

Government of Pakistan  
**(Revenue Division)**  
Federal Board of Revenue  
\*\*\*\*

Islamabad, the 13<sup>th</sup> June, 2011.

**NOTIFICATION  
(CUSTOMS)**

S.R.O. **601** (I)/2011.- In exercise of the powers conferred by section 219 of the Customs Act, 1969 (IV of 1969), the Federal Board of Revenue is pleased to direct that the following further amendment shall be made in the Customs Rules, 2001, namely:-

In the aforesaid Rules, after CHAPTER XXIV, the following new CHAPTER shall be added, namely:-

**“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 Gawadar port;
- (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) **“customs security”** means encashable financial guarantee acceptable to Customs, submitted by the traders or their authorised brokers or owners of the vehicles, on transit goods or vehicles, for an amount equivalent to the import levies of contracting parties;
- (xiv) **“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;
- (xv) **“dangerous goods”** means goods posing a significant risk to health and environment, security and property when being transported or lying in storage;
- (xvi) **“domestic legislation”** means the entire body of national or local laws and rules and regulations in force in respective countries of the contracting parties;
- (xvii) **“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;
- (xviii) **“Form-A”** means Transport Note as prescribed under Custom General Order No. 4 of 2007, dated the 31<sup>st</sup> March, 2007;
- (xix) **“freight forwarder”** means a natural or legal person having a contract of freight forwarding services with a shipper;
- (xx) **“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;
- (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 number for the containerized cargo are in accordance with the particulars furnished in the goods declaration or bill of lading;
- (xxii) **“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);

- (xxiii) **“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;
- (xxiv) **“host country”** means the country where transportation of goods is performed;
- (xxv) **“licensing authority”** means the Collector of Customs (Appraisal), Karachi or any authority approved by the Board;
- (xxvi) **“means of transport”** means road vehicles and railway rolling stock;
- (xxvii) **“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;
- (xxviii) **“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;
- (xxix) **“office of departure”** means any Customs office at which a Customs transit operation commences;
- (xxx) **“office en-route”** means any Customs office through which goods in transit pass during the course of a Customs transit operation;
- 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;*
- (xxxi) **“office of destination”** means any Customs office at which a Customs transit operation is terminated;
- (xxxii) **“PCCSS”** means Pakistan Customs Container Security System that encompasses sealing as well as de-sealing of transit cargo transiting throughout Pakistan;
- (xxxiii) **“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;

- (xxxiv) **“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;
- (xxxv) **“prescribed time”** means time prescribed under these rules for transportation of transit goods;
- (xxxvi) **“prescribed transport route”** means the land route prescribed for transportation of transit goods within the frontiers of Pakistan;
- (xxxvii) **“protocol”** means a document attached to the Agreement setting out specific technical and administrative arrangements;
- (xxxviii) **“sealing”** means affixing of PCCSS seal on transit goods and issuance of Form-A electronically as well as manually;
- (xxxix) **“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;
- (xl) **“shipper seal”** means the seal affixed on container by the shipper from the port of loading;
- (xli) **“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;
- (xlii) **“third country”** means a country that is not a contracting party to the Agreement;
- (xliii) **“transit goods”** means the goods whether commercial or non-commercial transited through Pakistan to and from Afghanistan;
- (xliv) **“transit country”** means a country through the territory of which the transit traffic passes;
- (xlv) **“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;

- (xlvii) “**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;
- (xlviii) “**transport unit**” means aircrafts, freight containers of international specifications transported by road, railway wagons or road vehicle including trailers, semi-trailers; and
- (xlviii) “**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

(g) nine 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	<p>(i) In case the goods are imported at sea port, the Customs administration at the office of departure shall send copy to the office en-route in Pakistan (Torkham or Chaman) which shall be handed over to Afghan customs at the border for onward submission to the office of destination in Afghanistan. The office of destination shall send the GD back to the relevant Customs office of departure along with a copy of their own goods declaration filed with the office of destination duly completed and which shall bear the cross reference of Pakistan's goods declaration, which shall be considered as cross border certificate and on the basis of which Customs security shall be released after due process;</p> <p>(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, on which financial security shall be released;</p> <p>(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 on which financial security shall be released.</p>
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 through courier service or UMS to Assistant Collector of Customs at the office en-route for endorsement of " <i>Crossed Border</i> " stamp by Torkham or Chaman Customs along with signatures and name stamp

	<p>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 seven days of crossing the border. This copy shall be used for reconciliation and monitoring.</p> <p>(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 along with cross border certificate shall be used for reconciliation and monitoring.</p>
Fifth Copy	Office of departure shall send to Assistant Collector of Customs at office en-route or sea port who shall keep in his record, after getting stamped " <i>Crossed Border</i> " or <i>MR number</i> with date and time.
Sixth Copy	Carrier's copy to be kept in the transport unit throughout its journey in transit.
Seventh Copy	Customs agent at office of departure.
Eight Copy	Copy of the office of destination to be sent directly to it.
Ninth 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) 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) 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 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 shall endorse the examination order on reverse of duplicate, triplicate, fifth, eighth and ninth 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.

(3) All containers of transit goods shall be scanned at the office of departure and at office en route.

(4) Hundred per cent weighment of transit goods shall be carried out at the office of departure and at office en-route.

(5) Five per cent of the consignments 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, fifth, eighth and ninth copy of the GD.

(3) All packages containing transit goods shall indelibly bear the marks and numbers "IN TRANSIT TO AFGHANISTAN". Any difference in marks and numbers or in case marks and numbers are not clearly visible, shall be pointed out by the A O.

(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.-** (1) In case the goods are imported at sea port, the Customs administration at the Office of departure shall send duplicate copy of GD to the office en-route in Pakistan (Torkham or Chaman) which shall be handed over to Afghan Customs at the border for onward submission to the office of destination in Afghanistan. The Office of destination shall send the GD back to the relevant Customs office of departure along with a copy of its own GD filed with the Office of destination duly completed. The Afghan GD shall bear the cross reference of Pakistan's GD on which Customs security shall be released after due process. The duplicate copy shall be submitted by the importer within sixty days extendable by further thirty days by the Additional Collector of Customs 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, on the basis of which Customs security shall be released.

(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 on the basis of which Customs security shall be released.

**606. Processing of other copies of GD.-** (1) The eighth copy of the Goods Declaration shall be sent directly to the office of destination by the office of departure for its record.

(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. The cross border confirmation shall be submitted by the importer 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:

<b>Copy</b>	<b>Temporary Admission document (TAD)</b>
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 " <i>Vehicle Returned</i> " 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 based 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) 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, including but not limited to Customs duty, regulatory duty, Sales Tax, additional sales tax, federal excise duty, income tax etc., and any other import levy chargeable on goods so carried.

(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 five 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.

**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) In case of Afghan international transit made through sea port, the importer or his authorized clearing agent shall submit the duplicate copy of the GD in original along with the GD, in original, filed with the Afghan Customs Department (ACD) which indicates payment of duties or exemption in Afghanistan with stamps, names, designation and signatures of the ACD staff;
  - (ii) In case the goods imported at border customs station and exported through sea port, the duplicate copy of the GD shall be submitted by the importer or his authorized clearing agent to the office of departure which shall bear MR number and date;
  - (iii) In case the goods imported at border customs station and exported through a border station, the duplicate copy of the GD shall be submitted by the importer or his authorized clearing agent to the office of departure which shall bear endorsement of "Crossed Border" by the appropriate Customs officer with name, designation and date; and
  - (iv) The Principal Appraiser or Superintendent of Customs, as the case may be, after proper scrutiny of the aforesaid documents and satisfying himself 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, the importer or his authorized clearing agent shall 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; and
- (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;

(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.

(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:-

<b>STAMP-1</b>	<b>STAMP-2</b>
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.

**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 tempering 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 10<sup>th</sup> 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 then 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.
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(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 sepoy 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)**

- (i) Baburloi Customs check post (between Khairpur and Sukkur);
- (ii) Khairabad Customs check post (between Attock and Peshawar); and
- (iii) Kohat Customs check post.

**(b) Route-II (Transit via Chaman)**

- (i) Khur Khara Customs check post (between Hub and Uthal or Baburloi Customs Check Post (between Khairpur and Sukkur); and
- (ii) Baleli Customs check post (between Quetta and Qila Abdullah).

**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 charge 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 shortcomings, 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**

**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) Hundred 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 Assistant or Deputy Collector.

(13) After the GD is out of customs charge, the Principal Appraiser Afghan transit section 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,-

- (a) it is a company or firm;
- (b) have adequate knowledge of computer to handle the GD in PRAL or PACCS and of legal matters;

- (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 them;
- (f) is registered under the Companies Ordinance, 1984 (XLVII of 1984), and with concerned Chamber of Commerce and Industry;
- (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 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.

**639. Approval of license.**- On qualifying the criteria mentioned in rule 638, license shall be issued to the transport operator by the Collector of Customs Appraisement, Karachi for a period of two years on the recommendation of a committee comprising of Collectors of Customs (Appraisement, Preventive and Port Qasim), and Director, Directorate of Intelligence and Investigation-FBR, Karachi. 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 Collector of Customs Appraisement, 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) transport operator shall also comply with the requirements given in rule 329 (5); 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 may be prescribed by the Board, 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.

## **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-Methylenedioxyphenyl- 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 proof 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)**

<i>(For Official use)</i>		
• 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 : \_\_\_\_\_

ROUTES	Pl tick the desired route
1. Karachi/Port Qasim – Hyderabad – Sukkur – Multan – Faisalabad – Pindi Bhattian - Rawalpindi – Azakhel - Peshawar - Jamrud Terminal – Torkham	
2. Karachi/Port Qasim – Hyderabad - Rotodero – D.G. Khan – D.I. Khan – Kohat – Azakhel - Peshawar – Jamrud Terminal – Torkham	
3. Karachi – Bela – Khuzdar - Kalat – Quetta – Chaman Terminal	
4. Gwadar – Pasni – Ormara – Liari – Khuzdar – Kalat – Quetta – Chaman Terminal	
5. Gwadar – Turbat – Hoshab – Panjgur – Naag – Besima – Sorab – Kalat – Quetta – Chaman Terminal	
6. Gwadar – Pasni – Ormara – Liari - Karachi – Rotodero – D.I. Khan – Kohat – Peshawar – Jamrud Terminal –Torkham	
7. Gwadar – Turbat - Hoshab - Panjgur – Naag – Besima - Khuzdar – Rotodero – D.I. Khan – Kohat – Peshawar – Jamrud Terminal –Torkham	
8. Torkham-Jamrud Terminal-Peshawar (Motorway M-1)-	

Rawalpindi/Islamabad (Motorway M-2) – Lahore – Wagha **	
9. Khunjrab – Sost – Chilas – Mansehra – Hasanabdal – Peshawar – Jamrud Terminal – Torkham	

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 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-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:-**

- (a) That the importer shall pay to you the guaranteed amount in lump sum after demand.
- (b) That the importer 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 \_\_\_\_\_, 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 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.
- (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 CONDITIONS OF THIS INSURANCE GUARANTEE ARE AS FOLLOWS:-**

- (a) 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.
- (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..... 2010 caused this guarantee to be signed under the official stamp in the presence of-

1.....  
Officer

2.....  
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.....  
Officer  
Bank Ltd.....

2.....  
Manager  
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 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 severally 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.

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[C. No.3(1)L&P/2006-Pt]

**( Muhammad Irfan Wahid )**  
Second Secretary (Law & Procedure)