Import Trade and Procedure Order, 2000 (Pakistan)

REGISTERED NO. M-302 L.7646
The Gazette of Pakistan
EXTRAORDINARY
PUBLISHED BY AUTHORITY ISLAMABAD,
MONDAY, JULY 17, 2000
PART II
Statutory Notifications (S.R.O.)
GOVERNMENT OF PAKISTAN
MINISTRY OF COMMERCE
ORDER
Islamabad, the 17th July, 2000

S. R. O. 489(I)/2000.- In exercise of the powers conferred under subsection (1) of section 3 of the Imports and Exports (Control) Act, 1950 (XXXIX) OF 1950), and in suppression of the Import Policy Order, 1999, and Import and Export Procedure Order 1999, and the Import Trade Order 1998, the Federal Government is pleased to make the following Order, namely:-

Short title and Commencement:-

1. This Order may be called the Import Trade and Procedure Order, 2000.
2. It shall come into force at once.

2. Definitions. - In this Order, unless the context requires otherwise.-

- "Act" means the Imports and Exports (Control) Act, 1950 (XXXIX of 1950);
- "actual user" means a firm, institution, body or person, not registered as an importer who wishes to import for own use; (1093) [4059 (2000) Ex. Gaz.] Price : RS. 51.00
- "Appendix" means an Appendix to this Order;
- "Authority" means the Secretary to the Government of Pakistan in the Ministry of Commerce or any other officer authorized by the Federal Government to perform the functions of the Authority under this Order.
- "Banned item" means a product whose import is not allowed except with special authorization;
- "edible product" means a product listed at Appendix F;
"exporter" means any person with valid registration as an exporter under registration (Importers and Exporters) Orders, 1993;
"fiscal year" means the period commencing on 1st July and ending on the 30th June of the succeeding year;
"importer" means any person with valid registration as an importer under the Registration (Importers and Exporters) Order, 1993;
"industrial user" means an industrial establishment that imports for its own use or consumption, and is registered as such under the Registration (Importers and Exporters) Order 1993.
"Place of Origin" or "Origin" means the country of supply where goods are Produced or manufactured.
"Prescribed" means Prescribed by rules or orders under the Act;
restricted item" means a product whose import is subject to conditions specified in this Order;
"samples" means goods in limited quantity of no commercial value that are either clearly recognizable as such or certified by the supplier to be samples.

3. Contravention of the Act.-

1. Any imports that do not comply with the requirements of this Order, or are made on the basis of any false or incorrect particulars, shall be deemed to have been made in contravention of the Act. Provided that the Federal Government may condone such contravention upon payment of surcharge or such conditions as may be Prescribed
2. Counterfeit products shall be dealt with under the provisions of the relevant laws.

4. Eligibility.-

- The following are eligible to import under this Order, namely:-
  - importers and exporters;
  - Federal, Provincial and local Governments, and such public sector agencies as have been allocated foreign exchange by the Ministry of Finance for the purpose;
  - actual users;
  - recipients of gifts;
• those covered by Personal Baggage and Transfer of Residence Schemes;
• diplomatic missions; and
• those exempted in terms of para 10 of Registration (Importers and Exporters) Order 1993.

5. Basis of imports.

1. Imports shall be made against such modes of payment as are governed by the rules and procedures Prescribed by the State Bank of Pakistan from time to time. Provided that for the purpose of opening of Letter of Credit (L/C) as per procedure notified by State Bank of Pakistan from time to time, classification and interpretation of this order, Schedule-I of the Customs Act, 1969, (IV of 1969). Provided also that samples; gifts, or other items that are not Banned and where no remittance is made from Pakistan, may also be imported: Provided further that private sector concerns can enter into Commodity Exchange Arrangements subject to the procedure notified by the State Bank of Pakistan: Provided further that edible oil imported in bulk quantity shall be on landed weight and quality basis.

2. Imports under loans, credits or bilateral assistance that require the contract to be approved by Economic Affairs Division, or some other agency of Government of Pakistan, L.C. shall have to be established within sixty days of registration of contract with a bank designated by the State Bank of Pakistan.

3. Public sector agencies shall open Letter of Credit through a bank designated by the State Bank of Pakistan.

5. Restrictions.

1. Import of items specified in Appendix 'A' shall not be allowed except where specifically authorized by the Federal Government: Provided that the licensee, export houses, manufacturing bonds and exporters operating under Manufacturing in Bond Rules, 1997, and No Duty No Drawback Rules, 1998, temporary import of goods for re-export after further processing and imports in common bonded manufacturing Warehouses Scheme, as amended from time to time, shall be allowed to import items mentioned at Serial No.18, 19, 21, 24 (cotton gloves only), 25(parts of garments only) and 31 at Appendix 'A', actually required for production of export items.

2. Import of goods of Israeli origin shall not be allowed.

3. Import of goods from India, or of Indian origin, shall not be allowed except items specified at Appendix 'B'.
4. Machinery specified at Appendix 'C' shall not be allowed to be imported in used condition.

5. Machinery more than five years old shall not be allowed for import except with special authorization given by the Authority. Import of such machinery by commercial importers shall be subject to pre-shipment inspection.

6. Goods specified in Appendix 'D' shall be importable only subject to the conditions laid down therein. Banks and Customs authorities shall ensure fulfillment of these conditions at the time of establishment of LC's and clearance of goods.

7. Machinery specified in Appendix 'E' shall be allowed to be imported by only such industrial units as have been duly sanctioned by the competent authority.

8. Any limitations or conditions imposed on import of pharmaceutical products under the Drugs Act, 1976 (XXXI of 1976), shall apply.

9. Imports under Border Trade Agreements and Pakistan-Afghanistan Trade Agreement shall be made in accordance with procedure notified by the Ministry of Commerce from time to time.

10. Imports under shall be made at most competitive prices.

11. Except where it is not possible to do so (e.g. bulk items or where products are marketed under generic names) the invoice shall the brand name of the product being imported.

12. In case of goods imported into Pakistan from Kenya, a fee at the rate of fifty dollar (US) per document or one percent of the invoice value of goods, whichever is higher, shall be charged by the Pakistan High Commission, Nairobi, Kenya. For attestation of the Certificate of the Origin and invoice related to such goods.

13. Import of gold and silver shall be as per policy and conditions laid down by the Federal Government.

14. Edible products shall have at least six months or 50% of the shelf life, whichever is the lesser, calculated from the date of filing of Import General Manifest (GM). They shall also be free of any 'haram' elements or ingredients; and

1) Where conditions at above are not printed on the packing certificate issued by the Manufacturers or Principals in respect of these conditions shall be accepted by Customs.
15. Import of Ozone Depleting Substances specified at Appendix 'H' shall be subject to the policy laid down by the Ministry of Commerce in consultation with the Environment Division.

7. Suspension and ban of imports. – Federal Government may, where it deems it to be in public interest, suspend for a specified period or ban the import of any goods from any source.

8. Special dispensation.-

Federal Government may, for the reasons to be recorded, allow imports in relaxation of the provisions of this Order: Provided that the Federal Government may import any goods for Defense purposes.

9. Actual users. –

Subject to the restrictions specified at paragraph 6 Actual users may import any item or items provided the total value does not exceed five thousand (5,000) US Dollars in one fiscal year.

10. Advance payment.-

Subject to the restrictions specified at paragraph 6 imports through foreign currency demand draft etc.; may be made subject to a ceiling of five thousand (5,000) US Dollars in one fiscal year: Provided that industrial users may import spare parts and machinery worth US$ 15,000 per fiscal year against foreign currency demand draft if such import is made by air or courier.

11. Frustrated cargo.

1. Re-export of frustrated cargo shall be allowed by the Customs authorities subject to the conditions notified vide SRO 3(1)/70, dated the 2nd January, 1970.

2. Import of frustrated cargo by an entity other than the original consignee, if otherwise importable in terms of this Order, shall be allowed by the Customs authorities upon payment of surcharge of one percent CIF value of goods.

12. Re-export of imported goods. -

- Except in case of transshipment, frustrated cargo, as provided in paragraph 13, or under the Export Policy and Procedures Order, 2000, re-export of imported goods shall be allowed only upon special authorization of Ministry of Commerce.
Import-cum-Export on temporary basis in respect of the following shall be allowed provided that an indemnity bond or a bank guarantee as envisaged under relevant Custom's notification is submitted to the satisfaction of Custom authorities for the re-export of these items within a specified period, namely:-

(i) goods imported by oil and gas companies, oil exploration and production companies, their contractors and subcontractors, refineries and mining companies;

(ii) foreign airlines and shipping lines;

(iii) goods imported by construction companies or contracting firms for various projects in Pakistan; and

(iv) any goods manifested for a country outside Pakistan that are bonded in Pakistan for re-export to that country: Provided that the Federal Government may, in exceptional circumstances, relax requirement of re-export on such conditions as it may deem fit.

13. Import authorization.

1. Ministry of Commerce shall issue import authorization in respect of the following, namely:-

   (i) motor cars imported by disabled persons as per recommendations of the Board constituted by the Government;

   (ii) arms and ammunition; and

   (iii) any other item for which authorization for import or import-cum-re-export (including for test and trial or demonstration purposes) or export-cum-re-import required.

2. Authorization of the Ministry of Commerce shall be issued on letterhead of Ministry of Commerce consecutively numbered and embossed.


1. Imported items may be exported for purposes of repairs, replacement, or refilling of cylinders and ISO tanks subject to submission of indemnity bond to customs authorities undertaking that goods being exported shall be reimported after repairs, replacement, or refilling.

2. Customs authorities shall allow Pakistani exporters to replace the exported goods found defective during warranty period subject to furnishing of-

   • a copy of contract; and
• a communication from the buyer detailing the goods that have been found to be defective.

15. Import of vehicles under personal baggage and gift scheme.-

Import of such vehicles shall be allowed as per rules and procedure Prescribed in Appendix 'G'.

16. Export-cum-import of vehicles. –

Export-cum-import of vehicles shall be allowed for purposes of traveling abroad, on the basis of carnet de passage issued by Automobile Association of Pakistan or a guarantee issued by Pakistan Transport Mutual Assistance Cooperative Society Ltd., or on indemnity bond furnished by the owner of the vehicle.

17. Export Processing Zone.-

Units in the export processing zone shall be allowed to sell to the tariff area defective goods, waste, used packing material, empty drums and cartons, not exceeding 3% of total value of their exports during the year upon the payment of prevalent duties and taxes:

Provided that Export Processing Zone Units shall also be allowed to sell imported goods to tariff area in same state upon payment of usual duties and taxes subject to the provisions of this order.

18. ITC classification.-

Any dispute or clarification regarding improbability of an item that cannot be resolved by the Customs Authorities shall be referred to Ministry of Commerce for final decision.

19. General.-

Any import related matter not covered by this Order shall be referred to Ministry of Commerce for advice, clarification, or decision.

BANNED ITEMS (NEGATIVE LIST)

Import of following items, including those specified in the table A-1 below, shall not be allowed:-

• Translation of the Holy Quran without Arabic text.
• Goods (including their containers) bearing any words or inscription of a religious connotation, the use or disposal of which may injure the religious feelings of any sect, class or group in Pakistan.

• Goods (including their containers) bearing any obscene pictures, writings, inscriptions or visible representations.

• Anti-Islamic, obscene or subversive literature.

• Any goods containing ingredients or parts which may be repugnant to the Injunctions of Islam as laid down in the Holy Quran and Sunnah of the Holy Prophet (peace be upon him), including pigs, hogs, boars or swine, and their products and byproducts.

• Dyes based on Benzedrine or containing it.

• Hazardous wastes as defined and classified in Basle Convention.

• Alcoholic beverages and spirits, including brewing and distilling dregs and waste, and wine lees and argon.

• Factory rejects and goods of job lot, stock lot or substandard quality except those mentioned below:-

1. Job lot and stock lot of items where the customs duty is zero percent.
2. Waste, seconds and cutting of-

   (i) iron and steel (excluding stainless steel) sheets and plates in cut length or coils minimum width 50.8cm (20 inch) and minimum length 121.9cm (48 inch);

   (ii) tin sheets and plates of one side not less than 45.7cm (18 inch); and

   (iii) stainless steel sheets and plates of AISI-300 and or AISI-400 series only.

3. Rerollable scrap.- The scrap having a width not exceeding 100 mm and a length not exceeding five meters, consisting of mill rejects and crop ends of ingots, billets, slabs, blooms and include cuttings of sheets and plates whether in pieces or in rolled strips from cuttings of ships plates. Used girders.