



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

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

Determination of Customs Value of Ginger and Garlic under Section 25-A of the Customs Act, 1969.

(VALUATION RULING NO. ¹³⁹⁰ / 2019)

No. Misc/14/2013-I/ ¹²⁴⁰⁸

Dated: September, 24, 2019

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

2. **Background of the valuation issue:** Earlier the customs values of Fresh / Dry Ginger and Garlic were determined vide Valuation Ruling No. 1339/2018 dated 26-10-2018. The analysis of import data viz-a-viz declared values of subject goods showed upward trend in international prices. Moreover, All Pakistan Fresh Ginger & Garlic Importers & Whole Sellers Association as well as a number of importers filed representations for revision of the ruling to bring the values in line with the prevailing prices in the international market. Keeping in view the above, this Directorate General initiated an exercise for re-determination of the Customs Values of the Fresh/Dry Ginger and Garlic in terms of Section 25-A of the Customs Act, 1969.

3. **Stakeholders' participation in determination of Customs values:** Meeting was held with the stakeholders on 11-09-2019 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 determined:

Invoices of imports during last three months showing factual value.

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 four months showing the difference in price (excluding duty and taxes) to substantiate their contention.

The participants contended during the meeting that the values of the subject goods in the international market have shown upward trend. The stakeholders also produced documents like Goods Declarations, Contract etc. wherein values are higher than those given in previous VR had been declared by many importers to substantiate their view point that prices in international markets have raised substantially. The view point of all stakeholders/participants was considered before arriving at customs values of Fresh/Dry Ginger and Garlic.

4. **Method Adopted to Determine Customs Values:** Valuation methods provided in Section 25 of the Customs Act, 1969 were duly applied in their sequential order to arrive at customs values of subject goods. The transaction value method as provided in Sub-Section (1) of Section 25 of the Customs Act, 1969 was found inapplicable due to wide variations in declarations and incomplete description of specifications. Hence requisite information required under law was not available to arrive at the transaction value. Identical / similar goods value methods provided in Sub-Section (5) & (6) of Section 25 of the Customs Act, 1969 provided some reference values but due to wide variations in the declarations, the same could not be relied upon exclusively.



Thereafter, market enquiries as envisaged under Section 25(7) of the Customs Act, 1969, were conducted. The computed value method as provided in Section 25(8) of the Customs Act, 1969, could not be applied as the amount of profit and general expenses under clause(b) of Section 25(8) of the Act, in the country of export could not be ascertained. Online values of subject goods were also obtained. (All Pakistan Ginger & Garlic Importers & Whole Sellers Association recommended values of fresh Ginger of Chinese origin to be between US\$ 0.975/Kg to US\$ 1.025/Kg and that of Indonesian origin to be US\$ 0.875/Kg to US\$ 0.90/Kg and fresh Garlic of Chinese origin to be as in between US\$ 0.95/Kg to US\$ 1.0/Kg, which were taken into account for valuation purposes). All information so gathered was evaluated and analyzed for the purpose of determination of customs values. Consequently, keeping all the factors in mind, the customs values have been *determined* under section 25 (9) of the Customs Act, 1969.

5. **Customs values for Ginger and Garlic:** Fresh/Dry Ginger and Garlic *hereinafter specified* shall be assessed to duty / taxes at the following Customs Values:

S. No.	Description of goods	PCT	Proposed PCT for WEOC	Origin	Customs Values (C&F) US\$/Kg
(1)	(2)	(3)	(4)	(5)	(6)
1.	Fresh Ginger	0910.1100 0910.1200	0910.1100.1000	China	1.11
			0910.1200.1000		
			0910.1100.1100 0910.1200.1100	Indonesia Vietnam Myanmar	0.90
			0910.1100.1200 0910.1200.1200	India via Land route	0.89
2.	Dry Ginger	0910.1100 0910.1200	0910.1100.1300 0910.1200.1300	Thailand	0.70
			0910.1100.1400 0910.1200.1400	China	2.25
			0910.1100.1500 0910.1200.1500	Indonesia Vietnam, Nigeria, Myanmar, India	2.14
			3.	Fresh Garlic	0703.2000
0703.2000.1100	India via Land route	0.87			
0703.2000.1200	India via Sea route	1.14			
4.	Dehydrate Garlic Flakes	0712.9000	0712.9000.1000	India via Land route	3.41
			0712.9000.1000	China	4.78

6. 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 Sub-Section (1) of Section 25 of the Customs Act, 1969 and the same may be communicated to this Directorate General forthwith. In case of consignments imported by air, the assessing officer shall take into account the element of air freight while assessing the goods.

