

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

Islamabad, the 21st April, 2021.

**NOTIFICATION
(CUSTOMS)**

S.R.O. 503(I)/2021.- In exercise of the powers conferred by section 3E of the Customs Act, 1969 (IV of 1969), read with section 6 of the Sales Tax Act, 1990, section 3 of the Federal Excise Act, 2005 and section 148 of the Income Tax Ordinance 2001, the Federal Board of Revenue, in suppression of its Notification No. S.R.O. 494(1)/2007, dated the 9th June 2007, is pleased to specify the functions of the Directorate General of Customs Valuation, as under, namely:-

1. **Aim and objectives.-** To develop and maintain a modern and effective system for valuation of imported and exported goods. in order to achieve the following objectives:-

- (a) to ensure uniformity and neutrality of valuation practices across the country;
- (b) to improve voluntary compliance by trade and industry regarding proper declaration of value;
- (c) to safeguard revenue by providing assistance and advice to the field formations; and
- (d) to support field formations in preventing the flight of capital and trade-based money laundering through mis-invoicing.

2. **Valuation authorities.-** (1) The Directorate General of Customs Valuation shall consist of the following officers, namely:-

- (a) Director General of Valuation;
- (b) Directors of valuation;
- (c) Additional Directors;
- (d) Deputy/ or Assistant Directors;
- (e) Principal Appraisers; and
- (f) Valuation Officers and Appraisers or officers with any other designation.

3. **Functions and responsibilities.-** The responsibilities of the Directorate General of Customs Valuation shall be-

- (a) to ensure that the laws and rules support the delivery of an effective valuation program, by making recommendations to Federal Board of Revenue about legal and procedural changes as required from time to time;
- (b) to develop suitable outreach programs for trade and industry for creating awareness about customs valuation regulations and record keeping requirements with the objective of improving voluntary compliance;
- (c) to develop suitable training modules. in consultation with Directorate General of Training & Research. focused at providing necessary skills from basic level to advanced level to officers and officials working in all relevant functions

including Model Customs Collectorates, Post Clearance Audit and Valuation Directorates;

- (d) to determine the value of goods under section 25A of the Customs Act, 1969 (IV of 1969) for issuing valuation ruling;
- (e) to carry out final determination of value in cases of provisional assessment under section 81 of the Customs Act, 1969 (IV of 1969) referred by the field formations;
- (f) to develop and maintain a center for issuing advance rulings on valuation in accordance with international best practices;
- (g) to provide input to the risk management committee on valuation related risk parameters and checks;
- (h) to establish two-way information exchange system with Directorate General of Post Clearance Audit for valuation related issues and risks;
- (i) besides focusing on under invoicing of imports, also identify cases of over-invoicing of imports of low-duty or exempt items, and mis-invoicing of exports (to prevent flight of capital or trade-based money laundering) and to convey such information to concerned formations;
- (j) to build, maintain and update valuation information systems and to support the development of fully automated valuation modules in the Customs Computerized System for proper valuation of goods in accordance with Customs Valuation Agreement of World Trade Organization;
- (k) to regularly obtain reference price data from accredited publications, official price lists, websites, through market enquiries as well as findings of Post Clearance Audit and other authentic sources, and to make such data available to field formations through the customs computerized system;
- (l) to carry out proactive monitoring of valuation of goods imported into and exported from the country vis-a-vis international price trends, conduct analysis and undertake sector-wise studies of items prone to mis-invoicing and to advise the field formations regarding any abnormalities in valuation during clearances; and
- (m) to maintain effective liaison with Pakistan Missions abroad for the purpose of valuation enquiries, with relevant valuation committees of World Trade Organization and World Custom Organization, and with foreign Customs administrations through the Federal Board of Revenue;

4. **Jurisdiction.**- Subject to the provisions of the Customs Act, 1969 and this Notification, the officers of Directorate General of Customs Valuation shall perform their functions in respect of such persons, classes of persons as the Director General may assign to them from time to time.

[C.No.3(2)S.Val/2019]



(Shoukat Ali)

Secretary (Valuation & Audit)