



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE, KARACHI

The Collectors of Customs, Model Customs Collectorates, Appraisement & Facilitation (East / West) / Port Muhammad Bin Qasim / JIAP, Karachi (Appraisement & Facilitation / Enforcement & Compliance), AIIA Lahore / Sambrial (Sialkot) / Faisalabad / Multan / Islamabad / Hyderabad / Quetta (Appraisement / Preventive) / Peshawar (Appraisement & Facilitation/ Enforcement & Compliance) / Gawadar / Gilgit-Baltistan / Export (Karachi / Port Qasim)

DETERMINATION OF CUSTOM VALUES OF FRESH GINGER, FRESH GARLIC AND DEHYDRATED GARLIC FLAKES UNDER SECTION 25-A OF THE CUSTOMS ACT, 1969

(VALUATION RULING NO. 1486/2020)

C. No. Misc/14/2013-I/5404

Dated: 13-11-2020

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969 Customs values of Ginger, Garlic & Dehydrated Garlic Flakes are determined as follows:-

2. **Background of the valuation issue:** Earlier the customs values of Ginger and Garlic were determined under Section 25-A of the Customs Act, 1969 vide Valuation Ruling No.1390/2019 dated 24-09-2019. All Pakistan Fresh Ginger & Garlic Importers & Whole Sellers Association vide their representation informed that the value of Fresh Ginger have increased in the international market and the Valuation Ruling may be revised accordingly. The analysis of import data viz-a-viz declared values of Fresh Ginger showed upward trend whereas Fresh Garlic was showing downward trend in international markets. The Association requested to bring the values in line with the prevailing prices in the international market. Therefore, this Directorate General initiated and exercise for re-determination of the Customs Values of the subject goods in terms of Section 25-A of Customs Act, 1969.

3. **Stakeholders' participation in determination of Customs values:** Meetings were held on, 03-11-2020 & 12-11-2020 with the stakeholders of subject goods in this Directorate General. The importers/stakeholders were requested to submit following documents before or during the course of meeting so that customs values could be de determined:-

- i. Invoices of import during last three months showing factual value.
- ii. Websites, names and E-mail addresses of known foreign manufacturers of the item in question through which the actual current value can be ascertained.
- iii. Copies of Contracts made / LCs opened during the last three months showing the value of item in question.

- iv. Copies of Sales Tax Invoices issued during last one year showing the difference in price (excluding duty and taxes) to substantiate their contention.

The participants contended during the meeting that the values of the Fresh Ginger in international market have shown upward trend and those of Fresh Garlic going downwards. The stakeholders also produced documents like Goods Declaration, commercial Invoices to substantiate their view point. In the meantime Chairman of Pakistan Kiryana Merchant Association also stated that the Dry Ginger is a spice and should not be the part of this valuation ruling and be considered in the valuation ruling of Spices. The view point of all stakeholders/participants was considered before arriving at the Customs values of Fresh Ginger, Fresh Garlic & Dehydrate Garlic Flakes.

4. Method adopted to determine Customs values: Valuation methods provided in Section 25 of the Customs Act, 1969 were duly applied in their regular sequential order to arrive at customs value of subject goods. The Transaction value method as provided in sub-section (1) of Section 25 of the Customs Act, 1969 was found inapplicable because the requisite information under the law was not provided by the importers. Identical/similar goods valuation methods provided in Sections 25 (5) & (6) *ibid* were examined for applicability to determine customs values of subject goods. The data provided some reference values but due to wide variations in the declarations the same could not be relied upon exclusively. In the sequential order this office conducted market inquiries in terms Sub-Section of (7) of Section 25 of the Customs Act, 1969. All the information so gathered was analyzed and evaluated. Keeping all the above in view, customs values of Fresh Ginger, Fresh Garlic & Dehydrate Garlic Flakes are determined under Sub-Section (7) of Section 25 of the Customs Act, 1969.

5. Customs values of Fresh Ginger, Fresh Garlic & Dehydrated Garlic Flakes *hereinafter specified* shall be assessed to duty/taxes on the following minimum Customs Values mentioned against them in the table below:-

Sr. No.	Description of Goods	H.S. Code	Proposed PCT for WeBOC	Origin	Customs Values (C&F) US\$/Kg
(1)	(2)	(3)	(4)	(5)	(6)
1.	Fresh Ginger	0910.1100 0910.1200	0910.1100.1000	China	1.48
			0910.1100.1000		
			0910.1100.1100	Indonesia/Vietnam	1.20
			0910.1100.1100	Myanmar	
			0910.1100.1200	Thailand	1.00
			0910.1100.1200		
2.	Fresh Garlic	0703.2000	0703.2000.1000	China	0.80
3.	Dehydrated Garlic Flakes	0712.9000	0712.9000.1000	China	4.78

6. In cases where declared / transaction values are higher than the Customs values determined in this Ruling or higher evidential data is available of stipulated period of 90 days, the assessing officer shall apply those values in terms of Sub-Section 25(1) of Section 25 of the Customs Act, 1969. In case of consignments imported by air, the assessing officer shall take into account the differential between air freight and sea freight while applying the Customs values determined in this Ruling.

7. **Validity of this Valuation Ruling:** The values determined vide this Ruling shall be the applicable Customs value for assessment of subject imported goods until and unless it is rescinded or revised by the competent authority in terms of Sub-Sections (1) or (3) of Section 25-A of the Customs Act, 1969.

8. **Revision of the value determined vide this Valuation Ruling:** This Valuation Ruling is appealable under the law and a revision petition may be filed against this Ruling, under Section 25-D of the Customs Act, 1969, within 30 days from the date of issue of this ruling before the Director General, Directorate General of Customs Valuation, 7th Floor, Custom House, Karachi.

9. The Collectors of Customs may kindly ensure that the values given in the Valuation Ruling for the given description of goods are applied by the concerned staff without fail. Any anomaly observed may kindly be brought to the notice of Directorate General immediately. Customs values determined in the ruling are for the description and specification as mentioned in the table above of this Ruling. HS Codes are mentioned for illustrative purpose so that valuation ruling values are made assessable to the assessing officers. The assessment shall be finalized on the basis of correct classification after fulfilling requisite formalities related to importability or any other certification required thereon. In addition to this, it is further necessary to verify that there is declaration of any sort or violation of Import Policy Order or Section 15 of the Customs Act, 1969 or any other law in vogue therein.

10. This ruling supersedes Valuation Ruling No.1390/2019 dated 24-07-2019 for Fresh Ginger, Fresh Garlic & Dehydrate Garlic Flakes.


(Shafique Ahmad Latki)
Director

Copy for information to:

1. The Member (Customs, Operations), F.B.R., Islamabad.
2. The Director General, Customs Valuation, Custom House, Karachi.

3. The Chief Collector of Customs, South (Appraisalment & Facilitation), Custom House, Karachi.
4. The Chief Collector of Customs, South (Enforcement & Compliance), Custom House, Karachi.
5. The Chief Collector of Customs (Central), Lahore.
6. The Chief Collector of Customs (North), Islamabad.
7. The Chief Collector of Customs, (Enforcement & Compliance), Custom House, Quetta.
8. The Director General, Intelligence and Investigation-FBR, Islamabad.
9. The Director General, PCA& Internal Audit, Karachi.
10. The Director General, IOCO, Karachi
11. The Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ Faisalabad.
12. The Director, Directorate of Customs Valuation, Lahore.
13. The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC database system.
14. The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
15. The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
16. The Karachi Customs Agents Group, Bohri Road, Karachi.
17. The Webmaster, Federal Board of Revenue, Islamabad.
18. Guard File.