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

**NOTIFICATION
(CUSTOMS)**

Islamabad, the 15th November, 2022

S.R.O. 2046 (I)/2022.- The following draft of certain further amendments in the Customs Rules, 2001, which the Federal Board of Revenue proposes to make 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), is hereby published for information of all persons likely to be affected thereby and, as required under sub-section (3A) of section 219 of the Customs Act, 1969 (IV of 1969), notice is hereby given that objections or suggestions thereon, if any, may for consideration of the Board be sent within fifteen days of publication of the draft amendments in the official Gazette. Any objections or suggestions which may be from any person, received before the expiry of the aforesaid period, shall be taken into consideration by the Federal Board of Revenue, namely:-

DRAFT AMENDMENTS



In the aforesaid Rules, in Chapter XXV, in sub-chapter-VIII, after rule 635, the following new rules shall be added, namely:-

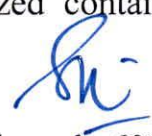
“635-A. Transit through multimodal air-land corridor.- In these rules, unless the context or subject otherwise requires,-

- (a) “airline” means aircraft bringing the transit goods from foreign destination and taking out goods from Pakistan through international airports;
- (b) “airport” means all International Airports in Pakistan for receipt of transit goods from foreign destinations and their onward dispatch to Chaman, Torkham or Ghulam Khan border

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stations and vice versa subject to the fulfillment of conditions given in the ensuing procedure;

- (c) "airway bill" means the document issued by airline containing details about the type, quantity, and destination of the goods;
- (d) "Board", means the Federal Board of Revenue;
- (e) "cargo-manifest" means manifest of goods meant to be transited from all international airports in Pakistan to Chaman, Torkham or Ghulam Khan and vice versa;
- (f) "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, standard size containers and disposable palletized container, with distinguishing marks and numbers;
- (g) "document" means the documents as defined under rule 601(2) of the Customs Rules, 2001, except that the bill of lading (B/L) shall be read as airway bill;
- (h) "customs border-station" means Chaman, Torkham or Ghulam Khan and any other customs border station notified by the Board for the purpose of Afghan Transit Trade;
- (i) "goods" means commercial and non-commercial cargo;
- (j) "hazardous goods" means hazardous goods as provided in Basel Convention;



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- (k) “heavy, bulky or oversized goods” means any heavy, bulky or oversized object which because of its weight, size or nature cannot be scanned through a scanning machine available at airport;
 - (l) “sealing” means affixing of PCCSS seal on transit goods under Customs General Order 03 of 2020 and issuance of transport note electronically;
 - (m) “tracking” means affixing of tracking device on transport unit for transit of goods under the Tracking and Monitoring of Cargo Rules, 2012; and
 - (n) “transit” means transfer of international commercial cargo or non-commercial cargo from all International Airports in Pakistan to Chaman, Torkham or Ghulam Khan and any other customs border station notified by the Board for the purpose of Afghan Transit Trade after due processing by customs clearance.

(2) The words and expression used, but not defined herein, shall have the meanings as assigned thereto in the Act,-



635B. Multimodal air-land corridor for transit of forward Afghan Transit Goods (Imports).- Procedure for handling of the transit cargo arriving at all international airports in Pakistan, approved by the Board, for its movement to Afghanistan through Chaman, Torkham or Ghulam Khan land border customs station shall be as under:

(A) Processing of the transit goods on arrival at an international airport in Pakistan.

- (a) transit shall be allowed for the cargo that is identified in cargo manifest of the aircraft as “Transit cargo”;
- (b) the concerned airline shall submit application-cum cargo manifest for transit of imported cargo to the designated staff of Directorate of Transit Trade or Collectorate of Customs, as the case may be. The authorized representative of cargo handler of the airline or aircraft

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shall mention the details of transit goods for Afghanistan separately in Import General Manifest (IGM) which shall be uploaded 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 handler's covered shed inside the airport. The shed shall be supervised and monitored by Customs staff posted on regular basis;

- (c) cargo so unloaded from an aircraft and stored in designated shed at international airport in Pakistan for subsequent loading on a bonded carrier or container for transportation to Afghanistan via Chaman, Torkham or Ghulam Khan shall not be allowed in any circumstances to be taken out of the airport. The cargo handler shall be responsible for safe storage and security of such goods. In case of any pilferage, shortage, theft or damage to goods, he shall be liable to make payment of duty and taxes leviable thereon and compensate the owner of goods;
- (d) the customs officer shall ensure that the particulars of the goods declared in application-cum-cargo manifest matches with those declared in the Import General Manifest (IGM);
- (e) all the packages, goods must bear the indelible marks "In Transit to Afghanistan";
- (f) Afghan Transit (AT) GD shall be filed in WeBOC for clearance of goods along with documents mentioned at rule 601(2) of the Customs Rules, 2001, except that the B/L shall be read as airway bill;
- (g) for each airway bill one GD shall be filed;
- (h) the goods shall be invariably weighed and scanned in the presence of Customs staff and this information shall be recorded in the system;
- (i) the AO assessment shall inspect the declarations and the documents. In case any discrepancy is observed, the consignment shall be marked for examination. In case no discrepancy is found, it shall be assessed and marked to the security officer for securing Insurance Guarantee as

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envisaged in rule 602 (2)(f) of Customs Rules 2001. After insurance guarantee is secured the GD shall be allowed loading;

- (j) dispatch of transit goods from the International Airport in Pakistan to land border station (Chaman, Torkham or Ghulam Khan) shall only be allowed in containers. The 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 for a period of at least 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 at different places;
- (k) the custodian or ground handling agent of the sheds at international airport in Pakistan where transit cargo is lying shall be responsible for consolidation of such consignments in respect of which loading had been allowed into one container in the presence of Customs officer;
- (l) the custodian or ground handling agent or Transport Operator shall ensure that goods relating to only one specific customs border station are loaded on one conveyance/truck;
- (m) the custodian or ground handling agent shall also enter the container number and information about the individual consignments stuffed in that container in the WeBOC system;
- (n) once consolidation is done in a container, a container manifest on prescribed format shall be prepared in quintuplicate by the custodian/ground handling agent of cargo shed. One copy each of the container manifest shall be for custodian/ground handling agent of the shed, the importer, Customs staff at office of departure airport, Customs staff at office en-route, Customs staff at Customs check-posts en-route, if any, and the Customs office at destination. Each

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copy shall be signed and stamped by the Customs staff and the custodian or ground handling agent of shed;

- (o) the container shall be loaded on the truck of approved Transport Operator. PCCSS seal shall be affixed on the container (s) and a consignment note shall be generated;
- (p) the approved tracking company shall affix the tracking device on the container; and
- (q) the bonded carrier shall be subject to the responsibilities defined in rule 480 of the Customs Rules, 2001.

(B) Processing of the transit goods at Chaman, Torkham or Ghulam Khan land border stations:

- (a) the PCCSS staff shall act as Vehicle Verification Officer and verify the truck number, container number and seal number in the WeBOC system; if no discrepancy is observed the consignment will be allowed Gate-in;
- (b) the approved tracking company shall un-mount the tracking device from the container or transport unit;
- (c) hundred per cent weighment of transit goods shall be carried out at the office of departure and at office en-route;
- (d) on arrival of the container or transport unit at the office en-route, the same shall be subjected to scanning on the basis of the risk management system.
- (e) upto 2% of the containers of transit goods shall be selected for examination through risk profiling or the risk management system. Such consignments shall be examined hundred percent;
- (f) in case of any suspicion or on receipt of a credible information, the consignment of transit goods shall be examined with the approval of the officer not below the rank of Assistant or Deputy Director, Directorate of Transit Trade;

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- (g) if no discrepancy is found, the truck loaded with container, carrying the transit goods shall be allowed to cross the border after following the procedure prescribed in rule 605 of Customs Rules, 2001.
 - (h) in case of discrepancy at any stage contravention proceedings under the relevant provision of the Customs Act, 1969 and rules made there under shall be taken by the incharge customs station;
 - (i) on arrival of the goods at the border station it will be ensured that the goods have arrived within the stipulated time. In case of any route deviation and delay of goods reaching the border station appropriate action will be initiated under the relevant rules and law as prescribed in rule 480(3) of the Customs Rules, 2001.

635C. Multimodal land-air corridor for transit of reverse Afghan Transit Goods (Exports).- Procedure for handling of the transit export cargo from Afghanistan entering through land border customs station Chaman, Torkham or Ghulam Khan for onward dispatch to the declared destination through international airport in Pakistan shall be as under:

(A) Processing of the transit goods at land border stations Chaman, Torkham or Ghulam Khan;

- (a) manual submission of carrier manifest by the drivers to FC/NLC/Customs at zero point;
- (b) the carrier declaration shall be uploaded in the system by a person authorized by the customs specifying the description, quantity of goods, their destination airport, ground handling agent at destination airport and registration number of vehicle wherever applicable. In case of foreign registered vehicles Temporary Admission Certificate (TAD) shall be obtained as per rule 482.
- (c) the vehicle shall be allowed "gate in" in the system by the custom staff or the terminal operator as the case may be, after filing of the carrier declaration or IGM in the system.

- (d) detail of the documents to be submitted by the trader or agent to gate in are:
 - (i) Afghan Transit Certificate;
 - (ii) certificate of Origin;
 - (iii) invoice;
 - (iv) packing list;
 - (v) weighment slip;
 - (vi) carrier Manifest or Transport Note;
 - (vii) TAD in case of foreign registered vehicle; and
 - (viii) any other document required.

- (e) the AT GD will be filed by the trader or his authorized agent on the basis of system generated IGM and Carrier Manifest created by bonded carrier. The name of en-route airport and that of Ground Handling Agent will be entered in the GD;

- (f) the inspector or examining officer of Directorate of Transit Trade shall ensure that the particulars of the goods declared in GD match with those declared in IGM or Carrier manifest and other import documents;

- (g) the goods shall be invariably weighed and scanned in the presence of Inspector or Examining officer of Directorate of Transit Trade and this information shall be recorded in the system;

- (h) The AO assessment shall inspect the declarations and the documents. In case any discrepancy is observed, the consignment shall be marked for examination;

- (i) if no discrepancy is observed, the Assessment Officer shall assess and mark the GD to the Security officer for obtaining Insurance Guarantee as envisaged in rule 602(2)(f) of Customs Rules 2001. After insurance guarantee is secured the GD shall be allowed loading;

- (j) cross-stuffing should be allowed as per procedure prescribed in cross-stuffing rules, 2022;



- (k) the staff of Directorate of Transit Trade shall ensure that the container is loaded on the truck of approved Transport Operator;
- (l) PCCSS seal shall be affixed on the containers;
- (m) the sealing staff shall enter the sealing information, upload images of the seals, tracking devices, vehicles and the containers (wherever applicable) in the system and generate triplicate copies of "transport note" each copy shall be signed by the custom sealing staff and transporter or his authorized representative. One copy retained by sealing staff, one copy to be delivered to the custom staff at destination airport by the driver of the transport unit and one copy to be retained by the trader;
- (n) the approved tracking company shall affix the tracking device on the container and will ensure that the same is synced with the Prime Mover Device Unit (PMDU) for real time tracking of the consignment;
- (o) the staff of Directorate of Transit Trade shall issue the Gate pass and the same will be recorded in the computerized system; and
- (p) the Customs authorities at the border station may require transit goods consigned from Afghanistan to be transported under Custom escort 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.

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(B) Processing of the transit goods on arrival at the International Airport in Pakistan.-

- (a) the clearing agent shall present following documents to the custom office at the entry gate of the international airport to gate in:
 - (i) Gate pass form;
 - (ii) duplicate and triplicate hard copies of the "Good Declaration" showing the respective foreign destination through air;

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(iii) transport note/form "A" issued by Border Customs Station (Chaman, Torkham and Ghulam Khan).

(b) the Custom Officer at the entry gate :

- (i) shall compare seal number(s), container number(s), if any, and vehicle number(s) with the particulars mentioned in GD and after verification shall issue "gate pass" and allow the vehicle(s) to pass in. All vehicles or cargo pertaining to each GD , in respect of the shipment of goods "IN TRANSIT FROM AFGHANISTAN" shall enter the International Airport at the same time and partial "gate in" will not be allowed;
 - (ii) shall enter the particulars of the GD including GD No, number of cartons or packages in the container(s) or loaded on vehicle, along with vehicle no(s), gate pass number(s), seal number(s) and container number(s), in the manual register and feed the same in the computer system; and
 - (iii) shall sign and stamp "PASS IN" bearing seal Nos. container number(s) or vehicle number(s) and Gate Pass number(s) on the reverse of the GD;
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- (c) after "pass in", 100% weighment of transit goods shall be carried out at the airport.
 - (d) he will then de-seal the PCCSS Seal affixed at the border customs station after verifying all particulars;
 - (e) the approved tracking company shall un-mount the tracking device from the container;
 - (f) scanning shall be conducted, if required to match the image with the scanned image received from the office of departure;
 - (g) after getting the weighing slip and scan slip, the vehicle(s) shall move to the designated Afghan shed or area of the airline at the relevant airport;
 - (h) at the designated shed area,-
 - (i) the approved customs agent shall submit the following documents to the Customs officer:

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- (a) copies of GD;
- (b) afghan transit certificate;
- (c) certificate of origin;
- (d) invoice;
- (e) packing list;
- (f) weighment slip;
- (g) carrier manifest/transport Note;
- (h) TAD incase of foreign registered vehicle;
- (i) any other document required;



- (ii) unloading of the cargo shall be carried out by the custodian of the sheds in the presence of the representative of the owner of the goods;
- (iii) upto 5% of transit cargo shall be selected for examination on the basis of Risk Management System (RMS). In case of any discrepancy, cargo can be examined by the orders of the officer of Directorate of Transit Trade not below the rank of Assistant / Deputy Director, Transit Trade. The selected consignment shall be examined hundred percent;
- (iv) after examination of goods, its repacking, security and safe custody till the loading on aircraft for destination, shall be the responsibility of the custodian/cargo handling agent;
- (v) the cargo shall be loaded in the airline container or box provided by custodian/cargo handling agent of the Airline at the designated Afghan shed or area;
- (vi) the event of loading shall be recorded on the reverse of the GD along with other particulars such as container or box number etc;
- (vii) 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;
- (i) DEC or Inspection by Anti Narcotics Force shall be carried out of the cargo in the Airline containers or box;
- (j) if no discrepancy is found, the Principal Appraiser Afghan Transit shall "allow shipment" on the reverse of the GD and

Preventive staff shall allow "Allow Loading" in the system and shipment shall be loaded on aircraft;

- (k) the custodian or ground handling agent will be responsible for loading of consignment in the respective aircraft and feed the flight detail in the WeBOC. Upon submission of flight details by custodian/ground handling agent, the WeBOC system will generate Mate Receipt (MR) message. The MR message will be construed as the exiting of transit consignment from Pakistan's territory;
- (l) duplicate copy of GD bearing MR number, cross-border stamp and examination endorsement, if conducted, shall be sent back to the Customs station at Chaman, Torkham or Ghulam Khan from where the goods have entered Pakistan and shall be treated as cross border certificate;
- (m) 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 airport;
- (n) the cargo handling agent 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
- (o) in case of any discrepancy at any stage, the same shall be treated as per the Customs Act, 1969 and rules made there under.

635-D. Prescribed routes and timelines for movement of transit cargo.-

The land routes and timelines for transportation of transit cargo shall be prescribed by Directorate of Transit Trade in whose jurisdiction Airport of entry or exit falls, in consultation with the transport operators and licensed tracking and monitoring companies for geo-fencing the same.

635.E. Reconciliation:

- (1) The Directorate of Transit Trade shall conduct the reconciliation of transit cargo and empty containers as per mechanism already given under the relevant rules of Afghanistan – Pakistan Transit Trade;

- (2) In case of any discrepancy, the incharge of custom-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 Collector or Director to apprise them updated.
- (4) All concerned authorities i.e. Collectorate of Customs or Directorate of Transit Trade, Frontier Corps or Pakistan Rangers, Custodian or Ground Handling Agent and Terminal Operator shall keep the original record of transit manifests and cross-border authorization for a period of five years and to make available if required by Customs authorities.

635-F. **Prohibited item.**- The items being prohibited for transit is as under:

- (a) arms and ammunition as provide in rule 484N;
- (b) controlled precursor and chemical substances as provided under Chapter XII of Chapter XXV of the Customs Rules, 2001;
- (c) goods as listed under SRO 151(I)/2004 dated 10.03.2004; and
- (d) any other item to be notified by the Government of Pakistan from time to time.

[C.No.10(18)L&P/2021].

(Shakir Muhammad)
Secretary (T&BT)