporters or export as commercial exporter or international toll manufacturing.

(2) All existing usersof any of export schemes issued under S.R.O 450(I)2001,dated 18.06.2001, Chapter XV, DTRE, S.R.O 327(I)2008, dated 29.03.2008,before issuance of these rulesshall be eligible to be classified under the respective category,as the case may be,provided they have a good compliance record.

(3) Category A and B shall include all corporate, non-corporate large and small, and medium manufacturer-cum-exporters as the case may be.

(4) A manufacturer cum exporter with no export history, applying for authorization under these rules with a firm contract of export shall be classified as per the claimed percentage of production to be exported i.e., Category A or B, which shall be subject to review by the Regulatory Collector after one year.

(5) An applicantshowing a poor compliance profile, i.e., having one or more contravention cases adjudged against him or having pending recovery cases or pending criminal proceedings during the last three years, at the time of application, shall be downgraded for a period of one year, as under

Table

Sr. No.	**Category as per % of export or export history**	**Category Allocation due to poor profile for a period of one year.**
(1)	**(2)**	**(3)**
1	Category A	Category B1
2	Category B1	Category C1
3	Category B2	Category C2
4	Category C1	Category C2
5	Category C2	No Authorization

(6) All exporters whose category has been downgraded under sub-rule (5), their performance shall be reviewed by the Regulatory Collector after one year and in case good compliance record during the year, the original category shall be restored.In case the compliance record of the user at the time of review is again ascertained to be poor, the authorization granted shall be suspended immediately and the Regulatory Collector may initiate proceedings for cancellation of the authorization:

Provided that contravention cases involving procedural issues or individually or collectively involving revenue less than rupees five million, shallnot affect the categorization of the exporter.

875. Application for authorization.- Any applicant covered under rule 872 of this chapter and desirous of utilizing this facility may apply online to the Regulatory Collector, in the WeBOC or PSW system, as per the prescribed format given in Appendix I to this chapter.

(2) The application shall be supported by the following documents:

(i) ISO certification if available;

(ii) ownership documents in case of self-owned manufacturing facility;

(iii) in case of rented premises lease agreement of the manufacturing facility covering the entire utilization period;

(iv) ownership or lease agreement covering the entire utilization period of the office OR business premises in case of Commercial exporters;

(v) copy of contract/contracts or supply order, in case of contract-based application and Toll Manufacturing, if applicable;

(vi) bank statement for last two years or from the date of incorporation of the entity;

(vii) [157][export performance for last two or three years whichever is applicable, supported by a summary of foreign exchange realized through e-forms if applicable;]

(viii) list of the installed plant and machinery in case of manufacturer-cum exporter, indirect exporter and toll manufacturer etc;

(ix) approximate value of the input goods;

(x) input-output ratio for the manufacture of one unit of output good; and

(xi) recommendation of respective Chamber of Commerce and Industry, respective trade association or Small and Medium Enterprise Development Authority (SMEDA) in case of small and medium exporters.

876. Security instrument for authorization.-(1) The applicant shall submit a security instrument equal to the duty and taxes being deferredorremitted,**on the approximate value of input goods, during the authorization period**along with the application as detailed below:

(a) **Category A:** Indemnity bond as set out in Appendix-III and PDC;

(b) **Category B1:**Indemnity bond as set out in Appendix-III and PDC for manufacturer cum exporters with a self-owned manufacturing facility and Revolving Insurance Guarantee covering their annual requirement, for Manufacturer-cum- exporters with a rented production facility;

(c) **Category B2:** Revolving Insurance Guarantee for manufacturers with self-owned manufacturing facility covering their annual requirement, Revolving Bank Guarantee for manufacturers with rented production facility covering their annual requirement till three years benchmark is crossed and graduating to B1 category;

(d) **Category C1:**Indemnity Bond as set out in Appendix-III and PDC for manufacturers with self-owned manufacturing facility and Revolving Insurance Guarantee for manufacturers with rented production facility and commercial exporters, covering their annual requirement; and

(e) **Category C2:** Revolving Insurance Guarantee for manufacturers with a self-owned manufacturing facility and Revolving Bank Guaranteefor manufacturerswith rented production facility and commercial exporters, covering their annual requirementtill three years benchmark is crossed and graduating to C1 category.

877. Processing of application for authorization to use the scheme.-(1) The application for authorization to operate under this scheme shall be submitted online to the Regulatory Collector. The WeBOC or PSW system shall assign a unique identification number to each application for authorization. In the case of goods other than same-state goods, the input-output ratios and wastages under this chapter shall be declared by the applicant in the application.

(2) Subject to rule 898 (2), in case the applicant is the existing user of any of the previous export schemes like S.R.O 450(I)2001, dated 18.06.2001, Chapter XV, DTRE and S.R.O 327(I)2008, dated 29.03.2008, and intends to shift to Export Facilitation Scheme, 2021, he may be considered for authorization by the Regulatory Collector under these rules subject to his satisfaction and satisfactory compliance history under previous schemes. If the applicant has stocks of input goods imported under any of the previous schemes, he shall declare description, PCT, quantity and value of the stocks, at the time of application and the Regulatory Collector shall upload the same in WebOC or PSW against the authorization of the applicant.

(3) Subject to rule 898 (2), the online application along with approved Analysis Certificate, of all existing users of export promotion schemes under SRO 450(I)2001, dated 18.06.2001, Chapter XV, DTRE, SRO 327(I)2008, dated 29.03.2008, shall be processed by the Regulatory Collector by uploading the approved value of the input goods along with the details of the security instrument as applicable in the WeBOC or PSW system and IOCO database after satisfying himself regarding the compliance profile of the applicant and the value of the input goods being commensurate with performance and production capacity of the applicant, within seven days of its receipt.

(4) In case the application has new input goods or output goods, or the applicant claims that there is change in the Input [157][output] ratio already determined due to any change in technology,the Regulatory Collector shall refer the case to the Directorate General of IOCO or the EDB as the case may be immediately after receipt of the application, for determination of the Input-Output ratios within thirty days of the receipt of the application, showing the actual quantity of input goods used and wastages occurred in the manufacture of one unit of output goods. A new Analysis Certificate shall be issued and uploaded in the WeBOC OR PSW system by the Director IOCO:

Provided that the exporters falling under “category A” can apply to the Regulatory Collector, within seven days of the import of the goods or sixty days before the first export of the output goods, for issuance of analysis certificate if not issued already, showing the input and output ratio of input goods vis–a–vis finished goods along with wastages in the prescribed format.

(5) In case of an application by an exporter who was not using any of the export promotion schemes prior to issuance of these rules, the Regulatory Collector shall in case of a new applicationupload the authorization if the input output ratios already exist in the IOCO database and are acceptable to the applicant. In case theinput goods or output goods are not covered in any Analysis Certificate issued previously, he shall refer the case to IOCO for determination of input out ratios and production capacity of the unit after satisfying himself regarding the compliance profile of the applicant, within seven days of its receipt [157][:

Provided that the Regulatory Collectorate shall issue analysis certificate within 3 days of application by the user provisionally as per declared input output ratios and wastages pending final determination or revision by IOCO or EDB, as the case may be;

Provided further that the quantity equivalent to hundred percent capacity of the producing or manufacturing unit may be approved provisionally by the Regulatory Collectorate, as applied by the user. However, up to fifty percent quantity may be allowed to be used by the time IOCO or EDB, as the case may be, determines output and input ratios.]

(6) The IOCO shall commence processing of the case immediately. The Director IOCO shall complete the exercise within thirty days of the date of the application. In case the Regulatory Collector or the IOCO fails to process the application within thirty days, the WeBOC or PSWsystem shall automatically allow acquisition against 100% of the value of input goods involved as declared by the applicantprovisionally, based on the declared input output ratios. The provisional permission shall be subject to modification once the IOCO finalizes its assessment of the input out ratios,the Director IOCO shall upload the authorized value in the WeBOCorPSW System

(7) The IOCO after determining the Input and output ratios and production capacity of the exporter will issue an "Analysis certificate" showing quantities of input goods required for the manufacture of the one unit of output goods and the ratio of wastages.

(8) The Director IOCO shall upload the value of input goods to be acquired by the user. The Director IOCO may reduce the demanded authorization according to the production capacity of the exporter.

(9) Director IOCOmay determine the production capacity through designating a team comprising of at least two officials of IOCO, by visiting the manufacturing premises of the applicant. Director IOCO may also acquire services of any third partyincluding accredited Chartered accountant firm or any other body recognized by the Government of Pakistan to handle industrial affairs for determination of production capacity, input-output ratios and wastages including the Engineering Development Board

(10) Tags and printed materials supplied by a foreign supplier without the involvement of foreign exchange from Pakistan shall be allowed to be imported without any quantitative restriction for the purpose of this Chapter.

(11) The IOCO shall establish a central database of all determination of input or output ratios and wastages by it, as well as by EDB on a sectoralbasis. The Regulatory Collector shall also upload all authorizations granted by him in the databasewithout referring the case to IOCO.

(12) No application shall be rejected without affording an opportunity of being heard to theapplicant. In case of rejection or disagreement with the input-output ratios, production capacity or wastages determined by the Director IOCO, the applicant shall have the right to file a review before the DG IOCO and in case of processing of application by the Regulatory Collector, to the Chief Collector of Customs, which shall be decided within fifteen days.

(13) In the case of Contract based application where the applicant so demands, 50% of the value of input goods demanded shall be allowed provisionally by the system at the time of submission of application which shall be subjectto final determination of input-output ratios and production capacity of the applicant by the Director IOCO or the Regulatory Collector as the case may be.

(14) where the applicant claims that the contract is urgent and input goods are being imported through air cargo exclusively, the system shall allow 100% of the value demanded based on input output ratio claimed by the applicant, which shall be subject to modification once Director IOCO or the Regulatory Collector may finalize the Analysis Certificate.

878. Authorization to import or acquire goods. –(1) On the basis of scrutiny of an application, Regulatory Collector or Director IOCO, shall upload the value of the input goods allowed to be imported or procured locally in the WeBOC or PSW system.

(2) Theauthorization for acquisition of inputgoods can be issued for the maximum period as specified against each category in the table below, namely:-

Table

Sr.No.	Category	Authorization Period
(1)	(2)	(3)
I	Category A	Five years
II	Category B1	Four years
III	Category B2	Two years
IV	Category C1	Four years
V	Category C2	Two years

(3) The authorization of the value of input goods shall be uploaded for each yearbased on annualestimated requirement,for the entire authorization period. Authorization to acquire goods for the subsequent year wherever applicable shall be triggered automatically upon submission of the annual reconciliation report by the exporter in the WeBOC or PSW.

(4) The renewal of the authorization shall be subject to satisfaction of Regulatory Collector that no action under the Acts is pending against the user and the user has duly submitted all reconciliation statements as set out in Appendix-IV.

879. Amendment, suspension, or cancellation of the approval. – (1) A user may apply to the Regulatory Collector or Regulatory Authority for amendment (increase or decrease) in the previous authorization or its cancellation and each such request shall be decided for reasons to be recorded on bonafides of the request of the user within ten days of receipt thereof and fed into WeBOC or PSW

(2) No request for amendment in the existing approval shall be rejected and no approval shall be canceled without affording to the applicant or the user an opportunity of showing cause in writing and beingheard.

(3) The Regulatory Collector may, on his own or otherwise, suspend any approval pending his decision to cancel such approval by recording reasons of suspension and each such suspension shall be fed into WeBOC or PSW. The Regulatory Collector shall decide the case within thirty days of the suspension failing which the suspension shall stand revoked.

(4) The Regulatory Collector may, in addition to any other action under the law, require the input goods already acquired or output goods produced under the suspended or canceled approval to be disposed off by way of auction, sale to an existing user by debiting his authorization to acquire input goods or destruction of the goods in case they are not fit for human consumption or any intellectual property rights are involved etc. under the relevant provisions of the Act and the rules made thereunder.

880. Acquisition of input goods.- (1) A user shall be entitled to acquire input goods without payment of customs duty, Federal excise duty, sales tax, or withholding tax as per his authorization under these rules, all such acquisitions shall be retained in the manufacturing facility or premises of the user declared under these rules, namely:-

(a) input goods may be imported free of duty and taxes on filing of a Goods Declaration giving number of the authorization granted;
(b) local input goods liable to sales tax shall be supplied against a zero-rated invoice;
(c) the input goods manufactured or produced in excisable premises shall be suppliedwithout charging federal excise duty, against a valid document prescribed under the Federal Excise Act 2005, or the rules made thereunder; and
(d) duty and taxes paid goods from the domestic market against sales tax invoice.

(2) The user shall upload the information in the WeBOC or PSW system regarding domestic acquisitions within thirty days of acquisition.

(3) The Regulatory Collector may allow a user to utilize his duty and tax-free acquired input goods for his new approval if he is shifting from any previous export scheme to this scheme or any previous approval has been canceled due to pre-mature termination or cancellation of the export order or supply contract of such input goods has been rendered surplus for any valid reason and each such approval shall be fed by the Regulatory Collector into WeBOC or PSW.

(4) In case it is found out as a result of any information, audit, or snap checking ordered by the Regulatory Collector, the information that was required to be uploaded in WeBOC or PSW regarding acquisition of goods by the user, has not been uploaded in time, the user shall be liable to suspension or cancellation of the authorization besides any other action as provided under the law.

881. Acquisition of plant, machinery and spares.-(1) The user shall be allowed to acquire plant, machinery, equipment and spares required for the manufacture of output goods by the authorizeduser under these rules subject to authorization by the Regulatory Collector in WeBOC or PSW:

(2) The plant, machinery and equipment imported under sub rule (1) shall be retained for a period of five years from the date of importation,whereas the retention period of spares shall be two years from the date of importation:

Provided that the disposal of plant, machinery and equipment before the expiration of five years shall be subjected to following reduced rates of duty and taxes leviable at the time of importation, namely:-

TABLE

Sr. No	Disposal period	Duty and taxes
(1)	(2)	(3)
(i)	If sold or otherwise disposed of before the expiration of three years from the date of importation.	Full
(ii)	If sold or otherwise disposed of after three and before four years from the date of importation.	75%
(iii)	If sold or otherwise disposed of after four and before five years from the date of importation.	50%
(iv)	If sold or otherwise disposed of after five years from the date of importation.	0%

Provided further that the disposal of spares imported under sub rule (1) before the expiration of two years shall be subjected to following reduced rates of duty and taxes leviable at the time of importation, namely:-

TABLE

Sr. No	Disposal period	Duty and taxes
(1)	(2)	(3)
(i)	If sold or otherwise disposed of before the expiration of one year from the date of importation.	Full
(ii)	If sold or otherwise disposed of after one year and before two years from the date of importation.	50%
(iii)	If sold or otherwise disposed of after two years	0%

[157][(3) The Regulatory Authority, on submission of an application by the EFS user, may allow sale or transfer of plant, machinery, equipment and apparatus from one EFS user to another EFS user. In case, both the units fall under jurisdictions of different Collectorates, sale or transfer may be allowed subject to obtaining no objection certificate from the destination Collectorate. Any stated sale or transfer shall be subject to security and indemnity bond for the remaining period as prescribed in Appendix-VI deposited at the time of import. After sale or transfer of plant, machinery, equipment and apparatus, EFS user shall provide certificate to the respective Collectorate to the effect that such sale or transfer has been completed as per prescribed procedure and this procedure shall apply mutatis mutandis in case of merger or acquisition of EFS users.]

882. Utilization of input goods.–(1) The input goods acquired under this chapter shall be utilized in the manufacture and export of output goods within the utilization period or disposedof in a manner as prescribed under these rules.

(2) The user may remove input goods out of his premises for partial manufacture or processing by a vendor as declared in the application after as set out in Appendix-V intimating the Regulatory Collector, in this behalf.

Provided that in case the manufacturing process performed by the vendor is liable to sales tax andor federal excise duty, the processed goods shall be returned to the manufacturer in such manner as if these were exported without payment of sales tax and/or federal excise duty:

Provided further that the output goods may be removed directly for export from the vendor to the customs station.

883. Utilization period.- The input goods acquired under these rules shall be utilized within the time-period prescribed as under:

Sr. No.	**Category**	**Utilization period**
(1)	**(2)**	**(3)**
I	Category A	60 Months
II	Category B1	48 Months
III	Category B2	24 Months
IV	Category C1	48 Months
V	Category C2	24 Months

[157][Provided that the said period may be extended for export of output goods only by the Chief Collector of respective jurisdiction for six months' period in cases of exceptional circumstances and in case of extension such fresh securities as mentioned in rule 876 covering the extension period shall be obtained

884. Export of output goods or supply against international tenders .– A Goods Declaration filed forexport of a consignment under this chapter shall contain the authorization number and shall be subject to all formalities for other declarations or endorsements if any, and the procedure in respect of processing and examination of export goods, for the time being in force, shall be observed:

Provided that no Goods Declaration of export or Goods Declaration shall be filed forsupply of goods against international tenders or to exempt projects or sectors in Pakistan:

Provided further that supplies against international tenders or to exempt projects or sectors in Pakistan shall be reported by the user to the Regulatory Collector who shall enter the relevant particulars in WeBOC or PSW.

885. Procedure for international toll manufacturing.-(1)A user holding a contract for Toll manufacturing may import input goods directly or indirectly from the foreign principal without involving any remittance of foreign exchange.

(2) [157][The user shall provide I-Form of nil remittance value for input goods duly approved by the authorized dealer concerned.

(2A) At the time of import, the system shall debit the revolving insurance guarantee balance of the importer or accept the Indemnity Bond and Post Dated Cheque, as the case may be, for an amount equivalent to the duties and taxes leviable on the imported goods.

(3) After the production of the output goods, the user shall export the goods on submission of E-Form equivalent to the service charges approved by the authorized dealer.

(4) On realization of the foreign exchange equivalent to the service charges as per contract, the authorized dealer will certify and report the same to the State Bank of Pakistan on R-Form.

(5) Subsequent to the realization of the foreign exchange equivalent to the service charges as per contract, certified by the authorized dealer to the State Bank of Pakistan on R-Form, the revolving insurance guarantee furnished by the importer shall be credited or the indemnity bond and postdated cheque shall be released, accordingly.]

886. Domestic sales.-(1) A user shall be allowed to sell up to 20% of the output goods manufactured from input goods in the domestic market on payment of leviableduty and taxes on filing of a Goods Declaration which shall be assessed as if goods are imported into Pakistan in that condition, subject to satisfaction of the Regulatory Collector regarding reasons for domestic sale.

(2) In case the user is unable to export the output goods and desires to sale output goods exceeding the percentage given in sub-rule(1) in the domestic market, he may sale them in the domestic market subject to payment of duty and taxes on filing of goods declaration which shall be assessed if goods are imported in Pakistan in that condition and subject to the satisfaction of the Regulatory Collector. In addition, surcharge at the rate of KIBOR plus 3% per annum shall also be charged on the value of input goods used in the output goods being sold in the domestic market under this sub rule.

(3) The user shall be allowed to sell factory rejects or B grade goodsin the domestic market on payment of leviableduty and taxes if anyon filing of a Goods Declaration which shall be assessed as if the goods are imported into Pakistan in that condition.

(4) No wastage of input goods in terms of quantity, volume weight or number, as the case may be, shall be allowed except as determined in the Analysis Certificate and no duty and taxes shall be charged on such wastages of the input goods, provided that such wastages is either destroyed in the presence of an officer of Customs, not below the rank of an Assistant Collector.Or on payment of leviable Federal excise duty and sales tax is paid on such wastage before removal and the information is uploaded in the WeBOC or PSW System by the Regulatory Collector.

(5) In case a user claims that the wastage has exceeded the limits prescribed in the Analysis Certificate he may be allowed by the Regulatory Collector to sell it in the domestic market on payment of duties and taxes on the input goods along with surcharge of KIBOR Plus 3 % per annum.

(6) In case the goods or input goods are banned under the import policy order, domestic sale of these goods shall be subject to the approval of the Ministry of Commerce.

887. Unused input goods.- (1)A user may,with the approval of the Regulatory Collector, dispose of the unused input goods in the following manner:

(a) in case a user is unable to consume the input goods acquired before the end of the year, the same shall be carried forward into the next year on submission of the reconciliation statement;

(b) the user may transfer unused input goods to other authorized users specified under rule [157][872], before the end of utilization period without payment of duty and taxes; or

(c) the user may sell the unused input goods in the domestic market after expiry of utilization period on payment of duties and taxes, and a surcharge of KIBOR plus 3%:

Provided that banned or restricted goods shall be sold inthe domestic market only if the Ministry of Commerce authorizes the sale;

(a) the user may re-export un-used input goods if allowed under the Export Policy Order; and

(b) destruction, if goods are not fit for consumption or sale.

(2) The Regulatory Collector shall reduce the equivalent value of input goods authorized to the user by feeding the information into WeBOC or PSW within seven days.

(3) In case of transfer of input goods to the other user, the Regulatory Collector shall reduce thetransferred quantities or value from the authorized value of the user transferring it and shall add the value to acquisitions of the user receiving the input goods by feeding it in WeBOC or PSW within seven days.

(4) Where the user is unable to export goods as per declared category for consecutive two years, the Regulatory Collector may reduce the authorized value accordingly, for the remaining utilization period by amending the authorized value in the WeBOC system after giving an opportunity of being heard to the user.

888. Un-exported outputgoods.– (1) Auser may, with the approval of the Regulatory Collector, dispose of the un-exported output goods in the following manner:

(a) transfer the un-exported output goods to another user prescribed under rule [157][872], of this chapter; or

(b) destruction if the goods are not fit for consumption or sale:

Provided that where any of the above optionsare allowed, the Regulatory Collector shall reduce the equivalent value/quantity of output goods and input goods as the case may be, by feeding the information into WeBOC or PSW within seven days of intimation by the user.

889. Duty drawback of duty paid input goods.– A user shall be entitled to claim duty drawback on the acquisition of duty paid input goods subject to the applicable duty drawback notification only after full discharge of the liabilities and obligations under thischapter and that the f.o.b value for claiming such drawback, shall be the value excluding the duty-free value of input goods imported or acquired under these rules:

Provided that where a person is already in possession of stocks of duty-paid input goods, he may declare at the time of seeking approval and use such stocks for the purpose of this rule, any such declaration may be verified by the Regulatory Collector or Director IOCO at the time of processing the application.

890. Refund of sales tax.–The user shall be entitled to refund of sales tax on the acquisitions of tax paid input goods including refund of Sales tax on electricity or gas or services utilized as input goods for the manufacture of output goods to be exported under these rules, as admissible under the Sales Tax Act,1990.

891. Records and documents.– A user shall keep and maintain separate from other business records if any, the following records and documents in a manner as prescribed under the Acts and rules made thereunder,including the following:–

(a) copies of applications and approvals;
(b) records of acquisitions of input goods andexports;
(c) record for destruction or another authorized disposal of input goodsand output goods;
(d) export contracts or orders and supply contracts ororders;
(e) bank statements;
(f) record of transfer or acquisition of goods to and from other exporters or users; and
(g) Ancillary record.

892. Reconciliation statement.– (1)The user falling under category A shall submit anannual reconciliation statement as set out in Appendix-IV showing the input goods acquired and output goods exported, domestically sold,and wastages and their disposalwithin thirty days of the end of the year. Users falling under categories B & C shall submit a biannual reconciliation statement within thirty days of the end of six months.

(2) In case of failure to submit a reconciliation statement, the WeBOC or PSW system shall not allow further imports or acquisition to the user.

(3) On submission of reconciliation statements as prescribed under sub rule(1), the WeBOC or PSW system shall automatically allow the value of input goods authorized at the time of application for the next year.

893. Audit.- (1) The Directorate of Post Clearance Audit shall conduct an audit of the users as under

(a) Category A; once in five years;

(b) Category B; once in Four years;
(c) Category C; once in three years ; and
(d) Contract based: once in three years:

Provided that the Directorate of Post Clearance Audit may conduct audit of any users based on risk assessment or random selection, on specific information, or on request of the Regulatory Collector at any time.

(2) Audit under this subchapter shall be a combined or consolidated audit for exports under the scheme and other taxable activities, if any, and shall cover all the duties and taxes for which the security instrument has been furnished.

(3) In case of a user holding an authorization under these rules, the Regulatory Collector may discharge the security instrument of such user, on the basis confirmation of export documents or domestic sale as the case may be authorized under these rules, that the goods acquired by him against such approval have been exported or disposed of infull.

(4) Where, as a result of the post-exportation audit, there arises any discrepancy, irregularity, or any violation of the provisions of this Chapter or any other law applicable on this behalf by the user, the same shall be reported to the adjudication officer of competentjurisdiction for adjudication under the relevant acts and rules.

(5) Where, as a result of the audit, it is found and established after due process of law that the user is guilty of fiscal fraud, the user i.e., owner, proprietor, partners, or directors of the entity may be blacklisted for any trade by blacklisting the CNIC in the WeBOC or PSWsystem and for sales tax by the Regulatory Collector.

894. Power to suspend the facility.- The Board shall have the authority to suspend, restrict or cancel the authorization issued for any particular goods or class of goods by notification in the Official Gazette,

895. Remission of Customs duty,Federal Excise duty and sales tax in case of a force majeure or destruction of goods.- Subject to the satisfaction of the Regulatory Collector the Customs duty, Federal Excise duty and Sales tax if any, may be remitted in full or in part, as the case may be,in the following cases namely:

(a) when the goods are damaged or destroyed by unavoidable circumstances or for causes beyond the control of the user; or
(b) when the wastages of input goods, as determined in the analysis certificate, is destroyed ; or
(c) when goods procured are *bonafide* samples drawn under this chapter or samples for study, testing or design; or
(d) when the input goods or finished goods that are rendered unfit for consumption or sale, are destroyed in the manner as determined by the Regulatory Collector [157][:

Provided that remission shall not be applicable in case of insurable risks.]

896. Transfer of ownership.-A user shall not be allowed to transfer the ownership or title of the manufacturing facility unless all outstanding customs duty, federal excise duty and sales tax and other taxes are paid, and all other liabilities are discharged to the satisfaction of the Regulatory Collector.

897. Miscellaneous.-(1) An officer authorized by the Regulatory Collector shall have free access to any place where goods covered under the authorization issued under this scheme are stored, processed or manufactured, or otherwise dealt with and to the records, documents, and information relating to suchgoods.

(2) All liabilities or dues as and if payable or outstanding under any of the provisions of these rules shall be finally ascertained and recovered by the Regulatory Collector.

898. Saving.- (1) All approvals under S.R.O 450(I)2001 Chapter XV, DTRE and S.R.O 327(I)2008 if otherwise in order and correct, may remain operative for a period of two years from the date of issuance of these rulesand shall stand abolished thereafter. However, any user of the schemes mentioned above can voluntarily submit application for authorization under these rules to the Regulatory Collector for revocation of previous approval and issuance of authorization under these rules.

(2) A user cannot operate under this scheme and the schemes existing previously under SRO 450(I)2001, dated 18.06.2001, Chapter XV, DTRE, SRO 327(I)2008, dated 29.03.2008,simultaneously.

(3) All provisions of the Customs Acts, 1969 (IV of 1969), the Federal Excises Act, 2005, the Sales Tax Act, 1990 and the Income Tax Ordinance2001 shall be applicable on the users unless specifically addressed in these rules.

[157][Sub-Chapter I
Common Export Houses]

899. Authorization to operate as common export house.-(1) Any person desirous of operating a Common Export House under these rules shall apply to the Regulatory Collector in the form set out in Appendix I to these rules alongwith the following documents, namely:--

(a) application form;
(b) ISO Certification if available;
(c) the site plan of the proposed warehouse indicating the location of the premises and the details of the total area and covered area;
(d) bankstatement of the applicant for the last two years; orfrom the date of incorporation;
(e) Memorandum and Articles of Association in the case where the applicant is registered under the Companies Ordinance, 1984 (XLVII of 1984), or partnership deed if it is a partnership firm;
(f) ownership documents or lease or tenancy agreement; and
(g) comprehensive insurance policy covering all risks such as fire burglary, etc., issued by an insurance company registered with the Ministry of Commerce, in the sum equal to the amount of customs duties and sales tax involved on the imported input goods intended to be stored in the warehouse.

(2) On receipt of an application alongwith the documents prescribed in sub-rule (1), the Regulatory Collector, after such verification as he deems necessary, issues authorization within one month of such verification to the applicant to operate a Common Export House:

Provided that a public warehouse already operating under warehousing rules may also apply to operate as a Common Export Housesimultaneously.

900. Cancellation of authorization.--The authorization may be canceled by the Regulatory Collector onconviction of the user for any offense under any of the Acts or non-utilization of the authorization or on the request of the user, in writing.

901. Suspension of authorization.-(1) Pending consideration whether an authorizationis canceled, the Regulatory Collector may suspend the authorization, if he is of the opinion that it is expedient to do so and for the reasons to be recorded, in writing, by him.

(2) In a case referred to in sub-rule (1) the reasons for such suspension shall be communicated to the user within twenty-four hours of such suspension.

902. Revalidation or revival of authorization [157]**[for common export house]**.- The authorization shall be issued for a period of three years and the same shall stand revalidated for successive periods of three years by the Regulatory Collector without further application thereof by the user, provided the regulatory Collector is satisfied that no action under the Acts is pending against the user or the user himself has applied to the regulatory Collector for revoking his authorization.

903. Import of input goods.-For import of input goods into a Common Export House a Goods Declaration shall be filed with the name and NTN of the authorized user of the Common Export House as importer. The Goods Declaration shall be processed as per procedure applicable for clearance into the public bonded warehouses under the Customs Act, 1969 (IV of 1969).

904. Removal of input goods from [157]**[common export] warehouse**.- Removal of input goods to the users shall be done on the filing of an ex-bond Goods Declaration giving the name of user as well as the buyer. The WeBOC or PSW system shall debit or credit the value from the account of the Common Export House as well as of the buyer.

905. Re-export of imported input goods.-Theuser may be allowed to re-exportinput goods imported for manufacture of export goods under these rules in their original and unprocessed form within three years of their import subject to the limitations and restrictions of Import Policy Order and Export Policy Order for the time being in force.

906. The retention period for the procured input goods.-Theuser shall supply the input goods to the SMEs and other users within a period of two years from the date of importation.

907. Transfer of ownership or title.-Theuser shall not be allowed to transfer the ownership or title of the Common Export House unless all outstanding customs-duty, central excise duty, sales tax, and income-tax are paid and any other liabilities are discharged.

908. Unaccounted input goods.--If any user fails to give a proper account of the input goods to the satisfaction of an officer of customs not below the rank of an Assistant Collector, the user shall pay on demand an amount equal to the customs duty, federal excise duty, sales tax and income-tax leviable thereon as if they were imported and used for home consumption plus surcharge at the rate of KIBOR plus 3% and shall also be liable to penalties imposed for such violation under the Acts.

909. Destruction of input goods.--Any imported input goods that are rendered unfit for consumption or sale may be allowed to be destroyed by an officer of Customs not below the rank of an Assistant Collector, in such manner as the Regulatory Collector may, by order in writing specify.

910. Reconciliation report.-The Common Export House user shall submit a monthly reconciliation report in WeBOC or PSW showing complete details of goods imported and sold and stock position.

APPENDIX-I

(See rules 871 and 875)

APPLICATION FOR AUTHORIZATION UNDER EXPORT FACILITATION SCHEME 2021

Dear Sir/Madam, I/We intend to obtain authorization to acquire input goods for subsequent export in the name and style of

It is requested that authorization to acquire input goods may be granted to me / us as a

i. Manufacturer cum exporter
ii. Indirect exporter
iii. Commercial exporter
iv. Toll Manufacturer
v. Common ExportHouse

A. GENERALINFORMATION.

1. Name of theUnit

(a) Address where Unit islocated

(b) Mailing Address, if different fromabove.

(c) Contacts

Telephone No.	Fax No.	E-mail

Name of CEO	Name of Operating Executive
Cell No of CEO	Cell No of Operating Executive

NTN Sales Tax RegistrationNo.

2. Status ofBusiness:

Sole Proprietorship	Partnership (With Registration Details)	Company (With Registration details)

(Tick the relevant)

3. Particulars of Directors

Name

NTN	CNIC

Name

NTN	CNIC

Name

NTN	CNIC

Name

NTN	CNIC

4. Information about Business Premises

(i) Ownership Status (tick the relevant box)

Self-owned/Company owned	Leased If Yes name and CNIC of the owner of the Premises

5. Legal Status

(a) Whether the premises, is involved in any legal case: (If yes provide details)

(b) Whether The premises, is mortgaged to any bank or any financial institution against any loan (If yes provide details)

(c) Whether the premises has been attached by a recover officer under any law for outstanding recovery (if yes provide details)

6. Details about Operations of the Unit

i. Date and year of establishment, incorporation
ii. Nature, Type and estimated annual value of the imported input goods
iii. Nature, Type and estimated annual value of the locally procured input goods
iv. Total storage area for input goods in the premises
v. Total Production capacity of the Unit
vi. Nature, type and estimated value of output goods
vii. Details of sister concern(s) of the applicant if any
viii. Details about any previous license/permission/ authority to use any of the export facilitation schemes issued from time to time by the Government
ix. Details about any contravention, or criminal case against the unit or its sister concern(s) if applicable
x. Details about the bank account with branch name and address where the business account of the unit

is being maintained

7. Export performance

(a) Goods Exported in last two years as manufacturer cum exporter

Years	Goods Description	Total Value of Manufactured goods (Rs)	Total Value of Exported goods (Rs)	Name of the Direct Exporter	Exporting Since the year

(b) Goods Exported in last two years as indirect exporter

Years	Goods Description	Total Value of Manufactured goods (Rs)	Total Value of Exported goods (Rs)	Name of the Direct Exporter	Exporting Since the year

(c) Goods exported in last twoyears as commercial exporter:

Years	Goods Description	Total Value of Exported goods (Rs)	Mode of acquisition of export goods	Name of Indirect exporter if applicable

8. Name, NTN, STRN and address of the vendor/vendors and provide details of the process to be carried out by the vendor (if applicable) please upload copy of the agreement with vendor.
9. Name, NTN, STRN and address of the indirect exporter/exporters and provide details of the process to be carried out by the indirect exporter (if applicable) please upload copy of the agreement with indirect exporter.
10. Additional details if Contract based application
    i. Name of the Buyer
    ii. Country of the buyer
    iii. Output goods to be exported
    iv. Period of contract
11. Additional details if application is for Toll manufacturing
    i. Name of the international Supplier
    ii. Details of the goods that will be imported
    iii. Country from which the input goods will be imported
    iv. Approximate value of the input goods
    v. Approximate duty and taxes on the input goods
    vi. Input/output ratio and wastages
12. Details of the input goods stocks acquired free of duty and taxes under any previous scheme (if applicable)

Sr No	Description of Goods	PCT	Quantity	Per unit Value in US $ declared at the time of import	Total value in Rs.
i					
ii					
iii					

13. Details of duty and taxes paid stocks acquired under any previous scheme (if applicable)

S No	Description of Goods	PCT	Quantity	Mode of Acquisition	GD number and date or Invoice number and date	Total value in Rs.
i						
ii						
iii						

B. **UNDERTAKING**

1. I/We hereby declare that the information furnished by me/us is true to the best of my/our knowledge andbelief.
2. I/We would agree to abide by any and specific conditions as may be laid down from time totime.
3. I/We also agree to inform the Collector or any Officer authorized in this behalf, of any change in the information provided in thisapplication.
4. I/We have enclosed all documentsrequired.
5. I/We undertake to furnish any further information or document as may be required for consideration of thisrequest.

Date:_____ Signature of theApplicant_____

(CEO / Authorized Partner/Proprietor/
Authorized Representative)

APPENDIX-II
(See rules 871 and 877)

GOVERNMENT OF PAKISTA N
COLLECTORATE OF CUSTOMS

ANALYSIS CERTIFICATE

C.No. Date:

1. Name of theUnit

2. Authorization No.

3. Address where Unit islocated.

4. Mailing address, if different from above.

5. NTN Sales Tax RegistrationNo.

6. Detailed specifications of the output goods to bemanufactured:

_____

_____

_____

7. Details of the input goods to be used for the manufacture of outputgoods:

S.No.	Description of Input Goods	PCT Code	Per Unit Requirement	Wastage
(i)				
(ii)				
(iii)				
(iv)				
(v)				
(vi)				
(vii)				

8. Average per unit cost of inputgoods

9. Average incidence of duties andtaxes

10. Average per unit value of outputgoods

11. Any specialinstructions

Prepared by
Name and Designation Signature and seal
Signature and Seal
Countersignby Signature and seal
Name and Designation, Signature and Seal

APPENDIX-III
(See rule 876)

GOVERNMENT OF PAKISTAN
COLLECTORATE OF CUSTOMS

INDEMNITY BOND
(ON APPROPRIATE STAMPED NON-JUDICIAL PAPER)

This deed of indemnity is made on the day of 20 between M/s_____ who have registeredofficeat (hereinafter called the user which means and includes their successors, administrators, executors and assignees)oftheonepartandPresidentofPakistanthroughtheCollectorofCustoms)(hereinafter called "the Collector") of the otherpart:

WHEREAS, the Collector has allowed us to acquire goods under this authorization, we shall pay on demand all duties, taxes, drawbacks, repayments, rebates and refunds, not levied or paid under the rules, on the procurement of input goods which are not accounted to the satisfaction of the Collector and to pay any penalties imposed by the Collector/adjudicating officer for violation of these rules or theActs;

NOW, THESE PRESENT WITNESS that in pursuance of this BOND the user M/s. hereby agree to indemnify the said Collector for loss of revenue to the extent of Rs. _____(Rupees) and also against costs and expenses which may be incurred by the Collector in recovery of the above amount of revenue.

It is further, agreed that the above amount may be recovered as arrears under relevant sections of the Acts and the rules made thereunder if the user fails to abide by any condition laid down inrules.

IN WITNESS WHEREOF the parties hereto have put their respective hands and seals on the day above written.

(1) M/s. _____
(Address)

(2) _____
(Name and permanentaddress)

For and on behalf of the President

Witness No.1
Signature _____
Name _____
Designation _____
Fulladdress _____
CNICNo. _____

Witness No.2
Signature _____
Name _____
Designation _____
Fulladdress _____
CNICNo. _____

APPENDIX IV
(See rule 892)

GOVERNMENT OF PAKISTAN
COLLECTORATE OF CUSTOMS

RECONCILIATION REPORT FOR THE PERIOD
_____ TO _____

Name of the Unit

Authorization No.

Address where the Unit is located.

Mailing Address if different from above.

NTN Sales Tax RegistrationNo.

Contacts

Telephone No.	Fax No.	E-mail

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Opening Balance on 1st Day of Reconciliation period.	G.D No. & date / Sales tax invoice No. & Date for acquisition of input goods	Description and PCT of input goods	Quantity of Each item received.	Value of each item.	Rate of duty/taxes on each item.	Total duty/taxes involved.	Country of origin/ Sales Tax Registration No. of the supplier.

(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Quantity & value of input goods used for manufacture of output goods.	Quantity & value of goods manufactured	Quantity & value of output goods exported	G.D of Export No.& Date	Quantity & value of factory rejects	Quantity & value of wastage	Quantity & value of goods provided to vendor for further processing	Quantity & value of goods returned by vendor

(17)	(18)	(19)	(20)	(21)	(22)	(23)
Quantity & value input goods removed to premises of indirect exporter for further processing	Quantity & value input goods received from indirect exporter after further processing	Quantity & value of goods sold in the domestic market	Quantity & value of goods transferred to another exporter	Quantity & value of goods destroyed	Closing balance of input goods on the last day of Reconciliation period	Quantity and value of Output goods not exported and available in premises

Signature:
Name andDesignation
CNICNo.

APPENDIX-V
(See sub rule(2) orrule 882)

GOVERNMENT OF PAKISTAN
COLLECTORATE OF CUSTOMS

APPLICATION FOR TRANSFER OF GOODS TO A VENDOR.

The Collector, Collectorate of Customs,
CustomsHouse .

I/WeM/s intend to transfer the following goods from
(Name, address & Authorization No. of the User) to
(Name, address & Sales Tax Registration No. of the vendor) for the purposeof

Description	G.D./Sales TaxinvoiceNo. & date	Quantity.	Value in Rs.	Total value (per unit)	Duty &taxes rate(item wise)	Total duty & taxesinvolved.
(1)	(2)	(3)	(4)	(5)	(6)	(7)

Indemnity bond No. & date.	Nature offurther Processing, ifrequired.	Date onwhich Transfer isrequired.	Date on which Transferred goods will be retrieved /exported	Extent ofvalue addition, ifany.
(8)	(9)	(10)	(11)	(12)

Signatures with date Signaturewithdate Name & Designationof consigner

Name & Designation ofconsignee

UNDERTAKING:

I/We hereby declare that the information furnished by me/us is true to the best of my/our knowledge andbelief.

I/We would produce further documentary evidence in support thereof if and when called for.

I/We also agree to bide by any such specific conditions as may be laid down from time to time.

I/We also agree to inform the Collector, or any officer authorized in this behalf of any change in the information provided in theapplication.

Date

Signature of the Applicant
(CEO Authorized Partner/Proprietor/Authorized Representative)]

[157]**[APPENDIX-VI**
[*See Rule 881(3)*]

GOVERNMENT OF PAKISTAN
COLLECTORATE OF CUSTOMS

INDEMNITY BOND
(ON APPROPRIATELY STAMPED NON-JUDICIAL PAPER)

This deed of indemnity is made on the _____ day of _____20_____between M/s_____ who have registered office at _____ (hereinafter called the licensee which means and includes their successors, administrators, executors and assignees) of the one part and President of Pakistan through the Collector of Customs) _____ (hereinafter called "the Collector") of the other part:

2. Whereas, the Regulatory Authority has allowed us to remove plant, machinery, equipment and apparatus from one EFS user to another EFS user, we shall pay on demand all duties, taxes, drawbacks, repayments, rebates and refunds, not levied or paid under the rules, on the procurement of plant and machinery which are not accounted for to the satisfaction of the Regulatory Authority and to pay any penalties imposed by the Regulatory Authority /adjudicating officer for violation of these rules or the Acts;

3. Now, these present witness that in pursuance of this BOND the licensee M/s._____ hereby agrees to indemnify the said Regulatory Authority or adjudicating officer for loss of revenue to the extent of Rs._____ (Rupees_____) and also against costs and expenses which may be incurred by the Regulatory Authority in recovery of the above amount of revenue.

4. It is further agreed that the above amount may be recovered as arrears under relevant sections of the Acts and the rules made thereunder if the licensee fails to abide by any condition laid down in rules.

5. IN WITNESS WHEREOF, the parties hereto have put their respective hands and seals on the day above written.

(1) M/s._____
(Address)

(2) _____
(Name and permanent address)
For and on behalf of the President

Witness No.1	Witness No.2
Signature_____	Signature_____
Name_____	Name_____
Designation_____	Designation_____
Full address _____	Full address _____
CNIC No._____	CNIC No._____

Note 1.- The witnesses shall be government servants in BPS-16 or above, or Oath Commissioner, Notary Public or an Officer of a Scheduled Bank.

Note 2.- This bond shall be based upon proper collateral security in the shape of NIT units, National Saving Certificates, Defense Saving Certificates and such other securities which banks generally accept for extending credit.]

[128][CHAPTER-XLI

TRANSIT REGIME IN PAKISTAN
UZBEKISTAN-PAKISTAN TRANSIT TRADE RULES

Sub-Chapter-I
Preliminary

911. Scope:- The provisions of this chapter shall be for the purpose of Uzbekistan Pakistan Transit Trade Agreement, for processing of transit trade cargo through the following port under Customs Computerized System, to and from Uzbekistan, namely:-

(a) Uzbekistan's cargo imported through Karachi Port, Port Muhammad Bin Qasim, Gwadar Port; and

(b) Uzbekistan's cargo to other countries via Karachi Port, Port Muhammad Pin Qasim, Gwadar Port;

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

(i) **"bill of landing**" 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, Ghulam Khan, Taftan, Gabd, Sost, and any other Customs station notified by the Board for the purpose 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) **"cargo"** means goods including vehicles;

(vi) **"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;

(vii) "**container"** means an article of transport equipment; (i) fully enclosed to constitute a compartment intended for containing goods, (ii) of a permanent character and

accordingly strong enough to be suitable of repeated use, (iii) specially designed to facilitate the transport of goods by one or more modes of transport without intermediate reloading, (iv) designed for ready handling, particularly when being transferred from one mode of transport to another, (v) designed to be easy to fill and to empty , and (vi) demountable bodies are to be treated as containers;

(viii) **"contracting parties"** means Pakistan and Uzbekistan;

(ix) **"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;

(x) **"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 the other Contracting Party;

(xi) **"cross stuffing"** means transfer of goods from one container to another container or any other mode of transportation as per TIR specifications, in the premises of the port or off-dock terminal under customs supervision;

(xii) **"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;

(xiii) **"customs transit"** means the customs procedure under which goods are transported under customs control from one customs office to another;

(xiv) **"customs security"** means encashable financial guarantee acceptable to Customs, submitted by the traders or their authorised agents or brokers on transit goods for an amount equivalent to the import levies of the host country, as per prescribed rules;

(xv) **"dangerous goods"** means goods posing a significant risk to health and environment, security and property when being transported or lying inside storage;

(xvi) **"examination of goods"** means the process of physical ascertainment by Customs of nature, origin, condition, quantity and value wit reference to transit documents;

(xvii) **"external user registration office"** means the office designated by the Ministry of Investments and Foreign Trade, Republic of Uzbekistan for registration of entities and other users based in Uzbekistan with the Customs Computerized System in Pakistan;

(xviii) **"home country"** means for transport operators, the country of establishment, and for vehicles, and the country of registration;

(xix) **"host country"** or "country of destination" means the country where transportation of goods is perfomed;

(xx) **"import duty 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;

(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 numbers of containerized cargo, are in accordance with the particulars provided in the goods declaration or bill of lading;

(xxii) **"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);

(xxiii) **international 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;

(xxiv) **"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;

(xxv) **"Logistics Facilitation Center"** means a transit office at Torkahm, Chaman & Ghulam Khan regulating issuance of permits to Pakistani registered transport operator and movement of foreign registered vehicles.

(xxvi) **"multimodal transport (which is also known as combined transport)"** is the movement of goods using more than one mode of transportation, but under the terms of a single contract

(xxvii) **"national treatment"** means a Contracting Party shall grant according to its national legislation treatment to services and services suppliers of the other Contracting Party, no less favourable than that which it accords to its own like services and service suppliers;

(xxviii) **"office of departure"** means any Customs office at which a Customs transit operation commences;

(xxix) **"office en-route"** means any Customs office through which goods in transit pass during the course of a Customs transit operation.

Explanation.- If the office of departure is Karachi, the office en-route shall be Torkahm, Chaman and the Uzbek Customs office at their border, and office of destination shall be Customs station inside territory of Uzbekistan where Goods Declaration id filed;

(xxx) **"office of destination"** means any Customs office at which a Customs transit operation is terminated;

(xxxi) **"oversized and bulky cargo"** means any heavy or bulky object including animals which because of it weight, size or nature cannot be carried in a closed vehicle or closed container;

(xxxii) **"prohibited goods"** means the goods prohibited to be carried under the transit trade under any law for the time being in force;

(xxxiii) **"port of entry or exit (border crossing point)"** means the territory (part of the territory) of border railway stations and highways, sea ports, river ports, airports (aerodromes) open for international relations, as well as persons, vehicles, goods, other property, livestock across the State Border of the States of the Contracting Parties others 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;

(xxxiv) **"phyto-sanitary control"** means the inspection intended to prevent the spread and the introduction across national boundaries of pets, plants and plant products.

(xxxv) **"prescribed transport route"** means the land route prescribed Board for transportation of transit goods within the frontiers of Pakistan;

(xxxvi) **"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;

(xxxvii) **"road transport permit"** means a document issued by a competent authority of one contracting party allows vehicles registered in the territory of the state of the other contracting party to enter or exit or transit through its territory.

(xxxviii) **"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;

(xxxix) **"system"** refers to the Pakistan Customs Computerized System (CCS) that is in operation in the Customs offices as per Board's instructions;

(xl) **"Directorate of Transit Trades"** means the formations established in the Directorate General of Transit Trade specifically to handle the transit trade related affairs;

(xli) **"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;

(xlii) **"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 Uzbekistan;

(xliii) **"transit cargo"** means goods including vehicles imported or exported by Uzbekistan for transit across Pakistan under section 129 of the Customs Act, 1969;

(xliv) **"transit goods"** means the goods whether commercial or non-commercial transited through Pakistan, to and from Uzbekistan;

(xlv) **"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;

(xlvi) **"transport operator (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;

(xlvii) **"transport unit"** means aircrafts, freight containers of international specifications transported by road, railway wagons or road vehicles including trailers and semi-trailers;

(xlviii) **"TIN" or "tax identification number"** means a unique number issued by Ministry of Finance, Republic of Uzbekistan to identify a specific taxpayer;

(xlix) **"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;

(l) **"user ID"** means a unique user identified 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;

(li) **"vehicle"** means any rigid road vehicle, articulated vehicle, unaccompanied trailer or semi-trailer; and

(lii) **"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 meanings assigned thereto in the Act.

Sub-chapter-II
Procedure for registration of users with CSS and issuance of user ID

913. Registration of foreign business and other users with Customs Computerized System for issuance of user ID or Password.- (1) Directorate General Reforms & Automation, Karachi shall generate one or more user IDs for the focal person of the Ministry of Investments and Foreign Trade Uzbekistan for registration of different categories of users i.e., traders, government organizations, United Nations (UN) or Diplomatic Missions based in Uzbekistan with Customs Computerized System (CCS).

(2) The foreign entities i.e., traders, government organizations, United Nations (UN) or Diplomatic Missions shall complete the requisite registration proforma **(Annex-I)** which shall be submitted in the Customs Computerized System by the Ministry of Investments and Foreign trade, Uzbekistan electronically.

914. Issuance of user ID or Password to the users by CSS.- (1) On receipt of the above requisite information, the CSS shall generate a user ID and password and forward it to the applicant through his registered email address.

(2) The user will be able to nominate upto three customs clearing agents or brokers to handle his transit cargo in Pakistan.

(3) A user also nominate a transport operator for handling of cargo i.e., both for filing of GD and transportation of transit cargo by the same logistic entity.

Sub-Chapter-III

Procedure of Commercial Vehicles transporting transit and bilateral trade goods

915. Basis of entry of commercial vehicles.- (1) Vehicles transporting transit and bilateral goods shall be licensed by the competent authorities of the contracting parties as transport operator authorized to conduct international transportation.

(2) Every vehicle while existing or entering Pakistan shall carry valid permit issued by the competent authority on the prescribed format **(Annex-II)**. The vehicle details shall be mentioned on the permit.

(3) The permit shall be valid for one vehicle and for single round trip and only for the transport operator to whom it is issued; it shall be non-transferrable to other carries or third parties.

(4) The period of validity of permit in the normal circumstances shall be twenty days from date of entry i.e., equal to number of days allowed for stay in Pakistan in visa for each trip. However, in exceptional circumstances, the vehicle can say upto ninety days from date of entry into Pakistan under intimation to the Customs. No further approval will be required from Customs on basis of principle of reciprocity, as agreed by the two contracting parties.

(5) Permits submitted within the current calendar year shall be valid until 31st January of the next year.

(6) Permit shall also be required for empty run (deadheading).

916. Number of permits to be exchanged between the contracting parties.- (1) Before the start of every calendar year, the competent authorities of the two contracting parties shall exchange agreed or permits for goods transport. Said permits must bear a stamp of the competent authority of the State of the contracting party and the signature of an authorized person issuing this permit.

(2) The transport units, holding original permits shall not to pay any entry charges required from foreign transport units.

(3) In case, the initial permits exchanged at the beginning of calendar year have been utilized by a contracting party, it may request the other contracting party for issuance of additional permits.

(4) The transport units holding additional permits shall be liable to pay the charges as per national regulation of the host country.

(5) The additional permits shall be marked with the words “outside quota” to distinguish these, from those permits exchanged during the beginning of the year.

917. Exemption from road transport permit.- (1) The permit referred to in rule-**915** above is not required for transportation of:

(a) movable properties during resettlement;
(b) materials and objects including art works intended for fairs and exhibitions;
(c) vehicles, live animals as well as various stocks and properties intended for supporting events and circus shows;
(d) theatrical décor and requisite musical instruments, equipment and accessories for filming, radio or TV broadcasts;
(e) the bodies or ashes of the dead;
(f) transporting for the purpose of humanitarian and medical aid, rescue operation in response to natural disasters;
(g) postal sending; and
(h) by a vehicle where its total laden weight, including trailer do not exceed 3.5 tons.

(2) The permit referred to in rule-915 above is also not required for the passage of a technical assistance’s vehicle, intended for repair or towing of defective vehicles.

918. Issuance of permits to Pakistan registered vehicles transporting transit and bilateral trade cargo.- (1) The Directorate of Transit Trade, Peshawar and Quetta shall be authorized to issue and regulate permits at their respective land border customs stations.

(2) Permits received from competent authorities shall be kept at "Logistics Facilitation Center" at Torkham, Chaman, Ghulam Khan or any other relevant customs stations.

(3) Permits shall be handed over to the vehicles of the registered transport operators arriving at border customs stations on first come first served basis.

(4) A vehicle carrying transit or export goods, after gate-in at border customs station shall be assigned a sequence number by CSS for adding to the queue for handing over of the duly filled permits by Logistics Facilitation Center.

(5) The Logistics Facilitation Center shall keep the record of all the vehicle permits handed over to the transport operators and shall communicate weekly data to the DG Transit Trade and Board.

(6) Pakistani vehicles destined to Uzbekistan shall also be required to possess requisite authorization for transiting territory of Uzbekistan as agreed between the two countries i.e., Pakistan & Uzbekistan.

(7) Directorate General Transit Trade shall regulate the permits and coordinate with Uzbekistan authorities for issuance of additional permits well in time.

919. Entry of Uzbekistan's registered vehicles transporting transit and bilateral trade cargo into Pakistan.- (1) Uzbekistan's registered vehicles holding valid permits and are being utilized for the transport of transit and bilateral trade cargo shall enter Pakistan without the requirement of submission of any financial security for the duty and taxes leviable on the vehicle, on the basis of reciprocity, as agreed by the two contracting parties.

(2) The Logistics Facilitation Center shall record particulars of both driver and vehicles in the CSS and these details should be linked with the FIA's immigration module so that driver can only exit Pakistan, if his vehicle, on return journey, has entered the border Customs station and gate –in event has been recorded in the CSS and vehicle has completed all customs formalities for existing Pakistan.

(3) Both Customs and FIA officials posted at the Customs border stations shall carry out weekly reconciliation to ensure the implementation of the above mechanism and to ascertain any overstayed vehicles.

(4) A tracker shall be installed, on each vehicle upon entry into the territory of Pakistan as per its national legislations.

(5) In case of any exigency, a foreign driver can exit the country with the prior approval of customs authorities. In these cases, the concerned transport operator shall request customs authorities for a replacement driver so that his details can be linked with the vehicle.

(6) The vehicles of third countries can also transport transit and bilateral trade cargo, if these vehicles have the requisite permits or authorizations.

(7) The Logistics Facilitation Center shall keep the record of all the Uzbekistan's vehicles entering Pakistan on permits and a weekly re-conciliation shall be carried out to ensure compliance of these rules.

(8) The system shall generate alerts for vehicles that have not exited Pakistan's territory within the prescribed time for further necessary action by the concerned officer of Customs. However, in cases of exceptional circumstances the said time limit may be extended upto 90 days in the system, on intimation to the Customs by the carrier.

920. Fuel accessories, toolkit etc.- (1) The fuel contained in the ordinary supply tanks of vehicles temporarily imported shall be admitted without payment of import duties and import taxes and free of import duties and import taxes and free of import prohibitions and restrictions. Each contracting party may, however, fix, maximum quantities for the fuel so admitted into the territory in the supply tanks of the vehicle temporarily imported.

(2) The accessories, toolkit, and other articles that from the normal equipment of the vehicles and the lubricants, maintenance supplies, and spare parts in reasonable quantities for the repair of the vehicle, shall be exempted from import duties and taxes.

(3) The contracting parties also agree to grant temporary admission for maintenance and recovery vehicles and for parts.

921. Levied and charges on temporary imported vehicles.- (1) The Board may through a general order levy charges, generally applicable for all traffic, including fees for weighment, scanning and sealing by customs officials or those commensurate with the administrative expenses for the costs services rendered subject to the following:

(a) containers of transit cargo shall be scanned at the office of departure on the basis of selectivity criteria of Risk Management System (RMS);
(b) the scanning at the office en-route shall be done on the basis of Risk Management System (RMS) including the alerts generated by the tracking company; and
(c) weighment will be carried out at port of entry.

(2) All charges imposed on traffic in transit shall be applied in a non-discriminatory manner.

922. Prohibition of internal transport and third country transport.- The vehicles shall be prohibited from carrying.-

(a) goods loaded in the territory of Pakistan for delivery at any other point (cabotage); and
(b) goods from or to another country (third country) than the operators home country and to be picked up to or from the territory of Uzbekistan.

923. Identification marks.- (1) For vehicle and trailer in international traffic shall be.-

(a) the name or the trademark of the manufacturer of the vehicle;
(b) the manufacture's production or serial number on the chassis or in the absence of a chassis, on the body;
(c) the engine number of the vehicle if such a number is placed on it by the marker (not for trailers); and
(d) neither the plates bearing chassis as well as engine numbers will be cut and re-welded nor will these numbers be tampered.

(2) These identification marks shall be placed in accessible positions and shall be easily legible. In addition, they shall be such that they cannot be easily altered or removed.

924. Registration certificate.- (1) Every vehicles shall carry a valid Certificate of Registration (i.e., Vehicle License) issued by the competent authority of its home country.

(2) The Certificate of Registration shall bear the following particulars, namely;

(i) a serial number, to be known as the registration number;
(ii) the date of first registration in the contracting party or the year of manufacture of the vehicle
(iii) the full name and complete postal address of the holder of the certificate;
(iv) the name or trademark of the manufacturer of the vehicle;
(v) the serial number of the chassis (the manufacture's production or serial number); and
(vi) the period of validity.

925. Vehicle registration number.- Every vehicle in international transport shall display its registration number on a special flat vertical plate fixed at the front and at the rear of the vehicle at right angles to the vehicle's median longitudinal plane, legible at a distance of forty meter. The surface of the plate may be of a reflecting material

926. Adaptation of vehicles for customs transit.- Vehicles intended to be used for the international carriage of goods by road under Article 9 of Protocol One laid down in Annex-2 of the Agreement between the Republic of Uzbekistan and the Islamic Republic of Pakistan on Transit trade (AUPTT) shall be constructed so as to meet the requirements for carriage under Customs transit, as laid down in section VII "Customs and Other Controls" of the Agreement

927. Incidents in transit.- (1) Loss of Destruction of the vehicle in Transit. a temporarily admitted vehicle that has been seriously damaged as a result of an accident is exempt from the obligation of return to the home country, provided that-

(a) it has been placed under appropriate custom regime in accordance with the national regulations of the country of temporary admission; or

(b) it was destroyed under the customs control of the country of temporary import at the expense of the person who temporarily imported the vehicle and all the disposed parts where either re-exported or import taxes and duties were paid.

(2) Change of Itinerary.- In case, the vehicle operator is compelled to abandon the designated route due to circumstance beyond his will, he shall forthwith inform the host contracting party's customs authority, which shall inform any other competent authority for the purpose of designated an alternative route.

(3) Extension of Time Limits-

(a) a vehicle shall normally stay for 20 days as the time-limit for vise of drivers per visit, but the vehicle shall be allowed to stay upto 90 days for extended validity period of stay in Pakistan.

(b) if the vehicle is unable to leave the territory of Pakistan within the time prescribed upto 90 days, in accordance with national regulations due to *force majeure* or other reasonable and unforeseen cause, a request will be filed for an extension of the stay period with the host contracting party's customs authorities before the expiry date' or

(c) the host contracting party's customs authorities will grant such extension if they are satisfied that departure from the host country within the prescribed time limits was prevented by force majeure or other reasonable and unforeseen events.

928. Action against offenders.- 91) The contracting parties shall have the right to exclude temporarily or permanently from the application of under Article 13 of Protocol Two laid down in Anner-2 of the Agreement between the Republic of Uzbekistan and the Islamic Republic of Pakistan on Transit Trade (AUPTT) any person (s) or entity(ies) guilty of a serious offense against their relevant customs laws/regulations applicable to international movement of motor vehicles.

(2) The customs authority of the relevant contracting party shall notify this exclusion immediately to the customs authorities of the other contracting party.

(3) The contracting parties shall have the right to take action against drivers or owners of the vehicle and transport operator, whom are found violating provisions of the AUPTT as per their national legislations.

Sub-Chapter-IV

Procedure for furnishing of Customs Security/Revolving Insurance Guarantee and its related matters

929. Furnishing of Customs Security to the Directorate General Transit Trade Karachi.- (1) All transport operators and customs clearing agents and brokers handling transit goods shall be required to open and maintain a "Revolving Insurance Guarantee PD Account" with Customs.

(2) The foreign trader, entity or his authorized Customs clearing agents, brokers or transport operators in Pakistan shall furnish a customs security in the form of revolving insurance guarantee, having sufficient financial coverage, from an insurance company of repute, acceptable to Pakistan Customs, in the prescribed from **(Annex-III)** or in any other from prescribed by the Board which shall be valid for at least one year and shall be en-cashable in Pakistan, for ensuring the fulfillment of any obligation arising out of customs transit operation within territory of Pakistan.

(3) Revolving Insurance Guarantee shall provide the financial risk cover for the amount of duty and taxes leviable on the transit goods, while these are passing through the territory of Pakistan.

(4) The hard copies of all Revolving Insurance Guarantee shall be kept with the Bank/Insurance Guarantee section of the concerned Directorate of Transit Trade for the safe custody during their validity period.

(5) The CSS shall allocate a Personal Deposit (PD) account number to all Customs clearing agents or brokers and transport operates authorized to handle transit cargo, for maintaining sufficient financial risk coverage through submission of Resolving Insurance Guarantees.

930. Procedure for assessment of transit items in GD.- (1)After filing of GD, the CSS shall ascertain the value of transit goods as per values of these items maintained in the valuation database.

(2) After ascertaining values, the CSS shall assess leviable duty and taxes on transit goods as applicable on these items as per Pakistan Customs Tariff. The amount of leviable duty and taxes on transit goods so assessed through the Customs Computerized System at the office of departure shall cover all import levies.

931. Acceptance of financial guarantee.- (1) The Principal Appraiser or Superintendent or an officer deputed at the office of departure in this behalf, on receipt of financial guarantee, shall ensure that the financial guarantee has been issued by an Insurance company of repute or a schedule bank, as the case may be, which is en-cashable in Pakistan.

(2) After acknowledging receipt of the original financial guarantee, an officer deputed at the respective Directorate of Transit Trade at the office of departure or office en-route shall ensure to make requisite entries in the system and relevant register as per format maintained for the purpose and also feed the particulars of the Revolving Insurance Guarantee in the CSS and also upload its image.

(3) In case of border customs station, after accepting the financial guarantee for the leviable duty and taxes of transit trade goods, the officer concerned shall submit the financial guarantee in original along with a covering letter to the financial guarantee Cell at the HQ offices of the respective Directorate of Transit Trade within five working days of acceptance for safe custody. Photocopy of the financial guarantee shall, however, be retained in the original file in the concerned office, where these were accepted.

(4) The financial guarantee cell after acknowledging receipt of the original financial guarantee shall make entries in a separate register to be maintained for the purpose and feed the particulars of the instruments in the CCS and also upload its image.

932. Procedure for monitoring of transit operations and encashment of financial security.- (1) The Deputy or Assistant Director Securities of the office of departure shall monitor the data of tall GDs and identify the vehicles which has not completed the transit journey within the stipulated time. The officer shall enquire the whereabouts of such vehicles from the respective Directorate of Transit Trade and the tracking company and take appropriate action accordingly.

(2) In case, the gate-in events is not recorded in the system by office en-route in the stipulated time or there is non-fulfillment of any condition against which the security was furnished by the trader or customs broker or transport operator, the concerned officer at the Officer of Departure shall take action for enforcement of the financial guarantee for recovery of government revenue involved therein.

(3) Upon finalization of action, Deputy or Assistant Director Securities at the port of departure shall forthwith instruct the concerned Insurance Company or bank, to en-cash the guarantee and remit the amount in favor of the concerned Director of Transit Trade

(4) After receipt of Payment Order from the concerned Insurance Company or bank, Direcor of Transit Trade shall deposit the same in National Bank of Pakistan for transfer into the government treasury within three days positively. Any delay in submitting the pay order of the requisite amount, shall result in black-listing of the said Insurance company or bank in addition to any other action against the said entities under the Customs Act, 1969 and the rules made thereunder.

(5) In case any en-route pilferage, theft etc, the amount equal to leviable duty and taxes shall be paid by the concerned insurance company or bank to the customs in the front of pay order drawn on the name of Directorate General, Directorate General of Transit Trade, Karachi within forty-eight hours of the service of the “Encashment Notice”.

933. Procedure for debiting and crediting of leviable duty and taxes from and to resolving insurance guarantee.- (1) Each time, after assessment of the transit goods by the CSS, the leviable duty and taxes on transit goods in a GD shall be ascertained by CSS, and the said amount shall be debited from the total face value (financial coverage) of the revolving insurance guarantee automatically by the CSS.

(2) The amount deducted from revolving insurance guarantee is to ensure prompt transportation of transit goods and to cover the financial risk within territory of Pakistan.

(3) The amount as deducted above, shall be credited to the face value of the revolving insurance on cross-border or export of the transit goods from Pakistan.

(4) The CSS shall maintain PD revolving insurance guarantee account of every registered user and details of all transactions i.e., GD No., debits or credits in their account shall be communicated to these users through their registered email on real time basis.

Sub-Chapter-V
Importation of Transit Goods

934. Filing of goods declaration for transit cargo at the office of departure at [148][customs-ports and terminals] Karachi, Port Muhammad Bin Qasim and Gwadar.- (1) The transit cargo shall not be subjected to payment of import or export duties and taxes provided the activities are in conformity with these rules.

(2) The transit cargo shall be distinctly manifested as such in the IGM or carrier declaration uploaded electronically in the Customs Computerized System by the shipping line or its agent. The importer's country's name and address shall be of the said foreign country for which goods are intended to be imported.

(3) The GD shall be filed by the trader or his authorized customs agent or the bonded carrier (having valid clearing agent license). In case, a GD is filed by the trader or his customs agent, he shall nominate the bonded carrier including details of transport unit at the time of filing:

Provided that if a container is selected for examination, the details of bonded carrier or transport unit can be modified by the customs agent/broker or bonded carrier.

(4) The trader or his agent (customs agent or bonded carrier) at the time of filing the GD, shall ensure that sufficient credit or financial coverage is available in their revolving insurance guarantee account maintained with customs, to cover the leviable duty and taxes on transit goods within territory of Pakistan.

(5) The trader or his agent (custom agent or bonded carrier) shall upload scanned copies of bill of lading, commercial invoice and packing list at the time of filing of GD.

(6) The GD shall be assessed by the Customs Computerized System (CSS) on pattern of GDs filed for local home consumption and the amount equal to leviable duty and taxes shall be deducted from the face value of revolving insurance guarantee as customs security.

(7) The CSS shall send an email or SMS to the concerned person regarding the amount deducted from revolving insurance guarantee and the balance available in Customs security for future transit operations.

(8) The amount, so deducted, will be credited to Customs security or revolving insurance guarantee on completion of cross border formalities at the border customs station and end of transit journey through territory of Pakistan.

935. Processing of transit cargo at the office of departure at [148][customs-ports and terminals] Karachi, Port Muhammad Bin Qasim and Gwadar.- (1) After filing of Dg, the Risk Management System (RMS) on the basis of the risk profiling of the users and selectivity criteria, shall select upto five per cent consignments of transit goods for scanning, while rest of the consignments shall be marked as "Green" wherein no scanning or examination shall be requires and these GDs marked as "Green" will be out-of-charged by the system and marked to terminal operator for delivery.

(2) In cases where in containers are selected for scanning by RMS, a message shall be sent by the CSS to the Terminal Operator to conduct the scanning and upload the image of such containers(s) in the system against the respective IGM & index No./GD No. and date.

(3) CSS shall make the GD to the concerned Appraising Officer (AO) for reviewing scanned images. An image database/library shall be maintained in the CSS by the Directorate General of Reforms & Automation for comparison of the scanned images of different items. In case, any discrepancy is noticed, the AO shall record his remarks in the system and the container shall be marked for examination subject to the approval form respective Assistant Director or Deputy Director.

(4) In case of over-sized, bulk and break-bulk cargo, where scanning is not possible, such goods may be examined subject to approval from respective Assistant or Deputy Director.

(5) All consignments marked for examination, shall be first weighed and weighment slip shall be uploaded alongwith examination report. The selected consignment shall be examined hundred percent and the examining officer shall compare the items examined with the packing list and feed his report in the CSS.

(6) In case, on examination, the goods are found as per declaration, the examining officer shall out-of-charge the GD under intimation to the concerned AO and AD/DD through the system. The GD shall be forwarded to the respective terminal operator (TO) and sealing officer for delivery and sealing of container respectively.

(7) While in cases, wherein there is a difference between the declaration in GD and goods found on physical examination, GD shall be marked by the examiner to the Appraising Officer for further action as under the law i.e., framing contravention in case of mis-declaration or rectification of the mistake with the approval of concerned AD/DD.

(8) Any transit GD marked as "Green" by the RMS can only be examined with prior written approval of the concerned Director of Transit Trade alongwith recording of these remarks/approvals in the system and outcome of all such examinations shall also be forward to the Director General Transit Trade for record.

Sub-Chapter-VI

Loading, sealing and gate-out at the office of departure

936. Completion of sealing and installation of tracking devices with respect to Transit cargo at the office of departure at [148][customs-ports and terminals] Karachi, Port Muhammad Bin Qasim and Gwadar.- (1) Upon completion of all Customs formalities, the GD shall be assigned to the bonded carrier for feeding of carrier information including vehicle registration number or railway wagon number, driver's name, and other particulars, if not already provided at the time of filing of GD, as required by the system.

(2) Before the cargo is allowed "Gate out" by the terminal operator or the Customs staff, as the case may be, it shall be presented to the Customs Containerized Sealing Units (CCSU) or the Customs sealing staff for affixing of machine-readable seals and feeding of the seal number and other relevant information in the system.

(3) The tracking devices shall be affixed on the doors of containers with a seal, carrying transit cargo, by a tracking company licensed by the FBE in accordance with the prescribed procedure. The representatives of the Tracking Co. shall verify that the tracker installed in the prime mover and the tracking devices affixed on doors or at the top of the container too using a long wire through door hinges of container have been synced or synchronized with each other and all devices are in working condition.

(4) The sealing staff shall verify the installation of the tracking devices on containers and upload images of the seals, tracking devices, vehicles, and the containers in the system and shall generate three copies of the Transport note on the prescribed format as given in **(Annex-IV)** for handing over to the carrier. Each copy of the Transport note shall be signed by the Customs sealing staff for distribution as under:-

(a) first copy shall be retained by the sealing staff;
(b) second copy shall be handed over to the driver of the transport unit who will submit the same to the gate in staff of the office en-route i.e., Torkham, Chaman etc.; and
(c) third copy shall be retained by the representative carrier for his record.

(5) The containers of transit cargo shall be loaded on trucks in such manner that their door sides shall be securely placed against the truck driver's cabin. While in case of two 20 feet containers, the doors of

both the containers shall face each other. Similar precautions shall be taken, to the possible extent, in case of containers of transit cargo transported by Pakistan Railways.

(6) The Terminal operator or the Customs staff, as the case may be, shall allow "Gate out" to the cargo in transit on receipt of the Seal Verification Mechanism (SVM) message through EDI. Where EDI messaging has not yet been established, the Customs staff shall allow "Gate out", on completion of the sealing event in the system.

(7) The Terminal operator shall enter the weight of the container, bulk, break-bulk cargo at the time of "Gate out" for onward communication to the Customs Computerized System through EDI. Upon the completion of Gate out event, terminal operator shall send "GTO" message to the Customs Computerized System.

937. Installation of tracking devices on foreign registered vehicles with respect to Transit cargo at the office of departure at [148][customs-ports and terminals] Karachi, Port Muhammad Bin Qasim and Gwadar.- (1) In case, the transit goods re transported by the foreign registered vehicles, wherein there is no tracker in the prime-mover which can be synced with the tracking device being installed on containers, a GPS tracking shall be installed by the companies approved by FBR on the door or front cabin of the vehicle for tracking purpose.

(2) The GPS Tracking devices shall be removed upon arrival at office en-route i.e., Torkham, Chaman etc. after Gate-in event.

(3) All other steps regarding sealing of containers and installation of tracking devices on foreign registered vehicles shall be followed as given in rule-936 above.

938. Transportation of transit cargo from Sea-ports to customs land border station (Torkham, Chaman, Ghulam Khan etc.).- (1) The Customs authorities shall refrain from routine physical examination of the transport unit and transit goods while on the way from port of entry to port of exit unless an irregularity is suspected in view of explicit tampering of seals or locks of the transport unit or some reliable specific intelligence information.

(2) The Customs authorities at the office of departure may require transit goods consigned from or destined to the territory of the Uzbekistan to be transported under Customs escort while in the territory of the Pakistan in very exceptional cases like where the goods are precious and highly susceptible to misuse of transit facility, to be determined by the Additional director of the respective Directorate of Transit Trade.

Sub-Chapter-VIII
Verification at office en-route

939. Processing of vehicles transporting transit cargo at the office en-route.- 91) On arrival of the transport unit at the office en-route, the consignment shall be subjected to scanning on risk management selectively criteria and 100% weighment. Gate-in shall be carried out both by the Customs Gate-in officer and terminal operator.

(2) In case a discrepancy is noticed in the scan images or there is a difference of more than 7.5% in two weighments carried out Karachi or Gwadar and Chaman, Torkahm and Ghulam Khan, inspector/examiner shall generate a discrepancy report and the consignment shall be marked for examination.

(3) If on examination, transit goods are found as per declaration, the examining officer shall submit a report to the concerned Superintendent/PA/AD for allowing cross-border of the cargo.

(4) While in case of any shortage in the quantities as declared in GD, the bonded carrier/transport operator shall be proceeded under relevant provisions of Customs Act, 1969 and the rules made thereunder.

(5) Any amendment in the Gate-in particulars in the system arising due to accident or breakdown of the vehicle shall only be fed in the system upon approval of the concerned Deputy or Assistant Director at the Office en-route.

(6) The Customs shall perform following tasks with respect to out-going transit cargo:

(a) verify the container number, or railway wagon number, and the registration number of the transport unit or trailer or rolling stock and cross check it with transport note;
(b) check the seals affixed thereto including PCCSS seal and reconcile them with transport note;
(c) do electronic reconciliation through system;
(d) inspect the seal for any tempering etc. and enter the relevant information in the system; and
(e) allow cross-border of transit cargo, if everything is ok and in order.

(7) In case, the seals are found to be broken, damaged, or tampered with or in case of any suspicion, the inspector or examiner shall generate a discrepancy report and the consignment shall be marked for examination by the system.

(8) If no discrepancy is found in the cargo, and there is no evidence of tampering of the container, the goods shall be processed for exit from Pakistan's territory as per specified procedure through cross-border authorization mechanism.

(9) At office en-route the sealing information shall be entered in the computer system on real time basis by the appropriate officer to confirm that the transit goods gave been received at office en-route and seals are in order.

(10) The designated officer of Customs, after allowing crossing the border shall issue/print three copies of "cross-border authorization" for individual transport unit. The officials of Customs, Frontier Corps and terminal operator posted at Zero-line/exit-gate shall collect one copy of "cross-border authorization" for ensuring cross-border of the vehicle alongwith transit cargo.

(11) The customs officer posted at Zero-line of the border shall take a photo of the vehicles showing its exit from Pakistan. Photo shall be taken in such manner that vehicle registration number and container number are visible. The photo/photos shall be uploaded in WeBOC against the respective GD.

(12) Terminal operator shall install CCTV camera at Zero-line and shall do video recording 24x7 and submit such video recordings to Transit Office on each Monday.

940. Procedure for verification of cross-border event and crediting of amount equal to leviable duty and taxes to Revolving Financial Security for Uzbek transit goods imported through the [148][customs-ports and terminals].- (1) When the transit goods imported through a [148][**customs-ports and terminals]** reaches at the Zero-line or exit gate at the office en-route (Torkham, Ghulam Khan or Chaman), the copy of "Cross-border authorization" shall be collected by the Cross Border Verification Officer (CBVO). While other copies of "cross-border authorization" to be collected at the zero-line by the officials of Frontier Corps and terminal operator respectively, to ensure cross border of the vehicles and cargo.

(2) After exit of the vehicle, the Cross Border Verification Officer (CBVO) shall perform following action to verify the cross-border of transit cargo and thus to confirm the completion of transit operation in Pakistan:

(a) uploads a scanned copy of "Cross-border authorization" in the CSS;
(b) uploads a photo of the vehicle while existing Pakistan; and
(c) record cross-border event in the CSS.

(3) Upon confirmation by the CBVO, the system shall credit the amount deducted from the face value of revolving insurance guarantee at the time of filing of GD at Karachi. The CSS shall send an email or SMS to the concerned person regarding the crediting of the said amount to revolving insurance guarantee.

Sub-Chapter-VIII
Reconciliation of Transit Cargo

941.- Reconciliation of outgoing vehicles transporting transit cargo.- (1) Everyday, at the end of the day, all cross-border authorizations collected by customs authorities collected by customs authorities as

well by Frontier Corps and terminal operator shall be reconciled to ensure that all transport units which were issued gate-pass, have crossed the border as per **(Annex-V).**

(2) The daily transit statements reconciled jointly shall be countersigned by the concerned Assistant or Deputy Director, incharge of the exit gate. In case of any discrepancy, the incharge of customs station will initiate action under the relevant provision of the Customs Act, 1969.

(3) A weekly summary of reconciliation shall be forwarded to the respective Director to keep him updated. All concerned authorities i.e., Customs Frontier Corps or Pakistan Rangers and terminal operator shall keep the original record of import manifests and cross-border authorizations for a period of five years and to be made available if required by Customs or Audit authorities.

942. Re-conciliation of transit cargo by office of departure.- (1) The Directorate of Transit Trade of departure shall be responsible to monitor the movement of transit cargo across territory of Pakistan.

(2) The Transit Group through the system, shall ensure that all vehicles transporting transit cargo have reached the office en-route within stipulated time as given in the rules, confirmed through gate-in event in the system.

(3) In case, a vehicle is delayed en-route than stipulated time of ten days, the transit group shall inform the respective exit of Directorate of Transit and Control Room of tracking and Monitoring Center to ascertain the location for appropriate action as requires under the rules.

(4) The Transit Group shall issue a consolidated re-conciliation statement of all the consignments of transit goods actually dispatched during the month preceding the last month for transit to Uzbekistan via Afghanistan and duly confirmed by the relevant Government entities at the Zero-line after crossing border, In case of any discrepancy, the office en-route shall be informed to take further steps under Customs Act, 1969 and the rules made thereunder.

Sub-Chapter-IX
Prescribed routes, monitoring and time limits

943. Specified routes for movement of transit cargo.- The transport operator shall adopt one of the designated routes notified by the Board in consultation with the Ministry of Communication for transportation of transit goods from Office of departure to office en-route.

944. Monitoring of transit cargo from Port of Entry to Port of Exit.- (1) All vehicles carting transit cargo, to and from Uzbekistan, are required to get registered at the following locations on the way to their respective destinations, namely:-

(a) Route-I (Transit via Torkham)
(i) Kohat Tunnel Customs check post for vehicles using Indus Highway (N-55); and
(ii) Azakhel Dryport Customs Check post for vehicles using G.T. Road (N-5); and

(b) Route-II (Transit via Chaman)
Yaroo (Pishin) Customs check post (between Quette and Qila Abdullah).

(2) The customs staff posted at the check post shall uploaded the images of container in a manner that the container number, vehicle number and the driver in the backdrop of respective check post are clearly identifiable.

945. Prescribed time limits for movement of transit goods.- (1) The cargo in transit shall cross the border or depart from the country as the case may be, written ten days from the feeding of the 'gate-out' event in the Directorate of Transit Trade departure of departure and within two days of the feeding of gate-in in the en-route Directorate of Transit Trade. The system shall auto-block the carrier who failed to deliver the cargo within the prescribed time.

(2) The carrier shall provide cogent reasons such as an accident, mechanical breakdown etc. for causing delay en-route and submit a request to the concerned AD or FF for his consideration. The AD or DD, after satisfying himself, shall de-block the vehicle/bonded carrier in the system.

(3) All consignments that fail to arrive at the Officer en-route within the prescribed time limits shall be visible to the concerned Deputy or Assistant Director for initiating necessary legal action as stipulated above.

(4) In case, it is proved to the satisfaction of the office of departure that a Transit consignment could not reach its destination whether fully or partially, necessary action may be initiated against the transport operator for poor performance. Such type of consignments shall be scanned and examined 100%, if required so. In case of any pilferage or shortage in quantities as declared in GD, legal action shall be initiated to enforce/encash the Customs security to recover Government duty and taxes involved, without any delay, as laid down under rule 932.

(5) In case, when a transit cargo consignment consists of two or more vehicles, it shall be processed at office en-route as under:

(a) each individual transport unit, after gate-in at Port of exit, shall be allowed cross-border after completing customs formalities;
(b) The CBVO shall keep record of cross-border authorization and exit all such vehicles or containers against their respective GD No. and date; and
(c) the security shall only be released or requisite amount credited to the Revolving Insurance Guarantee, when all the vehicles or containers on the particular GD complete the cross-border formalities and the said information is entered into CSS.

946. Designated rail and road routes in Pakistan.- The designated routes (both ways) for transit through the territory of the Islamic Republic of Pakistan are given in **(Annex-VI).**

Sub-chapter-X

Procedure in respect of Uzbekistan transit export destined for other countries via Karachi [148][customs-ports and terminals], port Muhammad Bin Qasim and Gwadar port

947. Procedure at Land Border Stations in Case of Uzbekistan Export Transit Cargo to Other Countries via Karachi/Gwadar [148][customs-ports and terminals].- (1) On arrival of Transport unit carrying Uzbek export at Land Border Station, the driver of the vehicle shall submit export manifest in the form **(Annex-VII)** describing therein requisite details such as vehicle registration No., containers numbers, description of goods etc. One copy to be submitted to the LEA at Zero-point, one copy to terminal operator and one copy to Customs.

(2) The gate in officer shall process gate in of the vehicle and goods in the system on real time basis after recording of import manifest information.

(3) After, Gate-in, all vehicles shall be weighed and scanned. Both weighment and scanning information/images shall be uploaded in the CSS. At the time of scanning, the information given in import general manifest may be verified. In case of any doubt, vehicle/cargo shall be marked for examination.

(4) TG-GD shall be filed by the exporter or his authorized agent against the index number generated by the system. The following document shall be uploaded in the system alongwith the TG-GD.

(a) commercial invoice;
(b) packing list;
(c) certificate of origin verified by Uzbekistan Customs;
(d) copy of Export GD of Uzbekistan;
(e) quarantine certificate (if requires);
(f) any other certificate/document (if required); and
(g) road transport permit (in case of Uzbek vehicle)

(5) At the time of scanning, the scanning expert/customs officer, can mark the vehicle/cargo for physical examination for further clarity of description of goods. The appropriate Customs officer shall examine the cargo and upload his report alongwith sufficient number of photographs in the system.

(6) After examination of the goods the TG-GD shall be marked for assessment of the goods by the system, as per values of the goods maintained in the valuation data-base and the system shall debit the requisite amount of duty/taxes from the face value of the insurance guarantee.

(7) After examination of the cargo, the Transport unit shall be sealed properly by the sealing officer alongwith feeding of sealing information in the system as well. He will also issue Transport Note as given in **(Annex-IV).** The cargo shall be gated out by the Gate-out officer after affixing of Tracker device. The gate out officer shall further ensure that Tracker so affixed is working and synced with the PDM device.

948. Reconciliation of all- incoming and outgoing vehicle.- Everyday in the morning, the representatives of Customs, Frontier Corps and terminal operator shall reconcile all the export manifest of the incoming vehicles of the previous day with a system generated list that GDs have been filed for all incoming vehicles as per (Annex-VIII). In case, GD id not filed within forty-eight hours of the arrival of the vehicle, the reasons may be ascertained by the Customs for late filing of GD including verification of location of the vehicle inside the custom station or terminal.

949. Receipt and Processing of Uzbekistan Export Transit Cargo at Sea Ports.- (1) The cargo on reaching upon Karachi, Port Qasim or Gwadar Sea ports shall be gated in by the Terminal operator/ Customs staff. After gate in all the cargo shall be marked for weighment by the system. If discrepancy in the two weights i.e., one carried out at Torkkham, Chaman etc and the other carried out at Karachi/Gwadar, is more than 10% the cargo shall be subjected to examination.

(2) Upto 5% of the cargo, arriving from Torkham/Chaman, shall be marked for scanning, on the basis of RMS. In case of any discrepancy, the cargo shall be subjected to examination.

(3) Such transit cargo shall also be marked for examination wherein serious Tracker one door alert or multiple route deviation or multiple location alerts have been generated en-route.

(4) In case, the transit cargo is loaded in a container other than that of a shipping line, the cargo shall be allowed for trans-loading to the concerned shipping line container. The trans-loading shall be done in the presence of Customs staff and report shall be uploaded in the system by an officer not below the rank of Principal Appraiser or Superintendent. The tans-loading/cross-stuffing of export transit cargo into shipping line containers may also be allowed to take place at designated off-dock terminals.

(5) The cargo shall then be allowed to export and after receipt of consignment shipped EDI message from the Terminal Operator, the system shall automatically credit the amount to the revolving insurance guarantee, debited at the time of departure from land border station.

(6) The Deputy/Assistant Director of Land Border station shall monitor all the data of all the GD / vehicles and shall identify the vehicles which have not completed the transit journey within stipulated time. The officer shall inquire the whereabouts of the vehicle from the Tracker Company and respective Directorate of Transit Trade and take appropriate action accordingly.

(7) In case of non-receipt of MR number within a month time or in case of any pilferage of cargo the insurance guarantee shall be enchased for recovery of Government Revenue involved therein.

Sub-chapter-XI
Transit through railways

950. Procedure for transportation of transit cargo through at office of departure-Karachi. (1) The Customs Clearing Agent, at the time of filing of GD shall declare that the transportation of transit cargo shall be made through railways.

(2) When the GD is out of charged by CSS and assigned to terminal operator for delivery, a message shall be forwarded to arrange the loading of transit container(s) to the railway's cargo train.

(3) Before loading to the cargo trains, the transit containers shall be presented to the Customs Containerized Sealing Unit (CCSU) or the Customs sealing staff for affixing of machine-readable seals and feeding of the seal number and other relevant information in the system.

(4) The tracking devices shall be affixed on the doors of containers with a seal, carrying transit cargo, by a tracking company licensed by the FBR in accordance with the prescribed procedure. The representatives of the Tracking Co. shall verify that the tracker installed in the prime mover and the tracking devices affixed on doors of container have been synced/ synchronized with each other and all devices are in working condition.

(5) The sealing staff shall verify the installation of the tracking devices on containers and upload images of the seals, tracking devices and the containers in the system and shall generate three copies of the Transport note on the prescribed format **(as given Annex IV)** for handling over to the carrier. Each copy of the Transport note shall be signed by the Customs sealing staff for distribution as under:

(a) first copy shall be retained by the sealing staff;
(b) Second copy shall be handed over to the incharge of cargo train who will submit the same to the gate in staff of the office en-route i.e., Azakhel, Chaman railways terminus; and
(c) Third copy shall be retained by the representative carrier for his record.

(6) The containers of transit cargo shall be loaded on railway flat wagons in such manner that their door sides of both the containers shall face each other.

(7) The Terminal operator or the Customs staff, as the case may be, shall allow "Gate out" to the cargo in transit on receipt of the Seal Verification Mechanism, (SVM) message through EDI. Where EDI messaging has not yet been established, the Customs staff shall allow "Gate out" on completion of the sealing event in the system.

(8) The Terminal operator shall enter the weight of the container, bulk, break-bulk cargo at the time of "Gate out" for onward communication to the Customs Computerized System through EDI. Upon the completion of Gate out event, Terminal operator shall send "GTO" message to the Customs Computerized System.

951. Procedure of Uzbekistan Import Transit Cargo at Railway Station Azakhel (Nowshera) and Chaman (Quetta).- (1) Upon Receipt of the Uzbek import Transit cargo through Railways from **[148][customs-ports and terminals]** at Railway station, the cargo shall be processed as per following procedure:

(a) the cargo upon reaching at Railways station shall be Grated in by the Terminal operator (Railways Authorities);

(b) after Gate in, the cargo shall be marked for weighment;

(c) after weighment, the Customs staff shall verify the seal / doors of the containers and shall ensure the tracker affixed on the container is working;

(d) after seal verification, the system shall mark the cargo to Terminal operator;

(e) the terminal operator or Customs Clearing Agent shall enter details of the vehicle and transport operator tasked for onward journey to the customs border station;

(f) the system-based handling over of cargo by Railways shall be done which will be taken over by the authorized carrier in the system;

(g) the details of vehicle and transport operator shall be verified at the Railways Terminal Exit Gate by Customs officer;

(h) subsequently the cargo shall start its journey toward Land Border station; and

(i) on reaching at Land Border station, the cargo shall be dealt exactly in the manner as per procedure under the sub heading "procedure of Uzbekistan imports Transit cargo at Land Border Stations" in Rule-939.

952. Procedure of Uzbekistan Export Transit Cargo through Railways at Azakhel (Nowshera) and Chaman (Quetta).- (1) The Uzbek export transit cargo destined to **[148][customs-ports and**

terminals]through Railways shall be dealt at Land Border stations exactly in the manner as per procedure under the sub heading "procedure of Uzbekistan imports Transit cargo at Land Border stations".

(2) At border customs stations, the Customs clearing broker or transport operator shall exercise either of the following two options:

(a) multimodal transportation i.e., road transport plus railways.

(b) road transportation only.

(3) In case, the customs broker or transport operator select the option of multimodal transport for carrying of export Transit cargo, the Gate in officer shall select the option "Gate out for Railway Station" (Azakhel or Chaman).

(4) Transit cargo from border station till railway terminal shall be transported by transport operators or Authorized Carriers only.

(5) On reaching the cargo at Railways station, the terminal operator (Railway Authorities) shall gate in the cargo in the system.

(6) The seal verification officer shall verify the seal and tracker installed on doors of the container. He shall post report in the system that on inspection, seals have been found intact and tracking devices are working.

(7) In case seal is broken or found tampered, the cargo shall be examined hundred percent in the presence of representatives of Pakistan Railways and the concerned clearing agent and proper inventory thereof shall be prepared and signed by each representatives for necessary legal action under the Act and these rules.

(8) If on examination, the cargo is found as per declaration, a new seal shall be affixed to the container.

(a) after seal verification, the system shall mark the cargo for hand and take over. The terminal operator shall load the cargo to the railway cargo train and these details shall also entered in the system. Subsequently, the cargo shall be gated out by the Terminal operator (Railway Authorities); and

(b) on receipt of the cargo at Sea ports, same procedure shall be adopted under the sub-heading, "procedure of Uzbekistan export Transit cargo at Sea ports".

953. Responsibilities of Pakistan Railways with respect to the safety and security of transit cargo.- (1) Pakistan Railways, being custodian of the goods, shall be responsible for the safety and security of the transit cargo en-route to Azakhel and Chaman rail terminus and vice versa.

(2) In case, any shortage or pilferage is detected at the unloading station, the railways shall be liable to pay the amount equal to leviable duty and taxes besides other action as required under Customs Act, 1969 and the rules made thereunder.

Sub-Chapter-XII

Cross-stuffing of transit cargo at Karachi/Gwadar seaports and off-dock terminals

954. Exercising option of cross-stuffing of transit cargo.- (1) The option of cross-cargo stuffing f transit cargo shall be available to the owner of transit goods at the time of filing of GD.

(2) The option of exercising the option of cross-stuffing after out-of-charge of GD through an online request for, to be processed by CSS.

955. Places authorized for cross-stuffing of containerized transit cargo.- (1) Cross-stuffing of containerized transit cargo shall be allowed both inside [148][**customs-ports and terminals]** at especially demarcated areas and at designated off-dock terminals.

(2) Cross-stuffing shall take place under Customs supervision from one container to another container of the same size i.e., 20 feet into 20 feet and 40 feet into 40 feet.

(3) Cross-stuffing of transit cargo may also be allowed into such vehicles approved by transportation of cargo under TIR regime.

956. Details of transit cargo to be allowed cross-stuffing inside the [148][customs-ports and terminals] only.- The cargo mentioned shall not be allowed removal from port of entry to Off-dock Terminals and shall be allowed cross-stuffing inside [148][customs-ports and terminals] only.

(a) non-Containerized cargo;
(b) controlled substances as listed in **(Annex-IX)**
(c) heavy packages which cannot be stuffed in the container; and
(d) cargo of over-dimension [to be determined by Assistant/Deputy Director (Examination), on case-to-case basis.

957. Inter-port movement of transit cargo to off-dock terminals for cross-stuffing.- The inter-port movement of Transit cargo destined for Off-dock Terminals shall be allowed through authorized Bonded carriers licensed by the Customs authorities under Chapter XIV of these rules.

958. Procedure for removal of Transit cargo to Off-dock Terminals.- (1) The trader or his authorized agent exercise the option of cross-stuffing at the filing of GD or out-of-charge of GD, as the case may be.

(2) The trader or his agent shall click the place i.e., [148][customs-ports and terminals]/off-dock terminal, where the cross-stuffing has to take place. Names of the seaport/off-dock terminals will be available in drop-down menu for selection

(3) In case, the cross-stuffing has to take place at an off-dock terminal, following procedure shall be adopted;

(a) CCS shall generate Customs release message for the Terminal Operator discharging the container.
(b) the terminal operator shall subsequently make the container available to the Customs sealing staff after sending a 'pre-Gate-out' message to Customs Computerized System along with relevant information including the name of the bonded carrier and the container number. This message shall also be visible to the Customs sealing staff;
(c) thereafter, the bonded carrier shall load that container on authorized vehicle and report to the Customs sealing staff for sealing of the container;
(d) the tracking and monitoring shall be fixed on the transit goods destined to Off-dock Terminal in accordance with the prescribed procedure;
(e) the Customs sealing staff after verifying that permission for transportation of cargo to the Off-dock Terminal has been allowed by the system, shall physically verify the particulars of the bonded carrier and the container number vis-à-vis the information received through the system, affix the PCCSS seal on the container and feed the sealing information and the vehicle registration number in the system.
(f) the sealing staff shall also verify the installation of the tracking and monitoring devices and upload images of the seals, tracking devices, vehicles, and the container in the system;
(g) the sealing staff shall also generate and print copies of 'Transport Note', from the System, in triplicate. Each copy of the 'transport Note' shall be signed by the Customs sealing staff and the bonded carrier or his representatives. One copy of the 'Transport Note' shall be retained by the Customs sealing staff, the second copy shall be handed over to the driver of the vehicle who shall submit the same to the Gate-in-staff at the concerned Off-dock terminal and the third copy shall be retained by the representative of the bonded carrier for his record.
(h) a system generated Customs Seal Verification Message (SVM) shall be communicated to the Terminal Operator on feeding of PCCSS seal information in the system;
(i) the Terminal Operator shall perform 'Gate-out' event only after receiving the Customs seal verification message;
(j) the Gate-out message shall be communicated by the Terminal Operator to the system which shall include the name of the bonded carrier, vehicle registration

number, shipper's seal number; PCCSS seal number and gross weight of the container; and

(k) the Terminal Operator shall also hand over the weighment slip to the bonded carrier for record and onward presentation to the Customs staff posted at the Off-dock Terminal.

959. Time-duration limits for inter-port movement of Transit cargo from [148][customs-ports and terminals] to Off-dock Terminals.- (1) The Transit cargo containers destined to off-dock terminals for the purpose of cross-stuffing, shall reach at the entry gate of the Off-dock Terminal within five hours from their time to exit from a [148][customs-ports and terminals].

(2) The system shall block the bonded carrier in case of delayed receipt of cargo beyond the prescribed time limit.

(3) In case, wherein the Assistant or Deputy Director (IP) finds no cogent reason for delayed receipt of the cargo beyond the prescribed time, he shall recommend necessary legal action against the concerned bonded carrier to Licensing Authority.

960. Receipt of the departed cargo at Off-Dock Terminals.- (1) On arrival of consignment at the Off-dock Terminal, the Customs sealing staff posted at the entry gate shall check the 'Transport Note' and weighment slip and shall verify the seal of the container and enter or record the same in the system.

(2) Upon receiving the cargo with seal intact, the Off-dock Terminal shall enter 'Gate-in' event in the system. The tracking and monitoring devices shall be un-mounted from the containers at Off-dock Terminal in accordance with the prescribed procedure. The Off-dock Terminal shall conduct weighment of the cargo and also enter the same in the system.

(3) In case the Customs seal affixed on a container is found broken or tampered with, the respective container shall be examined 100% by the Customs staff in the presence of Off-dock Terminal Operator and a representative of the Bonded Carrier; an inventory of the goods contained in such container shall be prepared and signed by all witnesses. This inventory shall from a part of the Goods Declaration (GD) filed subsequently for clearance purpose.

(4) In case, there is a difference in gross weight is more than five percent recorded at port of entry vis-à-vis the weight found at destination Off-dock Terminal, the Assistant or Deputy Director IP shall proceed against the carrier as per relevant law and rules. On the recommendations of Assistant or Deputy Director (IP), Assistant or Deputy Director MIS shall allow and enter such difference of weight in the manifest after payment of fine and penalty as per law and rules.

(5) In case no electronic acknowledgment of the receipt of cargo at Off-dock Terminal is received after the lapse of five hours of its departure from the exit gates of the port of entry, the Customs Computerized System shall compile report of all such containers and generate an alert for the Assistant or Deputy Director MIS, Inter-Port movement (IP) for action.

(6) The feeding of any amendment in Gaet-in particulars at Off-dock Terminal arising due to accident or break-down of the vehicle shall be carried out an approval from the Assistant or Deputy Director IP.

(7) The Assistant or Deputy Director IP shall carry out manifest clearance electronically on daily basis for closure of IGM lines and, if required, proceed against the concerned Shipping lines or their agents, bonded carriers, Terminals, Off-dock Terminals and other concerned as per provisions of the Act and these rules.

961. Responsibilities of the carriers.- (1) Notwithstanding any other action taken under the law and the procedure under these rules, the Carrier shall bear all expensive incurred on re-stuffing or re-packing of the goods including the duty and taxes leviable on goods pilfered or damaged on way to or from the Off-dock Terminal under this procedure.

(2) The bank guarantee or Defense Saving Certificated submitted by transport operators at the time of issuance of license under 967 (a) shall be taken into account for recovery of the amount of duties and

taxes, fine and penalty, if any, involved on the cargo during the course of transportation from port of entry to Off-dock Terminal and vice versa, and I case of any eventuality like damage, pilferage, theft, fire, accident etc.

962. Violation of rules.- In case of violation of these rules or any such violation is detected during inter port movement of cargo from port of entry to the Off-dock Terminal, the carrier, the shipping lines or their agent and Off-dock Terminal along with other concerned, shall be jointly and severally responsible for duty and taxes involved and the value diminished as a result of any damage or pilferage. They shall be liable to pay the duty and taxes as may be leviable on such goods in addition to any other action as is authorized under the Act or these rules.

963. Responsibilities of the Off-dock Terminals.- The provisions of Sub-Chapter XIV of Chapter XXI of Customs Rules 2001 shall apply to such Off-dock Terminals.

964.- Procedure for Cross-stuffing of Transit Cargo at the [148][customs-ports and terminals] and Off-dock Terminals.- (1) Logistic companies and bonded carrier can register with customs for provision of empty containers for cross-stuffing of transit cargo. The empty containers utilized for cross stuffing of goods having distinguishing marks and numbers and their details shall be recorded in CCS against the said registered entity.

(2) Before initiating the process of cross-stuffing, the details of both the containers i.e., shipping line containers and logistic company/bonded carrier shall be entered in the Customs Computerized system by the TO and acknowledge by Customs officer tasked to supervise the process of cross-stuffing.

(3) The cross stuffing shall be carried out in the presence of Customs Officer, an authorized representative of the Uzbekistan trader and Off-dock Terminal. The Customs Officer shall make photographs of the cargo during the process of cross-stuffing for uploading these in the WeBOC system against the relevant GD.

(4) After cross-stuffing, the empty containers shall be on-door-off and immediately be removed/shifted out of the premises of Off-dock Terminal and the representative of the Off-dock Terminal and Gate officer of Customs shall ensure that such containers gate out in the empty one-door-off condition.

(5) After completion of cross-stuffing of transit cargo, the custom officer supervising the process, shall confirm that the stuffing of transit goods in the new container number against the GD in CCS and seal the container in presence. He shall also record new seal number in the system.

(6) Thereafter the procedure prescribed in Sub-Chapter VII of Chapter of Customs Rules 2001 shall apply except the provisions for scanning.

Sub-Chapter-XIII
Transit through air

965. Air to air transit of cargo.- The following procedure is prescribed for movement of transit cargo from only that International Airports of Pakistan where there is a direct flight to an International airport in Uzbekistan, namely:-

(a) the authorized representatives or cargo handler of the airline or aircraft shall mention the details of transit goods for Uzbekistan separately in Import General Manifest (IGM) which shall be up loaded online to the customs computerized system. After unloading, transit goods shall be stored separately at a place earmarked for them in the notified premises of a cargo handlers covered shed inside the airport. The shed shall be supervised and monitored by posting customs staff on regular basis;

(b) cargo so unloaded from one aircraft for storage in shed at airport for subsequent loading at another aircraft for transportation to Uzbekistan shall not be allowed under any circumstance to be taken out of the airport. The cargo handler shall be responsible for safe storage and security of the goods. In case of any pilferage or shortage or theft or damaged to goods, he shall be liable to make payment of duty and taxes leviable thereon and compensate the owner of goods;

(c) for transportation of stored Uzbek transit cargo to the destination in Uzbekistan, the clearing agent shall electronically file a GD “Air Transit Permit” (ATP), online against respective

IGM and index to be loaded on an aircraft for transportation to Uzbekistan. A GD shall indicate complete details of the consignment. The goods shall be loaded in aircraft under customs supervision when GD is out of charged by the Superintendent of Principal Appraiser;

(d) The computerized systems shall allot the ATP to the Appraising Officer for examination of the goods and verification of declaration. He shall tally the details on ATP with details on IGM, check description of goods, their quantity, number of packages, and weight on documents and examine the goods accordingly. If everything is found in order by him, he shall file his examination report in the system through his ID allocated to him for this purpose;

(e) the Principal Appraiser, Uzbek Transit, through his ID of the computer system shall counter check declaration vis examination report and all other aspects and if in order, shall allow out of charge of ATP in the system by allocating a free cash number;

(f) after examination of goods, its re-packing, security and safe custody till their loading on aircraft for destination, shall be responsibility of the cargo handler;

(g) once copy of ATP shall be retained by customs and other by the cargo handler;

(h) the cargo handler or authorized representatives of the airline shall file online Export General Manifest (EGM) in respect of such goods after departure of the flight; and

(i) Assistant or Deputy Collector (Transit) shall inspect the transit cargo sheds quarterly and finish his inspection report to Additional Collector concerned about working of sheds and their short comings, if any.

Sub-Chapter-XIV
Licensing of transport operators

966. Eligibility of a transport operator.- (1) A Transport operator is eligible to file application with the licensing authority for the grant of license to operate as Transport operator if,

(a) it is a company or firm;

(b) has adequate knowledge of computer to handle the GD in the Customs Computerized System;

(c) process experience regarding choice of vehicle, certification and registration, maintenance, loading and unloading, carriage of dangerous and perishable goods, principles of environment protection in road traffic, road safety (rules of the road, road traffic safety, road accident prevention and mitigation

(d) possesses sufficient knowledge of Customs Law and Procedure and transport operation management;

(e) possesses a fleet of minimum twenty-five registered vehicles on his name or company or are leased by him;

(f) has got registered under the Companies Act, 2017 (XIX of 2017) and with concerned Chamber of Commerce and Industry; and

(g) possesses National Tax Number under the provision of the Income Tax Ordinance, 2001 (XLIX of 2001).

(2) All the transport operators shall be required to obtain and possess Customs Clearing and Forwarding License under Chapter VIII.

(3) All transport units and conveyance used by the transport operators for carrying transit goods shall be properly secured, riveted, locked and sealed. The transport units and conveyance used by the transport operators shall be so constructed and equipped as to provide for the Customs seals to be conveniently and effectively affixed thereon and containing no concealed space where any goods could be hidden. The transport units shall have a permanently installed or fixed tracking device capable of showing the location of the said vehicle or trailer at any given times as well as a track of its route and stoppage etc. The transport unit shall be free from all manufacturing defects so that no goods can be removed from or introduced into the sealed portion of the transport units capable of holding any goods should be readily accessible for Customs inspection. The transport units shall be individually registered with the vehicle registration authority.

(4) Each vehicle shall be equipped with the tracking device from a tacking company duly approved by the Board.

(5) The Customs staff shall verify the satisfactory working of the tracker and the identity of the container and vehicles used by the transport operators for carrying transit goods, as well as the road worthiness of transport unit registration number and other particulars of the vehicle or transport units.

967. Approval of license.- On qualifying the criteria mentioned in rule 966, license shall be issued to the transport operator by the respective Director of Transit Trade for a period of two years on the recommendation of a four members committee headed by respective Director of Transit Trade. Other members of the Committee will be notified through an office order by the respective Director of Transit Trade in consultation with Director General Transit Trade. The Licensing Authority shall issue approval letter for issuance of license subject to the following, namely:-

(a) transport operator shall deposit defence saving certificate duly pledged to the respective Director of Transit Trade or furnish a Bank Guarantee for rupees fifteen million, as security for operating the transport operator license. The amount of bank guarantee or defence saving certificates shall be forfeited apart from other consequential penal action under the Act and the rules made there under, if the transport operator misuses the facilities of transportation of transit goods;

(b) the licensing authority, in addition to the condition in clause (a), shall require the transport operator to deposit a revolving insurance guarantee on the prescribed format **(Annex-X),** amounting to rupees five million from an insurance company of repute covering all types of risks detrimental to the Government revenue involved in the transit goods along with general undertaking in the prescribed form binding them to transit the goods safely and securely as per this procedure. The insurance guarantee shall be issued by an insurance company having paid up capital of not less than rupees one hundred million and which is duly registered with Controller of Insurance, Ministry of Commerce;

(c) execute bond for ensuring good conduct and to follow Customs rules and regulation and for recovery of any amount adjudged against it or ordered to be paid by it;

(d) the license granted to transport operators shall be non-transferable and shall not be allowed to be used by any sub-contractor; and

(e) the enforcement of the provision regarding registration of vehicle of transport operators and their blocking and de-blocking in the system and initiation of any legal action against them shall be responsibility of the respective Director of Transit Trade.

968. Renewal of license.- While considering renewal of license issued to the transport operators under Chapter VIII of these rules, the licensing authority shall also take into account the profit of the bonded carrier based upon rating of the transportation linked with their compliance to the rules and procedures which may include compliance to the time lines, number of alerts generated or transit cargo carried safely without en-route pilferage, number of contravention/ seizures reports etc.

969. Responsibilities of the bonded transport operator.- (1) The transport operator shall be responsible and bonded to carry the goods to its destination without any delay. The transport operator shall also be bound to deliver the bonded transit goods to its destination within the prescribed time-limit, using the transport route as notified by the Federal Board of Revenue. In case of any pilferage en-route from Point of Entry to the Point of Exit within Pakistan, the bonded carrier shall have the primary responsibility to pay the leviable duty/taxes on transit goods alongwith fine and penalty as determined under serial No.64 and other entries relating thereto of sub-section (1) of section 156 of the Customs Act, 1969.

(2) The delay in delivery from the stipulated time or deviation from the route shall require a written explanation from the transport operator by the concerned Deputy or Assistant Director and may invoke penalty provision.

(3) The transport operator shall be responsible for transporting the transit goods through the designated routes and within the time limits specified by the Board from time to time. In case some route is closed or cannot be used for any reason, the transport operator shall make an application to Deputy or Assistant Director at office of departure for permission to use the alternate route mentioning the alternated route to be used and the time to be consumed by using the alternate route.

(4) In case of any accident on the way between office of departure and office en-route which may cause delay in the delivery of goods beyond the specified time, the transport operator shall communicate the nature of accident, exact time and place of accident along with complete details thereof to the office of departure and office en-route telephonically or electronically.

970. Allowing single transport vehicle owner to transport transit cargo.- The application on the prescribed format **(Annex-XI)** for registration of a single vehicle for transport of transit goods shall be submitted to the Directorate of Transit Trade in whose jurisdiction the applicant is a resident or his vehicle is registered with Motor Registration Authority (MRA). The transport of transit goods by owner of single transport vehicle shall be allowed by the concerned Director of Transit Trade subject to the following conditions:-

(a) the unit is properly registered with the motor registration authorities of Pakistan in the name of the owner, to be verified by customs authorities;

(b) he shall submit defence saving certificate duly pledged to the concerned Director of Transit Trade or furnish Bank Guarantee for Rupees One million as security for transport operation of Transit goods, which shall be forfeited apart from other consequential penal action under the Act and Rules made there under, if the owner of the transport units violates of Customs Act, 1969 and the rules made thereunder;

(c) in cases where in transit cargo is transported by owner of single vehicle transport, the revolving insurance guarantee covering the leviable duty and taxes on transit goods shall be submitted either by the respective customs agent or transport operator (Annex-III);

(d) The prime mover or vehicle shall be fitted with the tracking devices by a tracking company duly licensed by the Board under S.R.O 413(1)2012 dated the 25th April, 2012;

(e) the trip shall be completed within ten days from Gate-out from the Directorate of Transit Trade of departure to crossing of Pakistan's border;

(f) the permission shall be given to such owner of the transport vehicle for one year which shall be renewed if operations of transportation of transit goods are found satisfactory;

(g) the owner shall also submit an undertaking on a stamp paper to the effect that he shall be responsible for safe transportation of transit goods;

(h) copies of such permission shall be sent to Directorate of Reforms and Automation Karachi and concerned officers of Customs who will enter the particulars of the vehicles in CSS;

(i) The above provision shall also be applied to the transport operation of transit goods carried through Pakistan Railways from Karachi to Azakhel Railway Station, for onward transportation to Torkham; and

(j) in case of any violation of Customs laws/procedures, institution of any criminal or civil case against the owner/vehicle under any law, the permission shall be terminated and name of the owner shall be blacklisted with transmission to all field formations.

Sub-Chapter-XV
Control of precursors and chemical substances

971. Import of controlled substances.- For the import of controlled substances listed in(Annex-IX), the importer shall obtain special permission of the Government of the importing Contracting Party. The permission letter shall be received by the Directorate of Transit Trade of departure through the Ministry of Narcotics Control. The said Directorate shall allow clearance of these substances on receipt of the permission along with NOC from Anti-Narcotics Force (ANF).

972. Checking of containers.- Containers carrying, controlled substances mentioned in Annex IX, shall be subject to hundred percent examination of goods. The ANF can check such consignments en-route on the basis of any information under intimation and in the presence of the relevant customs authorities.

Sub-Chapter-XVI
Miscellaneous

973. Priority to certain consignments.-The customs may grant priority to consignments consisting of live animals and perishable goods.

974. Cancellation of the Goods Declaration (GD).- (1) No Goods Declaration filed under rule 934 shall be amended once customs has begun processing the GD. GD cancellation shall be allowed in the following cases:

(i) where the cargo has been short shipped; or
(ii) where pre-arrival GD was filed but the cargo did not arrive at the Office of departure; or
(iii) where a technical, legal, administrative or any other system constraint does not allow the GD to be processed as per the prescribed procedure.

(2) In all such cases, the trader or his authorized representative shall approach the appropriate officer of Transit Trade for cancellation of GD. Deputy or Assistant Director Transit Trade shall allow cancellation of GD on payment of usual fee.

975. Amendment in IGM.- All types of amendments in IGM shall be allowed by the Deputy / Assistant Director Transit Trade after the arrival of cargo at office of departure. The amendment shall be made on the basis of original bill of lading. If there is any mistake in the original bill of lading, Customs staff shall call the correction advice from port of loading which shall be duly verified by the shipping line.

976. Frustrated Cargo.- The provision of section 138 of the Act, Chapter VII of these rules and Board's directives shall be applicable in dealing with the cases of frustrated cargo of transit trade goods.

977. Auction of un-cleared transit cargo.- (1) If a request for transit and Customs clearance is not filed for the goods imported for transit within thirty days of its arrival at the port of entry or exit, a notice shall be sent to the importer or its agent on the address given in the shipping documents for clearance of goods from the port. If goods still remain on the port after sixty days of their arrival, a final notice shall be sent to the importer or his agent for clearing the same, otherwise the goods shall then be auctioned after ninety days of the first notice, unless the delay is attributable to the port authorities. Moreover, this procedure shall apply mutatis mutandis to confiscated goods.

(2) The sale proceeds shall be paid to the trader after deducting the expenses on account of auction, freight charges due to the custodian of the goods and duty and taxes payable in respect of such goods.

978. The transit of arms, ammunition and military equipment.- Unless agreed upon by the two contracting parties, the transit of arms, ammunition and military equipment shall not be allowed.

979. Receipt of service charges, freight etc., by customs clearing agents/brokers, bonded carriers.- (1) All customs clearing agents or brokers, bonded carriers engaged in the clearance and transportation of transit cargo, are required to receive the amount for various expanses in respect of service charges, freight etc., in Pakistan from foreign trader/entity in their Pak Rupee bank account in foreign currency.

(2) The concerned customs clearing agents/ brokers, bonded carriers will provide the requisite details regarding the funds received from abroad in their tax statements, to be submitted to FBR.

980. Eventualities.- In case of any accident en-route which may cause delay in the delivery of goods beyond the specified time, the nature of accident, exact time and place of accident along with complete detail of the transport operator shall be communicated by the bonded transport operator to the concerned PCCSS staff telephonically at office of the departure and office en-route.

Sub-Chapter-XVII
Period Post Clearance Audit

981. Audit.- The Directorate of Transit Trade shall not only properly maintain the record pertaining to Transit Trade but shall also regularly conduct on weekly basis post clearance audit of the ATT documents or record. In case any discrepancy is found during audit the same shall be immediately reported to the Assistant or Deputy Director i-charge for initiation of appropriate action under the law. The reconciliation or audit exercise shall inter alia include scrutiny of data and documents for ensuring that the goods which were transported had safely and securely crossed the border and relevant poof or copies of GDs have been presented thereof within the prescribed time limit. In case of any GD is not reconciled, proceedings under law including demand notice shall be issued immediately to the importer, carrier and clearing agent for recovery of evaded amount of duties and taxes. Top priority shall be accorded by the Assistant or Deputy Director Transit for regularly conducting post importation audit for reconciliation of clearance data and fro pinpointing any illegality or discrepancy.

Sub-Chapter-XVII
Offences and Penalties of this Chapter

981. Audit.- Offence and Penalties.- Whosoever commits any contravention of the provision of this chapter shall be liable to be proceeded, after due process of law, under section 156 (1)(64) of the Customs Act, 1969.

(ANNEX-I)
[see rule 913(2)]

WEBOC EXTERNAL USER REGSITRATION FORM

S.No.	Description	Information
1	User Type (Please tick the relevant one)	Business firm/Company
		Govt: Department/ Ministry
		Diplomatic/UN Mission
2	Business/Entity name	
3	Business/Entity address	
4	Owner/Focal Person name	
5	Owner/Focal Person Telephone Number	
6	Owner/Focal Person Mobile Number	
7	Owner/Focal Person Email id	
8	Owner/Focal Person Passport Number	
9	Owner/Focal Person Tax Identification No.	
10	Ministry of Trade approval date	

(ANNEX-II)
[see rule 915(2)]

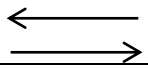
FORMAT OF THE ROAD TRANSPORT PERMIT
MINISTRY OF TRANSPORT, REPUBLIC OF UZBEKISTAN AND FEDERAL BOARD OF REVENUE, ISLAMIC REPUBLIC OF PAKISTAN
Authorization
For International Carriage of Goods by road

Under Agreement between the Government of the Republic of Uzbekistan and the Government of the Islamic Republic of Pakistan on Transit Trade Between the Islamic Republic of Pakistan and the Republic of Uzbekistan

No: Validity

_____

Valid for one Journey
1



bilateral Carriage	Transit Passage	Third Country Carriage

1. Border crossing point On entry On exit

_____

2. Name and full address of the Carriers/Transport Operator

_____

3. Additional information	Motor Vehicle	Trailer (semi-trailer)
3.1 Registration Number		
3.2 Carrying Capacity		
3.3 Empty Vehicle Weight		

4. Special Remarks _____

5. Place, date of issue signature and stamp

Stamp and Signature

(ANNEX-III)
[see rule 929(2)]

(On appropriately stamped non-judicial paper)

REVOLVING INSURANCE GUARANTEE FOR IMPORTED GOODS IN-TRANSIT BY OWNER OF THE GOODS/CUSTOMS BROKER/TRANSPORT OPERATOR

The Director of Transit Trade,
Directorate of Transit Trade
Custom House
Karachi.

Dear Sir,
WHEREAS Messrs _____having their registered office at……. (herein after referred to as the foreign importer / Customs Agent / Transport Operator) are engaged in the clearance / transportation of transit cargo within territory of Pakistan).

2. AND WHEREAS leviable duty and taxes assessed by CCS in respect of the transit goods shall be debited from the face value of the revolving insurance guarantee and the assessed amount shall be payable by the foreign importer / customs agent / transport operator, in case he fails to take the goods out of the territorial jurisdiction of Pakistan.

3. AND WHEREAS the Directorate General of Transit Trade (Custom Department) shall release goods on debiting an amount equal to the leviable duty and taxes involved on the goods from the face value of the revolving insurance guarantee.

4. NOW, THEREFORE, in consideration of the release of the imported goods, in-transit, to the foreign importer / customs agent / transport operator, we, Messrs …… do hereby bind ourselves with the President of Pakistan to pay to the Director of Transit Trade, the aforesaid guaranteed amount of duties and taxes and the surcharge thereon at the rate of fourteen percent per annum for the whole period on the amount or any part thereof remained un-paid from the date on which the in-transit goods are released to the importers.

5. THE COMPANY ISSUANING THIS GUARANTEE ALSO UNDERTAKES:-

(a) That the foreign importer / customs agent / transport operator shall pay to you the guarantee amount in lump sum after demand.

(b) That the foreign importer / custom agent / transport operator shall also pay to you the surcharge due on the involved amount at the rate of fourteen percent per annum.

(c) That in the event of any default on the part of the foreign importer / customs agent / transport operator to pay the guarantee amount on demand along with surcharge due as aforesaid, we, Messrs ……, shall pay to you the same immediately upon demand by Director of Transit Trade. On receipt of demand from the, Director of Transit Trade, it shall be considered by us as conclusive evidence of non-payment of the government dues plus surcharge, if payable by the importers.

(d) That we do hereby agree to the payment of duty/taxes and surcharge on the amount chargeable from the date of clearance of goods until the date the payment is made, provided that you agree, on the request of the foreign importer / customs agent / transport operator, not to take action under condition (6) (a) of this insurance guarantee.

(e) That we do hereby agree and declare that in the event of any default in the payment of any sun stated above it may, without prejudice to any other remedy which may be available to you, be recovered by you under section 202 of the Customs Act, 1969.

(f) That, notwithstanding anything contained in the foregoing, the guaranteed amount or any part thereof and surcharge, as a aforesaid, shall immediately become payable to you.

6. **ADDITIONAL CONDITIONS OF THIS INSURANCE GUARANTEE ARE AS FOLLOWS:-**

(a) Any notice may be given to the foreign importer / customs agent / transport operator by sending the same, by registered post, which shall be deemed to have been served at the time when it would have been received by the addressee in the ordinary course of the post.

(b) The amount payable hereunder as principal or surcharge at the specified date may be declared and the same shall there-upon become due to payable immediately.

7. That this insurance guarantee is valid up to…….

8. IN WITNESS WHEREOF we have …….. this ……day of…….... 2014 caused this guarantee to be signed under the official stamp in the presence of-

1 …… 2……

Officer Manager

Witnesses:-

1…….

2…….

(ANNEX-IV)
[see rule 936(4)]

TRANSPORT NOTE

(Information requires against cargo destined for Uzbekistan and vice versa)

IGM NO._____ Date_____ Index No._____ Port of Departure-

AT-GD No. _____Date_____ Office En-route_____

Discharges from Vessel/ Voyage	B/N No. and Date	Index No.
Container No.	Vehicle No.	Driver Detail
Manifest Gross weight	Manifested Net Weight	
Seal number of shipper/Container yard	CCSU Seal No.	Trekker Number
Description of goods	Quantity	Nature of packing (Pallets, Packages, Cartons, Cases, Bags, Bales, Sheets, Pieces)
Name and telephone number of the carrier	Importer	Clearing Agent
Route-i)Route I ii)Route II		
Certified that the details on this document are correct.	Certified that the above mentioned goods are sealed in my presence	Certified that the above mentioned goods have been received by Customs on ----- ----------with Seal intact.
Signature with date and Stamp of the Carrier	Signature with date and Stamp of Customs Sealing Officer at Port of Sealing	Signature with date and Stamp of Customs Sealing Officer at Port of Destination

(ANNEX-V)
[see rule 941(1)]

DAILY RECONCILIATION STATEMETN OF OUT-GOING TRANSIT VEHICLES FOR CUSTOMS STATION ……..DATED……

S.No.	Vehicle Registration No.	Description	GD No.	GD date	Cross border authorization / gate pass No. & date	Remarks (if pending)
(1)	(2)	(3)	(4)	(5)	(6)	(7)

Signature:
1. Representative of Customs : Name & Signature
2. Representative of FC/Pakistan Ranger : Name & Signature
3. Representative of Terminal Operator : Name & Signature

(ANNEX-VI)
[see rule 946]

DESIGNATED RAIL AND ROAD ROUTES IN PAKISTAN
PORT OF ENTRY/EXITPORT OF EXIT/ENTRY
FROM/TO TO/FROM
In the territory of the Islamic Republic of Pakistan by way of rail:

1. Karachi Port / Port Qasim — Azakhel (Torkham*) rail terminal.
2. Karachi Port / Port Qasim — Chaman rail terminal.
3. Karachi Port / Port Qasim — Quetta to Taftan rail terminal.

*when operational

In the territory of the Islamic Republic of Pakistan by way of road:

1. Karachi – Hyderabad – Sukkur – Multan – Faislabad – PindiBhattian – Rawalpindi-Azakhel – Jamrud Terminal – Torkham (BCP with Afghanistan).

2. Karachi – Hyderabad – Rotodero – D.G Khan – D.I khan – Kohat – Peshawar/Bara link Road – Jamrud Terminal – Torkham.
3. Karachi – Bela – Khunzdar – kalat – Quetta –Yaroo (Pishin)-Chaman (BCP with Afghanistan?).
4. Karachi/Port Qasim – Hyderabad – Rotordero – D.G Khan – D.I Khan – Kohat – Bannu – Meram Shah – Ghulam Khan (BCP with Afghanistan).
5. Gwadar – Turbat – Hoshab – Panjgur – Naag – Besima – Sorab – Kalat – Quetta – Chaman.
6. Gwadar – Turbat – Hoshab – Panjgur – Naag – Besima – Khuzdar – Rotodero- D.I. Khan - Kohat - Peshawar – Jamrud Terminal- Torkham.
7. Gwadar – Pasni – Omara – Liari – Karachi – Rotodero – D.I. Khan – Kohat – Peshawar- Jamrud Terminal - Torkham.
8. Gwadar – Turbat – Hoshab – Panjgur – Naag – Besima – Khuzdar – Rotordeo- D.G. Khan – D.I. Khan – Kohat – Peshawar – Jamrud Terminal – Torkham.
9. Gwadar – Pasni – Omara – Liari – Karachi – Rotodero – D.G. Khan – Kohat – Bannu – Meram Shah – Ghulam Khan.
10. Gwadar – Turbat – Hoshab – Panjugar – Naag – Besima – Khuzdar – Rotordero – D.G. Khan – D.I. Khan – Bannu – Meram Shah – Ghulam Khan.
11. Gwadar – Turbat – Hoshab – Panjugar – Naag – Kalat – Quetta – Zhob – D.I. Khan – Meram Shah-Ghulam Khan.
12. (BCP with China) Khunjrab – Sost – Chilas – Manshera – Hazara Motorway –MI Motorway – Peshawar – Jamrud Terminal – Torkham.
13. Gwadar – Gabd (BCP with Iran).
14. Karachi/Port Qasim-Layari-Omara-Pasni-Gwadar-Gabd (BCP with Iran).;
15. Gwadar-Turbat-Mand (BCP with Iran).
16. Karachi/Port Qasim-Khuzdar-Dalbadin-Taftan (BCP with Iran).

** Vehicle to vehicle transfer will not be allowed during transit through Pakistan except at Jamrud, Torkham, Azakhel and Chaman Terminals.

(ANNEX-VII)
[see rule 947]

MANIFEST FOR IMNCOMING VEHICLE CARRYING EXPORT TRANSIT CARGO FOR BORDER STATION (NAME)

1.	Type of cargo i.e., transit/empty vehicle/empty returning transit Container/empty new container	
2	Importer Name & Address in	
3	Consigner name and address (In Uzbeksitan)	
4	Name of the driver	
5	CNIC/Passport Number of Driver	
6	Vehicle Registration Number	
7	Chassis Number	
8	Permit number No. & date (in case of Uzbek registered vehicle)	
9	Container Number (if applicable)	
10	CMR/Builty/Barnama No.& Date (Please attach a copy)	
11	Description of Goods	
12	Weight of the goods.	
13	No. of packages / bags etc.	
14	Description of vehicle (axle Load e.g.6 wheeler, 10 wheeler etc.)	
15	Time/Date, place.	

Signature/Thumb Impression
Of Person Incharge of the vehicle.

For official Use

Transit (incoming) Manifest No. _____ (to be allowed by gate – officer)
Time of entry of vehicle _____ (0000 hours)
Date of _____
Received by _____

(Name & Signature of Customs Officer)

(ANNEX-VIII)
[see rule 948]

Table-I:

(a) Acetic anhydride;
(b) N-Acetylanthranilic acid;
(c) Ephedrine;
(d) Ergometrine;
(f) Isosafrole;
(g) Lysergic acid;
(h) 3,4-Mehylenedioxphenyl- 2 Propanone;
(i) Norepherdrine;
(j) I – Phenyl-2 propanone;
(k) Piperonal;
(l) Potassium permanganate;
(m) Pseudoepherdrine; and
(n) Safrole;

Table-II:

(a) Acetone;
(b) Anthranilic acid;
(c) Ethyl ether;
(d) Hydrochloric acid;
(e) Methyl ethyl Ketone;
(f) Phenylacetic acid;
(g) Piperdine;
(h) Sulphuric acid; and
(i) Toluene.

(ANNEX-IX)
[see rule 956]

Table-I:

(a) Acetic anhydride;
(b) N- Acetylanthranilic acid;
(c) Ephedrine;
(d) Ergometrine;
(e) Ergotamine;
(f) Isosafrole;
(g) Lysergic acid;
(h) 3,4-Metyhylenedioxphenyl-2 Propanone;
(i) Norephdrine;
(j) I-PhenylI-2propanone;
(k) Piperonal;
(l) Potassium permanganate;
(m) Pseudoephedrine; and
(n) Safrole;

Table-II:

(a) Acetone;
(b) Anthranilic acid;
(c) Ethyl ether;
(d) Hydrochloric acid;
(e) Methyl ethyl Ketone;
(f) Phenylacetic acid;
(g) Piperidine;
(h) Sulpheric acid; and
(i) Toluene.

(ANNEX-X)
[see rule 967(b)]

REVOLVING INSURANCE GUARANTEE NO. _____
DATED _____
FOR RS. _____ EXPIRY DATE _____

Whereas in accordance with the Public Notice No. _____ dated _____ issue by the Director Transit Trade Customs House, Karachi, vide C.No. _____ dated _____ to M/s _____ to act as approved TRANSPORT OPERATOR in terms of the above public notice for transportation of transit goods from Karachi Port to other customs stations throughout the country, We M/s. _____ do hereby bind ourselves and our heirs, successors and assignees jointly and severely with the President of Pakistan to pay to the Director of Transit Trade any amount payable as Customs duty, sales tax, surcharges regulatory duty or any other levy at the time at the time in-force in addition to fine and penalties which may be imposed by the said Director of Transit Trade for contravention of the conditions contained in the said public notice by the said transport operators as referred herein above.

Now the condition of this guarantee is such that if M/s _____ fails to discharge their responsibilities in the light of the said public notice in any manner whatsoever and in default falls to pay the amount of duties and taxes etc., in addition to fine and penalties which may be demanded by the Director of Transit Trade, We, M/s._____ or our successors shall pay to the Director of Transit Trade, Karachi the demanded amount within fifteen days from the date such demanded is raised by the Director of Transit Trade, falling which a compensation at the rate of twenty percent per annum shall be paid – ipso facto – from the date when the actual demand is made by the Director of Transit Trade.

This guarantee shall remain in force till the above-mentioned liabilities of the transport operators are completely discharged to the entire satisfaction of the Director of Transit Trade. It is also specially agreed that the above guaranteed amount may be recovered under section 202 of the Customs Act, 1960, and rules, made thereunder in case the insurance company fails to pay the said amount of revenue.

This Revolving Insurance Guarantee is in accordance with the Public Notice No. _____ dated issued by the Director of Transit Trade, Karachi.

(ANNEX-XI)
[see rule 970]

APPLICATION FORM FOR REGISTRATION OF A SINGLE VEHICLE FOR TRANSPORT OF TRANSIT GOODS

Photograph of the owner

The Direcor,
Director of Transit Trade,
…….. hereby apply for the registration of vehicle to transport transit goods in terms of rule 970 of the Customs Rules, 2001 for a period of one year. The particulars of the applicant and vehicle are given below:-

1	Name of owner	
2	Nationality	
3	Present address	
4	Permanent address	
5	CNIC No.	
6	Vehicle Registration No.	
7	Vehicle Make and Model	
8	Vehicles Chassis No.	
9	Vehicle Engine No.	
10	Affidavit of good performance	

I/We hereby declare that the particulars finished in this application are correct and I/We have read the relevant Customs Rules and I/We agree to abide by them.

Yours faithfully
Name of applicant]

[143][CHAPTER XLII
Contract for the International Carriage of Goods by Road (CMR) Rules

982. Short title.- These rules may be called the Contract for the International Carriage of Goods by Road (CMR).

983. Scope of the rules.- (1) These rules prescribes the procedure for standardizing the conditions for the international carriage of goods by road, particularly with respect to the documents used for such carriage and to the carrier's liability as envisaged under CMR Convention.

(2) These rules shall apply to every contract for the carriage of goods by road in vehicles for reward, when the place of taking over of the goods and the place designated for delivery, as specified in the contract, are situated in two different countries, of which at least one is a contracting country, irrespective of the place of residence and the nationality of the parties.

(3) These rules shall apply also where carriage coming within its scope is carried out by states or by governmental institutions or organizations.

(4) These rules shall not apply to-

(a) carriage performed under the terms of any international postal convention;
(b) funeral consignments; and
(c) furniture removal.

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

(a) **"authority"** in relation to these rules, means the Federal Board of Revenue;

(b) **"Convention"** means the Convention on the Contract for the International Carriage of Goods by Road (CMR), Geneva 1956, amended by Protocol to the CMR Geneva, 1978, generally referred to as CMR Convention;

(c) "**CMR consignment note"** means an agreement which regulates contractual relations between consignor, consignee and the carrier. It is not directly linked to TIR and is a consignment note which may be requested by national authorities. It is signed and stamped by the sender and the carrier and contains fields defined in Rule 986. It will be considered as a Customs documents in terms of section 2(kka) of the Customs Act 1969.

(d) **"container"** means an article of transport equipment; (i) fully enclosed to constitute a compartment intended for containing goods, (ii) of a permanent character and accordingly strong enough to be suitable for repeated use,(iii) specially designed to facilitate the transport of goods by one or more modes of transport without intermediate reloading, (iv) designed for ready handling, particularly when being transferred from one mode of transport to another, (v) designed to be easy to fill and to empty, and (vi) demountable bodies are to be treated as containers;

(e) **"combination of vehicles"** means coupled vehicles, which travel on the road as a unit;

(f) **"contracting party"** means consignee or consignor or the carrier;

(g) **"import or export duties and taxes"** means Customs duties and all other duties and taxes, leviable at the time of import or export under the Customs Act, 1969 and any other law in force including default surcharge;

(h) **"irregularity"** means breach, violation, non-observance or misuse of any provision of these rules;

(i) **"national authorization committee"** means the committee headed by the Director Transit Trade, Karachi and comprising of representatives of the Ministry of Communications, Ministry of Commerce, Ministry of Interior and the Association, as notified by the Board;

(j) **"person"** means both natural and legal persons and includes a company and association, a body of individuals whether incorporated or not; and

(k) **"road vehicle"** means any rigid road vehicle, articulated vehicle, unaccompanied trailer or semitrailer including any power-driven road vehicle and any trailer or semi-trailer designed to be coupled thereto.

985. Contract for carriage of goods.- (1) The contract of carriage shall be confirmed by the making out of a CMR consignment note. It shall be evidence of making of the contract of carriage under these rules and of the receipt of the goods by the carrier. It shall be made out in the following four **original copies signed and stamped by the sender and by the carrier:**

(a) FIRST ORIGINAL (red) shall be handed over to the sender;
(b) SECOND ORIGINAL (green) to be retained by carrier;
(c) THIRD ORIGINAL (blue) to be delivered to consignee; and
(d) FOURTH ORIGINAL (black) for administrative procedures.

(2) When the goods which are to be carried have to be loaded in different vehicles, or are of different kinds or are divided into different lots, the sender or the carrier shall have the right to require a separate consignment note to be made out for each vehicle used, or for each kind or lot of goods.

986. Information on the CMR consignment note.- (1) The consignment note shall contain the following mandatory information:

(a) the date of the consignment note and the place at which it is made out;
(b) the name and address of the sender;
(c) the name and address of the carrier;
(d) the place and the date of taking over of the goods and the place designated for delivery;
(e) the name and address of the consignee;
(f) description of goods;
(g) PCT code;
(h) container number;

(i) seal number;
(j) kind of packages, the number of packages and their special marks and numbers;
(k) gross weight in Kgs;
(l) charges relating to the carriage (carriage charges, supplementary charges, customs duties and other charges incurred from the making of the contract to the time of delivery);
(m) the requisite instructions for Customs and other formalities; and
(n) a statement that the carriage is subject to the provisions of these Rules.

(2) Where applicable, the consignment note shall also contain the following particulars:

(a) a statement that trans-shipment is not allowed;
(b) the charges which the sender undertakes to pay;
(c) the amount of "cash on delivery" charges, if any
(d) a declaration of the value of the goods and the amount representing special interest in delivery;
(e) the sender's instructions to the carrier regarding insurance of the goods;
(f) the agreed time limit within which the carriage is to be carried out;
(g) a list of the documents handed to the carrier.

(3) The parties may enter in the consignment note any other particulars which they may deem useful.

987. Issuance of CMR consignment note.- The CMR consignment note shall be issued by the carrier approved by National Authorization Committee. It shall have information prescribed in rule 986. It shall bear signatures and stamp of the carrier and the sender/consignor of the goods.

988. Responsibility of sender.- (1) The sender shall be responsible for all expenses, loss and damage sustained by the carrier by reason of the inaccuracy or inadequacy of:

(a) the information specified in rule 986; and
(b) any other particulars or instructions given by him to enable the consignment note to be made out or for the purpose of their being entered therein.

(2) If, at the request of the sender, the carrier enters in the consignment note the particulars referred to in rule 988(1), he shall be deemed, unless the contrary is proved, to have done so on behalf of the sender.

989. Taking over of the goods by the carrier.- (1) On taking over the goods, the carrier shall check the accuracy of the statements in the consignment note as to the number of packages and their marks and numbers, and the apparent condition of the goods and their packaging.

(2) Where the carrier has no reasonable means of checking the accuracy of statements referred to in rule 989(1), he shall enter his reservations in the consignment note together with the grounds on which they are based. He shall likewise specify the grounds for any reservations which he makes with regard to the apparent condition of the goods and their packaging, such reservations shall not bind the sender unless he has expressly agreed to be bound by them in the consignment note.

(3) The sender shall be entitled to require the carrier to check the gross weight the goods or their quantity otherwise expressed. He may also require the contents of the packages to be checked. The carrier shall be entitled to claim the cost of such checking. The result of the checks shall be entered in the consignment note.

(4) If the consignment note contains no specific reservations by the carrier, it shall be presumed, unless the contrary is proved, that the goods and their packaging appeared to be in good condition when the

carrier took them over and that the number of packages, their marks and numbers corresponded with the statements in the consignment note.

(5) The sender shall be liable to the carrier for damage to persons, equipment or other goods, and for any expenses due to defective packing of the goods, unless the defect was apparent or known to the carrier at the time when he took over the goods and he made no reservations concerning it.

990. Responsibility for true declarations.- (1) For the purposes of the Customs or other formalities which have to be completed before delivery of the goods, the sender shall attach the necessary documents to the consignment note or place them at the disposal of the carrier and shall furnish him with all the information which he requires.

(2) The carrier shall not be under any duty to enquire into either the accuracy or the adequacy of such documents and information. The sender shall be liable to the carrier for any damage caused by the absence, inadequacy or irregularity of such documents and information, except in the case of some wrongful act or neglect on the part of the carrier.

(3) The liability of the carrier for the consequences arising from the loss or incorrect use of the documents specified in and accompanying the consignment note or deposited with the carrier shall be that of an agent, provided that the compensation payable by the carrier shall not exceed that payable in the event of loss of the goods.

991. C hanges allowed to sender before delivery of consignment note to the consignee.- (1) The sender has the right to dispose of the goods, in particular by asking the carrier to stop the goods in transit, to change the place at which delivery is to take place or to deliver the goods to a consignee other than the consignee indicated in the consignment note.

(2) This right shall cease to exist when the second copy of the consignment note is handed to the consignee or when the consignee exercises his right under rule 992; from that time onwards the carrier shall obey the orders of the consignee.

(3) The consignee shall, however, have the right of disposal from the time when the consignment note is drawn up, if the sender makes an entry to that effect in the consignment note.

(4) If in exercising his right of disposal the consignee has ordered the delivery of the goods to another person, that other person shall not be entitled to name other consignees.

(5) The exercise of the right of disposal shall be subject to the following conditions:

(a) that the sender or, in the case referred to in rule 991(3), the consignee who wishes to exercise the right produces the first copy of the consignment note on which the new instructions to the carrier have been entered and indemnifies the carrier against all expenses, loss and damage involved in carrying out such instructions;

(b) that the carrying out of such instructions is possible at the time when the instructions reach the person who is to carry them out and does not either interfere with the normal working of the carriers' undertaking or prejudice the senders or consignees of other consignments; and

(c) that the instructions do not result in a division of the consignment.

(6) When, by reason of the provisions of rule 991(5)(b), the carrier cannot carry out the instructions which he receives, he shall immediately notify the person who gave him such instructions.

(7) A carrier who has not carried out the instructions given under the conditions provided for in this rule or who has carried them out without requiring the first copy of the consignment note to be produced, shall be liable to the person entitled to make a claim for any loss or damage caused thereby.

992. Inability to comply with terms of consignment note.- (1) If for any reason it is or becomes impossible to carry out the contract in accordance with the terms laid down in the consignment note before the goods reach the place designated for delivery, the carrier shall ask for instructions from the person entitled to dispose of the goods in accordance with the provisions of Rule 991.

(2) Nevertheless, if circumstances are such as to allow the carriage to be carried out under conditions differing from those laid down in the consignment note and if the carrier has been unable to obtain instructions in reasonable time the person entitled to dispose of the goods in accordance with the provisions of Rule 991, he shall take such steps as seem to him to be in the best interests the person entitled to dispose of the goods.

993. Delivery of CMR consignment note to consignee.- (1) After arrival of the goods at the place designated for delivery, the consignee shall be entitled to require the carrier to deliver to him, against a receipt, the second copy of the consignment note and the goods. If the loss of the goods established or if the goods have not arrived after the expiry of the period provided for in Rule 998, the consignee shall be entitled to enforce in his own name against the carrier any rights arising from the contract of carriage.

(2) The consignee who avails himself of the rights granted to him under rule 993(1) shall pay the charges shown to be due on the consignment note, but in the event of dispute on this matter the carrier shall not be required to deliver the goods unless security has been furnished by the consignee.

994. Inability to deliver goods at designated place.- (1) Where circumstances prevent delivery of the goods after their arrival at the place designated for delivery, the carrier shall ask the sender for his instructions. If the consignee refuses the goods, the sender shall be entitled to dispose of them without being obliged to produce the first copy of the consignment note.

(2) Even if he has refused the goods, the consignee may nevertheless require delivery so long as the carrier has not received instructions to the contrary from the sender.

(3) When circumstances preventing delivery of the goods arise after the consignee, in exercise of his rights under rule 991(3), has given an order for the goods to be delivered to another person, rule 994(1)&(2) shall apply as if the consignee were the sender and that other person were the consignee.

995. Recovery of cost by the carrier.- (1) The carrier shall be entitled to recover the cost of his request for instructions and any expenses entailed in carrying out such instructions, unless such expenses were caused by the wrongful act or neglect of the carrier.

(2) In the cases referred to rule 992(1), and rule 994, the carrier may immediately unload the goods for account of the person entitled to dispose of them and thereupon the carriage shall be deemed to be at an end. The carrier shall then hold the goods on behalf of the person so entitled. He may, however, entrust them to a third party, and in that case he shall not be under any liability except for the exercise of reasonable care in the choice of such third party. The charges due under the consignment note and all other expenses shall remain chargeable against the goods.

(3) The carrier may sell the goods, without awaiting instructions from the person entitled to dispose of them, if the goods are perishable or their condition warrants such a course, or when the storage expenses would be out of proportion to the value of the goods. He may also proceed to the sale of the goods in other cases if after the expiry of a reasonable period he has not received from the person entitled to dispose of the goods instructions to the contrary which he may reasonably be required to carry out.

(4) If the goods have been sold pursuant to this rule, the proceeds of sale, after deduction of the expenses chargeable against the goods, shall be placed at the disposal of the person entitled to dispose of the goods. If these charges exceed the proceeds of sale, the carrier shall be entitled to the difference.

(5) The procedure in the case of sale shall be determined by the law or custom of the place where the goods are situated.

996. Responsibility for damage or loss of goods.- (1) The carrier shall be liable for the total or partial loss of the goods and for damage thereto occurring between the time when he takes over the goods and the time of delivery, as well as for any delay in delivery.

(2) The carrier shall, however, be relieved of liability if the loss, damage or delay was caused by the wrongful act or neglect of the claimant, by the instructions of the claimant given otherwise than as the result of a wrongful act or neglect on the part of the carrier, by inherent vice of the goods or through circumstances which the carrier could not avoid and the consequences of which he was unable to prevent.

(3) The carrier shall not be relieved of liability by reason of the defective condition of the vehicle used by him in order to perform the carriage, or by reason of the wrongful act or neglect of the person from whom he may have hired the vehicle or of the agents or servants of the latter.

(4) Subject to rule 997(2) to 997(5), the carrier shall be relieved of liability when the loss or damage arises from the special risks inherent in one more of the following circumstances:

(a) use of open unsheeted vehicles, when their use has been expressly agreed and specified in the consignment note;
(b) the lack of, or defective condition of packing in the case of goods which, by their nature, are liable to wastage or to be damaged when not packed or when not properly packed;
(c) handling, loading, stowage or unloading of the goods by the sender, the consignee or person acting on behalf of the sender or the consignee;
(d) the nature of certain kinds of goods which particularly exposes them to total or partial loss or to damage, especially through breakage, rust, decay, desiccation, leakage, normal wastage, or the action of moth or vermin;
(e) insufficiency or inadequacy of marks or numbers on the packages; or
(f) the carriage of livestock.

(5) Where under this rule the carrier is not under any liability in respect of some of the factors causing the loss, damage or delay, he shall only be liable the extent that those factors for which he is liable under this article have contributed to the loss, damage or delay.

997. Exculpation of carrier regarding damage, loss etc.- (1) The burden of proving that loss, damage or delay was due to one of the acts specified in rule 996(2) shall rest upon the carrier.

(2) When the carrier establishes that in the circumstances of the case, the loss damage could be attributed to one or more of the special risks referred to in Rule 996(4), it shall be presumed that it was so caused. The claimant shall, however, be entitled to prove that the loss or damage was not, in fact, attributable either wholly or partly to one of these risks.

(3) This presumption shall not apply in the circumstances set out in rule 996(4)(a), if there has been an abnormal shortage, or a loss of any package.

(4) If the carriage is performed in vehicles specially equipped to protect the goods from the effects of heat, cold, variations in temperature or the humidity of the air, the carrier shall not be entitled to claim the benefit of rule 996(4)(d), unless he proves that all steps incumbent on him in the circumstances with respect to the choice, maintenance and use of such equipment were taken and that he complied with any special instructions issued to him.

(5) The carrier shall not be entitled to claim the benefit of rule 996(4)(f) unless he proves that all steps normally incumbent on him in the circumstances were taken and that he complied with any special instructions issued to him.

998. Delay in delivery of goods.- Delay in delivery shall be said to occur when the goods have not been delivered within the agreed time-limit or when, failing an agreed time-limit, the actual duration of the carriage having regard to the circumstances of the case, and in particular, in the case of partial loads, the time required for making up a complete load in the normal way, exceeds the time it would be reasonable to allow a diligent carrier.

999. Period of delay that will be construed as loss.- (1) The fact that goods have not been delivered within thirty days following the expiry of the agreed time-limit, or, if there is no agreed time-limit, within sixty days from the time when the carrier took over the goods, shall be conclusive evidence of the loss of the goods, and the person entitled to make a claim may thereupon treat them as lost.

(2) The person so entitled may, on receipt of compensation for the missing goods, request in writing that he shall be notified immediately should the goods be recovered in the course of the year following the payment of compensation. He shall be given a written acknowledgement of such request.

(3) Within the thirty days following receipt of such notification, the person entitled as aforesaid may require the goods to be delivered to him against payment of the charges shown to be due on the consignment note and also against refund of the compensation he received less any charges included therein but without prejudice to any claims to compensation for delay in delivery under rule 1002 and where applicable, rule 1004.

(4) In the absence of the request mentioned in rule 999(2) or of any instructions given within the period of thirty days specified in rule 999(3), or if the goods are not recovered until more than one year after the payment of compensation, the carrier shall be entitled to deal with them in accordance with the law place where the goods are situated.

1000. Responsibility of carrier for non-collection of cash on delivery.- Should the goods have been delivered to the consignee without collection of the "cash on delivery" charge which should have been collected by the carrier under terms of the contract of carriage, the carrier shall be liable to the sender for compensation not exceeding the amount of such charge without prejudice to his right of action against the consignee.

1001. Responsibility of sender with respect to dangerous goods.- (1) When the sender hands goods of a dangerous nature to the carrier, he shall inform the carrier of the exact nature of the danger and indicate if necessary, precautions to be taken. If this information has not been entered in the consignment note, the burden of proving, by some other means that the carrier knew the exact nature of the danger constituted by the carriage of the said goods shall rest upon the sender or the consignee.

(2) Goods of a dangerous nature which, in the circumstance referred to in rule 1001(1), the carrier did not know were dangerous, may, at any time or place, be unloaded, destroyed or rendered harmless by the carrier without compensation; further, the sender shall be liable for all expenses, loss or damage arising out of their handing over for carriage or of their carriage.

1002. C ompensation to be paid by the carrier.- (1) When, under these rules a carrier is liable for compensation in respect of total or partial loss of goods, such compensation shall be calculated with reference to the value of the goods at the place and time at which they were accepted for carriage.

(2) The value of the goods shall be fixed according to the commodity exchange price or, if there is no such price, according to the current market price or, if there is no commodity exchange price or current market price, by reference to normal value of goods of the same kind and quality.

(3) Compensation shall not, however, exceed 8.33 units of account per kilogram of gross weight short; whereas the unit of account means the special Drawing Right as defined by the International Monetary Fund (IMF).

(4) The amount mentioned in rule 1002(3) shall be converted into the national currency of the State of the Court seized of the case on the basis of the value of that currency on the date of the judgment or the date agreed upon by the Parties. The value of the national currency, in terms of the Special Drawing Right, of a State which is a member of the IMF, shall be calculated in accordance with the method of valuation applied by the IMF in effect on the date in question for its operations and transactions. The value of the national currency, in terms of the Special Drawing Right, of a State which is not a member of the IMF, shall be calculated in a manner determined by the State.

(5) The calculation mentioned in the last sentence of rule 1002(4) shall be made in such a manner as to express in the national currency of the State as far as possible the same real value for the amount in rule 1002(3) as is expressed there in units of account.

(7) In addition, the carriage charges, Customs duties and other charges incurred in respect of the carriage of the goods shall be refunded in full in case of total loss and in proportion to the loss sustained in case of partial loss, but no further damage shall be payable.

(8) In the case of delay if the claimant proves that damage has resulted therefrom the carrier shall pay compensation for such damage not exceeding the carriage charges.

(9) Higher compensation may only be claimed where the value of the goods or a special interest in delivery has been declared in accordance with rule 1003 and rule 1005.

1003. Additional compensations.- The sender may, against payment of a surcharge to be agreed upon, declare in the consignment note a value for the goods exceeding the limit laid down in rule 1002(3) and in that case the amount of the declared value shall be substituted for that limit.

1004. Compensation for damage.- (1) In case of damage, the carrier shall be liable for the amount by which the goods have diminished in value, calculated by reference to the value of the goods fixed in accordance with Rule 1002. *The value diminished shall be determined by an officer of customs not below the rank of Inspector or Appraising officer*. This compensation may not, however exceed:

(a) if the whole consignment has been damaged, the amount payable in the case of total loss; and
(b) if part only of the consignment has been damaged, the amount payable in the case of loss of the part affected.

1005. Charging of special interest.- (1) The sender may, against payment of a surcharge to be agreed upon, fix the amount of a special interest in delivery in the case of loss or damage or of the agreed time-limit being exceeded, by entering such amount in the consignment note.

(2) If a declaration of a special interest in delivery has been made, compensation for the additional loss or damage proved may be claimed, upto the total amount of the interest declared, independently of other compensations provided above.

1006. Extra contractual claim.- (1) In cases where, the, loss, damage or delay arising out of carriage under these rules gives rise to an extra-contractual claim, the carrier may avail himself of the provisions of this rule which excludes his liability of which fix or limit the compensation due.

(2) In cases where the extra-contractual liability for loss, damage or delay of one of the persons for whom the carrier is responsible under the terms of rule 985 is in issue, such person may also avail himself

of the provisions of this Convention which exclude the liability of the carrier or which fix or limit the compensation due.

1007. non exculpation of carrier.- (1) The carrier shall not be entitled to avail himself of the provisions of these rules which exclude or limit his liability or which shift the burden of proof if the damage was caused by his willful misconduct or by such default on his part as, in accordance with the law of the court or tribunal seized of the case, is considered as equivalent to willful misconduct.

(2) The same provision shall apply if the willful misconduct or default is committed by the agents or servants of the carrier or by any other persons of whose services he makes use for the performance of the carriage, when such agents, servants or other persons are acting within the scope of their employment. Furthermore, in such a case such agents, servants or other persons shall not be entitled to avail themselves, with regard to their personal liability, of the provisions of rule 1007(1).

1008. Responsibilities of consignee with respect to receipt of goods.- (1) If the consignee takes delivery of the goods without duly checking their condition with the carrier or without sending him reservations giving a general indication of the loss or damage, not later than the time of delivery in the case of apparent loss or damage and within seven days of delivery, Sundays and public holidays excepted, in the case of loss or damage which is not apparent, the fact of this taking delivery shall be prima facie, evidence that he has received the goods in the condition described in the consignment note. In the case of loss or damage which is not apparent the reservations referred to shall be made in writing.

(2) When the condition of the goods has been duly checked by the consignee and the carrier, evidence contradicting the result of this checking shall only be admissible in the case of loss or damage which is not apparent and provided that the consignee has duly sent reservations in writing to the carrier within seven days, Sundays and public holidays excepted, from the date of checking.

(3) No compensation shall be payable for delay in delivery unless a reservation has been sent in writing to the carrier, within twenty-one days from the time that the goods were placed at the disposal of the consignee.

(4) In calculating the time-limits provided for in this rule the date of delivery, or the date of checking, or the date when the goods were placed at the disposal of the consignee, as the case may be, shall not be included.

(5) The carrier and the consignee shall give each other every reasonable facility for making the requisite investigations and checks.

1009. Handling of legal proceedings.- (1) In legal proceedings arising out of carriage under these Rules, the plaintiff may bring an action in any court or tribunal of a contracting country designated by agreement between the parties and, in addition, in the courts or tribunals of a country within whose territory:

(a) the defendant is ordinarily resident, or has his principal place of business, or the branch or agency through which the contract of carriage was made; or
(b) the place where the goods were taken over by the carrier or the place designated for delivery is situated.

(2) Where in respect of a claim referred to in rule 1009(1) an action is pending before a court or tribunal competent under that rule, or where in respect of such a claim a judgment has been entered by such a court or tribunal no new action shall be started between the same parties on the same grounds unless the judgment of the court or tribunal before which the first action was brought is not enforceable in the country in which the fresh proceedings are brought.

(3) When a judgment entered by a court or tribunal of a contracting country in any such action as is referred to in rule 1009(1) has become enforceable in that country, it shall also become enforceable in each

of the other contracting States, as soon as the formalities required in the country concerned have been complied with. These formalities shall not permit the merits of the case to be re-opened.

(4) The provisions of rule 1009(3) shall apply to judgments after trial, judgments by default and settlements confirmed by an order of the court, but shall not apply to interim judgments or to awards of damages, in addition to costs against a plaintiff who wholly or partly fails in his action.

(5) Security for costs shall not be required in proceedings arising out of carriage under this Convention from nationals of contracting countries resident or having their place of business in one of those countries.

1010. Limitation period for litigations.- (1) The period of limitation for an action arising out of carriage under these rules shall be one year. Nevertheless, in the case of willful misconduct, or such default as in accordance with the law of the court or tribunal seized of the case, is considered as equivalent to willful misconduct, the period of limitation shall be three years. The period of limitation shall begin to run:

(a) in the case of partial loss, damage or delay in delivery, from the date of delivery;
(b) in the case of total loss, from the thirtieth day after the expiry of the agreed time-limit or where there is no agreed time-limit from the sixtieth day from the date on which the goods were taken over by the carrier; and
(c) in all other cases, on the expiry of a period of three months after the making of the contract of carriage.

The day on which the period of limitation begins to run shall not be included in the period.

(2) A written claim shall suspend the period of limitation until such date as the carrier rejects the claim by notification in writing and returns the documents attached thereto. If a part of the claim is admitted the period of limitation shall start to run again only in respect of that part of the claim still in dispute. The burden of proof of the receipt of the claim, or of the reply and of the return of the documents, shall rest with the party relying upon these facts. The running of the period of limitation shall not be suspended by further claims having the same object.

(3) Subject to the provisions of rule 1010(2), the extension of the period of limitation shall be governed by the law of the court or tribunal seized of the case. That law shall also govern the fresh accrual of rights of action.

(4) A right of action which has become barred by lapse of time may not be exercised by way of counterclaim or set-off.

1011. Carriage performed by successive carriers.- (1) If a carriage governed by a single contract is performed by successive road carriers, each of them shall be responsible for the performance of the whole operation, the second carrier and each succeeding carrier becoming a party to the contract of carriage, under the terms of the consignment note, by reason of his acceptance of the goods and the consignment note.

(2) A carrier accepting the goods from a previous carrier shall give the latter a dated and signed receipt. He shall enter his name and address on the second copy of the consignment note. Where applicable, he shall enter on the second copy of the consignment note and on the receipt reservations of the kind provided for in rule 989(2).

(3) The provisions of rule 989(5) shall apply to the relations between successive carriers.

1012. Claims in case of successive carriers.- Except in the case of a counterclaim or a setoff raised in an action concerning a claim based on the same contract of carriage, legal proceedings in respect of liability for loss, damage or delay may only be brought against the first carrier, the last carrier or the carrier

who was performing that portion of the carriage during which the event causing the loss, damage or delay occurred, an action may be brought at the same time against several of these carriers.

1013. Entitlement of claim of one carrier from others in successive carrier operation.- (1) A carrier who has paid compensation under these Rules, shall be entitled to recover such compensation, together with interest thereon and all costs and expenses incurred by reason of the claim, from the other carriers who have taken part in the carriage, subject to the following provisions:

(a) the carrier responsible for the loss or damage shall be solely liable for the compensation whether paid by himself or by another carrier;
(b) when the loss or damage has been caused by the action of two or more carriers, each of them shall pay an amount proportionate to his share of liability; should it be impossible to apportion the liability, each carrier shall be liable in proportion to the share of the payment for the carriage which is due to him; and
(c) if it cannot be ascertained to which carriers liability is attributable for the loss or damage, the amount of the compensation shall be apportioned between all the carriers as laid down in Rule 1013(1)(b).

(2) If one of the carriers is insolvent, the share of the compensation due from him and unpaid by him shall be divided among the other carriers in proportion to the share of the payment for the carriage due to them.

1014: Right of recovery of one carrier from others in successive carrier operation.- (1) No carrier against whom a claim is made under rule 1013 shall be entitled to dispute the validity of the payment made by the carrier making the claim if the amount of the compensation was determined by judicial authority after the first mentioned carrier had been given due notice of the proceedings and afforded an opportunity of entering an appearance.

(2) A carrier wishing to take proceedings to enforce his right of recovery may make his claim before the competent court or tribunal of the country in which one of the carriers concerned is ordinarily resident, or has his principal place of business or the branch or agency through which the contract of carriage was made. All the carriers concerned may be made defendants in the same action.

(3) The provisions of rule 1009(3&4), shall apply to judgments entered in the proceedings referred to in rule 1013.

(4) The provisions of rule 1010 shall apply to claims between carriers. The period of limitation shall, however, begin to run either on the date of the final judicial decision fixing the amount of compensation payable under the provisions of this Convention, or, if there is no such judicial decision, from the actual date of payment.

(5) The carriers shall be free to agree among themselves on provisions other than those laid down in rule 1013.

(6) Subject to the provisions of rule 1014(5), any stipulation which would directly or indirectly derogate from the provisions of these rules shall be null and void. The nullity of such a stipulation shall not involve the nullity of the other provisions of the contract. In particular, a benefit of insurance in favour of the carrier or any other similar clause, or any clause shifting the burden of proof shall be null and void.

1015. Responsibility of carriers in multimode transportation.- (1) Where the goods are carried through part of the journey by sea, rail inland waterways or air, and, except where applicable, the goods are not unloaded from the vehicle, these rules shall apply to the whole of the carriage.

Provided that to the extent it is proved that any loss, damage or delay in delivery of the goods which occurs during the carriage by the other means of transport was not caused by act or omission of the

carrier by road, but by some event which could only occurred in the course of and by reason of the carriage by that other means of transport, the liability of the carrier by road shall be determined in the manner in which the liability of the carrier by the other means of transport would have been determined if a contract for the carriage the goods alone had been made by the sender with the carrier by the other means of transport in accordance with the conditions prescribed by law for the carriage of goods by that means of transport. If, however, there are no such prescribed conditions, the liability of the carrier by road shall be determined by these rules.

(2) If the carrier by road is also himself the carrier by the other means of transport, his liability shall also be determined in accordance with rule, but as if, in his capacities as carrier by road and carrier by the other means of transport, he were two separate persons.

1016. Persons for whom the carrier is responsible.- For the purposes of these Rules the carrier shall be responsible for the acts of omissions of his agents and servants and of any other persons of whose services he makes use for the performance of the carriage, when such agents, servants or other persons are acting within the scope of their employment, as if such acts or omissions were his own.

1017. Settlement of international dispute.- Any dispute between two or more Contracting Parties relating to the interpretation or application of these Rules, which the parties are unable to settle by negotiation or other means may, at the request of any one of the Contracting Parties concerned, be referred for settlement to the International Court of Justice.

1018. **Format for CMR consignment note**.- CMR consignment note be on the format given in IRU CMR model 2007 which is enclosed as Annex-I; whereas the instructions to fill in this consignment note are enclosed as Annex-II.

Annex-I

1 Explaire Examplire de l'expediteur LETTER DE VOITURE INTERNATIONALE CMR INTERNATIONAL CONSIGNMENT NOTE Pays /country No. 24382

Les parties encadrées de lignes grasses doivent être remplies par le transporteur The space framed with heavy lines must be filled in by the carrier

1 Expéditeur (nom, adresse, pays) Sender (name, address, country)

6 Transporteur (nom, adresse, pays, autres références) Carrier (name, address, country, other references)

2 Destinataire (nom, adresse, pays) Consignee (name, address, country)

7 Transporteurs successifs / Successive carriers
Nom / Name
Adresse / Address
Reçu et acceptation
Receipt and Acceptance Date Signature
Pays / Country

3 Prise en charge de la marchandise / Taking over the goods:
Lieu / Place
Pays / Country Date
Heure d`arrivée / Time of arrival Heure de départ / Time of departure

8 Réserves et observations du transporteur lors de la prise en charge de la marchandise Carrier`s reservations and observations on taking over the goods

4 Livraison de la marchandise / Delivery of the goods:
Lieu / Place
Pays / Country
Heures d`ouverture du dépôt / Warehouse opening hours

5 Instructions de l'expéditeur Sender`s instructions

9 Documents remis au transporteur par l`expéditeur Documents handed to the carrier by the sende

10. Morquets de numeros la marchandise Marks and Nos	11. Nombre de coils Number of packages	12. Mode d'emballage Method of packaging	13. Nature de Nature of the goods	14. pods brut,kg Gross weight in Kg	15. Cubage in m3 volume in m3
Numero ONU Un number	Nom voir 13 Name see 13	Numero d'dtiquette Label Number	Group de emballage Packing Group	(ADR) (ADR)	

16. Convention particulières entre l`expéditeur et le transporteur Special agreements between the sender and the carrie

17. A payer par to be paid by

Expeditiour sender Destinature consignee

Prix de transport Carriage charges

1-5, 9 - 16, 18

(ADR) En cas de marchandises dangereuses indiquez, à la dernière ligne du cadre: Numéro ONU; Marchandises des classes 1 et 7: voir demande spéciale dans ADR. Partie 5: Numéro d`étiquette et Groupe d`emballage. - In case of

A remplir sous la responsabilité de l`expéditeur
To be completed on the sender`s responsability

Fraise accessories/ Supplementary charges

Droits de douane/Customs duties

Autre frais/ Other charges

18. Autres indications utiles Other useful particulars

19. Remboursement Cash on delivery

20. Ce transport est soumis, nonobstant toute clause contraire, à la Convention relative au contrat de transport international de marchandises par route (CMR) This carriage is subject, notwithstanding any clause to the contrary, to the Convention on the Contract for the international Carriage of Goods by Road (CMR)

21. Etablie à / Established in le / on 20.

24. Merchandise recues/Goods receivedHeure d`arrivée / Time of arrival Heure de départ / Time of departure

22. Signature ou timbre de l`expéditeur Signature or stamp of the carrier

23. Signature ou timbre du transporteur Signature or stamp of the carrier

Lieu Place le 20.

Place on 20.

Signature et timbre du destinataire Signature and stamp of the consignee

Partie non contractuelle réservée au transporteur / Non-contractual part reserved for the carrie

No.24382 Modele IRU 2007

Annex-II

Instructions to fill IRU CMR model 2007

Box 1: Name and complete address of the consignor of the goods

Box 2: Name and complete address of the consignee of the goods

Box 3: Place and date when the goods are taken into charge by the carrier. It is recommended that the carrier indicate the hour of arrival of the vehicle at the place of loading and the hour of departure.

Box 4: The foreseen place of delivery of the goods. It is recommended to ask the consignor to indicate the opening hours of the warehouse or depot where the delivery will take place.

Box 5: Particular instructions of the consignor, if any, like the ones concerning Customs procedures, insurance of the goods or any other instruction he deems useful.

Box 6: Name and complete address of the carrier, other references if applicable.

Box 7: Successive carrier(s). This box, if applicable, should be filled in at the moment when the successive carrier takes the goods into charge. It should contain at least a record of the carrier who will deliver the goods. The successive carrier must date and sign the box ("goods received and accepted", "date" sections). He can also indicate the reservations concerning the number of packages, their identifying marks and numbers, the apparent state of the goods and their packaging at the time of taking into charge. If there is a lack of space, the reservations can be written elsewhere (for example on the back of the consignment note). These should be validated by the carrier who carried out the part of the transport preceding the taking into charge by the successive carrier.

Box 8: Reservations and observations of the carrier at the time of taking the goods into charge, such as the number of packages, their identifying marks and numbers and their packaging. These reservations must be validated by the consignor if they are to be valid.

Box 9: List of the documents handed by the consignor to the carrier (for example: loading list, certificates of origin of the goods etc.).

Boxes 10-15: Correspond to the usual description of the transported goods, including, if applicable, special indications concerning dangerous goods.

Box 16: Particular agreements between the consignor and the carrier such as the declared value of the goods and the amount representing special interest at time of delivery, the agreed time limit within which the transport must be carried out, the possibility of using open non sheeted vehicles, the use of palettes, the record of the person responsible for loading, stowing and unloading, the admission of the transport onto a ferry, the applicable jurisdiction or any other indication deemed to be useful by the parties to the transport contract.

Box 17: Indications concerning the amount of the different payments relating to the transport contract established as well as the indication of the party who is bound to carry out the payment. If the carrier is not capable or if he judges it irrelevant to indicate the exact amount of the payments due, he is strongly advised to at least indicate the party responsible for the payment in order to avoid future discussions in this respect.

Box 18: Other useful indications: the parties may add any indication of use to other parties or to the competent authorities. This could be the license plate number of the vehicle, load capacity, the net weight of the goods, the number of the TIR Carnet or any other Customs document used during the transport etc.

Box 19: The indication of the amount of reimbursement transferred by the consignee and to be received by the carrier at the time of the delivery of the goods in terms of Rule 759 of the International Carriage of Goods by Road (CMR), Rules.

Box 20: Already filled in shows binding to the provisions of the CMR Convention

Box 21: Place and date of the establishment of the consignment note

Box 22: Signature or stamp of the consignor (choice left to the consignor)

Box 23: Signature or stamp of the carrier (choice left to the carrier)

Box 24: Signature and stamp of the consignee confirming delivery of the goods, indicating the place, the date and particularly quoting the time of arrival of the vehicle at the place of delivery and subsequent departure following the unloading. These remarks are useful in the case where the vehicle remains standing due to the consignee of the goods, in order to, if necessary, remunerate the carrier.

General: The consignment note also has at the bottom of the page a "Non-Contractual Part" field, reserved for such information that does not entail contractual obligations for the carrier.

[150][CHAPTER- XLIII

TRANSIT REGIME IN PAKISTAN
TAJIKISTAN-PAKISTAN TRANSIT TRADE RULES

Sub-Chapter-I
Preliminary

1019. Scope.- The provisions of this chapter shall be for the purpose of Tajikistan-Pakistan Transit Trade Agreement, 2022 for processing of transit trade cargo through the following port under Customs Computerized System, to and from Tajikistan, namely:-

(a) Tajikistan's cargo imported through Karachi Port, Port Muhammad Bin Qasim and Gwadar Port; and
(b) Tajikistan's cargo to other countries via Karachi Port, Port Muhammad Bin Qasim and Gwadar Port.

1020. 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, Ghulam Khan, Taftan, Gabd, 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) **"cargo"** means goods including vehicles;

(vi) **"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:

(vii) **"container"** means an article of transport equipment; (i) fully enclosed to constitute a compartment intended for containing goods, (ii) of a permanent character and accordingly strong enough to be suitable for repeated use, (iii) specially designed to facilitate the transport of goods by one or more modes of transport without intermediate reloading, (iv) designed for ready handling, particularly when being transferred from one mode of transport to another, (v) designed to be easy to fill and to empty, and (vi) demountable bodies are to be treated as containers;

(viii) **"contracting parties"** means Pakistan and Tajikistan;

(ix) **"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;

(x) **"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;

(xi) **"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;

(xii) **"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;

(xiii) **"custom transit"** means the customs procedure under which goods are transported under customs control from one customs office to another,-

(xiv) **"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;

(xv) **"dangerous goods"** means goods posing a significant risk to health and environment, security and property when being transported or lying inside storage;

(xvi) **"examination of goods"** means the process of physical ascertainment by Customs of nature, origin, condition, quantity and value with reference to transit documents;

(xvii) **"external user registration office"** means the office designated by the relevant Ministry of Republic of Tajikistan for registration of entities and other users based in Tajikistan with the Customs Computerized System in Pakistan;

(xviii) **"home country"** means for transport operators, the country of establishment, and for vehicles, and the country of registration;

(xix) **"host country"** or "country of destination" means the country where transportation of goods is performed;

(xx) **"import duty 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;

(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 numbers of containerized cargo, are in accordance with the particulars provided in the goods declaration or bill of lading;

(xxii) **"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);

(xxiii) **"international freight transport"** means moment 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;

(xxiv) **"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;

(xxv) **"Logistics Facilitation Center"** means a transit office at Torkham, Chaman & Ghulam Khan regulating issuance of permits to Pakistani registered transport operator and movement of foreign registered vehicles;

(xxvi) **"multimodal transport (which is also known as combined transport)"** is the movement of goods using more than one mode of transportation, but under the terms of a single contract;

(xxvii) **"national treatment"** means a contracting party shall grant according to its national legislation treatment to services and services suppliers of the other contracting party, no less favorable than that which it accords to its own like services and service suppliers;

(xxviii) **"office of departure"** means any Customs office at which a Customs transit operation commences;

(xxix) **"office *en-route*"** means any Customs office through which goods in transit pass during the course of a Customs transit operation;

(xxx) "**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 Tajik Customs office at their border, and office of destination shall be Customs station inside territory of Tajikistan where Goods Declaration is filed;

(xxxi) **"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;

(xxxii) **"prohibited goods"** means the goods prohibited to be carried under the transit trade under any law for the time being in force;

(xxxiii) **"port of entry or exit (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;

(xxxiv) **"phyto-sanitary control"** means the inspection intended to prevent the spread and the introduction across national boundaries of pets, plants and plant products;

(xxxv) **"prescribed transport route"** means the land route prescribed by the Board for transportation of transit goods within the frontiers of Pakistan;

(xxxvi) **"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;

(xxxvii) **"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;

(xxxviii) **"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;

(xxxix) **"system"** refers to the Pakistan Customs Computerized System (CCS) that is in operation in the Customs offices as per Board's instructions;

(xI) **"Directorate of Transit Trades"** means the formations established in the Directorate General of Transit Trade specifically to handle the transit trade related affairs;

(xIi) **"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;

(xIii) **"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 Tajikistan;

(xIiii) **"transit cargo"** means goods including vehicles imported or exported by Tajikistan for transit across Pakistan under section 129 of the Act;

(xIiv) **"transit goods"** means the goods whether commercial or non-commercial transited through Pakistan, to and from Tajikistan;

(xIv) **"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;

(xIvi) **"transport operator (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;

(xIvii) **"transport unit"** means aircrafts, freight containers of international specifications transported by road, railway wagons or road vehicles including trailers and semi-trailers;

(xIviii) **"TIN" or "tax identification number"** means a unique number issued by relevant Ministry of Republic of Tajikistan to identify a specific taxpayer;

(xIix) **"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;

(l) **"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;

(Ii) **"vehicle"** means any rigid road vehicle, articulated vehicle, unaccompanied trailer or semi-trailer; and

(lii) **"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 meanings assigned thereto in the Act.

Sub-Chapter-II

Procedure for registration of users with CCS and issuance of user ID

1021. Registration of foreign business and other users with Customs Computerized System for issuance of user ID or password.- (I) Directorate General Reforms and Automation, Karachi shall generate one or more user IDs for the focal person of the relevant Ministry of Republic of Tajikistan for registration of different categories of users i.e., traders, government organizations, United Nations (UN) or Diplomatic Missions based' in Tajikistan with Customs Computerized System (CCS).

(2) The foreign entities i.e., traders, government organizations, United Nations (UN) or Diplomatic Missions shall complete the requisite registration proforma **(Annex-I)** which shall be submitted in the Customs Computerized System by the relevant Ministry of Republic of Tajikistan electronically.

1022. Issuance of user ID or password to the users by CCS.- (1) On receipt of the requisite information, the CCS shall generate a user ID and password and forward it to the applicant through his registered email address.

(2) The user shall have right to nominate upto three customs clearing agents or brokers to handle his transit cargo in Pakistan.

(3) A user can also nominate a transport operator for handling of cargo i.e., both for filing of GD and transportation of transit cargo by the same logistic entity.

Sub-Chapter-III
Procedure for Commercial Vehicles transporting transit and bilateral trade goods

1023. Basis of entry of commercial vehicles.- (1) Vehicles transporting transit and bilateral goods shall be licensed by the competent authorities of the contracting parties as transport operator authorized to conduct international transportation.

(2) Every vehicle while exiting or entering Pakistan shall carry valid permit issued by the competent authority on the prescribed format **(Annex-II).** The vehicle details shall be mentioned on the permit.

(3) The permit shall be valid for one vehicle and for single round trip and only for the transport operator to whom it is issued; it shall be non-transferable to other carriers or third parties.

(4) The period of validity of permit in the normal circumstances shall be twenty days from date of entry i.e., equal to number of days allowed for stay in Pakistan in visa for each trip. However, in exceptional circumstances, the vehicle can stay upto ninety days from date of entry into Pakistan under intimation to the Customs. No further approval will be required from Customs on basis of principle of reciprocity, as agreed by the two contracting parties.

(5) Permits submitted within the current calendar year shall be valid until 31st January of the next year.

(6) Permit shall also be required for empty run (deadheading).

1024. Number of permits to be exchanged between the contracting parties. - (1) Before the start of every calendar year, the competent authorities of the two contracting Parties shall exchange agreed

number of permits for goods transport. Said permits must bear a stamp of the competent authority of the State of the contracting party and the signature of an authorized person issuing this permit.

(2) The transport units, holding original permits shall not pay any entry charges required from foreign transport units.

(3) In case, the initial permits exchanged at the beginning of calendar year have been utilized by a contracting party, it may request the other contracting party for issuance of additional permits.

(4) The transport units holding additional permits shall be liable to pay the charges as per national regulation of the host country.

(5) The additional permits shall be marked with the words "outside quota" to distinguish these, from those permits exchanged during the beginning of the year.

1025. Exemptions from road transport permit.- (1) The permit referred to in rule-**1023** above is not required for transportation of.-

(a) movable properties during resettlement;
(b) materials and objects including art works intended for fairs and exhibitions;
(c) vehicles, live animals as well as various stocks and properties intended for sporting events and circus shows;
(d) Theatrical decor and requisites, musical instruments, equipment and accessories for filming, radio or TV broadcasts;
(e) the bodies or ashes of the dead;
(f) transporting for the purposes of humanitarian and medical aid, rescue operation in response to natural disasters;
(g) postal sending; and
(h) by a vehicle where its total laden weight, including trailer do not exceed 3.5 tons.

(2) The permit referred to in rule-1023 above is also not required for the passage of a technical assistance's vehicle, intended for repair or towing of defective vehicles.

1026. Issuance of permits to Pakistan registered vehicles transporting transit and bilateral trade cargo.- (1) The Directorate of Transit Trade, Peshawar and Quetta shall be authorized to issue and regulate permits at their respective land border customs stations.

(2) Permits received from competent authorities shall be kept at "Logistics Facilitation Center" at Torkham, Chaman, Ghulam Khan or any other relevant customs Station.

(3) Permits shall be handed over to the vehicles of the registered transport operators arriving at border customs stations on first come first served basis.

(4) A vehicle carrying transit or export goods, after gate-in at border customs station shall be assigned a sequence number by CCS for adding to the queue for handing over of the duly filled permits by Logistics Facilitation Center.

(5) The Logistics Facilitation Center shall keep the record of all the vehicle permits handed over to the transport operators and shall communicate weekly data to the DG Transit Trade and Board.

(6) Pakistani vehicles destined to Tajikistan shall also be required to possess requisite authorization for transiting territory of Tajikistan as agreed between the two countries i.e. Pakistan and Tajikistan.

(7) The Directorate General Transit Trade shall regulate the permits and coordinate with Tajik authorities for issuance of additional permits well in time.

1027. Entry of Tajikistan's registered vehicles transporting transit and bilateral trade cargo into Pakistan.- (1) Tajikistan's registered vehicles holding valid permits and are being utilized for the transport of transit and bilateral trade cargo shall enter Pakistan without the requirement of submission of any financial security for the duty and taxes leviable on the vehicle, on the basis of reciprocity, as agreed by the two contracting parties.

(2) The Logistics Facilitation Center shall record particulars of both driver and vehicle in the CCS and these details should be linked with the FIA's immigration module so that driver can only exit Pakistan, if his vehicle, on return journey, has entered the border Customs station and gate-in event has been recorded in the CCS and vehicle has completed all customs formalities for exiting Pakistan.

(3) Both Customs and FIA officials posted at the Customs border stations shall carry out weekly reconciliation to ensure the implementation of the above mechanism and to ascertain any overstayed vehicles.

(4) A tracker shall be installed, on each vehicle upon entry into the territory of Pakistan as per its national legislations.

(5) In case of any exigency, a foreign driver can exit the country with the prior approval of customs authorities. In these cases, the concerned transport operator shall request customs authorities for a replacement driver, so that his details can be linked with the vehicle.

(6) The vehicles of third countries can also transport transit and bilateral trade cargo, if these vehicles have the requisite permits or authorizations.

(7) The Logistics Facilitation Center shall keep the record of all the Tajikistan's vehicles entering Pakistan on permits and a weekly re-conciliation shall be carried out to ensure compliance of these rules.

(8) The system shall generate alerts for vehicles that have not exited Pakistan's territory within the prescribed time for further necessary action by the concerned officer of Customs. However, in cases of exceptional circumstances the said time limit may be extended upto 90 days in the system, on intimation to the Customs by the carrier.

1028. Fuel accessories, toolkit etc.- (I) The fuel contained in the ordinary supply tanks of vehicles temporarily imported shall be admitted without payment of import duties and import taxes and free of import prohibitions and restrictions. Each contracting party may, however, fix maximum quantities for the fuel so admitted into the territory in the supply tanks of the vehicle temporarily imported.

(2) The accessories, toolkit, and other articles that form the normal equipment of the vehicle and the lubricants, maintenance supplies, and spare parts in reasonable quantities for the repair of the vehicle, shall be exempted from import duties and taxes.

(3) The contracting parties also agree to grant temporary admission for maintenance and recovery vehicles and for parts.

1029. Levies and charges on temporary imported vehicles.- (1) The board may through a general order levy charges, generally applicable for all traffic, including fees for Weighment, scanning and sealing by customs officials or those commensurate with the administrative expenses for the costs of services rendered subject to the following:

(a) containers of transit cargo shall be scanned at the office of departure on the basis of selectivity criteria of Risk Management System (RMS);

(b) the scanning at the office en-route shall be done on the basis of Risk

Management System (RMS) including the alerts generated by the tracking company; and

(c) weighment will be carried out at port of entry/ en-route.

(2) All charges imposed on traffic in transit shall be applied in a non-discriminatory manner.

1030. Prohibition of internal transport and **third country transport.-** The vehicles shall be prohibited from carrying:

(a) goods loaded in the territory of Pakistan for delivery at any other point (cabotage); and
(b) goods from or to another country (third country) than the operators home country and to be delivered or picked up to or from the territory of Tajikistan.

1031. Identification marks.- (1) For vehicle and trailer in international traffic shall be,-

(a) the name or the trademark of the manufacturer of the vehicle;
(b) the manufacturer's production or serial number on the chassis or in the absence of a chassis, on the body;
(c) the engine number of the vehicle if such a number is placed on it by the maker (not for trailers); and
(d) neither the plates bearing chassis as well as engine numbers will be cut and re-welded nor will these numbers be tampered.

(2) These identification marks shall be placed in accessible positions and shall be easily legible. In addition, they shall be such that they cannot be easily altered or removed.

1032. Registration certificate.- (1) Every vehicle shall carry a valid Certificate of Registration (i.e., Vehicle Licence) issued by the competent authority of its home country.

(2) The Certificate of Registration shall bear the following particulars, namely:-

(i) a serial number, to be known as the registration number;
(ii) the date of first registration in the contracting party or the year of manufacture of the vehicle;
(iii) the full name and complete postal address of the holder of the certificate;
(iv) the name or trademark of the manufacturer of the vehicle;
(v) the serial number of the chassis (the manufacturer's production or serial number); and
(vi) the period of validity.

1033. Vehicle registration number.- Every vehicle in international transport shall display its registration number on a special flat vertical plate fixed at the front and at the rear of the vehicle at right angles to the vehicle's median longitudinal plane, legible at a distance of forty meters. The surface of the plate may be of a reflecting material.

1034. Adaptation of vehicles for customs transit.- Vehicles intended to be used for the international carriage of goods by road under Article 9 of Protocol One laid down in Annex-2 of the Agreement between the Republic of Tajikistan and the Islamic Republic of Pakistan on Transit Trade (AUPTT) shall be constructed so as to meet the requirements for carriage under Customs transit, as laid down in Section VII "Customs Control and Other Controls" of the Agreement.

1035. Incidents in transit.- (1) Loss or Destruction of the vehicle in Transit. - A temporarily admitted vehicle that has been seriously damaged as a result of an accident is exempt from the obligation of return to the home country, provided that-

(a) it has been placed under appropriate custom regime in accordance with the national regulations of the country of temporary admission; or

(b) it was destroyed under the customs control of the country of temporary import at the expense of the person who temporarily imported the vehicle and all the disposed parts where either re-exported or import taxes and duties were paid.

(2) Change of Itinerary.- In case, the vehicle operator is compelled to abandon the designated route due to circumstances beyond his will, he shall forthwith inform the host contracting party's customs authority, which shall inform any other competent authorities for the purpose of designating an alternative route.

(3) Extension of Time Limits-

(a) a vehicle shall normally stay for twenty days as the time-limit for visa of drivers per visit, but the vehicle shall be allowed to stay upto 90 days for extended validity period of stay in Pakistan;

(b) if the vehicle is unable to leave the territory of Pakistan within the time prescribed of upto ninty days, in accordance with national regulations due to *force majeure* or other reasonable and unforeseen cause, a request will be filed for an extension of the stay period with the host contracting party's customs authorities before the expiry date; or

(c) The host contracting party's customs authorities will grant such extension if they are satisfied that departure from the host country within the prescribed time limits was prevented by force majeure or other reasonable and unforeseen events.

1036. Action against offenders.- (1) The contracting parties shall have the right to exclude temporarily or permanently from the application of under Article 13 of Protocol Two laid down in Annex-II of the Agreement between the Republic of Tajikistan and the Islamic Republic of Pakistan on Transit Trade any person or entity(ies) guilty of a serious offense against their relevant customs laws/regulations applicable to international movement of motor vehicles.

(2) The customs authority of the relevant contracting party shall notify this exclusion immediately to the customs authorities of the other contracting party.

(3) The contracting parties shall have the right to take action against drivers or owners of the vehicle and transport operators, whom are found violating provisions of the Agreement between the Republic of Tajikistan and the Islamic Republic of Pakistan on Transit Trade as per their national legislations.

Sub-Chapter- IV
Procedure for furnishing of Customs Security/Revolving Insurance Guarantee and its Related matters

1037. Furnishing of Customs Security to the Directorate General Transit Trade Karachi.- (1) All transport operators and custom clearing agents and brokers handling transit goods shall be required to open and maintain a "Revolving Insurance Guarantee PD Account" with Customs.

(2) The foreign trader, entity or his authorized Customs clearing agents, brokers or transport operators in Pakistan shall furnish a customs security in the form of revolving insurance guarantee, having sufficient financial coverage, from an insurance company of repute, acceptable to Pakistan Customs, in the prescribed form **(Annex-III)** or in any other form prescribed by the Board which shall be valid for at least one year and shall be en-cashable in Pakistan, for ensuring the fulfillment of any obligation arising out of customs transit operation within territory of Pakistan.

(2A) All transport operators and custom clearing agents and brokers handling transit goods filing the GD, may also submit GD wise insurance guarantee with the customs.

(3) Insurance Guarantee shall provide the financial risk cover for the amount of duty and taxes leviable on the transit goods, while these are passing through the territory of Pakistan.

(4) The hard copies of all Insurance Guarantees shall be kept with the Bank/Insurance Guarantee section of the concerned Directorate of Transit Trade for the safe custody during their validity period.

(5) The CCS shall allocate a Personal Deposit (PD) account number to all custom clearing agents or brokers and transport operators authorized to handle transit cargo or maintaining sufficient financial risk coverage through submission of Revolving Insurance Guarantees.

1038. Procedure for assessment of transit items in GD.- (1) After filing of GD, the RMS will select upto two percent of GDs for assessment by the Appraising Officer (AO). The rest of the GDs shall be assessed by the CCS which shall ascertain the value of transit goods as per values of these items maintained in the valuation database.

(2) After ascertaining values, the CCS shall assess leviable duty and taxes on transit goods as applicable on these items as per Pakistan Customs Tariff. The amount of leviable duty and taxes on transit goods so assessed through the Customs Computerized System at the office of departure shall cover all import levies.

1039. Acceptance of financial guarantee.- (1) The Principal Appraiser or Superintendent or an officer deputed at the office of departure in this behalf, on receipt of financial guarantee, shall ensure that the financial guarantee has been issued by an Insurance company of repute or a scheduled bank, as the case may be, which is en-cashable in Pakistan.

(2) After acknowledging receipt of the original financial guarantee, an officer deputed at the respective Directorate of Transit Trade at the office of departure or office en- Route, shall ensure to make requisite entries in the system and relevant register as per format maintained for the purpose and also feed the particulars of the Insurance Guarantee in the CCS and also upload its image.

(3) In case of border customs station, after accepting the financial guarantee for the leviable duty and taxes of transit goods, the officer concerned shall submit the financial guarantee in original along with a covering letter to the financial guarantee Cell at the HQ office of the respective Directorate of Transit Trade within five working days of acceptance for safe custody. Photocopy of the financial guarantee shall, however, be retained in the original file in the concerned office, where these were accepted.

(4) The financial guarantee cell after acknowledging receipt of the original financial guarantee shall make entries in a separate register to be maintained for the purpose and feed the particulars of the instrument in the CCS and also upload its image.

1040. Procedure for monitoring of transit operations and encashment of financial security (1) The Deputy or Assistant Director Securities of the office of departure shall monitor the data of all GDs and identify the vehicles which have not completed the transit journey within the stipulated time. The officer shall enquire the whereabouts of such vehicles from the respective Directorate of Transit Trade and the tracking company and take appropriate action accordingly.

(2) In case, the gate-in event is not recorded in the system by office en-route in the stipulated time or there is non-fulfillment of any condition against which the security was furnished by the trader or customs broker or transport operator, the concerned officer at the Office of Departure shall take action for enforcement or encashment of the financial guarantee for recovery of government revenue involved therein.

(3) Upon finalization of action, Deputy or Assistant Director Securities at the port of departure shall forthwith instruct the concerned Insurance Company or bank, to en-cash the guarantees and remit the amount in favor of the concerned Director of Transit Trade.

(4) After receipt of Payment Order from the concerned Insurance Company or bank, Director of Transit Trade shall deposit the same in National Bank of Pakistan for transfer into the government treasury within three days positively. Any delay in submitting the pay order of the requisite amount, shall result in black-listing of the said insurance company or bank in addition to any other action against the said entities under the Act and the rules made thereunder.

(5) In case any en-route pilferage, theft etc, the amount equal to leviable duty and taxes shall be paid by the concerned insurance company or bank to the customs in the form of pay order drawn on the name of Director General, Directorate General of Transit Trade, Karachi within forty-eight hours of the service of the "Encashment Notice".

1041. **Procedure for debiting and crediting of leviable duty and taxes from and to revolving insurance guarantee**. - (1) Each time, after assessment of the transit goods the leviable duty and taxes on transit goods in a GD shall be debited from the total face value (financial coverage) of the revolving insurance guarantee automatically by CCS.

(2) The amount deducted from revolving insurance guarantee is to ensure prompt transportation of transit goods and to cover the financial risk within territory of Pakistan.

(3) The amount as deducted above shall be credited to the face value of the revolving insurance guarantee on cross-border or export of the transit goods from Pakistan.

(4) The CCS shall maintain PD revolving insurance guarantee account of every registered user and details of all transactions i.e., GD No., debits or credits in their account shall be communicated to these users through their registered email on real time basis.

Sub-Chapter- V
Importation of Transit Goods

1042. Filing of goods declaration for transit cargo at the office of departure at custom-ports and terminals Karachi, Port Muhammad Bin Qasim and Gwadar.- (1) The transit cargo shall not be subjected to payment of import or export duties and taxes provided the activities are in conformity with these rules.

(2) The transit cargo shall be distinctly manifested as such in the IGM or carrier declaration uploaded electronically in the Customs Computerized System by the shipping line or its agent. The importer's country's name and address shall be of the said foreign country for which goods are intended to be imported.

(3) A true declaration of goods (GD), giving therein complete and correct particulars of such goods, shall be filed by the trader or his authorized customs agent or the bonded carrier (having valid clearing agent license). In case, a GD is filed by the trader or his customs agent, he shall nominate the bonded carrier including details of transport unit at the time of filing.

Provided that if a container is selected for examination, the details of bonded carrier or transport unit can be modified by the customs agent/ broker or bonded carrier.

(4) The trader or his agent (customs agent or bonded carrier) at the time of filing the GD, shall ensure that sufficient credit or financial coverage is available in their revolving insurance guarantee account maintained with customs or furnish GD wise insurance guarantee, to cover the leviable duty and taxes on transit goods within territory of Pakistan.

(5) The trader or his agent (customs agent or bonded carrier) shall upload scanned copies of following original documents, at the time of filing of GD:

(a) invoice;
(b) bill of lading; and
(c) packing list.

(6) The RMS will select upto 2% of GDs for assessment by the Appraising Officer (AO). The AO shall scrutinize the GD and the attached documents and shall satisfy himself that the GD is in order and that there is no mis-declaration. In case of any discrepancy, he may recommend the respective AD/DD for examination of consignment.

(7) The CCS shall send an email or SMS to the concerned person regarding the amount deducted from revolving insurance guarantee and the balance available in Customs security for future transit operations.

1043. Processing of transit cargo at the office of departure at customs-ports and terminals Karachi, Port Muhammad Bin Qasim and Gwadar.- (1) After filing of GD, the Risk Management System (RMS) on the basis of the risk profiling of the users and selectivity criteria, shall select upto five per cent consignments of transit goods for scanning and upto two percent for examination, while rest of the Consignments shall be marked as -Green- wherein no scanning or examination shall be required and these GDs marked as -Green- will be out-of-charged by the system and marked to terminal operator for delivery.

(2) In cases where in containers are selected for scanning by RMS, a message shall be sent by the CCS to the Terminal Operator to conduct the scanning and upload the image of such container(s) in the system against the respective IGM and index No./GD No. and date.

(3) CCS shall mark the GD to the concerned Appraising Officer (AO) for reviewing scanned images. An image database/library shall be maintained in the CCS by the Directorate General of Reforms &Automation for comparison of the scanned images of different items. In case, any discrepancy is noticed, the AO shall record his remarks in the system and the container shall be marked for examination subject to the approval from respective Assistant Director or Deputy Director.

(4) In case of over-sized, bulk and break-bulk cargo, where scanning is not possible, such goods may be examined subject to approval from respective Assistant or Deputy Director.

(5) All consignments marked for examination, shall be first weighed and weighment slip shall he uploaded alongwith examination report. The selected consignment shall be examined hundred percent and the examining officer shall compare the items examined with the packing list and feed his report in the CCS.

(6) In case, on examination, the goods are found as per declaration, the examining officer shall out-of-charge the GD under intimation to the concerned AO and AD/DD through the system. The GD shall be forwarded to the respective terminal operator (TO) and sealing officer for delivery and sealing of container respectively.

(7) While in cases, wherein there is a difference between the declaration in GD and goods found on physical examination, GD shall be marked by the examiner to the Appraising Officer for further action as under the law i.e., framing contravention in case of mis-declaration or rectification of the mistake with the approval of concerned AD/DD.

(8) Any transit GD marked as "Green" by the RMS can only be examined with prior written approval of the concerned Director of Transit Trade alongwith recording of these remarks/approvals in the

system and outcome of all such examinations shall also be forwarded to the Director General Transit Trade for record.

Sub-Chapter- VI

Loading, sealing and gate-out at the office of departure

1044. Completion of sealing and installation of tracking devices with respect to Transit cargo at the office of departure at customs-ports and terminals Karachi, Port Muhammad Bin Qasim and Gwadar (1) Upon completion of all Customs formalities, the GD shall be assigned to the bonded carrier for feeding of carrier information including vehicle registration number or railway wagon number, driver's name, and other particulars, if not already provided at the time of filing of GD, as required by the system.

(2) Before the cargo is allowed "Gate out" by the terminal operator or the Customs staff, as the case may be, it shall be presented to the Customs Containerized Sealing Unit (CCSU) or the Customs sealing staff for affixing of machine-readable seals and feeding of the seal number and other relevant information in the system.

(3) The tracking devices shall be affixed on the doors of containers with a seal, carrying transit cargo, by a tracking company licensed by the FBR in accordance with the prescribed procedure. The representatives of the Tracking Co. shall verify that the tracker installed in the prime mover and the tracking devices affixed on doors or at the top of the container too using a long wire through the door hinges of containers have been synced or synchronized with each other and all devices are in working condition.

(4) The sealing staff shall verify the installation of the tracking devices on containers and upload images of the seals, tracking devices, vehicles, and the containers in the system and shall generate three copies of the Transport Note on the prescribed format as given in (Annex IV) for handing over to the carrier. Each copy of the Transport note shall be signed by the Customs sealing staff for distribution as under:-

(a) first copy shall be retained by the sealing staff;

(b) Second copy shall be handed over to the driver of the transport unit who will submit the same to the gate in staff of the office en-route i.e., Torkham, Chaman etc.; and

(c) Third copy shall be retained by the representative carrier for his record.

(5) The containers of transit cargo shall be loaded on trucks in such manner that their door sides shall be securely placed against the truck driver's cabin. While in case of two 20 feet containers, the doors of both the containers shall face each other. Similar precautions shall be taken, to the possible extent, in case of containers of transit cargo transported by Pakistan Railways.

(6) The Terminal operator or the Customs staff, as the case may be, shall allow "Gate out" to the cargo in transit on receipt of the Seal Verification Mechanism (SVM) message through EDT. Where EDI messaging has not yet been established, the Customs staff shall allow "Gate out", on completion of the sealing event in the system.

(7) The Terminal operator shall enter the weight of the container, bulk, break-bulk cargo at the time of "Gate out" for onward communication to the Customs Computerized System through EDT. Upon the completion of Gate out event, terminal operator shall send "GTO" message to the Customs Computerized System.

1045. Installation of tracking devices on foreign registered vehicles with respect to Transit cargo at the office of departure at custom-ports and terminals Karachi, Port Muhammad Bin Qasim and Gwadar.- (1) In case, the transit goods are transported by the foreign registered vehicles, wherein there is no tracker in the prime-mover which can be synced with the tracking device being installed on containers, a

GPS tracking shall be installed by the Companies approved by FBR on the door or front cabin of the vehicle for tracking purposes.

(2) The GPS Tracking device shall be removed upon arrival at office en-route i.e., Torkham, Chaman etc. after Gate-in event.

(3) All other steps regarding sealing of containers and installation of tracking devices on foreign registered vehicles shall be followed as given in rule 1044 above.

1046. Transportation of transit cargo from Custom-ports and terminals to customs land border stations (Torkham, Chaman, Ghulam Khan etc. (1) The customs authority hall refrain from routine physical examination of the transport unit and transit goods while on the way from port of entry to port of exit unless an irregularity is suspected in view of explicit Tampering of seals or locks of the transport unit or some reliable specific intelligence information.

(2) The Customs authorities at the office of departure may require transit goods consigned from or destined to the territory of the Tajikistan to be transported under Customs escort while in the territory of the Pakistan in very exceptional cases like where the goods are precious and highly susceptible to misuse of transit facility, to be determined by the Additional Director of the respective Directorate of Transit Trade.

Sub-Chapter- VII
Verification at office en-route

1047. Processing of vehicles transporting transit cargo at the office en-route. -

(1) On arrival of the transport unit at the office en-route, the consignment shall be subjected to scanning on risk management selectivity criteria and 100% weighment. Gate-in shall be carried out both by the Customs Gate-in officer and terminal operator.

(2) In case a discrepancy is noticed in the scan images or there is a difference of more than 7.5% in the two weighments carried out at Karachi or Gwadar and Chaman, Torkham and Ghulam Khan, inspector/examiner shall generate a discrepancy report and the consignment shall be marked for examination by the system.

(3) If on examination, transit goods are found as per declaration, the examining officer shall submit a report to the concerned Superintendent/PA/AD for allowing cross-border of the cargo.

(4) While in case of any shortage in the quantities as declared in GD, the bonded carrier/transport operator shall be preceded under relevant provisions of Customs Act, 1969 and the rules made thereunder.

(5) Any amendment in the Gate-in particulars in the system arising due to accident or breakdown of the vehicle shall only be fed in the system upon approval of the concerned Deputy or Assistant Director at the Office en-route.

(6) The Customs shall perform following tasks with respect to out-going transit cargo, namely:-

(a) verify the container number, or railway wagon number, and the registration number of the transport unit or trailer or rolling stock and cross check it with transport note;
(b) check the seals affixed thereto including PCCSS seal and reconcile them with transport note;
(c) do electronic reconciliation through system;

(d) inspect the seal for any tempering etc. and enter the relevant information in the system; and
(e) allow cross-border of transit cargo, if everything is ok and in order.

(7) In case, the seals are found to be broken, damaged, or tampered with or in case of any suspicion, the inspector or examiner shall generate a discrepancy report and the consignment shall be marked for examination by the system.

(8) If no discrepancy is found in the cargo, and there is no evidence of tampering of the container, the goods shall be processed for exit from Pakistan's territory as per specified procedure through cross-border authorization mechanism.

(9) At office en-route the sealing information shall be entered in the computer system on real time basis by the appropriate officer to confirm that the transit goods have been received at office en route and seals are in order.

(10) The designated officer of Customs, after allowing crossing the border shall issue/print three copies of "cross-border authorization" for individual transport unit. The officials of Customs, Frontier Corps and terminal operator posted at Zero-line/exit-gate shall collect one copy of "cross-border authorization" for ensuring cross-border of the vehicle alongwith transit cargo.

(11) The customs officer posted at Zero-line of the border shall take a photo of the vehicle showing its exit from Pakistan. Photo shall be taken in such a manner that vehicle registration number and container number are visible. The photo / photos shall be uploaded in WeBOC against the respective GD.

(12) Terminal operator shall install CCTV cameras at Zero-line and shall do video recording 24x7 and submit such video recordings to Transit Office on each Monday.

1048. Procedure for verification of cross-border event and crediting of amount equal to leviable duty and taxes to Revolving Financial Security or release of GD wise financial guarantee for Tajik transit goods imported through the custom-ports and terminals.- (1) When the transit goods imported through a custom-ports and terminals reaches at the Zero-line or exit gate at the office en-route (Torkham, Ghulam Khan or Chaman), the copy of "Cross-border authorization" shall be collected by the Cross Border Verification Officer (CBVO).While other copies of "cross-border authorization" to be collected at the zero-line by the officials of Frontier Corps and terminal operator respectively, to ensure cross border of the vehicle and cargo.

(2) After exit of the vehicle, the Cross Border Verification Officer (CBV0) shall perform following actions to verify the cross-border of transit cargo and thus to confirm the completion of transit operation in Pakistan.

(a) uploads a scanned copy of "Cross-border authorization" in the CCS;
(b) uploads a photo of the vehicle while exiting Pakistan; and
(c) record cross-border event in the CCS.

(3) Upon confirmation by the CBVO, the system shall credit the amount deducted from the face value of revolving insurance guarantee at the time of filing of GD at Karachi. The CCS shall send an email or SMS to the concerned person regarding the crediting of the said amount to revolving insurance guarantee.

(4) In case of GD wise insurance guarantee, the system shall mark the GD to the Security Officer at the office of Departure, who shall view and verify the documents, enter the particulars in the system and release the security.

(5) Provided that when Electronic Data Interchange between Tajikistan and Pakistan is established and notified by the Board, insurance guarantee shall be released or the amount shall be credited in the revolving Insurance guarantee, upon Electronic acknowledgment of the arrival of goods by Tajik Customs.

Sub-Chapter- VIII
Reconciliation of Transit Cargo

1049. Reconciliation of outgoing vehicles transporting transit cargo.-

(1) Every day, at the end of the day, all cross-border authorizations collected by customs Authorities as well by Frontier Corps and terminal operator shall be reconciled to ensure that all transport units which were issued gate-passes, have crossed the border as per **(Annex-V).**

(2) The daily transit statements reconciled jointly shall be countersigned by the concerned Assistant or Deputy Director, incharge of the exit gate. In case of any discrepancy, the incharge of customs station will initiate action under the relevant provisions of the Customs Act, 1969.

(3) A weekly summary of reconciliation shall be forwarded to the respective Director to keep him updated. All concerned authorities i.e., Customs, Frontier Corps or Pakistan Rangers and terminal operator shall keep the original record of import manifests and cross-border authorizations for a period of five years and to be made available if required by Customs or Audit authorities.

1050. Re-conciliation of transit cargo by office of departure.- (I) The Directorate of Transit Trade of departure shall be responsible to monitor the movement of transit cargo across territory of Pakistan.

(2) The Transit Group through the system, shall ensure that all vehicles transporting transit cargo have reached the office en-route within stipulated time as given in the rules, confirmed through gate-in event in the system.

(3) In case, a vehicle is delayed en-route than stipulated time of ten days, the transit group shall inform the respective exit of Directorate of Transit and Control Room of Tracking and Monitoring Center to ascertain the location for appropriate action as required under the rules.

(4) The Transit Group shall issue a consolidated re-conciliation statement of all the consignments of transit goods actually dispatched during the month preceding the last month for transit to Tajikistan via Afghanistan and duly confirmed by the relevant Government entities at the Zero-line after crossing border. In case of any discrepancy, the office en-route shall be informed to take further steps under Customs Act, 1969 and the rules made thereunder.

Sub-Chapter-IX
Prescribed routes, monitoring and time limits

1051. Specified routes for movement of transit cargo.- The transport operator shall adopt one of the designated routes notified by the Board in consultation with the Ministry of Communications for transportation of transit goods from office of departure to office en-route.

1052. Monitoring of transit cargo from Port of Entry to Port of Exit.- (1) All vehicles carrying transit cargo, to and from Tajikistan are required to get registered at the following locations on the way to their respective destinations, namely:-

(a) **Route-I (Transit via Torkham)**

(i) Kohat Tunnel Customs check post for vehicles using Indus Highway (N-55); and

(ii) Azakhel Dry port Customs Check post for vehicles using G.T. Road (N-5);

(b) **Route-II (Transit via Chaman)**

Yaroo (Pishin) Customs check post (between Quetta and Qila Abdullah); and

(c) **Route-III (Transit via Ghulam Khan)**

(2) The customs staff posted at the check post shall upload the images of container in a manner that the container number, vehicle number and the driver in the backdrop of respective check post are clearly identifiable.

1053. Prescribed time limits for movement of transit goods.- (1) The cargo in transit shall cross the border or depart from the country as the case may be, within ten days from the feeding of the 'gate-out' event in the Directorate of Transit Trade departure of departure and within two days of the feeding of gate-in in the en-route Directorate of Transit Trade. The system shall auto-block the carrier who failed to deliver the cargo within the prescribed time.

(2) The carrier shall provide cogent reasons such as an accident, mechanical breakdown etc. for causing delay en-route and submit a request to the concerned AD or DD for his consideration. The AD or DD, after satisfying himself, shall de-block the vehicle/bonded carrier in the system.

(3) All consignments that fail to arrive at the Office en-route within the prescribed time limit shall be visible to the concerned Deputy or Assistant Director for initiating necessary legal action as stipulated above.

(4) In case, it is proved to the satisfaction of the office of departure that a Transit consignment could not reach its destination whether fully or partially, necessary action may be initiated against the transport operator for poor performance. Such type of consignments shall be scanned and examined 100%, if required so. In case of any pilferage or shortage in quantities as declared in GD, legal action shall be initiated to enforce/encash the Customs security to recover Government duty and taxes involved, without any delay, as laid down under rule 1040.

(5) In case, when a transit cargo consignment consists of two or more vehicles, it shall be processed at office en-route as under:

(a) each individual transport unit, after gate-in at Port of exit, shall be allowed cross-border after completing customs formalities;
(b) the CBVO shall keep record of cross-border authorization and exit all such vehicles or containers against their respective GD No. and date; and
(c) the security shall only be released or requisite amount credited to the Revolving Insurance Guarantee, when all the vehicles or containers in the particular GD complete the cross-border formalities and the said information is entered into CCS.

1054. Designated rail and road routes in Pakistan.- The designated routes (both ways) for transit through the territory of the Islamic Republic of Pakistan are given in **(Annex-VI).**

Sub-Chapter-X
Procedure in respect of Tajikistan transit export destined for other countries via Karachi custom-ports and terminals, port Muhammad Bin Qasim and Gwadar port

1055. Procedure at Land Border Stations in Case of Tajikistan Export Transit Cargo to Other Countries via Karachi and Gwadar Customs-Ports and Terminals.- (1) On arrival of Transport unit carrying Tajik exports at Land Border Station, the driver of the vehicle shall submit export manifest in the form (**Annex-VII)** describing therein requisite details such as vehicle registration No., containers number, description of goods etc. One copy to be submitted to the LEA at Zero-point, one copy to terminal operator and one copy to Customs.

(2) The gate in officer shall process gate in of the vehicle and goods in the system on real time basis after recording of import manifest information.

(3) After, Gate-in, all vehicles shall be weighed and scanned. Both weighment and scanning information/images shall be uploaded in the CCS. At the time of scanning, the Information given in import general manifest may be verified. In case of any doubt, vehicle/cargo shall be marked for examination.

(4) TG-GD shall be filed by the exporter or his authorized agent against the index Number generated by the system. The following documents shall be uploaded in the system along with the TG-GD

(a) commercial invoice;
(b) packing list;
(c) certificate of origin verified by Tajikistan Customs;
(d) copy of Export GD of Tajikistan;
(e) quarantine certificate (if required);
(f) any other certificate / document (if required); and
(g) road transport permit (in case of Tajik vehicle).

(5) At the time of scanning, the scanning expert/customs officer, can mark the vehicle/cargo for physical examination for further clarity of description of goods. The appropriate Customs officer shall examine the cargo and upload his report alongwith sufficient number of photographs in the system.

(6) After examination of the goods the TG-GD shall be marked for assessment of the goods by the system, as per values of the goods maintained in the valuation data-base and the system shall debit the requisite amount of duty/taxes from the face value of the insurance guarantee.

(7) After examination of the cargo, the Transport unit shall be sealed properly by the sealing officer alongwith feeding of sealing information in the system as well. He will also issue Transport Note as given in **(Annex-IV).** The cargo shall be gated out by the Gate-out officer after affixing of Tracker device. The gate out officer shall further ensure-that Tracker so affixed is working and synced with the PMD device.

1056. Reconciliation of all- incoming and outgoing vehicles.- Everyday in the morning, the representatives of Customs, Frontier Corps and terminal operator shall reconcile all the export manifest of the incoming vehicles of the previous day with a system generated list that GDs have been filed for all incoming vehicles as per **(Annex-VIII).** In case GD is not filed within forty-eight hours of the arrival of the vehicle, the reasons may be ascertained by the Customs for late filing of GD including verification of location of the vehicle inside the custom station or terminal.

1057. Receipt and Processing of Tajikistan Export Transit Cargo at customs-ports and terminals. (1) The cargo on reaching upon Karachi, Port Qasim or Gwadar custom-ports and terminals shall be gated in by the Terminal operator/ Customs staff. After gate-in all the cargo shall be marked for weighment

by the system. If discrepancy in the two weights i.e., one carried out at Torkham, Chaman etc and the other carried out at Karachi/Gwadar, is more than 10%, the cargo shall be subjected to examination.

(2) Upto 5% of the cargo, arriving from Torkham/Chaman, shall be marked for scanning, on the basis of RMS. In case of any discrepancy, the cargo shall be subjected to examination.

(3) Such transit cargo shall also be marked for examination wherein serious Tracker one door alert or multiple route deviation or multiple locations alters has been generated en-route.

(4) In case, the transit cargo is loaded in a container other than that of a shipping line, the cargo shall be allowed for trans-loading to the concerned shipping line container. The trans-loading shall be done in the presence of Customs staff and report shall be uploaded in the system by an officer not below the rank of Principal Appraiser or Superintendent. The trans-loading/cross-stuffing of export transit cargo into shipping line containers may also be allowed to take place at designated off-dock terminals.

(5) The cargo shall then be allowed to export and after receipt of consignment shipped EDI message from the Terminal Operator, the system shall automatically credit the amount to the revolving insurance guarantee, debited at the time of departure from land border station.

(6) The Deputy or Assistant Director of Land Border station shall monitor all the data of all the GDs and vehicles and shall identify the vehicles which have not completed the transit journey within stipulated time. The officer shall inquire the whereabouts of the vehicle from the Tracker Company and respective Directorate of Transit Trade and take appropriate action accordingly.

(7) In case of non-receipt of MR number within a month time or in case of any pilferage of cargo the insurance guarantee shall be encased for recovery of Government Revenue involved therein.

Sub-Chapter-XI
Transit through railways

1058. Procedure for transportation of transit cargo through at office of departure-Karachi. (1) The Customs Clearing Agent, at the time of filing of GD shall declare that the transportation of transit cargo shall be made through railways.

(2) Delivery, a message shall be forwarded to arrange the loading of transit container(s) to the railway's cargo train.

(3) Before loading to the cargo trains, the transit containers shall be presented to the Customs Containerized Sealing Unit (CCSU) or the Customs sealing staff for affixing of machine-readable seals and feeding of the seal number and other relevant information in the system.

(4) The tracking devices shall be affixed on the doors of containers with a seal, carrying transit cargo, by a tracking company licensed by the FBR in accordance with the prescribed procedure. The representatives of the Tracking Co. shall verify that the tracker installed in the prime mover and the tracking devices affixed on doors of containers have been synced/ synchronized with each other and all devices are in working condition.

(5) The sealing staff shall verify the installation of the tracking devices on containers and upload images of the seals, tracking devices and the containers in the system and shall generate three copies of the Transport note on the prescribed format (as **given Annex-IV**) for handing over to the carrier. Each copy of the Transport note shall be signed by the Customs sealing staff for distribution as under:

(a) first copy shall be retained by the sealing staff;

(b) second copy shall be handed over to the incharge of cargo train who will submit the same to the gate in staff of the office en-route i.e., Azakhel, Chaman railway terminus; and
(c) third copy shall be retained by the representative carrier for his record.

(6) The containers of transit cargo shall be loaded on railway flat wagons in such manner that their door sides of both the containers shall face each other.

(7) The Terminal operator or the Customs staff, as the case may be, shall allow "Gate out" to the cargo in transit on receipt of the Seal Verification Mechanism (SVM) message through EDI. Where EDI messaging has not yet been established, the Customs staff shall allow "Gate out", on completion of the sealing event in the system.

(8) The Terminal operator shall enter the weight of the container, bulk, break-bulk cargo at the time of "Gate out" for onward communication to the Customs Computerized System through EDI. Upon the completion of Gate out event, Terminal operator shall send "GTO" message to the Customs Computerized System.

1059. Procedure of Tajikistan Import Transit Cargo at Railway Station Azakhel (Nowshera) and Chaman (Quetta).- (1) Upon Receipt of the Tajik import Transit cargo through Railways from customs-ports and terminals at Railway station, the cargo shall be processed as per following procedure:

(a) the cargo upon reaching at Railway station shall be Gated in by the Terminal operator (Railways Authorities);
(b) after Gate in, the cargo shall be marked for weighment;
(c) after weighment, the Customs staff shall verify the seal / doors of the Containers and shall ensure the tracker affixed on the container is working;
(d) after seal verification, the system shall mark the cargo to Terminal operator;
(e) the terminal operator or Customs Clearing Agent shall enter details of the vehicle and transport operator tasked for onward journey to the customs border station;
(f) the system-based handing over of cargo by Railways shall be done which will be taken over by the authorized carrier in the system;
(g) the details of vehicle and transport operator shall be verified at the Railways Terminal Exit Gate by Customs officer;
(h) subsequently the cargo shall start its journey towards Land Border station; and
(i) on reaching at Land Border station, the cargo shall be dealt exactly in the manner as per procedure under the sub heading "procedure of Tajikistan imports Transit Cargo at Land Border Stations" in Rule-939.

1060. Procedure of Tajikistan Export Transit Cargo through Railways at Azakhel (Nowshera) and Chaman (Quetta).- (1) The Tajik export transit cargo destined To customs-ports and terminals through Railways shall be dealt at Land Border stations exactly in the manner as per procedure under the sub heading "procedure of Tajikistan imports Transit cargo at Land Border stations".

(2) At border customs station, the Customs clearing broker or transport operator shall exercise either of the following two options, namely:-

(a) multimodal transportation i.e., road transport plus railways; and
(b) road transportation only.

(3) In case, the customs broker or transport operator select the option of multimodal transport for carrying of export Transit cargo, the Gate in officer shall select the option "Gate out for Railway Station" (Azakhel or Chaman).

(4) Transit cargo from border customs station till railway terminal shall be transported by transport operators or Authorized Carriers only.

(5) On reaching the cargo at Railway station, the terminal operator (Railway Authorities) shall gate in the cargo in the system.

(6) The seal verification officer shall verify the seal and tracker installed on doors of the container. He shall post report in the system that on inspection, seals have been found intact and tracking devices are working.

(7) In case seal is broken or found tampered, the cargo shall be examined hundred percent in the presence of representatives of Pakistan Railways and the concerned clearing agent and proper inventory thereof shall be prepared and signed by each representative for necessary legal action under the Act and these rules.

(8) If on examination, cargo is found as per declaration, a new seal shall be affixed to the container:

1061. Responsibilities of Pakistan Railways with respect to the safety and security of transit cargo.- (1) Pakistan Railways, being custodian of the goods, shall be Responsible for the safety and security of the transit cargo en-route to Azakhel and Chaman rail terminus and vice versa.

(d) In case, any shortage or pilferage is detected at the unloading station, the railways shall be liable to pay the amount equal to leviable duty and taxes besides other action as required under Customs Act, 1969 and the rules made thereunder.

Sub-Chapter-XII
Cross-stuffing of transit cargo at Karachi/Gwadar custom-ports and terminals and off-dock terminals

1062. Exercising option of cross-stuffing of transit cargo.- (1) The option of cross stuffing of transit cargo shall be available to the owner of transit goods at the time of filing of GD.

(2) The option of exercising the option of cross-stuffing after out-of-charge of GD through an online request form, to be processed by CCS.

1063. Places authorized for cross-stuffing of containerized transit cargo.- (1) Cross-stuffing of containerized transit cargo shall be allowed both inside **custom-ports and terminals** at especially demarcated areas and at designated off-dock terminals.

(2) Cross-stuffing shall take place under Customs supervision from one container to another container of the same size i.e., 20 feet into 20 feet and 40 feet into 40 feet.

(3) Cross. Stuffing of transit cargo may also be allowed into such vehicles approved by transportation of cargo under TIR regime.

1064. Details of transit cargo to be allowed cross-stuffing inside the custom-ports and terminals only.- The cargo mentioned below shall not be allowed removal from port of entry to Off-dock Terminals and shall be allowed cross-stuffing inside custom-ports and terminals only:

(b) non-Containerized cargo;
(c) controlled substances as listed in (**Annex-IX**)
(d) heavy packages which cannot be stuffed in the container; and
(e) Cargo of over-dimension [to be determined by Assistant/ Deputy Director (Examination), on case-to-case basis.

1065. Inter-port movement of transit cargo to off-dock terminals for cross-stuffing.- The inter-port movement of Transit cargo destined for Off-dock Terminals shall be allowed through authorized Bonded Carriers licensed by the Customs authorities under Chapter XIV of these rules.

1066. Procedure for removal of Transit cargo to Off-dock Terminals.- (1) The trader or his authorized agent exercise the option of cross-stuffing at the filing of GD or out-of-charge of GD, as the case may be.

(2) The trader or his agent shall click the place i.e., custom-ports and terminals /off-dock terminal, where the cross-stuffing has to take place. Names of the custom-ports and terminals /off-dock terminals will be available in drop-down menu for selection of one place.

(3) In case, the cross-stuffing has to take place at an off-dock terminal, following procedure shall be adopted:

(a) CCS shall generate Customs release message for the Terminal Operator discharging the container;

(b) The terminal operator shall subsequently make the container available to the Customs sealing staff after sending a 'pre-Gate-out' message to Customs Computerized System along with relevant information including the name of the bonded carrier and the container number. This message shall also be visible to the Customs sealing staff;

(c) thereafter, the bonded carrier shall load that container on authorized vehicle and report to the Customs sealing staff for sealing of the container;

(d) the tracking and monitoring devices shall be fixed on the transit goods destined to Off-dock Terminal in accordance with the prescribed procedure;

(e) the Customs sealing staff after verifying that permission for transportation of cargo to the Off-dock Terminal has been allowed by the system, shall physically verify the particulars of the bonded carrier and the container number vis-a-vis the information received through the system, affix the PCCSS seal on the container and feed the sealing information and the vehicle registration number in the System;

(f) the sealing staff shall also verify the installation of the tracking and monitoring devices and upload images of the seals, tracking devices, vehicles, and the containers in the system;

(g) the sealing staff shall also generate and print copies of 'Transport Note', from the System, in triplicate. Each copy of the 'Transport Note' shall be signed by the Customs sealing staff and the bonded carrier or his representative. One copy of the 'Transport Note' shall be retained by the Customs sealing staff, the second copy shall be handed over to the driver of the vehicle who shall submit the same to the Gate-in staff at the concerned Off-dock Terminal and the third copy shall be retained by the representative of the bonded carrier for his record;

(h) a system generated Customs Seal Verification Message (SVM) shall be communicated to the Terminal Operator on feeding **of** PCCSS seal Information in the system,

(i) the Terminal Operator shall perform 'Gate-out' event only after receiving the Customs seal verification message;

(j) the Gate-out message shall be communicated by the Terminal Operator to the system which shall include the name of the bonded carrier, vehicle registration

number, container number, shipper's seal number; PCCSS seal number and gross weight of the container; and

(k) the Terminal Operator shall also hand over the weighment slip to the bonded carrier for record and onward presentation to the Customs staff posted at the Off-dock Terminal.

1067. Time-duration limits for inter-port movement of Transit cargo from custom-ports and terminals to Off-dock Terminals.- (1) The Transit cargo containers destined to off-dock terminals for the purpose of cross-stuffing, shall reach at the entry gate of the Off-dock Terminal within five hours from their time of exit from a custom-ports and terminals.

(2) The system shall block the bonded carrier in case of delayed receipt of cargo beyond the prescribed time limit.

(3) In cases, wherein the Assistant or Deputy Director (IP) finds no cogent reason for delayed receipt of the cargo beyond the prescribed time, he shall recommend necessary legal action against the concerned bonded carrier to Licensing Authority.

1068. Receipt of the departed cargo at Off-Dock Terminals.- (1) On arrival of consignment at the Off-dock Terminal, the Customs sealing staff posted at the entry gate shall check the 'Transport Note' and weighment slip and shall verify the seal of the container and enter or record the same in the system.

(2) Upon receiving the cargo with seal intact, the Off-dock Terminal shall enter `Gate-in' event in the system. The tracking and monitoring devices shall be un-mounted from the containers at Off-dock Terminal in accordance with the prescribed procedure. The Off-dock Terminal shall conduct weighment of the cargo and also enter the same in the system.

(3) In case the Customs seal affixed on a container is found broken or tampered with, the respective container shall be examined 100% by the Customs staff in the presence of Off-dock Terminal Operator and a representative of the Bonded Carrier; an inventory of the goods contained in such containers shall be prepared and signed by all witnesses. This Inventory shall form a part of the Goods Declaration (GD) filed subsequently for clearance purposes.

(4) In case, there is a difference in gross weight is more than five percent recorded at port of entry vis-a-vis the weight found at destination Off-dock Terminal, the Assistant or Deputy Director IP shall proceed against the carrier as per relevant law and rules. On the recommendations of Assistant or Deputy Director (IP), Assistant or Deputy Director MIS shall allow and enter such difference of weight in the manifest after payment of fine and penalty as per law and rules.

(5) In case no electronic acknowledgment of the receipt of cargo at Off-dock Terminal is received after the lapse of five hours of its departure from the exit gates of the port of entry, the Customs Computerized System shall compile report of all such containers and generate an alert for the Assistant or Deputy Director MIS, Inter-Port movement (IP) for action.

(6) The feeding of any amendment in Gate-in particulars at Off-dock Terminal arising due to accident or break-down of the vehicle shall be carried out on approval from the Assistant or Deputy Director IP.

(7) The Assistant or Deputy Director IP shall carry out manifest clearance electronically on daily basis for closure of IGM lines and, if required, proceed against the concerned Shipping lines or their

agents, bonded carriers, Terminals, Off-dock Terminals and other concerned as per provisions of the Act and these rules.

1069. Responsibilities of the carriers.- (I) Notwithstanding any other action taken under the law and the procedure under these rules, the Carrier shall bear all expenses incurred on re-stuffing or re-packing of the goods including the duty and taxes leviable on goods pilfered or damaged on way to or from the Off-dock Terminal under this procedure.

(2) The bank guarantee or Defense Saving Certificates submitted by transport operators at the time of issuance of license under rule 1075 (a) shall be taken into account for recovery of the amount of duties and taxes, fine and penalty, if any, involved on the cargo during the course of transportation from port of entry to Off-dock Terminal and vice versa, and in case of any eventuality like damage, pilferage, theft, fire, accident etc.

1070. Violation of rules.- In case of violation of these rules or any such violation is detected during inter port movement of cargo from port of entry to the Off-dock Terminal, the carrier, the shipping lines or their agent and Off-dock Terminal along with other concerned, shall be jointly and severally responsible for duty and taxes involved and the value diminished as a result of any damage or pilferage. They shall be liable to pay the duty and taxes as may be leviable on such goods in addition to any other action as is authorized under the Act or these rules.

1071. Responsibilities of the Off-dock terminals.- The provisions of Sub-Chapter XIV of Chapter XXI of Customs Rules 2001 shall apply to such Off-dock Terminals.

1072. Procedure for Cross-stuffing of Transit Cargo at the custom-ports and terminals and Off-dock terminals and Land Customs Stations.- (1) Logistic companies and bonded carrier can register with customs for provision of empty containers for cross-stuffing of transit cargo. The empty containers utilized for cross stuffing of goods having distinguishing marks and numbers and their details shall be recorded in CCS against the said registered entity.

(2) Before initiating the process of cross-stuffing, the details of both the containers i.e., shipping line containers and logistic company or bonded carrier shall be entered in the Customs Computerized system by the TO and acknowledged by Customs officer tasked to supervise the process of cross-stuffing.

(3) The cross stuffing shall be carried out in the presence of Customs Officer, an authorized representative of the Tajikistan trader and Off-dock Terminal. The Customs Officer shall make photographs of the cargo during the process of cross-stuffing for uploading these in the WeBOC system against the relevant GD.

(4) After cross-stuffing, the empty containers shall be on-door-off and immediately be removed/shifted out of the premises of Off-dock Terminal and the representative of the Off-dock Terminal and Gate officer of Customs shall ensure that such containers gate out in the empty one-door-off condition.

(5) After completion of cross-stuffing of transit cargo, the custom officer supervising the process, shall confirm that the stuffing of transit goods in the new container number against the GD in CCS and seal the container in presence. He shall also record new seal number in the system.

(6) Thereafter the procedure prescribed in Sub-Chapter VII of Chapter XXI of Customs Rules 2001 shall apply except the provisions for scanning.

(7) The procedure prescribed for cross-stuffing of reverse transit cargo at the land customs station under Rule 484V shall apply mutatis mutandis to the Tajik origin reverse transit cargo.

Sub-Chapter-XIII
Transit through air

1073. Air to air transit of cargo.- The following procedure is prescribed for movement of transit cargo from only that International Airports of Pakistan where there is a direct flight to an International airport in Tajikistan, namely:-

(a) the authorized representative or cargo handler of the-•airline or aircraft shall mention the details of transit goods for Tajikistan separately in Import General Manifest (IGM) which shall be up loaded online to the customs computerized system. After unloading, transit goods shall be stored separately at a place earmarked for them in the notified premises of a cargo handlers covered shed inside the airport. The shed shall be supervised and monitored by posting customs staff on regular basis;

(b) cargo so unloaded from one aircraft for storage in shed at airport for subsequent loading at another aircraft for transportation to Tajikistan shall not be allowed under any circumstances to be taken out of the airport. The cargo handler shall be responsible for safe storage and security of the goods. In case of any pilferage or shortage or theft or Damage to goods, he shall be liable to make payment of duty and taxes leviable thereon and compensate the owner of goods;

(c) for transportation of stored Tajik transit cargo to the destination in Tajikistan, the clearing agent shall electronically file a GD "Air Transit Permit" (ATP), online against respective IGM and index to be loaded on an aircraft for transportation to Tajikistan. A GD shall indicate complete details of the consignment. The goods shall be loaded in aircraft under customs supervision when GD is out of charged by the Superintendent or Principal Appraiser;

(d) The computerized system shall allot the ATP to the Appraising Officer for examination of the goods and verification of declaration. He shall tally the details on ATP with details on 1GM, check description of goods, their quantity, number of packages, and weight on documents and examine the goods accordingly. If everything is found in order by him, he shall file his examination report in the system through his ID allocated to him for this purpose;

(e) the Principal Appraiser, Tajik Transit, through his ID of the computer system shall counter check the declaration vis examination report and all other aspects and if in order, shall allow out of charge of ATP in the system by allotting a free cash number;

(f) after examination of goods, its re-packing, security and safe custody till their loading on aircraft for destination, shall be responsibility of the cargo handler;

(g) one copy of ATP shall be retained by customs and other by the cargo handler;

(h) the cargo handler or authorized representative of the airline shall file online Export General Manifest (EGM) in respect of such goods after departure of the flight; and

(i) Assistant or Deputy Collector (Transit) shall inspect the transit cargo sheds quarterly and furnish his inspection report to Additional Collector concerned about working of sheds and their short comings, if any.

(2) The respective Directorate of Transit trade shall reconcile the cargo sent through air every month and to initiate action in case of any shortage, pilferage etc. under Customs Act, 1969 and rules made thereunder.

Note: The facility of air-to-air transit shall be operationalized in the jurisdiction of the Directorate of Transit Trade only with the written permission of the respective Director of Transit Trade. The concerned Collector may take duly publicized additional measures to prevent misuse of the facility.

Sub-Chapter-XIV
Licensing of transport operators

1074. Eligibility of a transport operator.- (1) A Transport operator is eligible to file application with the licensing authority for the grant of license to operate as Transport operator if,

(a) it is a company or firm;

(b) has adequate knowledge of computer to handle the GD in the Customs Computerized System;

(c) possesses experience regarding choice of vehicle, certification and registration, maintenance, loading and unloading, carriage of dangerous and perishable goods, principles of environment protection in road Traffic, road safety (rules of the road, road traffic safety. road accident prevention and mitigation);

(d) possesses sufficient knowledge of Customs Law and Procedure and transport operations management;

(e) possesses a fleet of minimum twenty-five registered vehicles on his name or company or are leased by him;

(f) has got registered under the Companies Act, 2017 (XIX of 2017) and with concerned Chamber of Commerce and Industry; and

(g) possesses National Tax Number under the provisions of the Income Tax Ordinance, 2001 (XLIX of 2001).

(2) All the transport operators shall be required to obtain and possess Customs Clearing and Forwarding License under Chapter VIII.

(3) All transport units and conveyances used by the transport operators for carrying transit goods shall be properly secured, riveted, locked and sealed. The transport units and conveyance used by the transport operators shall be so constructed and equipped as to provide for the Customs seals to be conveniently and effectively affixed thereon and containing no concealed space where any goods could be hidden. The transport units shall have a permanently installed or fixed tracking device capable of showing the location of the said vehicle or trailer at any given times as well as a track of its route and stoppage etc. The transport unit shall be free from all manufacturing defects so that no goods can be removed from or introduced into the sealed portion of the transport units capable of holding any goods should be readily accessible for Customs inspection. The transport units shall be individually registered with the vehicle registration authority.

(4) Each vehicle shall be equipped with the tracking device from a tracking company duly approved by the Board.

(5) The Customs staff shall verify the satisfactory working of the tracker and the identity of the containers and vehicles used by the transport operators for carrying transit goods, as well as the road worthiness of transport unit and registration number and other particulars of the vehicles or transport units.

1075. Approval of license.- On qualifying the criteria mentioned in rule 1074, license shall be issued to the transport operator by the respective Director of Transit Trade in whose jurisdiction the business address of the applicant is located for a period of two on the recommendation of committee comprising the respective Directorate of Transit Trade, Collector of Customs Enforcement and Director, Directorate of Intelligence and Investigation-Customs of the jurisdiction, after seeking approval of the Director General of Transit Trade. The Licensing Authority shall issue approval letter for issuance of license subject to the following, namely:-

(a) transport operator shall deposit defence saving certificate duly pledged to the respective Director of Transit Trade or furnish a Bank Guarantee for rupees fifteen million, as security for operating the transport operator license. The amount of bank guarantee or defence saving certificates shall be forfeited apart from other consequential penal

action under the Act and the rules made there under, if the transport operator misuses the facilities of transportation of transit goods;

(b) the licensing authority, in addition to the condition in clause (a), shall require the transport operator to deposit a revolving insurance guarantee on the prescribed format **(Annex-X),** amounting to rupees five million from an insurance company of repute covering all types of risks detrimental to the Government revenue involved in the transit goods along with general undertaking in the prescribed form binding them to transit the goods safely and securely as per this procedure. The insurance guarantee shall be issued by an insurance company having paid up capital of not less than rupees one hundred million and which is duly registered with Controller of Insurance, Ministry of Commerce;

(c) execute a bond for ensuring good conduct and to follow Customs rules and regulations and for recovery of any amount adjudged against it or ordered to be paid by it;

(d) the license granted to transport operators shall be non-transferable and shall not be allowed to be used by any sub-contractor; and

(e) the enforcement of the provisions regarding registration of vehicles of transport operators and their blocking and de-blocking in the system and initiation of any legal action against them shall be responsibility of the respective Director of Transit Trade.

1076. **Renewal of license.-** While considering renewal of licenses issued to the transport operators under Chapter VIII of these rules, the licensing authority shall also take into account the profile of the bonded carrier based upon rating of the transporters linked with their compliance to the rules and procedures which may include compliance to the time lines, number of alerts generated or transit cargo carried safely without en-route pilferage, number of contravention / seizures reports etc.

1077. Responsibilities of the bonded transport operator.- (1) The transport operator shall be responsible and bound to carry the goods to its destination without any delay. The transport operator shall also be bound to deliver the bonded transit goods to its destination within the prescribed time-limit, using the transport route as notified by the Federal Board of Revenue. In case of any pilferage en-route from Point of Entry to the Point of Exit within Pakistan, the bonded carrier shall have the primary responsibility to pay the leviable duty/taxes on transit goods alongwith fine and penalty as determined under serial No.64 and other entries relating thereto of sub-section (I) of section 156 of the Customs Act, 1969.

(2) The delay in delivery from the stipulated time or deviation from the route shall require a written explanation from the transport operator by the concerned Deputy or Assistant Director and may invoke penalty provisions.

(3) The transport operator shall be responsible for transporting the transit goods through the designated routes and within the time limits specified by the Board from time to time. In case some route is closed or cannot be used for any reason, the transport operator shall make an application to Deputy or Assistant Director at office of departure for permission to use the alternate route mentioning the alternate route to be used and the time to be consumed by using the alternate route.

(4) In case of any accident on the way between office of departure and office en-route which may cause delay in the delivery of goods beyond the specified time, the transport operator shall communicate the nature of accident, exact time and place of accident along with complete details thereof to the office of departure and office en-route telephonically or electronically.

1078. Allowing single transport vehicle owner to transport transit cargo.- The application on the prescribed format **(Annex-XI)** for registration of a single vehicle for transport of transit goods shall be submitted to the Directorate of Transit Trade in whose jurisdiction the applicant is a resident or his vehicle is registered with Motor Registration Authority (MRA). The transport of transit goods by owner of single transport vehicle shall be allowed by the concerned Director of Transit Trade subject to the following conditions:-

(a) the unit is properly registered with the motor registration authorities of Pakistan in the name of the owner, to be verified by customs authorities;

(b) he shall submit defence saving certificate duly pledged to the concerned Director of Transit Trade or furnish Bank Guarantee for Rupees One million as security for transport operation of Transit goods, which shall be forfeited apart from other consequential penal action under the Act and Rules made there under, if the owner of the transport unit violates of Customs Act, 1969 and the rules made thereunder;

(c) in cases where in transit cargo is transported by owner of single vehicle transport, the revolving insurance guarantee covering the leviable duty and taxes on transit goods shall be submitted either by the respective customs agent or transport operator (Annex-III);

(d) the prime mover or vehicle shall be fitted with the tracking device by a tracking company duly licensed by the Board under S.R.0 413(1)/2012 dated the 25th April, 2012;

(e) the trip shall be completed within ten days from Gate-out from the Directorate of Transit Trade of departure to crossing of Pakistan's border;

(f) the permission shall be given to such owner of the transport vehicle for one year which shall be renewed if operations of transportation of transit goods are found satisfactory;

(g) the owner shall also submit an undertaking on a stamp paper to the effect that he shall be responsible for safe transportation of transit goods;

(h) copies of such permission shall be sent to Directorate of Reforms and Automation Karachi and concerned officers of Customs who will enter the particulars of the vehicles in CCS;

(i) the above provisions shall also be applied to the transport operation of transit goods carried through Pakistan Railways from Karachi to Azakhel Railway Stations, for onward transportation to Torkham; and

(j) in case of any violation of Customs laws/procedures, institution of any criminal or civil case against the owner/vehicle under any law, the permission shall be terminated and name of the owner shall be blacklisted with transmission or to all field formations.

Sub-Chapter-XV
Control of precursors and chemical substances

1079. Import of controlled substances.- For the import of controlled substances listed in **(Annex IX),** the importer shall obtain special permission of the Government of the importing Contracting Party. The permission letter shall be received by the Directorate of Transit Trade of departure through the Ministry of Narcotics Control. The said Directorate shall allow clearance of these substances on receipt of the permission along with NOC from Anti-Narcotics Force (ANF).

1080. Checking of containers.- Containers, carrying, controlled substances mentioned in Annex IX, shall be subject to hundred percent examination of goods. The ANF can check such consignments en-route on the basis of any information under intimation and in the presence of the relevant customs authorities.

Sub-Chapter- XVI
Miscellaneous

1081. Priority to certain consignments.- The customs may grant priority consignments consisting of live animals and perishable goods.

1082. **Cancellation of the Goods Declaration (GD)**.— (1) No Goods Declaration filed under rule 1042 shall be amended once Customs has begun processing the GD. GD cancellation shall be allowed in the following cases:

i. where the cargo has been short shipped; or
ii. where pre-arrival GD was filed but the cargo did not arrive at the Office of departure; or
iii. where a technical, legal, administrative or any other system constraint does not allow the GD to be processed as per the prescribed procedure.

(2) In all such cases, the trader or his authorized representative shall approach the appropriate officer of Transit Trade for cancellation of GD. Deputy or Assistant Director Transit Trade shall allow cancellation of GD on payment of usual fee.

1083. Amendment in IGM.- All types of amendments in 1GM shall be allowed by the Deputy /Assistant Director Transit Trade after the arrival of cargo at office of departure. The amendment shall be made on the basis of original bill of lading. If there is any mistake in the original bill of lading, Customs staff shall call the correction advice from port of loading which shall be duly verified by the shipping line.

1084. Frustrated cargo.- The provisions of section 138 of the Act, Chapter VII of these rules and Board's directives shall be applicable in dealing with the cases of frustrated cargo of transit trade goods.

1085. Auction of un-cleared transit cargo.- (1) If a request for transit and Customs clearance is not filed for the goods imported for transit within thirty days of its arrival at the port of entry or exit, a notice shall be sent to the importer or its agent on the address given in the shipping documents for clearance of goods from the port. If goods still remain on the port after sixty days of their arrival, a final notice shall be sent to the importer or his agent for clearing the same, otherwise the goods shall then be auctioned after ninety days of the first notice, unless the delay is attributable to the port authorities. Moreover, this procedure shall apply mutatis mutandis to confiscated goods.

(2) The sale proceeds shall be paid to the trader after deducting the expenses on account of auction, freight charges due to the custodian of the goods and duty and taxes payable in respect of such goods.

1086. The transit of arms, ammunition and military equipment.- Unless agreed upon by the two contracting parties, the transit of arms, ammunition and military equipment shall not be allowed.

1087. Receipt of service charges, freight etc., by customs clearing agents/brokers, bonded carriers.- (1) All customs clearing agents or brokers, bonded carriers engaged in the clearance and transportation of transit cargo, are required to receive the amount for various expanses in respect of service charges, freight etc., in Pakistan from foreign trader/entity in their Pak Rupee bank accounts in foreign currency.

(2) The concerned customs clearing agents/brokers, bonded carriers will provide the requisite details regarding the funds received from abroad in their tax statements, to be submitted to FBR.

1088. Eventualities.- In case of any accident en-route which may cause delay in the delivery of goods beyond the specified time, the nature. of accident, exact time and place of accident along with complete detail of the transport operator shall be communicated by the bonded transport operator to the concerned PCCSS staff telephonically or electronically at office of the departure and office of en-route.

Sub-Chapter- XVII
Periodic Post Clearance Audit

1089. Audit.- The Directorate of Transit Trade shall not only properly maintain the record pertaining to Transit Trade but shall also regularly conduct on weekly basis post clearance audit of the transit documents or record. In case any discrepancy is found during audit the same shall be immediately reported to the Assistant or Deputy Director in-charge for initiation of appropriate action under the law. The reconciliation or audit exercise shall inter alia include scrutiny of data and documents for ensuring that the goods which were transported had safely and securely crossed the border and relevant poof or copies of GDs have been presented thereof within the prescribed time limit. In case any GD is not reconciled, proceedings under law including demand notice shall be issued immediately to the importer, carrier and clearing agent for recovery of evaded amount of duties and taxes. Top priority shall be accorded by the Assistant or Deputy Director Transit for regularly conducting post importation audit for reconciliation of clearance data and for pinpointing any illegality or discrepancy.

Sub-Chapter- XVII
Offences and Penalties of this Chapter

1090. Offences and Penalties.- Whosoever commits any contravention of the provisions of this chapter shall be liable to be proceeded, after due process of law, under section 156 (1)(64) of the Act.

(ANNEX-I)
[see rule 1021(2)]

WEBOC EXTERNAL USER REGISTRATION FORM

S. No.	Description	Information
I	User Type (Please tick the relevant one)	Business firm/Company
		Govt: Department/Mini s try
		Diplomatic/ UN Mission
2	Business/ Entity name	
3	Business/Entity address	
4	Owner/Focal Person name	
5	Owner /Focal Person Telephone Number	
6	Owner/Focal Person Mobile Number	
7	Owner/Focal Person Email id	
8	Owner r/ Focal Person Passport Number	
9	Owner/Focal Person Tax IdentificationNo.	
10	Ministry of _____Tajikistan (Approval Date)	

(ANNEX-II)
[see rule 1023(2)]

FORMAT OF THE ROAD TRANSPORT PERMIT
MINISTRY OF TRANSPORT, REPUBLIC OF TAJIKISTAN AND FEDERAL BOARD OF REVENUE, ISLAMIC REPUBLIC OF PAKISTAN
Authorization
For International Carriage of Goods by road

Under Agreement between the Government of the Republic of Tajikistan and the Government of the Islamic Republic of Pakistan on Transit Trade Between the Islamic Republic of Pakistan and the Republic of Tajikistan.

Validity

No.

Valid for one Journey
1

Bilateral Carriage	Transit passage	Third Country Carriage

1. Border crossing point One entry One exit

2. Name and full address of the Carriers/ Transport Operator

3. Additional information	Vehicle	Trailer (semi-trailer)
3.1 Registration Number		
3.2 Carrying Capacity		
3.3 Empty Vehicle Weight		

4. Special Remarks _____

5. Place, date of issue, signature and stamp

Stamp and Signature

(ANNEX-III)
[see rule 1037(2)]

(On appropriately stamped non-judicial paper)

REVOLVING INSURANCE GURANTEE FOR IMPORTED GOODS IN TRANSIT BY OWNER OF THE GOODS/CUSTOMS BROKER/TRANSPORT OPERATOR

The Director of Transit Trade,
Directorate of Transit Trade
Custom House
Karachi.

Dear Sir,
WHEREAS Messrs…….. having their registered office at ……. (herein after referred to as the foreign importer / Customs Agent / Transport Operator) are engaged in the clearance / transportation of transit cargo within territory of Pakistan.

2. AND WHEREAS leviable duty and taxes assessed by CCS in respect of the transit goods shall be debited from the face value of the revolving insurance guarantee and the assessed amount shall be payable by

the foreign importer / customs agent / transport operator, in case he fails to take the goods out of the territorial jurisdiction of Pakistan.

3. AND WHEREAS the Directorate General of Transit Trade (Customs Department) shall release goods on debiting an amount equal to the leviable duty and taxes involved on the goods from the face value of the revolving insurance guarantee.

4. NOW, THEREFORE, in consideration of the release of the imported goods, in-transit, to the foreign importer / customs agent / transport operator, we, Messrs …… do hereby bind ourselves with the President of Pakistan to pay to the Director of Transit Trade, the aforesaid guaranteed amount of duties and taxes and the surcharge thereon at the rate of fourteen percent per annum for the whole period on the amount or any part thereof remained un-paid from the date on which the in-transit goods are released to the importers.

5. **THE COMPANY ISSUING THIS GUARANTEE ALSO UNDERTAKES**:-

(a) That the foreign importer / customs agent / transport operator shall pay to you the guaranteed amount in lump sum after demand.

(b) That the foreign importer / customs agent / transport operator shall also pay to you the surcharge due on the involved amount at the rate of fourteen percent per annum.

(c) That in the event of any default on the part of the foreign importer / customs agent / transport operator to pay the guaranteed amount on demand along with surcharge due as aforesaid, we, Messrs……, shall pay to you the same immediately upon demand by Director of Transit Trade. On receipt of demand from the, Director of Transit Trade, it shall be considered by us as conclusive evidence of non-payment of the government dues plus surcharge, if payable by the importers.

(d) That we do hereby agree to the payment of duty/taxes and surcharge on the amount chargeable from the date of clearance of goods till the date the payment is made, provided that you agree, on the request of the foreign importer / customs agent/ transport operator, not to take action under condition (6) (a) of this insurance guarantee.

(e) That we do hereby agree and declare that in the event of any default in the payment of any sum stated above it may, without prejudice to any other remedy which may be available to you, be recovered by you under section 202 of the Customs Act, 1969.

(f) That, notwithstanding anything contained in the foregoing, the guaranteed amount or any part thereof and surcharge, as aforesaid, shall immediately become payable to you.

6. **ADDITIONAL CONDITIONSOF THIS INSURANCE GUARANTEE ARE AS FOLLOWS:-**

(a) Any notice may be given to the foreign importer / customs agent / transport operator by sending the same, by registered post, which shall be deemed to have been served at the time when it would have been received by the addressee in the ordinary course of the post.

(b) The amount payable hereunder as principal or surcharge at the specified date may be declared and the same shall there-upon become due and payable immediately.

7. That this insurance guarantee is valid upto……...

8. IN WITNESS WHEREOF we have ……. This …… day of …….. year 20….. caused this guarantee to be signed under the official stamp in the presence of-

1……..

2……..

Officer Manager

Witness:-

1……..

2……

(ANNEX-IV)
[see rule 1044(4)]

TRANSPORT NOTE

(Information required against cargo destined for Tajikistan and vice versa)
IGM NO._____ Date _____ Index No. _____ Port of Departure_
AT-GD No._____ Date _____ Office En-route _____

Discharged from Vessel /Voyage	B/L No. and Date	Index No.
Container No.	Vehicle No.	Driver Detail
Manifested Gross weight	Manifested Net Weight	
Seal number of shipper/Container yard	CCSU Seal No.	Tracker Number
Description of goods	Quantity	Nature of packing (Pallets, Packages, Cartons, Cases, Bags, Bales, Sheets, Pieces)
Name and telephone number of the carrier	Importer	Clearing agent
Route- i) Route I ii) Route II		
Certified that the details on this document are correct.	Certified that the above mentioned goods are sealed in my presence	Certified that the above mentioned goods have been received by Customs on _____
Signature with date and Stamp of the Carrier	Signature with date and Stamp of Customs Sealing Officer at Port of Sealing	…… with seal intact. Signature with date and Stamp of Customs Sealing Officer at Port of Destination

(ANNEX-V)
[see rule 1049(1)]

DAILY RECONCILIATION STATEMENT OF OUT-GOING TRANSIT VEHICLES

FOR CUSTOMS STATION…… DATED…….

S.No.	Vehicle Registration No.	Description of goods	GD No.	GD date	Cross border authorization/ gate pass No. & date	Remarks (if pending)
(1)	(2)	(3)	(4)	(5)	(6)	(7)

Signature: 1. Representative of Customs : Name & Signature
2. Representative of FC/ Pakistan Ranger : Name & Signature
3. Representative of Terminal Operator : Name & Signature

(ANNEX-VI)
[see rule 1054]

DESIGNATED RAIL AND ROAD ROUTES IN PAKISTAN
PORT OF ENTRY/EXIT PORT OF EXIT/ENTRY

Input/output port
Within the territory of the Islamic Republic of Pakistan

FROM/TO **FROM/TO**
Within the territory of the Islamic Republic of Pakistan by rail:

In the territory of the Islamic Republic of Pakistan by way of rail:

1. Port of Karachi / Port Qasim Azakhel (Torkham) terminal railway
2. Port of Karachi / Port Qasim Chaman railway terminal.
3. Port of Karachi / Port Qasim From Quetta to terminal Taftan reilway.
   *during operational

With the territory of the Islamic Republic of Pakistan by road:

1. Karachi - Hyderabad - Sukkur - Multan - Faisalabad - Pindi Bhattian - Rawalpindi-Azakhel-Jamrud Terminal - Torkham (BCP with Afghanistan).
2. Karachi - Hyderabad - Rotodero - D.G. Khan - D.I. Khan - Kohat - Peshawar - Jamrud Terminal - Torkham.
3. Karachi - Bela - Khuzdar - Kalat - Quetta - Chaman (border crossing point with Afghanistan).
4. Karachi/Port Qasim - Hyderabad - Rotodero - D.G. Khan - D.I. Khan – Kohat - Bannu Meramshah - Ghulam Khan (border crossing point with Afghanistan).
5. Karachi – Hyderabad – Sukkur – Multan – Faisalabad – Pindi Bhattian – Rawalpindi – Nowshehra – Chakdara – Chitral - Garam Chashma - DorahPass (border with Afghanistan/Wakhan).
6. Gwadar - Turbat - Hoshab - Panjgur - Naag - Besima - Sorab - Kalat - Quetta - Chaman.
7. Gwadar - Turbat - Hoshab - Panjgur - Naag - Besima - Khuzdar – Rotodero-D.I. Khan - Kohat - Peshawar - Jamrud Terminal - Torkham.
8. Gawadar - Pasni - Ormara - Liari - Karachi - Rotodero - D.I. Khan - Kohat – Peshawar - Jamrud Terminal - Torkham.
9. Gwadar-Turbat - Hoshab - Panjgur -Naag -Besima -Khuzdar – Rotodero - D.I. Khan - Kohat - Peshawar - Jamrud Terminal - Torkhum.
10. Gwadar - Pasni - Orrnara - Liari - Karachi - Rotodero- D.I. Khan -Kohat – Bannu - Meranshah - Ghulam Khan.
11. Gwadar - Turbat - Hoshab - Panjgur - Naag - Besima - Khuzdar -Rotodero – D.I. Khan - Bannu - Meranshah - Ghulam Khan.
12. Gwadar - Turbat - Hoshab - Panjgur - Naag - Kalat – Quetta - Job - Meranshah -Ghulam Khan.
13. Gwadar – Turbat – Hoshab – Panjgur – Naag – basima – Khuzdar – Rotodero – D.I. Khan – Kohat – Peshawar – Chakdara-Chitral- Garam - Chashma- DorahPass (border with Afghanistan/ Wakhan).
14. (border crossing point with China) Khunjrab - Sost - Chilas - Mansehra – Hassanabdal - Peshawar - Jamrud Terminal - Torkham.

15. Gwadar- Gabd (border crossing point with Iran).
16. Karachi/Port Qasim - Layari- Ormara – Pasni – Gabd).
17. Gwadar – Turbat - Mand (border crossing point with Iran).
18. Karachi/Port Qasim - Khuzdar-Dalbandin-Taftan (border crossing point with Iran).
    **Vehicle-to-vehicle transfers are prohibited during transit through Pakistan except at Jamrud, Torkham Azakhel and Chaman terminals.

Through the territory of the Republic of Tajikistan by rail:

FROM/TO **FROM/TO**

1. Hoshandi Khatlon Terminal
2. Pakhtaabad, Dushanbe terminal
3. Spitamen terminal Khujand
4. Istiklal terminal of Khujand

On the territory of the Republic of Tajikistan by road:

1. Border with Afghanistan – Panji Poyan crossing (Khatlon region) – Kulma crossing – Badakhshan bighway (Badakhshan province) – Chinese border.
2. Border with Afghanistan – Panji Poyan crossing (Khatlon region) – Iskhoshim corssing – Badakhshan highway (Badakhshan region) – Afghan border.
3. Border with Afghanistan – Panji Poyan crossing (Khatlon region) – Karamik crossing – border with Kyrgyzstan
4. Border with Afghanistan – Panji Poyan crossing (Khatlon region) - Gulistan crossing (Sugd region) – Kyrgyz border.
5. Border with Afghanistan – Panji Poyan crossing (Khatlon region) – Patar crossing (Sughd region) – Uzbekistan border.
6. Border with Afghanistan – Panji Poyan crossing (Khatlon region) - Fatehabad crossing (Sughd region) – Uzbekistan border.
7. Border with Afghanistan – Panji Poyan crossing (Khatlon region) – Sarazm crossing (Sughd region) – Uzbekistan border.
8. Border with Afghanistan – Panji Poyan crossing (Khatlon region) – Dosti crossing – border with Uzbekistan border.
9. Border with Afghanistan – Ishkoshim checkpoint (Badakhshan region) – Karamik checkpoint – Kyrgyz border.
10. Border with Afghanistan – Ishkoshim crossing (Badakhshan region) – Gulistan crossing – highway (Sudg province) - Kyrgyzstan border.
11. Border with Afghanistan – Ishkoshim crossing (Badakhshan region) – Dosti crossing – Uzbekistan border.
12. Border with Afghanistan – Ishkoshim crossing (Badakhshan region) – Patar road crossing – (Sudg province) – Uzbekistan border.
13. Afghanistan border - Ishkoshim crossing (Badakhshan region) – Fatehabad crossing – highway (Sughg province) – Uzbekistan border.
14. Afghan border – Ishkoshim crossing (Badakhshan region) – Sarazm crossing – highway (Sughg province) – Uzbekistan border.
15. Afghan border – Ishkoshim crossing (Badakhshan region) – Panji Poyan crossing – highway (Khatlon province) – Afghan border.

(ANNEX-VII)
[see rule 1055]

MANIFEST FOR INCOMING VEHICLE CARRYING EXPORT TRANSIT

CARGO FOR BORDER STATION (NAME)

1	Type of cargo i.e., transit/empty vehicle/empty returning transit container/empty new container	
2	Importer Name & Address in	
3	Consigner name and address (In Tajikistan)	
4	Name of the driver	
5	CNIC/ Passport Number of Driver	
6	Vehicle Registration Number	
7	Chassis Number	
8	Permit number No. & date (in case of Tajik registered vehicle)	
9	Container Number (if applicable)	
10	CMR/Builty/Barnama No. & Date (Please attach a copy)	
11	Description of Goods	
12	Weight of the goods.	
13	No. of packages / bags etc.	
14	Description of vehicle (Axle Load e.g. 6 wheeler, 10 wheeler etc.)	
15	Time /Date, place.	

Signature/Thumb Impression
of Person Incharge of the vehicle.

For Official Use

Transit (incoming) Manifest No._____ (to be allowed by gate-officer)
Time of entry of vehicle _____ (0000 hours)
Date of _____
Received by _____

(Name & Signature of Customs Officer)

(ANNEX-VIII)
[see rule 1056]

DAILY RECONCILIATION STATEMENT OF INCOMING VEHICLES TRANSPORTING TRANSIT CARGO FOR CUSTOMS STATION …… DATED …….

S.No.	Vehicle Registration No.	Entry date	Description of goods	GD No.	GD date	Remarks (if pending)
(1)	(2)	(3)	(4)	(5)	(6)	(7)

Signature: 1. Representative of Customs : Name & Signature
2. Representative of FC : Name & Signature
3. Representative of Terminal Operator : Name & Signature

(ANNEX-IX)
[see rule 1064]

Table - I

(a) Acetic anhydride
(b) N-Acetylanthranilic acid

(c) Ephedrine
(d) Ergometrine
(e) Ergotamine
(f) Isosafrole
(g) Lysergic acid
(h) 3,4-Methylenedioxphenyl- 2 Propanone
(i) Norephedrine
(j) l-Phenyl-2-propanone
(k) Piperonal
(l) Potassium permanganate
(m) Pseudoephedrine
(n) Safrole
(o) Iodine
(p) Alpha - Phenylacetoacetonitrile (AFAAN) - (ARFF N)
(q) 4 -phenethyl –N – phenethylpiperidine (ANFP) - (AH PP)
(r) N -phenethyl-4-piperidone (NFP) - (NRR)
(s) Phenyl acetate (phenylacetic acid)
(t) Ephedra herb - all species containing ephedrine and pseudoephedrine
(u) 3,4 -methylenedioxyphenyl-2-propanone- methylglycidate
(v) 3,4 -methylenedioxyphenyl-2-propanone- methylglycidic acid
(w) Methyl-alpha-phenylacetoacetate (MAFA)
(x) Alpha-phenylacetoacetamide (AFAA)

Table – II

(a) Acetone
(b) Anthranilic acid
(c) Ethyl ether
(d) Hydrochloric acid
(e) Methyl ethyl Ketone
(f) Phenylacetic acid
(g) Piperidine
(h) Sulphuric acid; and
(i) Toluene

(ANNEX-X)
[see rule 1075(b)]

REVOLVING INSURANCE GUARANTEE NO. DATED FOR RS. EXPIRY DATE .

Whereas in accordance with the Public Notice No. _____ dated _____ issued by the Director Transit Trade Customs House, Karachi, vide C.No. _____ dated _____ to M/s. _____ to act as approved TRANSPORT OPERATOR in terms of the above public notice for

transportation of transit goods from Karachi Port to other customs stations throughout the country, We M/s. do hereby bind ourselves and our heirs, successors and assignees jointly and severely with the President of Pakistan to pay to the Director of Transit Trade any amount payable as Customs duty, sales tax, surcharges regulatory duty or any other levy at the time at the time in-force in addition to fine and penalties which may be imposed by the said Director of Transit Trade for contravention of the conditions contained in the said public notice by the said transport operator as referred herein above.

Now the condition of this guarantee is such that if M/s fails to discharge their responsibilities in the light of the said public notice in any manner whatsoever and in default falls to pay the amount of duties and taxes etc., in addition to fine and penalties which may be demanded by the Director of Transit Trade, We, *MI s.* or our successor shall pay to the Director of Transit Trade, Karachi the demanded amount within fifteen days from the date such demand is raised by the Director of Transit Trade, falling which a compensation at the rate of twenty percent per annum shall be paid - ipso facto - from the date when the actual demand is made by the Directorate of Transit Trade.
This guarantee shall remain in force till the above-mentioned liabilities of the transport operators are completely discharged to the entire satisfaction of the Director of Transit Trade.
It is also specially agreed that the above guaranteed amount may be recovered under section 202 of the Customs Act, 1969, and rules, made thereunder in case the insurance company fails to pay the said amount of revenue.

This Revolving Insurance Guarantee is in accordance with the Public Notice No. _____dated _____ issued by the Director of Transit Trade, Karachi.

(ANNEX-XI)
[see rule 1078]

APPLICATION FORM FOR REGISTRATION OF A SINGLE VEHICLE FOR TRANSPORT OF TRANSIT GOODS

Photograph of the owner

The Director,
Directorate of Transit Trade,
……

I …… hereby apply for the registration of vehicle to transport transit goods in terms of rule 970 of the Customs Rules, 2001 for a period of one year. The particulars of the applicant and vehicle are given below:-

1	Name of owner	
2	Nationality	
3	Present address	
4	Permanent address	
5	CN1C No.	
6	Vehicle Registration No.	
7	Vehicle Make and Model	
8	Vehicles Chassis No.	
9	Vehicle Engine No.	
10	Affidavit of good performance	

I/We hereby declare that the particulars finished in this application are correct and I/We have read the relevant Customs Rules and I/We agree to abide by them.]

[155][CHAPTER-XLIV

Sub-Chapter-I

PRELIMINARY

1091. Short title and commencement.-(1) These rules shall be called the Tracking and Monitoring of Cargo Rules, 2023.

(2) They shall come into force at once.

1092. Scope.- (1) These rules shall apply to tracking and monitoring of the following types of cargo throughout the journey from the port of entry to the port of exit or from one warehouse to another, on real time basis, namely:-

(a) transit cargo under Chapter XXV and sub-chapter VII of Chapter XXI of the Customs Rules, 2001, or any other cargo entered for transit across the territory of Pakistan;

(b) petroleum, oil and lubricants (POL) products exported to Afghanistan under Chapter XXII of the Customs Rules, 2001;

(c) trans-shipment cargo under Chapter XIV and sub-chapter VIII of Chapter XXI of the Customs Rules, 2001;

(d) cargo imported into or exported from Export Processing Zones, Special Economic Zones or Free Zones; and

(e) any other cargo specified by the Board from time to time for tacking and monitoring under these rules.

(2) The Board shall, by notification in the official Gazette, specify a date on which the tracking and monitoring of cargo shall be undertaken on the basis of computerized selectivity criteria, and different dates may be prescribed for different types of cargo.

1093. Definitions.- In these rules, unless there is anything repugnant in the subject or context,-

(i) "Act" means the Customs Act, 1969 (IV of 1969);

(ii) "applicant" means any company which applies for a licence under these rules;

(iii) "Board" means the Federal Board of Revenue established under the Federal Board of Revenue Act, 2007;

(iv) "carrier" means the carrier defined under Chapter XIV of the Customs Rules, 2001;

(v) "Central Monitoring and Control Room (CMCR)" means a control room established by the Directorate General of Transit Trade to monitor the performance of licencees by Customs or an existing control room designated by the Board for the said purpose;

(vi) "conflict of interest" means entering directly or indirectly, through an associated or subsidiary concern, into a business or activity allied with or ancillary to transportation of bonded cargo, by a licencee under these rules or vice versa;

(vii) "customs databank" means databank established in Customs Computerized System for storage and safe keep of the data generated during the tracking and monitoring operation in respect of bonded cargo under these rules;

(viii) "Customs Monitoring Software" means the software deployed by the customs for monitoring the performance of the tracking companies licenced under these rules;

(ix) "Customs Tracking and Monitoring System" means the system deployed by the customs for tracking and monitoring of the bonded cargo under these rules, with the approval of the Board;

(x) "goods declaration" means a declaration filed under the provision of the Act or rules made thereunder;

(xi) "licensing committee" means a committee comprising Director General of Transit Trade, Karachi (Chairman), Director Transit Trade (HQs), Karachi (Convener), Director Transit Trade (Peshawar), Director Transit Trade (Quetta), Director Reforms and Automation (Karachi), Collectors of Customs (Enforcement, Karachi), (Appraisement, Port Muhammad Bin Qasim, Karachi), (Appraisement - East, Karachi), (Appraisement - West), Karachi, and Director of Intelligence and Investigation, FBR, Karachi and any other officer nominated by the Board;

(xii) "Licencee's Control Room" means control room established by the licencee in its own premises or *en-route* for tracking and monitoring of cargo under these rules;

(xiii) "PCCSS" means Pakistan Customs Container Security System, as specified in CGO No. 3 of 2020, dated the 17th day of April, 2020;

(xiv) "ports of entry and exit" means an officially designated location at seaport, airport or land customs station where customs officers and officials are assigned to accept declarations of merchandise and vehicles, control imports and exports, clear passengers, collect duties and enforce the various provisions of Customs, and other relevant laws;

(xv) "Project Director" means the Director (HQs), Directorate General of Transit Trade, Karachi;

(xvi) "range offices" means customs offices established by the Directorate General of Transit Trade at various points on transport routes to lend support to the TMRCs and monitoring thereof, in coordination with CMCR;

(xvii) "Transit Monitoring and Response Center (TMRC)" means officially designated locations between point of entry and point of exit where Customs officers and officials monitor the safe movement of bonded cargo *en-route* with the help of Mobile Enforcement Units and respond to a situation to ensure safety and integrity of the cargo, wherever required, in coordination with CMCR, as per predefined procedure;

(xviii) "transport operator" means the transport operator defined and licenced under Chapter XXV, sub-Chapter VII of Chapter XXI and a bonded carrier licenced under Chapter XIV of the Customs Rules, 2001; and

(xix) "vehicle" means any rigid road vehicle, articulated vehicle, unaccompanied trailer or semi-trailer.

Sub-Chapter-II

LICENSING

1094. Licensing of companies for tracking and monitoring of cargo.- (1)No company shall carry out tracking and monitoring of cargo unless it has obtained a licence under these rules.

(2) No licencee under these rules shall establish, maintain or operate any telecommunication system or provide any telecommunication service which is not authorized under the licence issued to it by the Pakistan Telecommunication Authority (PTA) established under the Pakistan Telecommunication (Re-organization) Act, 1996 (XVII of 1996).

1095. Functioning of licensing committee.- (1) The licensing committee shall function in accordance with the provisions of these rules.

(2) Director Transit Trade (HQs), Karachi shall be the convener of the licensing committee and its headquarters shall be located in, Directorate General of Transit Trade, Karachi. The Director Transit Trade (HQs), Karachi shall provide secretarial and other allied support required for functioning of the licensing committee.

(3) The licensing committee shall devise procedures for its functioning, which shall be in accordance with these rules.

(4) The Chief Collector, Enforcement (South), Karachi shall function as an Appellate authority against the appeal filed by any tracking and monitoring company licenced under these rules, within 30 days of issuance of the order by Project Director against such company.

1096. Application for grant of a licence.-(1) An application to carry out tracking and monitoring of cargo mentioned in these rules shall be made in duplicate to the Board.

(2) An application under sub-rule (1) shall be accompanied by all the supportive and relevant documents including the following, namely:-

(a) a comprehensive profile of the company;

(b) brief about managerial and technical personnel indicating name, position, qualification and experience;

(c) total number of current employees;

(d) list of major clientele;

(e) documents showing relevant experience in tracking and monitoring of vehicles and containers;

(f) complete history of activities undertaken and synopsis of the projects done;

(g) current commitments and status of in-hand projects;

(h) valid countrywide licence obtained from the PTA for the activity or category approved for;

(i) incorporation certificate under the Companies Act, 2017 (XIX of 2017);

(j) National Tax Number (NTN) certificate;

(k) audited accounts of the last three financial years;

(l) Income Tax returns for the last three years;

(m) registration with Sales Tax Department, if required;

(n) computerized National Identity Cards (CNICs) of the Directors of the company;

(o) undertaking that the company has never been blacklisted by any Government or private department or organization and has not been involved in confirmed cases of fiscal fraud including that specified in section 32A of the Act; and

(p) an undertaking to the effect that the applicant is an entity not hit by conflict of interest as defined in clause (vi) of rule 3 in the format at Appendix-I.

(3) The applicant shall also declare the breakup of the fee and charges that it intends to collect from importers or exporters of the cargo and from carriers or transport operators during the licence period.

1097. Criteria for grant of a licence.-(1) The applicant shall be required to provide technological solutions on the basis of GSM or GPRS or satellite communication or any other modern technology for monitoring and tracking, on real time basis, of containers and vehicles carrying the cargo mentioned in these rules.

(2) The applicant shall possess the following qualifications to be considered for issuance of licence, namely:-

(a) it shall be a company duly incorporated under the Companies Act, 2017 (XIX of 2017);

(b) it shall have relevant experience and past performance in vehicles tracking;

(c) it shall be in a financial position to undertake the project having minimum turnover of one hundred seventy-five million rupees or financial worth of one hundred million rupees; and

(d) it shall have appropriate managerial capacity to execute and run the project.

(3) The system based solution offered by the applicant must have the following features, namely:-

(a) container, vehicle synchronization;

(b) alert on deviation from specified or designated routes;

(c) location, direction and GPS speed data for containers and vehicles;

(d) container doors monitoring (unauthorized opening, unhinging, tampering, intruding, etc.) alerts;

(e) route time monitoring;

(f) unauthorized stoppages (include stoppages which cannot be reasonably excused by the relevant customs officials or as elaborated by the Collector of customs concerned through a Public Notice) reporting;

(g) electronic geo-fencing;

(h) theft incidence and reaction;

(i) data analysis and communication results thereof to licencee's control room and CMCR; and

(j) must be stable, fault-tolerant, secured, and can be accessed only by authorized username and password as authorized by the customs.

(4) The system based solution offered by the applicant shall be able to perform the following functions, namely:-

(a) monitoring capability on real-time basis of a minimum of three thousand containers or trucks from licencee's control room;

(b) monitoring and tracking of vehicles and containers throughout the journey from Customs point of entry to Customs point of exit on real time basis;

(c) geo-fencing and creating buffer zones around a certain route or area;

(d) generate detailed journey reports that include stop points and durations, start and end points, area names, etc.;

(e) the ability to configure the tracking unit remotely;

(f) the system should work on client server basis so that adding and removing users and their privileges could be done efficiently;

(g) the system must be capable of sending alert messages and trigger alarms (visible and audible) in case of occurrence of abnormal event such as route deviation, stoppages in risky zones and tampering with the tracking unit or cargo etc (different alarms to be shown by different coloured icons on the map. Clicking the icon of any vehicle

should enable the operator to access the vehicle data base) and start real-time tracking of the said vehicle;

(h) the system shall be able to assign containers and vehicles of one licencee to another licencee for tracking containers and vehicles. The system shall also be integrated with the Customs monitoring software operational from CMCR;

(i) container and vehicle locations on the map and screen should be represented by icon or symbol;

(j) in case of absence of one communication network coverage the tracking unit of the system must be able to switch over to another network so as to ensure real time tracking without interruption or break;

(k) the system should be capable to assign more than one route for one destination and geo fencing for all routes;

(l) the software package of the system must *inter alia* include,-

(i) transit and fleet management application; and

(ii) mapping and graphical application to display position of the vehicle and container on digital map of the country;

(m) the system should be flexible enough to interface with Customs as well as other international databases, if required;

(n) the availability of extra tools to measure distance, meter scale, change coordinate system, change symbol colours, etc.;

(o) the ability to assign specific alerts to specific pins (relays) in the tracking unit and the ability to monitor tracking operations through a web page;

(p) the ability to enter data into the system through electronic media (barcode reader, etc.);

(q) the system reporting should be capable to filter and process the trip data for statistical and analytical purposes;

(r) the system must include replay function and allow sharing of information with remote client station;

(s) the licencee should ensure secure data storage and archiving of data for five years from its generation or recording in the Customs data centre;

(t) ability to use Palm-held Devices (PDA's, etc) for reading and writing data into the system at regional sites;

(u) ability to assign Unique load identifier (ULI) which should contain information about unit number of tracking device (GPS, etc.), goods declaration (GD) No. and date, carrier name, vehicle number, location etc.;

(v) the communication media should cover all the geo-fenced routes across the country; and

(w) all electronic data interface (EDI) communication should be encrypted to ensure secure communications.

(5) The applicant shall also submit a complete list of operations and maintenance required to operate the system based solution.

(6) The applicant shall specify the expected delivery and implementation time, which shall not exceed four months from the date of issuance of licence. The applicant shall also undertake to meet these timelines.

1098. Procedure for grant of a licence.- (1) On receipt of an application for grant of licence in the Board, the licensing committee shall evaluate it.

(2) The licensing committee may also fix a date for a hearing to be attended by the applicant for the purposes of evaluation of the application submitted under sub-rule (1).

(3) The licensing committee may also carry out visits and physical inspections to ascertain eligibility of the applicant for licensing under these rules.

(4) The applicant shall be required to give practical demonstration of the technological solution offered for licensing.

(5) The licensing committee shall send its recommendations to the Board within one hundred and twenty days from the date of submission of the application. It shall give detailed reasons for recommending rejection of any application under these rules:

Provided that where complete documents or any information needed for the requisite evaluation have not been provided within fifteen days of the requisition or within thirty days of the submission of application, whichever is later, the application shall be summarily rejected.

(6) In case a company meets the technical and financial criteria given in these rules, the licensing committee shall recommend to the Board for grant of licence to such a company.

(7) The Board may grant licence to the recommended company.

(8) The qualified company shall be required to deposit bank guarantee for rupees ten million to the licensing committee, as financial security, before issuance of the licence. The bank guarantee shall be valid for whole duration of the licence and shall be encashable in case of violation of these rules or terms of licence leading to loss of government revenue.

1099. Rights granted to the licencee.-A licencee shall have the right to establish, maintain and operate a system to monitor and track the cargo on real time basis, in accordance with terms and conditions of the licence.

1100. Terms and conditions of the licence.-(1) Subject to these rules, licence shall be granted for a period of three years.

(2) The licence granted under these rules shall be subject to the provisions of the Act.

(3) The licence granted under these rules shall be non-transferrable and shall not be allowed to be used by any sub-contractor.

1101. Renewal of the licence.-(1) An application for renewal of licence shall be made to the Board, three months before its expiry.

(2) The licensing committee shall evaluate the application and may recommend renewal of licence to the Board.

(3) The Board may renew the licence for further two years on the basis of recommendations of the licensing authority.

(4) The licencee shall be required to comply with all the provisions of these rules for the renewed period.

Sub-Chapter- III

RESPONSIBILITIES OF THE LICENCEE

1102. Licencee to run and manage the system.-(1) The licencee shall be responsible to operationalize the system within four months of issuance of licence.

(2) The licencee shall run and manage the system under proper warrantee and shall ensure maintenance during the period of licence.

(3) The licencee shall abide by all relevant laws, rules and instructions issued in line with the same by the Project Director from time to time while running the system.

(4) Pakistan Customs may deploy its own tracking and monitoring system for tracking and monitoring under these rules from the date to be specified by the Board through a general order.

1103. Establishment of central monitoring and control room.- (1) The licencees shall furnish, establish and maintain a section relating to performance monitoring of the licenced tracking companies in the central monitoring and control room (CMCR) in the old Customs House, Karachi or in any other control room designated by the Board.

(2) The monitoring section in CMCR shall be equipped with hardware, software, plasmas, LCDs, communication and other allied equipment for viewing, analyzing the movements of goods and vehicles and coordinating with the licencee's control room or any other stakeholders in cases of alerts.

(3) The monitoring section in CMCR shall have necessary servers and data storage facilities to store and manage data bases for the vehicles monitored daily, with report printing capabilities for each trip.

(4) The operators at the CMCR shall be able to receive the map or any section of it on any monitor from the control room of licencee connected to the system based on pre-assigned priorities.

1104. Establishment of Licencee's Control Rooms.- (1) The licencee shall design, furnish and establish its own Control Rooms in its own premises

(2) The Licencees' Control Rooms shall be connected with the CMCR and equipped with the requisite infrastructure for monitoring the movement of goods and vehicles, and for responding in cases of alerts.

1105. Establishment of mobile enforcement units.- The licencee shall provide the necessary infrastructure for establishing mobile enforcement units (MEUs) including vehicles (4X4), adequate means of communications with the CMCR and licencees' control room, respectively and routine maintenance activity (POL, repairs etc). The Project Director shall convey to the licencee, the requirements of the Directorates of Transit Trade (HQ), in which the MEUs will be stationed at Transit Monitoring and Response Centers (TMRCs) and will be located on shift rotation basis (twenty four hours and seven days a week), besides determining the total infrastructure required in terms of vehicles, and related resources. The MEUs will be manned with adequate customs staff and in such manner as may be decided by the Director, Transit Trade (HQ). The licencee shall ensure availability of the vehicles on 24x7 basis as well as any supporting human resource. The MEUs shall be responsible for reacting in case any alert is communicated to them by licencees' control rooms and shall coordinate with enforcement units of the licencee.

1106. Requirements to be met at the points of entry and exit.-(1) The licencee shall ensure that-

(a) each point of entry and exit is connected to the system with adequate IT infrastructure for initialization and termination of each trip; and

(b) each point of entry and exit is connected with licencees' control rooms and CMCR.

(2) The licencee shall arrange testing and storing facilities for all equipments and mounting or un-mounting of tracking device at each point of entry and exit.

(3) The licencee shall provide and maintain Palm-held Devices, printers, UPS, etc. for smooth operation of the system at each point of entry and exit.

(4) The system shall be expandable to cover future required points of entry and exit.

1107. Services to be provided by the licencee.-The licencee shall be required to provide the following services, namely:-

(a) monitoring and tracking of vehicles and containers carrying the cargo mentioned in these rules from Customs port of entry to Customs port of exit on real time basis;

(b) maintaining en-route integrity of cargo by preventing pilferage or theft or losses;

(c) access to relevant information through Web-Portal to all stakeholders as allowed under these rules or by the customs;

(d) flexible solution to cater for any future requirements of tracking under multi-modal and inter-modal transportation environment, e.g. with other stakeholders like Pakistan Railways etc.;

(e) monitoring timely deliveries and reporting on transport efficiencies;

(f) managing the system under proper maintenance to ensure smooth operation of the system, compatible with customs procedures and operations so as to ensure running of the system by customs also;

(g) vehicle immobilization and securing as and when required, and mandatory in case of geo-fencing violation, pilferage attempts, unauthorized or unusual stoppage;

(h) reporting application capable of generating the following reports namely:-

(i) a map of the route followed by the vehicle and container during the journey;

(ii) vehicle and driver details as well as any violation made during the journey;

(iii) trip report for each journey as soon as the truck arrives at the destination customs center;

(iv) incomplete journeys reports; and

(v) full documentations covering all stages of the journey (electronic and hard copy);

(i) the licencee shall ensure tracking and monitoring enroute covering following, namely:-

(i) location and direction of containers and vehicles;
(ii) data gathering on real time basis;
(iii) mounting, securing and ensuring integrity of device during journey by using machine readable serialized seals;
(iv) data analysis on real time basis;
(v) jamming device; and
(vi) alerts for.-
(a) unusual Stoppages;
(b) device / Tampering or Infringement or Intrusion or Removal or Door Opening; and
(c) unusual Deviation from Geo-fencing Device Mounting or Un-mounting;

(j) the licencee shall also provide-

(i) extension of tracking or monitoring to trans-border, if required;
(ii) customized land marking;
(iii) customized analytical reports;
(iv) scalable solution to handle additional units; and
(v) single interface for monitoring of containers and authorized carriers.

(k) each licencee shall integrate its tracking software with the Customs Monitoring software and provide following information:

(i) licencee shall push each bit of tracking data through prescribed API to Customs Monitoring software;

(ii) licencee's data once transferred to Customs software through API shall be locked; and

(iii) licencee's control room may seek guidance from CMCR, telephonically or through system, if need be, however the final responsibility in respect of managing the situation relating to alerts shall rest with the licencee.

1108. Tracking device provided or used by the licencee. - (1) The tracking device provided or used by the licencee shall have the following features, namely: -

(a) it should be small, of compact size, shock-proof, temperature and fire resistant and with water proof casing;

(b) it should be reusable, easy to install or mount and remove or un-mount, with high storage capacity;

(c) It should operate on the following modes namely:-

(i) stand alone using long life (not less than fifteen days) rechargeable battery without connection to the vehicle power supply; and

(ii) using power supply of the vehicle, if needed or for rechargeable purpose;

(d) it should have a motion detector; and

(e) the system should have a provision for fast and effective immobilization of vehicle, whenever required.

(2) The Project Director shall get the tracking and monitoring devices as well as the tracking system installed in vehicles, tested before use. On satisfaction, the Project Director shall allow use of tracking and monitoring devices and installation of tracking system in the vehicles. Same procedure shall be followed in case new device is introduced.

(3) The Project Director may require replacement of device or tracking system if he is of the view that the equipment is not giving satisfactory results.

1109. Mounting of tracking device.-(1) The licencee shall establish designated areas at the point of entry, which would be in proximity of PCCSS office of Directorate General of Transit Trade, Karachi and shall be responsible for active and close liaison with it.

(2) The licencee shall make arrangements in the designated areas for mounting and un-mounting of tracking or monitoring device. Once the GD-TP or GD-AT is out of charged by the relevant Directorate of Transit Trade or Customs Collectorate, the carrier shall take delivery of the goods on the registered vehicle and bring it to the tracker installation area, where the designated tracker company shall install the tracking device on the container. The tracking device shall be synchronized with the fixed tracking device already installed on the vehicle and once both the tracking devices are synchronized the staff of the tracking company shall activate the data on the relevant computer software to be accessed by Customs scanning staff, PCCSS sealing focal point and exit gate of the terminal operator as well as customs focal point of entry and exit, and CCR.

(3) The licencee upon being approached by the carrier or transport operator shall affix the tracking device and make it synchronized with the tracking device fixed on the prime mover or vehicle and upload the data in the system and activate the tracking system. The whole procedure shall be completed within fifteen minutes.

(4) The system shall generate a certificate to this affect, which shall contain details of G.D., container and vehicle number, and the tracker unit ID number.

(5) If any device is found malfunctioning, it shall be forthwith replaced with a functioning device.

(6) The vehicle shall then be taken to the designated PCCSS focal point entry, where procedure prescribed under Customs General Order (CGO) No. 03 of 2020 shall be completed.

1110. Un-mounting of tracking device.- (1) The licencee shall establish designated areas at the point of exit, which would be in proximity of PCCSS office of Focal Point Exit, and shall be responsible for active and close liaison with it.

(2) The licencee upon being approached by the carrier or transport operator shall un-mount the tracking device from the container and cargo and upload the data in the system and de-activate or terminate the tracking device journey. The whole procedure shall be completed within fifteen minutes.

(3) The certificate generated at the time of mounting of tracking device shall be endorsed accordingly.

(4) If any discrepancy is found, the same shall be reported to the Focal Point of Exit as well as the CMCR or MEU enroute for taking appropriate action as prescribed under Act or the rules made thereunder.

1111. Generation of MIS reports. - Reconciliation of each journey of container and vehicle shall be done, on real time basis, by the licencee and delay, unusual or unauthorized stoppages, discrepancies, etc. shall be reported at once. The licencee shall generate report in soft as well as hard copies, Covering details of the monthly reconciliation and alerts and results thereof for the Project Director.

1112. Technical and training support. -(1) The licencee shall provide the following technical support, namely:-

(a) setting up and maintenance of all information technology (IT) infrastructure, wherever needed, for the purposes of these rules;

(b) the licencee shall be fully responsible for,-

(i) all upgrades of the system, hardware and software;

(ii) all bug fixes; and

(iii) immediate response and repair of any technical problem in the system during holidays or working days to cover the major, minor and moderate problems for uninterrupted working of the system; and

(c) software applications shall be flexible and compatible with other customs related softwares (e.g. One Customs, WeBOC, Customs Monitoring Software, etc)

(2) The licencee shall undertake to upgrade, as per the new technological requirement, the installed IT structure, related software, communication equipment etc., as and when required.

(3) The licencee shall arrange to provide comprehensive technical and operational training to the Customs officers and officials, and other concerned officials and ensure provision of all documentation and technical manuals, wherever and whenever required.

(4) Quarterly appraisal reviews of functioning and efficacy of the system shall be carried out for which the licencee shall make necessary arrangements.

(5) The Board shall have proprietary rights of the system for subsequent forensic audit and the licencee shall make available all or any information requisitioned by the Board, the Licensing Authority or the Project Director promptly.

Sub-Chapter-IV

SUPERVISION OF THE SYSTEM, ENFORCEMENT AND EARLY TERMINATION

1113. Responsibilities of the Project Director.-(1) The Project Director shall be responsible for overall supervision of the system.

(2) The Project Director shall send quarterly performance reports to the Board covering *inter alia* the functioning and efficacy of the system, the scope and need of improvements observed in the system, and the steps taken to address problems encountered during operation of the system.

(3) The Project Director shall be assisted, as and when required, by Directors of Transit Trade or Collectors of Customs in preparation of these performance reports.

(4) The Project Director shall oversee the establishment of monitoring section under rule 13, in Central Monitoring and Control Room at Old Custom House, Karachi and keep it operational on 24/7 basis.

(5) The Project Director shall arrange a UAN number for CMCR for receiving calls from transport operators, focal points, MEUs etc. for redressal of their complaints and attending their queries relating to bonded cargo *en-route*, round the clock.

(6) The Project Director shall oversee the arrangements at Customs data center for storage of tracking data received from the licencees on daily basis.

(7) The Project Director shall take action against the licenced tracking companies and recommend action against the Bonded Carriers/Transport Operators or their drivers found involved in violation of rules and procedures to their licensing authority.

(8) The Project Director shall take every possible step to ensure the compliance of prescribed procedures by the drivers of the vehicles carrying bonded cargo *en-route*. In this regard, to discourage drivers' non-compliant behavior, the officers of the Directorate of Transit Trade (HQ), Karachi shall be empowered to charge and collect the amount, as notified from time to time by Board, from licenced bonded carriers/transport operators on account of each minor violation of prescribed procedures made by their respective drivers.

1114. Procedure for cancellation or termination of licence.-(1) The Project Director shall immediately refer the matter to the Chairman Licensing Committee for further action under these rules, if he, as a result of supervision of the system, or on receipt of a report from any of the Director of Transit Trade or Collector of Customs or on a valid complaint, has reasons to believe that the licencee has,-

(a) failed to set up the infrastructure and to operationalize the system within the time lines committed at the time of issuance of licence;

(b) failed to provide the required services to the satisfaction of Customs authorities;

(c) contravened any condition of the licence;

(d) contravened any provision of these rules or the Act; or

(e) violated any applicable law while carrying out activities of licence under these rules.

(2) On receipt of reference from the Project Director under sub-rule (1), the Chairman Licensing Committee shall cause to serve a notice upon the licencee within fifteen days of receipt of reference, to show cause within thirty days after the date of the notice, as to why the licence issued under these rules should not be cancelled or terminated:

Provided that in cases where the Licensing Authority, on the basis of material evidence, is of the opinion that there exits *prima facie* a sufficient case against the licencee, it may suspend the licence to safeguard public finances and to prevent any other serious damage.

(3) The Licensing Committee may, after giving the licencee adequate opportunity of being heard and after examination of the record, cancel or terminate the licence issued under these rules.

(4) In case of cancellation of licence under these rules, the affected company shall have the right to file representation against the orders of the Licensing Committee before the Board.

(5) The Board shall decide the representation, after giving proper opportunity of being heard.

Sub-Chapter-V

FEE AND CHARGES

1115. Fee and charges.-(1) The licencee may charge fee for installation, maintenance and tracking or usage of fixed tracking device on the vehicle from the carrier or the transport operator.

(2) The licencee may collect fee or charges for installation, and monitoring or usage or tracking of removable tracking device installed on the cargo containers from importers of the cargo.

(3) No fee whatsoever shall be charged from any of the Collectorates of Customs or the Board.

1116. Determination of fee and charges.- (1) The licensing committee shall at the time of issuance of licence get the maximum amount of fee and charges determined which can be collected by the licencee from importers of the cargo, carriers or transport operators during the duration of the licence.

(2) The Project Director shall notify these fee and charges through a public notice for information of all the relevant persons.

(3) The Project Director and the Directors of Transit Trade or Collectors of Customs concerned shall ensure that only the fee and charges determined by the licensing authority are being collected by the licencee.

1117. Revision or alteration of fee and charges.-(1) The fee and charges determined in accordance with rule 25 shall not be revised or altered in normal circumstances during the duration of the licence.

(2) In cases where the basis of such determination has undergone significant and material change or where major economic disruption has occurred, the licencee may petition the licensing committee accordingly to revise or alter the determined fee or charges.

(3) The licensing committee may in circumstances mentioned in sub-rule (2) allow review or alteration in such fee and charges:

Provided that in case where petition has been filed for upward revision or alteration of fee and charges, the representatives of importers and carriers or transport operators shall be given an opportunity to present their point of view during the proceedings.

(4) The licencee may in case where the petition for upward revision or alteration of the fee and charges has been rejected shall have the option to request the Licensing Committee for cancellation of the licence issued under these rules.

(5) The licensing committee shall, on receipt of such a request under sub-rule (4), cancel the licence forthwith.

Sub-Chapter-VI

RESPONSIBILITIES OF THE CARRIER AND TRANSPORT OPERATOR

1118. Tracking and monitoring of cargo.- (1) No cargo mentioned in these rules shall be transported from the Customs port of entry unless the tracking and monitoring devices have been installed on the containers and vehicles.

(2) The carrier and transport operator shall not be allowed to operate a vehicle unless a permanent tracking device is installed in the vehicle.

(3) While carrying out transportation of cargo under these rules carriers and transport operators not only themselves be required to comply with the relevant provisions of the rules under which they are licenced but also make their drivers carrying cargo on transport operator's vehicles responsible especially with reference to violations of prescribed procedures.

1119. Liabilities of the carriers and transport operators.-(1) The carrier or transport operator shall be responsible for any loss, damage, unauthorized removal or disappearance of the tracking equipment during the course of transportation of goods.

(2) The carrier or transport operator shall be liable to compensate the licencee in case of occurrence of events mentioned in sub-rule (1).

(3) In case a dispute arises regarding the extent and nature of liability mentioned in sub-rule (2) on the basis of *bona fide* error or an accident, the matter shall be referred to the Director of Transit Trade in whose jurisdiction such an event takes place. The Director concerned shall decide the matter within fifteen days of its receipt by passing speaking order. The carrier or transport operator may, on being aggrieved with orders of the Director, prefer an appeal before the licensing committee. The licensing committee shall decide the matter within thirty days, which shall be final and binding on the licencee and the carrier or transport operator.

(4) The carriers and transport operators shall remain liable to punitive and other related actions in cases of violation or contravention of the applicable provisions of the Act and rules made thereunder while complying with the provisions of these rules.

Sub-Chapter-VII

MISCELLANEOUS

1120. Liabilities of the licencee.- (1) Without prejudice to the action that can be taken under Chapter IV of these rules, the licencee shall be liable to punitive action under the Act and rules made there under, in cases of its willful collusion with the transport operator or carrier including carrier's driver for violation or contravention of any of such provision.

(2) The licencee shall also be liable to deposit duty and taxes along with surcharges and penalties under the Act and the relevant rules, where it is established through proceedings under the Act, after providing an opportunity of being heard, that the licencee has colluded with the carrier or transport operator or carrier's driver resulting in damage or pilferage or loss of cargo specified in these rules.

(3) In case of loss of synchronization of container tracker with the fixed tracking device installed on the vehicle or generation of frequent false door alerts, appropriate penal action, by passing a speaking order, shall be taken against the licencee, if no explanation to the satisfaction of customs authorities is made.

1121. Functioning of mobile enforcement units.-To check and verify any of the eventualities enroute, the customs squad of MEUs shall patrol the designated routes on which transit and transshipment cargo is plying. The mobile squad may check a vehicle in case it receives authentic information or has reasons to believe that the goods have been pilfered or lost. The squad shall report the eventuality to the CMCR, immediately. The mobile squad shall make endorsement of the action taken with regard to cargo, the transport unit etc, by feeding the information in the system.

1122. Audit.-The Project Director shall arrange to carry out audit of the system every year. The report shall be used for system related improvements and corrective and remedial actions, where warranted.

1123. Any function enumerated in these rules including mounting and un-mounting of tracking devices in the designated areas, whereof, the staff of the Directorate General of Transit Trade is not posted, shall be performed by the staff of the respective Enforcement and Compliance or Composite Customs Collectorate of jurisdiction,

Appendix-I
[See rule 6(2)(p)]

UNDERTAKING

We, M/s _____, undertake that we neither currently nor in future shall indulge in any business or activity allied or ancillary to transportation of bonded cargo throughout the duration of our licence to be awarded under the Tracking and Monitoring of Cargo Rules, 2023. If we intend to take part in any such business or activity, directly or indirectly, through a subsidiary or associated concern, we shall inform the relevant Customs authorities and shall surrender our licence awarded under these rules.

2. We further undertake that if we fail to inform relevant Customs authorities about any of the aforementioned businesses or allied activities undertaken by use or our subsidiary or associated concern, and information in this regard reaches Customs authorities, the Licensing Committee shall have the right to cancel our licence forthwith.]

C.No.10(18)L&P/2002
[F.No. 11(4)/2001 Cus. Exm.]

(Manzoor Ahmad)
Member (Customs)

As Amended:-

1.	S.R.O.247(I)/2002,	-	dated	08.05.2002.
2.	S.R.O.375(I)/2002,	-	dated	15.06.2002.
3.	S.R.O.376(I)/2002,	-	dated	15.06.2002.
4.	S.R.O.634(I)/2002,	-	dated	16.09.2002
5.	S.R.O.___(I)/2002,	-	dated	13.11.2002
6.	S.R.O.801(I)/2002,	-	dated	15.11.2002
7.	S.R.O.482(I)/2003,	-	dated	07.06.2003
8.	S.R.O.490(I)/2003,	-	dated	07.06.2003
9.	S.R.O.704(I)/2003,	-	dated	10.07.2003
10.	S.R.O.859(I)/2003	-	dated	29.08.2003
11.	S.R.O.461(I)/2004	-	dated	12.06.2004
12.	S.R.O.623(I)/2004	-	dated	19.07.2004
13.	S.R.O.198(I)/2005	-	dated	28.02.2005
14.	S.R.O.210(I)/2005	-	dated	28.02.2005
15.	S.R.O.271(I)/2005,	-	dated	24.03.2005
16.	S.R.O.492(I)/2005	-	dated	23.05.2005
17.	S.R.O.563(I)/2005	-	dated	06.06.2005
18.	S.R.O.714(I)/2005	-	dated	13.07.2005
19.	S.R.O. 867 (I)/2005	-	dated	24.08.2005
20.	SRO.1019(I)/2005	-	dated	29.09.2005
21.	SRO.1100(I)/2005	-	dated	24.10.2005
22.	S.R.O.844(I)/2005	-	dated	16.08.2005
23.	S.R.O.1174(I))/2005	-	dated	23.11.2005
23A.	S.R.O.23(I)/2006	-	dated	05.01.2006
24.	S.R.O.94(I)/2006	-	dated	07.02.2006
25.	S.R.O.171(I)/2006	-	dated	24.02.2006
26.	S.R.O.385(I)/2006	-	dated	24.04.2006
27.	S.R.O.574(I)/2006	-	dated	05.06.2006
28.	S.R.O.---(I)/2006	-	dated	08.12.2006
29.	S.R.O.143(I)/2007	-	dated	20.02.2007
30.	S.R.O.286(I)/2007	-	dated	31.03.2007
31.	S.R.O.483(I)/2007	-	dated	09.06.2007
32.	S.R.O.506(I)/2007	-	dated	09.06.2007
33.	S.R.O.623(I)/2007	-	dated	18.06.2007
34.	S.R.O.704(I)/2007	-	dated	14.07.2007
35.	S.R.O.889(I)/2007	-	dated	01.09.2007
36.	S.R.O.943(I)/2007	-	dated	14.09.2007(w.e.f.1.11.2007)
37.	S.R.O.1070(I)/2007	-	dated	31.10.2007
38.	S.R.O.1082(I)/2007	-	dated	01.11.2007
39.	S.R.O.1157(I)/2007	-	dated	08.11.2007
40.	S.R.O.702(I)/2008	-	dated	30.06.2008
41.	S.R.O.843(I)/2007	-	dated	18.08.2007
42.	S.R.O.967(I)/2008	-	dated	09.09.2008
43.	S.R.O.___(I)/2008	-	dated	14.10.2008
44.	S.R.O.___(I)/2008	-	dated	29.12.2008
45.	S.R.O.176(I)/2009	-	dated	19.02.2009
46.	S.R.O.493(I)/2009	-	dated	13.06.2009
47.	S.R.O.600(I)/2009	-	dated	26.06.2009
48.	S.R.O.612(I)/2009	-	dated	01.07.2009
49.	S.R.O.1091(I)/2009	-	dated	10.12.2009
50.	S.R.O.124(I)/2010	-	dated	01.03.2010
51.	S.R.O.339(I)/2010	-	dated	20.05.2010
52.	S.R.O.___(I)/2010	-	dated	24.05.2010.

53	S.R.O.510(I)/2010	-	dated	11.06.2010
54.	S.R.O.581(I)/2010	-	dated	24.06.2010
55.	S.R.O.601(I)/2010	-	dated	28.06.2010
56.	S.R.O.688(I)/2010	-	dated	27.07.2010
57.	S.R.O.1130(I)/2010	-	dated	13.12.2010
58.	S.R.O.136(I)/2011	-	dated	21.02.2011
59.	S.R.O.250(I)/2011	-	dated	16.03.2011
60.	S.R.O.449(I)/2011	-	dated	20.05.2011
61.	S.R.O.601(I)/2011	-	dated	13.06.2011
62.	S.R.O.652(I)/2011	-	dated	27.06.2011
63.	S.R.O.1063(I)/2011	-	dated	23.11.2011
64.	S.R.O.10(I)/2012	-	dated	02.01.2012
65.	S.R.O.18(I)/2012	-	dated	05.01.2012
66.	S.R.O.204(I)/20112	-	dated	27.02.2012
67.	S.R.O.___(I)/2012	-	dated	22.05.2012
68.	S.R.O.601(I)/2012	-	dated	01.06.2012
69.	S.R.O.1409(I)/2012	-	dated	30.11.2012
70.	S.R.O.47(I)/2013	-	dated	24.01.2013
71.	S.R.O.48(I)/2013	-	dated	30.01.2013
72.	S.R.O.54(I)/2013	-	dated	31.01.2013
73.	S.R.O.22(I)/2013	-	dated	18.01.2013
74.	S.R.O.174(I)/2013	-	dated	05.03.2013
75.	S.R.O.155(I)/2013	-	dated	25.02.2013
76.	S.R.O.240(I)/2013	-	dated	21.03.2013
77.	S.R.O.242(I)/2013	-	dated	25.03.2013
78.	S.R.O.121(I)/2014	-	dated	24.02.2014
79.	S.R.O.202(I)/2014	-	dated	18.03.2014
80.	S.R.O.637(I)/2015	-	dated	30.06.2015
81.	S.R.O.661(I)/2015	-	dated	08.07.2015
82.	S.R.O.840(I)/2015	-	dated	20.08.2015
83.	S.R.O.264(I)/2012	-	dated	14.03.2012
84.	S.R.O.1109(I)/2015	-	dated	27.10.2015
85.	S.R.O.1220(I)/2015	-	dated	04.12.2015
86.	S.R.O.79(I)/2016	-	dated	01.02.2016
87.	S.R.O.209(I)/2016	-	dated	09.03.2016
88.	S.R.O.11(I)/2017	-	dated	04.01.2017
89.	S.R.O.170(I)/2017	-	dated	16.03.2017
90.	S.R.O.564(I)/2017	-	dated	01.07.2017
91.	S.R.O.771(I)/2017	-	dated	08.08.2017
92.	S.R.O.1066(I)/2017	-	dated	20.10.2017
93.	S.R.O.36(I)/2018	-	dated	17.01.2018
94.	S.R.O.831(I)/2018	-	dated	02.07.2018[648(I)/2018,24.5.18]
95.	S.R.O.1540(I)/2018	-	dated	27.12.2018
96.	S.R.O.445(I)/2019	-	dated	09.04.2019
97.	S.R.O.945(I)/2006	-	dated	05.09.2006
98.	S.R.O.994(I)/2019	-	dated	04.09.2019
99.	S.R.O.1010(I)/2020	-	dated	04.02.2020
100.	S.R.O.65(I)/2020	-	dated	30.01.2020
101.	S.R.O.218(I)/2020	-	dated	10.03.2020
102.	S.R.O.554(I)/2020	-	dated	16.06.2020
103.	S.R.O.714(I)/2020	-	dated	11.08.2020
104	S.R.O.1039(I)/2020	-	dated	09.10.2020
105.	S.R.O.1186(I)/2020	-	dated	05.11.2020
106.	S.R.O.1303(I)/2020	-	dated	02.12.2020
107.	S.R.O.1174(I)/2020	-	dated	26.10.2020

108.	S.R.O.1109(I)/2020	-	dated	22.10.2020
109.	S.R.O.1114(I)/2020	-	dated	26.10.2020
110.	S.R.O.03(I)/2021	-	dated	04.01.2021
111.	S.R.O.05(I)/2021	-	dated	04.01.2021
112.	S.R.O.06(I)/2021	-	dated	04.01.2021
113.	S.R.O.1433(I)/2020	-	dated	30.12.2020
114.	S.R.O.1213(I)/2020	-	dated	11.11.2020
115.	S.R.O.14(I)/2021	-	dated	06.01.2021(E-Commerce Rules)
116.	S.R.O.04(I)/2021	-	dated	04.01.2021
117.	S.R.O.180(I)/2021	-	dated	09.02.2021
118.	S.R.O.294(I)/2021	-	dated	05.03.2021
119.	S.R.O.495(I)/2021	-	dated	31.03.2021
120.	S.R.O.378(I)/2021	-	dated	29.03.2021
121.	S.R.O.264(I)/2021	-	dated	24.02.2021(CPEC)
122.	S.R.O.267(I)/2021	-	dated	26.02.2021
123	S.R.O.935(I)/2021	-	dated	16.07.2021
124.	S.R.O.957(I)/2021	-	dated	30.07.2021(EFC)
125.	S.R.O.1012(I)/2021	-	dated	05.08.2021
126.	S.R.O.1013(I)/2021	-	dated	05.08.2021
127.	S.R.O.1055(I)/2021	-	dated	18.08.2021
128.	S.R.O.1466(I)/2021	-	dated	11.11.2021
129.	S.R.O.1112.(I)/2021	-	dated	30.08.2021
130.	S.R.O.1603(I)/2021	-	dated	06.12.2021
131.	S.R.O.1345(I)/2012	-	dated	24.10.2012
132.	S.R.O.1660(I)/2021	-	dated	22.12.2021
133.	S.R.O.1293(I)/2021	-	dated	29.09.2021
134.	S.R.O.38(I)/2022	-	dated	03.01.2022
135.	S.R.O.1603(I)/2021	-	dated	06.12.2021
136.	S.R.O.517(I)/2022	-	dated	13.04.2022
137.	S.R.O.250(I)/2022	-	dated	14.02.2022
138.	S.R.O.432(I)/2022	-	dated	14.03.2022
139.	S.R.O.567(I)/2022	-	dated	27.04.2022
140.	S.R.O.434(I)/2022	-	dated	15.03.2022
141.	S.R.O.804(I)/2022	-	dated	15.06.2022
142.	S.R.O.802(I)/2022	-	dated	15.06.2022
143.	S.R.O.2202(I)/2022	-	dated	07.12.2022
144.	S.RO.1763(I)/2022	-	dated	22.09.2022
145.	S.R.O.2049(I)/2022	-	dated	16.11.2022
146.	S.R.O.1908(I)/2022	-	dated	12.10.2022
147.	S.R.O.420(I)/2023	-	dated	31.03.2023
148	S.R.O.421(I)/2023	-	dated	31.03.2023
149.	S.R.O.1497(I)/2022	-	dated	01.08.2022
150.	S.R.O.560(I)/2023	-	dated	05.05.2023
151.	S.R.O.611(I)/2023	-	dated	16.05.2023
152.	S.R.O.533(I)/2023	-	dated	08.05.2023
153.	S.R.O.293(I)/2022	-	dated	17.02.2022
154.	S.R.O.744(I)/2023	-	dated	19.06.2023
155.	S.R.O.996(I)/2023	-	dated	01.08.2023
156.	S.R.O.1094(I)/2023	-	dated	23.08.2023
157.	S.R.O.1093(I)/2023	-	dated	23.08.2023