

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

C. NO.3(5)ICM/2001

Islamabad, the 4th September, 2001

CUSTOMS GENERAL ORDER NO. 10/2001

Subject: CLASSIFICATION RULINGS

In order to streamline the issuance of classification rulings, to implement the recommendations of World Customs Organization regarding introduction of programme for binding pre-entry classification information and improvement of Tariff Classification Work and related infrastructure and in supersession of CGO No. 35/99 dated 22-9-1999, It has been decided to introduce the following procedure:

- i. Routine classification issues will continue to be decided by respective Collectorates at their own level. Complicated classification disputes will be referred to the Classification Centre being established in the Collectorate of Customs (Appraisement), Karachi with effect from October 01, 2001. In addition to deciding the classification disputes, the centre will also issue binding pre-entry classification ruling on the specific request of an importer.
- ii. Classification Centre will perform the following function:
 - a) To determine pre-entry classification;
 - b) to examine and settle classification disputes/references/queries referred either by various Customs stations or by the traders;
 - c) to compile and print classification rulings on yearly basis;
 - d) to monitor and ensure that uniform and accurate classification decisions are made at all customs stations;
 - e) to devise appropriate software/programme to monitor the quality of classification work through networked computer system;
 - f) to create and preserve a database containing all classification matters and the related documents/publications/information;
 - g) to maintain contacts and exchange information regarding classification matters with other customs administrations in the world;
 - h) to groom and train officers and staff, in the field of HS classifications and classification mis-declarations, in coordination with the Directorate General of Training and Research, (Customs, Sales Tax and Central Excise); and
 - i) to identify items/goods prone to misclassification.
- iii. The classification Centre shall be run and managed by a classification committee to be constituted by the Collector of Customs, appraisement. The said committee shall be headed by an Additional Collector and consist of as many members as may be nominated by the Collector appraisement. The said committee may co-opt representatives of other Collectorates and trade bodies as and when required on case to case basis. The committee may also call specialists and experts for expert opinion in determining classification of an item. The committee will meet at least once in a month but may hold as many meetings as required to dispose off the work.
- iv. Regarding pre-entry classification, the importer, prior to making actual import, may request in writing for a binding pre-entry classification ruling to the classification Centre. The said request shall be accompanied by the following;

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- a) full description of goods along with necessary details required for determining classification, including trade name, generic name, etc;
 - b) technical literature/certificate showing structure composition, laboratory test reports etc;
 - c) trade sample, photograph, drawings, if any;
 - d) correspondence or preliminary import documents, performa invoice etc. along with proposed HS classification; and
 - e) any other relevant information.
 - v) On receipt of the above request, the Centre will seek opinion from the relevant group of Appraisement Collectorate, Custom House, Karachi as soon as possible but not later than fifteen (15) days of the receipt of the request. Thereafter, the case will be presented in the meeting of the classification committee where the importer or his representative shall also be invited for discussion. The committee may also direct the importer to supply any other information or document as it may deem necessary before making its decision.
 - vi) The classification determined by the committee shall be subject to approval by Collector of Customs Appraisement. The Collector may agree with the findings of the committee, change the classification or refer back the case to the committee for denovo consideration. After approval by the collector, the ruling shall be communicated in writing to the importer and all Customs Collectorates as soon as possible but not later than ten days of the approval by the Collector.
 - vii) The classification thus communicated will be binding, in accordance with the terms set out therein, on the Customs authorities in respect of the tariff classification of goods for a period of one year from the date of issue subject to paragraphs viii & ix hereinafter following.
 - viii) The classification ruling will be treated as annulled if it is found subsequently that the same was obtained by providing incorrect, false, misleading or incomplete information by the applicant.
 - ix) The ruling shall cease to be valid where:
 - a) It becomes incompatible with new fiscal tariff measures or judicial decisions; and
 - b) where the holder of such information is notified in writing of its withdrawal, revocation or amendment on account of further details/information having surfaced casting doubts about the correctness of the ruling.
 - x) In cases where the classification committee is unable to resolve the dispute, the same will be referred to the Board through the Collector of Customs Appraisement for its decision or onward submission to the World customs Organization, Brussels for a ruling on the subject.
 - 2. The classification ruling so issued by the centre will be widely circulated in the form of a Public Notice amongst the trade, industry and customs organizations in the country.
 - 3. The Collectorate of Customs Appraisement, Karachi will provide computer, internet, office equipment, furniture, space, personnel and other technical material, financial and human resources as may be required for the smooth running of the classification centre.

(Mohammad Javed Ghani)
Secretary
(International Customs & Manuals)