

PAKISTAN ATA CARNET RULES

(Chapter XXIII of Customs Rules, 2001)

1. Short title.—The rules may be called the ATA Carnet Rules.
2. Scope.—These rules shall apply to temporary importation and temporary exportation of goods under an ATA Carnet in or from Pakistan, including broadcasting or cinematographic equipment, and specialized broadcasting vehicles, for display or use at exhibitions, fairs, meetings, or other similar events, but excluding any conveyance, goods restricted or prohibited by the Federal Government from time to time; or goods sent by post, or unaccompanied baggage, or as traffic-in-transit.
3. Definitions.—In this Chapter, unless there is anything repugnant in the subject or context,—
 - (a) “Act” means the Customs Act, 1969 (IV of 1969), and the rules made thereunder;
 - (b) “Authority,” in relation to the events specified in these rules, means the concerned Ministry of the Federal Government, as per the Rules of Business, 1973, and for all other matters, the Federal Board of Revenue;
 - (c) “ATA Carnet” means ATA Carnet, conforming to the pattern given in Appendix-I to these rules, and issued for temporary admission or temporary exportation of goods;
 - (d) “Convention” means the Convention on Temporary Admission (Istanbul Convention 1990), and its Annexes A, B-1 and B-2, acceded to by the Government of the Islamic Republic of Pakistan;
 - (e) “Event” includes one or more of the following, as approved by the authority, namely:—
 - (i) an industrial, commercial or crafts exhibition;
 - (ii) a scientific, educational, or cultural fair; and
 - (iii) a news or media occasion.
 - (f) “guaranteeing and issuing organization” means an organization approved and notified by the Ministry of Commerce, i.e., the Pakistan National Committee of International Chamber of Commerce (ICC Pakistan), for guaranteeing payment of import duties and taxes leviable on goods intended for temporary importation into the country or for issuing ATA Carnet for temporary exportation of goods;

(g) “guaranteeing chain” means a guaranteeing scheme administered by the International Chamber of Commerce (ICC) to which the guaranteeing and issuing organization is affiliated;

(h) “import duties and taxes” means Customs duties, including all other duties, taxes, fees or any other sums which are levied and collected on or in connection with the importation of goods;

(i) “security” means a bank guarantee submitted by the guaranteeing and issuing organization to cover the sums payable as import duties and taxes on temporarily imported goods, and valid, at least, for three years;

(j) “temporary admission” means the Customs procedure under these rules whereby goods are allowed admission into Pakistan, conditionally relieved from the payment of import duties and taxes, subject to the prohibitions and restrictions notified by the Federal Government under the Imports and Exports (Control) Act, 1950 (XXXIX of 1950), or any other law for the time being in force, and intended for re-exportation within the stipulated period in accordance with these rules, without undergoing any change except normal depreciation;

(k) “temporary export” means the Customs procedure under these rules whereby goods are allowed temporary export from Pakistan subject to the prohibitions and restrictions notified by the Federal Government under the Imports and Exports (Control) Act, 1950, (XXXIX of 1950), or any other law for the time being in force, without payment of duty drawback, and meant for subsequent re-importation into Pakistan.

4. All other expressions used in these rules shall have the same meaning as has been assigned to them in the Act.

5. Goods eligible for temporary importation.—Following goods shall be eligible for temporary admission into the country, namely:—

(a) machinery, apparatus, or any other goods meant for display or exhibition at an event, including items ancillary thereto;

(b) professional equipment (illustrative lists at Appendix II-IV);

(c) broadcasting equipment and specially adapted vehicles;

(d) construction or decoration material for temporary stands, including advertisement material, but excluding gifts or give-always.

6. Conditions relating to temporary importation of goods and their use afterwards.—In order to be eligible for temporary admission, the goods must be—

(a) imported under a valid ATA Carnet, meant for realization in Pakistan, indicating the name of the issuing organization and the guaranteeing chain;

(b) consistent with the material particulars declared in the ATA Carnet, i.e., description, quantity, value etc., as certified by Customs of the country of exportation or exit;

(c) imported for one or more events specified in these rules in accordance with the conditions applicable to them under the Imports and Exports (Control) Act, 1950 (XXXIX of 1950), or any other law for the time being in force; and

(d) identifiable at the time of admission and re-exportation.

7. In case of cinematic or broadcasting equipment, including specially adapted vans, temporary admission will be granted subject to approval by the authority and subject to the condition that such equipment will be used solely by or under the personal supervision of the Carnet holder.

8. The goods allowed temporary admission will be used solely for the purpose for which they have been brought, and will not be removed from the place of the event without prior approval of the Collector.

9. Temporary admission documents.—ATA Carnet shall be the sole document for temporary importation and re-exportation of goods and shall be accepted in lieu of a goods declaration required to be filed under the Act.

10. The validity of temporary admission papers shall be one year from the date of issue.

11. Amendment of particulars in ATA Carnet.—Once an ATA Carnet has been issued, no extra item shall be added to the list of goods enumerated on the reverse of the front cover and vouchers of the Carnet, or any continuation sheets appended thereto (General List).

12. Any particulars declared in the ATA Carnet by the holder may be altered only with the approval of the issuing organization, which shall endorse such amendments on the Carnet. No alteration in those papers shall be made once they have been accepted by Customs.

13. Loss or theft of ATA Carnet.—In case of destruction, loss or theft of ATA Carnet, while the goods are in Pakistan, the Collector may, at the request of the guaranteeing and issuing organization accept replacement papers, the validity of which will expire on the same date as that of the papers they replace.

14. Procedure for the processing of ATA Carnet.—On arrival at a Customs station, the ATA Carnet holder shall submit the Carnet to Customs. The appropriate officer will tally the particulars of the Carnet with the goods brought into the country for temporary admission and endorse an examination report on the white importation voucher and counterfoil in the light of the exact number of items mentioned in column 1 in the General List.

15. In case no discrepancy is found between the goods and the details given in the ATA Carnet vis-à-vis the examination report, the Carnet shall be endorsed/verified by the representative of the guaranteeing and issuing organization and returned to Customs.

16. All particulars of the ATA Carnet shall be electronically recorded and a machine number allotted to the Carnet. The appropriate officer shall endorse, date, stamp, and sign the white importation voucher and counterfoil in the ATA Carnet, and shall also record thereon the date of expiry of temporary importation. While the white counterfoil shall be retained within the ATA Carnet, the white voucher shall be detached by the appropriate officer.

17. In case of freight-forwarded goods, the Carnet holder shall file the Carnet in the import section of the Customs station of landing. The procedure given under clauses 'a' to 'c' of this rule shall be observed and the goods released accordingly.

18. Loss, theft etc of goods temporarily imported.—In case, the goods allowed temporary admission are lost or stolen or cannot otherwise be accounted for by the Carnet holder, such goods shall become liable to import duties and taxes immediately.

19. Period for re-exportation.—The period for re-exportation of temporarily imported goods shall be six months, which can be extended by the Collector for another six months, if so required under the circumstances, while in case of professional equipment, it shall be twelve months from the date of admission into the country:

20. Provided that the extended period shall in no case exceed the validity period of an ATA Carnet, i.e. one year.

21. Termination of temporary admission. - The temporary admission of goods shall be terminated by one or more of the following eventualities, namely:—

- (a) by re-exportation of the goods;
- (b) by consigning the goods to a Customs warehouse for subsequent re-exportation;
- (c) by clearance for home-consumption on payment of leviable import duties and taxes, subject to the conditions enumerated under the Imports and Exports (Control) Act, 1950, (XXXIX of 1950) or any other law for the time being in force;
- (d) when the goods are seriously damaged by accident or force majeure, by recourse to:—
 - (i) action stipulated in clause 'c';
 - (ii) relinquishing the goods to Customs, in which case no payment of import duties and taxes shall be required; or
 - (iii) destroying the goods under the supervision of Customs.

22. In all these cases, an appropriate officer of Customs will make suitable entries in the ATA Carnet, certifying that the position regarding the goods has been regularized, and the Carnet holder and the guaranteeing and issuing organization will be discharged from their obligation accordingly.

23. Discharge of temporary admission papers.—Where the goods allowed temporary admission in the country are entered for re-exportation, the appropriate officer shall physically verify the description and quantity of such goods, and make a report to this effect on the reverse of the re-exportation voucher of the ATA Carnet, and send the same to his supervisory officer.

24. The supervisory officer will counter-check the details mentioned above, and if satisfied that no material discrepancy exists between these documents, will issue an order for the discharge of the ATA Carnet.

25. The appropriate officer will thereafter date, stamp and sign the white re-exportation counterfoil and voucher. While the white re-exportation counterfoil will be retained within the ATA Carnet, the white re-exportation voucher will be detached by the appropriate officer.

26. Mode and manner of re-exportation.—The temporarily admitted goods may be re-exported in one or more consignments. Such goods may also be re-exported through a Customs station other than that through which they were imported.

27. Procedure for temporary exportation.—The procedure applicable to the exportation of goods shall apply, *mutatis mutandis*, to the temporary exportation of goods under an ATA Carnet. Additionally, the appropriate officer will date, stamp and sign the yellow exportation counterfoil and voucher. While the yellow exportation counterfoil will be retained within the ATA Carnet, the yellow exportation voucher will be detached by the appropriate officer:

28. Provided that the exporter shall not be entitled to any duty drawback on goods temporarily exported from Pakistan under an ATA Carnet and intended for re-importation afterwards.

29. Procedure for re-importation of temporarily exported goods.—At the time of re-entry of the goods into Pakistan, the Carnet-holder shall present the Carnet to Customs, along with a declaration of the goods being re-imported in the yellow re-importation voucher, and also sign the same. If no discrepancy is found, an appropriate officer of Customs shall verify and endorse the yellow re-importation counterfoil and voucher. While the yellow re-importation counterfoil shall be retained within the ATA Carnet, the yellow re-importation voucher will be detached by the appropriate officer prior to the release of the goods.

30. Seizure of goods on breach or violation of the rules.—(1) Where an offence is committed by the Carnet holder at the time of admission of goods into the country in terms of fraud or misdeclaration in securing release thereof, or abuse of such facility afterwards in that the goods are loaned, sold, pledged, mortgaged, hired, given away, exchanged or otherwise disposed of or altered, or where such goods are not re-exported within the stipulated period during the validity of an ATA Carnet, the goods shall be liable to confiscation and such penal action as prescribed under the Act or any other law for the time being in force.

31. Where the goods are seized for breach or violation of these rules, the requirement of re-exportation shall be suspended for the duration of the seizure and subsequent proceedings.

32. The respective Customs authority shall notify the guaranteeing and issuing organization of the seizure made by it as soon as possible.

33. Extent of liability of Carnet holder and guaranteeing and issuing organization.— The guaranteeing and issuing organization shall pay, within forty-five days of being notified by Customs, the amount of import duties and taxes and any other sums payable, including fine, penalty etc, in relation to the goods brought into Pakistan under an ATA Carnet in case of breach or violation of these rules.

34. The guaranteeing and issuing organization shall be jointly and severally liable with the Carnet holder for the payment of the dues mentioned in sub-rule (1).

35. The liability of the guaranteeing and issuing organization shall not exceed the amount of the import duties and taxes payable in a certain case by more than ten percent. Any sums in excess of that amount shall be charged to the Carnet holder.

36. Subject to the provisions of sub-rule 3 of rule 589, no liability will accrue against the guaranteeing and issuing organization once the ATA Carnet has been discharged by Customs.

37. Procedure for discharge of liability by guaranteeing and issuing organization.— The guaranteeing and issuing organization will provisionally discharge its liability by depositing the sums due in the treasury.

38. In case of default in payment, the respective Customs authority will proceed to recover such dues by proportionate encashment of the security.

39. Provided that an action against the guaranteeing and issuing organization in terms sub-rule (2) shall be taken only after an opportunity of hearing has been granted to the guaranteeing and issuing organization, or the Carnet holder, by an appropriate officer under section 180 of the Act, and a written order to this effect is passed by him within the stipulated period.

40. Provided further that where the guaranteeing and issuing organization or the Carnet holder furnishes proof of re-exportation of goods or of proper discharge of the ATA Carnet during the pendency of adjudication, the show cause notice shall abate:

41. Where the guaranteeing and issuing organization discharges its liability within the meaning of sub-rule (1), and is found not liable to such payment afterwards, it shall be entitled to a refund of the amount paid by it within three months of the filing of the claim.

42. In case the guaranteeing and issuing organization fails to discharge its liability to Customs in relation to an ATA Carnet operation, or any other matter concerning it under the rules, its status as a guarantor for any subsequent Carnet operations shall be liable to suspension or revocation, as the case may be, by the authority.

43. Time-limit for lodging claim with guaranteeing and issuing organization.—A claim for the recovery of import duties and taxes and any other sums in relation to goods covered

by an ATA Carnet shall be lodged by Customs with the guaranteeing and issuing organization within a year of the date of expiry of the validity of the ATA Carnet.

44. Any claim beyond this period shall be filed against the Carnet holder.

45. The period for lodging a claim with the guaranteeing and issuing organization or the Carnet holder, in case of fraud in securing release of ATA Carnet, will be five years which shall be computed from the date of the temporary admission of goods into the country.

46. Obligations of guaranteeing and issuing organization.— The guaranteeing and issuing organization shall submit to the authority proof of its affiliation with the ICC annually.

47. The guaranteeing and issuing organization shall furnish to Customs a security, to the satisfaction of the latter, to cover import duty and taxes leviable on goods under these rules. The amount of security will be enhanced as and when required by Customs.

48. The security will be deposited with the Model Customs Collectorate, Karachi, and shall cover ATA Carnet operations throughout the country.

49. Constitution of Working Committee.— A Working Committee, comprising officials of the guaranteeing and issuing organization and Customs, shall be constituted by the authority to review the operation of these rules.