



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

The Collectors of Customs, Model Customs Collectorates, Appraisement (East/West)/Port Qasim/ Preventive), Karachi / Lahore (Appraisement / Preventive) / Sambrial (Sialkot) / Faisalabad / Multan / Islamabad/ Hyderabad/ Quetta / Peshawar/ Gawadar/ Gilgit-Baltistan

Determination of Customs Values of Soft & Hard Sawn Wood
Under Section 25-A of the Customs Act, 1969

(VALUATION RULING NO. 1267 /2018)

No.Misc/06/2007-III /295

Dated: March 07, 2018

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of Soft & Hard Swan Wood are determined as follows: -

2. **Background of the valuation issue:** Customs value of Soft & Hard Sawn Wood were determined vide Valuation Ruling No.917/2016 dated 26.08.2016. As the ruling was old and values in the international market have changed, therefore, an exercise was initiated to determine the customs values of aforementioned goods under Section 25A of the Customs Act, 1969.

3. **Stakeholders' participation in determination of Customs values:** Stakeholders' meeting was scheduled on 22.02.2018. The stakeholders were requested to furnish the following documents before or during the course of above said meeting:



- i. Invoices of imports 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 three months showing the difference in price (excluding duty and taxes) to substantiate their contentions on the values.

4. The meeting was attended by different importers. The representatives of KTMG were of the view that prices in the international market has remained the same and only very marginal increased. It was further pointed out by an importer of Diyar Timber that the value of Russian and Afghanistan origins is higher as against their declared values.

5. **Method adopted to determine Customs values:** Valuation methods given in Section 25 of the Customs Act, 1969, were followed to arrive at customs values of Soft & Hard Swan Wood. Transaction value method provided in Section 25 (1) was found inapplicable owing to non fulfillment of prescribed requirements. Identical / similar goods values methods provided in Section 25(5) & (6) were examined for applicability to the valuation issue in the instant case which provided a number of reference values of subject goods but the same could not be exclusively relied on due to certain variations in declared values of subject goods. Thereafter, market enquiries as envisaged under Section 25(7) of the Customs Act, 1969, were conducted. Online prices were also obtained to corroborate the findings of market survey. Consequently, the

customs values of the Soft & Hard Swan Wood of various types have been determined under section 25(7) of the Customs Act, 1969.

6. **Customs values for Soft & Hard Swan Wood**, Soft & Hard Swan Wood hereinafter *specified* shall be assessed to duty/taxes at the following values: -

S.No	Description of goods	PCT Heading	Proposed PCT for WeBOC	Origin	Customs Value (C&F) US\$ / M3
(1)	(2)	(3)	(4)	(5)	(6)
01	Softwood Logs	4403.2000	4403.2000.1000	Europe/ North America	140.00
02	Soft/White/Red Wood Rough/Swan/S4S Timber	4403.9900 4407.2900	4403.9900.1000	Australia/ Russia/ Europe	200.00
			4407.2900.1000		
			4403.9900.1100 4407.2900.1100	USA	210.00
			4403.9900.1200 4407.2900.1200	Canada	230.00
03	African Swan Timber	4403.9900 4407.2900	4403.9900.1400	African Countries	375.00
			4407.2900.1400		
04	Myanmar Teek Logs	4403.4910	4403.4910.1000	Myanmar	1250.00
05	Myanmar Hard Wood / Gurjan Logs	4403.4910	4403.4910.1100	Myanmar	375.00
06	Hard Wood Logs	4403.4910	4403.4910.1200	African Countries	305.00
07	Medium Light hardwood logs	4403.4910	4403.4910.1300	South East Asia	435.00
08	Red Meranti Swan Timber wood	4407.2500	4407.2500.1000	South East Asia	410.00
09	Yellow Meranti Swan Timber wood	4407.2600	4407.2600.1000	South East Asia	360.00
10	Beech Wood Swan Timber	4407.9200	4407.9200.1000	Europe/ North America	385.00
11	Ash Wood Sawn Timber & Other Hardwood Species	4407.9500	4407.9500.1000	Europe/ North America	495.00

7. In cases where declared / transaction values are higher than the Customs values determined in this Ruling, the assessing officers shall apply those values in terms of Section 25 of the Customs Act, 1969. In case of consignments imported by air, the assessing officer shall take into account air freight while applying the Customs values determined in this Ruling.

8. **Validity of Valuation Ruling:** The values determined vide this Ruling shall be the applicable Customs values 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.

9. Revision of the value determined vide this Valuation Ruling: A revision petition may be filed against this Ruling, as provided under Section 25-D of the Customs Act, 1969, within 30 days from the date of issue, before the Director General, Directorate General of Customs Valuation, 7th Floor, Custom House, Karachi.

10. The Collectors of Customs may kindly ensure that the values given in this 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 above table, of this Ruling. HS Codes are mentioned for illustrative purpose so that valuation ruling values are made accessible 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 no mis-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.

11. This ruling supersedes Valuation Ruling No. 917/2016 dated 26.08.2016


(Muhammad Iqbal Muneeb)
Director

Copy for information to :-

1. The Member (Customs), F.B.R., Islamabad.
2. The Director General, Customs Valuation, Custom House, Karachi.
3. The Chief Collector of Customs, South (Appraisal), Custom House, Karachi.
4. The Chief Collector of Customs, South (Enforcement), Custom House, Karachi.
5. The Chief Collector of Customs (Central), Lahore.
6. The Chief Collector of Customs (North), Islamabad.
7. The Director General, Intelligence and Investigation-FBR, Islamabad.
8. The Director General, Audit (Customs & Petroleum), 1st Floor, PT&T Audit Building, Mauj-e-Darya Road, Lahore.
9. The Director General, Post Clearance Audit (PCA), Islamabad.
10. The Director General, Internal Audit (Customs), Karachi.
11. The Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta Peshawar/ Faisalabad.
12. The Director, Directorate of Customs Valuation (Camp Office), Lahore.
13. The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC database system and deleting Valuation Ruling No. 917/2016 dated 26.08.2016.
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 Law Section, Customs Valuation, 7th Floor, Custom House, Karachi.
17. The Review Section, Customs Valuation, 7th Floor, Custom House, Karachi.
18. The Karachi Customs Agents Group, Bohri Road, Karachi.
19. The CHO, Customs Valuation, Custom House, Karachi.
20. Notice Board, Customs Valuation 7th Floor, Custom House, Karachi / MCC, Appraisal, 1st Floor, Custom House, Karachi.
21. Guard File.