



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
7TH FLOOR, CUSTOM HOUSE, KARACHI

The Collectors of Customs, Collectorates of Customs (Appraisalment – West)/ Appraisalment – East / SAPT / Appraisalment – Port Muhammad Bin Qasim / Enforcement / JIAP), Karachi / Hyderabad/ (Appraisalment/Enforcement), Quetta/Gawadar/ Khuzdar (Appraisalment / Enforcement/ AIIA), (Appraisalment – East / Appraisalment –West, Lahore/ Faisalabad Appraisalment / Enforcement, Sargodha/ Enforcement. Appraisalment, Sambrial (Sialkot)/ Enforcement, Multan/ Islamabad/ Gilgit-Baltistan/ (Appraisalment/ Enforcement), Peshawar/ Enforcement, Dera Ismail Khan/Exports (Port Qasim/Custom House, Karachi)/Transit Trade, Karachi.

DETERMINATION OF CUSTOMS VALUES OF PALM FATTY ACID DISTILLATE, PALM ACID OIL (PAO), MIXTURE OF FATTY ACIDS (MOFA), RESIDUE OF FATTY SUBSTANCES (ROFS), SOAP & GUM STOCK/ SLUDGE OF SOAP STOCK/ PITCH OIL/ ALKALINE RESIDUE & INEDIBLE ANIMAL OR VEGETABLE OILS & FATS UNDER SECTION 25A READ WITH PROVISIO TO SECTION 25A (1) OF THE CUSTOMS ACT, 1969

(Publication Value Reference No. 12 / 2023)

C.No. Misc/PFAD/08/2022-II /371

Dated: 04 -04-2023

In exercise of the powers conferred under Section 25A read with proviso to Section 25A(1) of the Customs Act, 1969, the Customs values of Palm Fatty Acid Distillate, Palm Acid Oil (PAO), Mixture of Fatty Acids (MOFA), Residue of Fatty Substances (ROFS), Soap & Gum Stock/ Sludge of Soap Stock/ Pitch Oil/ Alkaline Residue & Inedible Animal or Vegetable Oils & Fats are determined as follows:

Background of the valuation issue: Earlier, the Customs values of Palm Fatty Acid Distillate, Palm Acid Oil (PAO), Mixture of Fatty Acids (MOFA), Residue of Fatty Substances (ROFS), Soap & Gum Stock/ Sludge of Soap Stock/ Pitch Oil/ Alkaline Residue & Inedible Animal or Vegetable Oils & Fats were determined under Section 25A of the Customs Act, 1969 vide Valuation Ruling No.1558/2021 dated 22-10-2021. According to the price trend in the international market, an exercise has been undertaken by this Directorate to re-determine the Customs values afresh in line with values prevalent in the international market.



2. **Stakeholders' participation in determination of Customs values:** Meeting was convened on 08-03-2023 which was attended by all the relevant stakeholders. The issues pertaining to the valuation of subject goods were deliberated upon in detail in the afore-referred meeting. The participants also submitted their proposals and the same were considered for valuation of the subject goods.

3. **Analysis / Exercise done to determine Customs Values:** In this regard, Ninety (90) days' clearance data has been retrieved and the same has been scrutinized. Subsequently, prices retrieved from the international publication, namely Reuters (REFINITIV) showing price trend of the subject goods in the international market, have been examined.

4. **Method (s) adopted to determine Customs values:** The Valuation methods specified in Section 25 of the Customs Act, 1969, were duly applied in sequential order to arrive at the Customs values of subject goods. The transaction value method as provided in sub-section (1) of Section 25 of the Customs Act, 1969, was considered. However, the same was found inapplicable because of absence of necessary information as required under sub-section (2) of Section 25 of Customs Act, 1969. Therefore, identical goods value method provided in Section 25(5) ibid was examined for applicability to determine Customs values of subject goods. However, the same could not be relied upon since the evidences in the ninety (90) days' data are based on the erstwhile international market prices which have changed now. Subsequently, available data / information collected through international publication i.e. Reuters (REFINITIV) was thoroughly scrutinized and compared with the import data of the relevant period to determine Customs values. Finally, the values of Palm Fatty Acid Distillate, Palm Acid Oil (PAO), Mixture of Fatty Acids (MOFA), Residue of Fatty Substances (ROFS), Soap & Gum Stock/ Sludge of Soap Stock/ Pitch Oil/ Alkaline Residue & Inedible Animal or Vegetable Oils & Fats have been determined in terms of Section 25A read with proviso to Section 25A(1) of the Customs Act, 1969.

5. **Customs values for Palm Fatty Acid Distillate, Palm Acid Oil (PAO), Mixture of Fatty Acids (MOFA), Residue of Fatty Substances (ROFS), Soap & Gum Stock/ Sludge of Soap Stock/ Pitch Oil/ Alkaline Residue & Inedible Animal or Vegetable Oils & Fats:** Palm Fatty Acid Distillate, Palm Acid Oil (PAO), Mixture of Fatty Acids (MOFA), Residue of Fatty Substances (ROFS), Soap & Gum Stock/ Sludge of Soap Stock/ Pitch Oil/ Alkaline Residue & Inedible Animal or Vegetable Oils & Fats hereinafter specified shall be assessed to duty / taxes at the following Customs values:-

S.No	Description of Goods	HS Code	HS Code Extension	Origin	Customs Values C&F US\$/kg
(1)	(2)	(3)	(4)	(5)	(6)
1.	Palm Fatty Acid Distillate	3823.1910	3823.1910.1000	Malaysia/ Indonesia	Reuters (REFINITIV)'s FOB Price + Actual freight charges
2.	Palm Acid Oil	3823.1920	3823.1920.1000	Malaysia/ Indonesia	70% of Reuters (REFINITIV)'s FOB price of (PFAD) plus Actual freight charges
3.	Mixture of Fatty Acid	3823.1990	3823.1990.1000	All Origins	
4.	Residue of Fatty Substance	1522.0010	1522.0010.1000	All Origins	
5.	Inedible Animal or Vegetable Oil & Fats	1518.0000	1518.0000.1000	All Origins	
6.	Soap & Gum Stock/ Sludge of Soap Stock/ Pitch Oil/ Alkaline Residue etc.,	1522.0090	1522.0090.1000	All Origins	60% of Reuters (REFINITIV)'s FOB price of (PFAD) plus Actual freight charges

Note:

- (i) If above goods are imported from origins other than Malaysia / Indonesia, an amount of US\$ 100/MT shall be subtracted from the values of respective goods only for Serial No.1 & 2 of the above table.
- (ii) The Customs values determined above are for imports in bulk. In case the goods are imported in drums packing US\$ 10/MT may be added for assessment purpose.

6. In cases, where declared values are higher than the so determined Customs values, the assessing officers shall apply those values in terms of sub-section (1) of Section 25 of the Customs Act, 1969. In case of consignments imported by air, the assessing officers shall take



into account the difference between air freight and sea freight while applying the Customs values in this Ruling.

7. **Validity of these Publication values:** The Customs values for assessment of subject imported goods, shall be applicable until and unless the same are rescinded or revised by the competent authority in terms of sub-section (4) of Section 25A of the Customs Act, 1969.

8. **Revision of the determined Publication values:** In case of disagreement (with such customs values) by any importer/exporter, the assessing officer shall give the reasons in writing and shall issue an Assessment Order which shall be appealable before the Collector (Appeals) under Section 193 of the Customs Act, 1969. Further, if aggrieved, a revision petition may be filed against the determined values as provided under Section 25-D of the Customs Act, 1969, within 30 days from the date of issue of these publication values before the Director General, Directorate General of Customs Valuation, 7th Floor, Custom House, Karachi.

9. The Collectors of Customs may kindly ensure that the said determined values are applied by the concerned assessing officers/officials without fail. Any anomaly observed may kindly be brought to the notice of the Directorate of Customs Valuation, Karachi immediately. Customs values determined in the Publication value are for the description and specification as mentioned in the table above of this Publication Value. PCT Codes are mentioned for illustrative purposes so that Publication 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 certifications 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.

10. ***These Publication Values Reference rescind the Valuation Ruling No.1558/2021 dated 22-10-2021.***



(Fayaz Rasool Maken)
Director

Copy to: -

- 1) The Member Customs (Operations), Federal Board of Revenue, Islamabad.
- 2) The Director General, Customs Valuation, Custom House, Karachi.
- 3) The Chief Collector of Customs, Appraisement (South), Custom House, Karachi.
- 4) The Chief Collector of Customs, Enforcement (South), Custom House, Karachi.
- 5) The Chief Collector of Customs, Appraisement (Central), Custom House, Lahore.
- 6) The Chief Collector of Customs, Enforcement (Central), Custom House, Lahore.
- 7) The Chief Collector of Customs (North), Custom House, Islamabad.
- 8) The Chief Collector of Customs, Baluchistan, Custom House, Quetta.
- 9) The Chief Collector of Customs, Khyber Pakhtunkhwa, Custom House, Peshawar.
- 10) The Director General, Intelligence and Investigation (Customs), FBR, Islamabad.
- 11) The Director General, PCA & Internal Audit, Karachi.
- 12) The Director General, IOCO, Karachi
- 13) The Director, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ Faisalabad.
- 14) The Director, Transit Trade, Custom House Karachi
- 15) The Director, Directorate of Customs Valuation, Lahore/Quetta/Peshawar.

- 16) The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC database system.
- 17) The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
- 18) The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
- 19) The Karachi Customs Agents Association (KCAA), Bohri Road, Karachi.
- 20) The Webmaster, Federal Board of Revenue, Islamabad.
- 21) Guard File.