

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

C.No.1(1)L&P/2005

Islamabad, the 18th October, 2008.

CUSTOMS GENERAL ORDER NO.13 OF 2008

Subject: **STRUCTURE AND FUNCTIONS OF CUSTOMS POST CLEARANCE AUDIT (PCA)**

In supersession of Customs General Order No.12/2007 dated 1st September, 2007, the Federal Board of Revenue is pleased to specify the organizational structure, functions and the rules of business for the Post Clearance Audit (PCA), as under:—

1. Aims and Objectives: —

The aims and objectives of the Post-Clearance Audit shall be to,

- (a) develop a comprehensive monitoring mechanism to verify the correctness of trade related declarations;
- (b) detect, investigate and propose measures to prevent commercial and trade-related frauds;
- (c) assist the FBR to evolve, develop and update systems, procedures and organizational structures meant to scrutinize and ensure compliance of the trade with the national trade laws, procedures and controls; and
- (d) recover escaped revenues.

2. Structure and layout: —

- (a) A Directorate General of PCA shall be established to perform the functions of Post Clearance Audit. The Directorate General of PCA shall be headed by a Director General and shall have at least three Directors i.e. Director, Lahore, Director, Karachi and Director (Headquarter), Islamabad or as many Directors as Board may determine from time to time. The Director General (PCA) shall report to the Member (Customs), Federal Board of Revenue.
- (b) A Director in any of the office of the PCA shall be assisted by as many Additional Directors, Deputy Directors, Assistant Directors and other officers and officials by any designation as may be required from time to time.

- (c) In case of the goods cleared from any of Collectorate in Karachi, Hyderabad and Quetta, the function of PCA shall be performed by Director, PCA, Karachi.
- (d) In case of goods cleared from Lahore, Rawalpindi, Multan, Faisalabad, Sialkot and Peshawar, the function of PCA shall be performed by Director, PCA, Lahore.

3. Functions and Responsibilities: —

PCA (Directorate General Office), Islamabad

- (a) to establish, update and operate records, databases and profiles covering all aspects of trade and business;
- (b) to evolve a pro-active monitoring mechanism to ensure compliance with national trade laws, rules, procedures, controls, restrictions, prohibitions, etc;
- (c) to set up mechanism and machinery alongwith its ancillary and auxiliary sub-systems for audit, intelligence, investigation, prosecution, adjudication, dispute resolution and recovery proceedings in exercise of the powers vested in the officers of the Directorate General of Post Clearance Audit under relevant laws from time to time; and
- (d) any other function assigned by the Board.

PCA (Directorate Office), Lahore and Karachi

- (a) The relevant Directorate of PCA will serve as the operations headquarters for PCA activities in the specified area including data analysis, risk assessment and selection of sectors/cases for generating the work orders for the PCA Post Clearance Audit and monitoring of the follow up actions.
- (b) The relevant Director, PCA will assign the audits to the PCA officers, supervise and monitor progress of the audit cases and take all necessary measures to ensure that the audit activities are conducted fairly, transparently and in accordance with the law and the prescribed procedures as are laid down in Pakistan Customs PCA Manual.
- (c) Director, PCA office and any officer authorized by his office will issue work-order to the concerned Collectorate of Customs and will review declarations and supportive documents, audit the business and prepare the report in the manner as provided in the PCA Manual. The PCA officers will record all the details and results of their work in the automated system of the PCA.

- (d) Any Collector of Customs or the Director of the PCA may also identify cases where it may be deemed appropriate to carry out post clearance audit as a special case. All cases so identified shall be routed for action through the Office of DG, PCA or any officer authorized by him.

PCA (Headquarters), Islamabad

- (e) PCA (Headquarters) will be responsible for the development and maintenance of the National Historical Database (NHD), Client Accreditation Program (CAP), Traders Profiles and Records (TPR). It will also look after the development and maintenance of the “Computerized Audit Performance and Reporting System”.

4. Rules of Business:-

The entire range of business of the Post Clearance Audit shall be conducted in conformity and compliance with the rules, procedures and the forms as are set out and updated from time to time in the Pakistan Customs PCA Audit Manual and the “Automated PCA Computerized Audit Performance and Reporting System” or as directed by the Board or instructions issued by it from time to time. The offices of Chief Collector will have no supervisory control or jurisdiction over any PCA office or unit and all PCA formations will report to DG, PCA through relevant Director PCA. The Director General will report to Member (Customs), FBR.

(Dr. Muhammad Adnan Akram)
Second Secretary (Law & Procedure)