



GOVERNMENT OF PAKISTAN  
DIRECTORATE GENERAL OF CUSTOMS VALUATION  
7<sup>TH</sup> FLOOR, CUSTOM HOUSE  
KARACHI  
Phone: 021-99214144  
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C. No. Misc/03/2024-I/1141

Dated: 31 -10-2024

**VALUATION RULING NO. 1910 / 2024**

1. This Ruling shall be applicable until the same is rescinded or revised in terms of sub-section (4) of Section 25A of the Customs Act, 1969.
2. The revision petition against this Valuation Ruling can be filed, under Section 25D of the Customs Act, 1969 within 30 days before the Director General, Customs Valuation.
3. The values in valuation ruling shall be applicable to the given description and specification of goods.

Subject: **DETERMINATION OF CUSTOMS VALUE OF SOYABEAN SEEDS (NON-GMO) UNDER SECTION 25A OF THE CUSTOMS ACT, 1969.**

1.	Valuation Ruling	Fresh exercise to determine fair values of Soyabean Seeds (Non-GMO)
2.	Date of meetings with stakeholders	The meetings with relevant stakeholders were conducted on 29.05.2024, 06.06.2024, 25.09.2024, and 03.10.2024.

3. **Background of the Issue:** The Directorate General of Customs Valuation Karachi received Board's letter C.No. 3(23)S(Val&Aud/22 dated 07.05.2024 including representations from All Pakistan Solvent Extractor's Association regarding under-invoicing of non-GMO Soyabean Seeds. Accordingly, in compliance of the above-mentioned letter and in pursuance of analysis of import data, current market trends, the difference in market prices and customs values, an exercise for the determination of customs values of subject goods was initiated under Section 25 and 25A of the Customs Act, 1969.

4. **Analysis to determine Customs Values:** Meetings were held on 29.05.2024, 06.06.2024, 25.09.2024 and 03.10.2024 with the stakeholders. During the meetings the stakeholders shared their viewpoints as:

- i. Soybean seeds are the seeds of the soybean plant, an annual legume that is a major source of vegetable protein and oil. Soybean seeds are used to make many foods, vegetable oil etc.
- ii. Currently, there are 2 types of soybeans, namely GMO soybeans, and non-GMO soybeans. GMO soybeans are soybeans that have undergone genetic



engineering for a specific purpose. Non-GMO soybeans are soybeans that do not have genetic engineering and still have natural properties.

- iii. The price rate of Soyabean seeds of Non-GMO based is higher than that of GMO based and the price difference between them is around 30%. Due to GMO (Genetically Modified Organism) technology, crop yield has been increased in less cultivated area and other costing factors like water use during cultivation, is also minimized.
- iv. GMO Soyabean seeds is mostly produced in USA, Argentina and Brazil. These 3 countries constitute 95% production of GMO Soyabean seeds while Non-GMO Soyabean seeds is mainly produced in African region. At present, Non-GMO Soyabean seeds is being imported into Pakistan.
- v. The importers also briefed about the current price range of Soyabean Seeds (Non-GMO) and, as per their figure, it varies from 500 US\$/MT to 600 US\$/MT in the. They further added that the Customs Values of Soyabean Seeds (Non-GMO) from African region should be around 550 US \$/MT and it would be feasible for all of the importers and the margin in customs values should be given on the basis of protein content and crop yield etc.
- vi. The importers also requested to consider other factors like crop yield analysis, demand/supply and protein content variation in Soyabean Seeds while determining the Customs values of Soyabean Seeds.
- vii. The Importers informed that prices of Soyabean Seeds frequently change in the International Market; therefore, these values should be revised whenever there is a significant change in these prices. Further, they informed that due to restriction on import of GMO Soyabean Seeds in Pakistan, prices of Non-GMO Soybean Seeds are high and whenever such restrictions will be removed, prices of Non-GMO will also decline.

Accordingly, Ninety (90) days' clearance data has been retrieved and the same has been scrutinized. Subsequently, online market inquiry has been conducted and examined in the light of this Directorate's Office Order No.17/2014 dated 19-03-2014 and in terms of Section 25 (5) and 25 (7) read with Section 25(9) of the Customs Act, 1969.

5. **Method(s) adopted to determine Customs values:** Valuation methods, provided in Section 25 of the Customs Act, 1969, were applied in sequential order. The transaction value method as provided in sub-section (1) of Section 25 of the Customs Act, 1969, was found inapplicable as declared values did not correspond to market prices. Similarly, the data of identical and similar goods as per sections 25(5) & (6) ibid provided some references of demonstrable evidence of qualities and quantities of the same commercial level, however, it could not be solely relied upon. Meanwhile, Market enquiry as envisaged under Sub-Section (7) of Section 25 of the Customs Act, 1969 was also conducted but could yield



results to some extent because of variation in market prices. In line with statutory sequential order of Section 25, Computed value method, as provided in Section 25(8) of the Customs Act, 1969 was examined, but the same also could not be applied as the goods are agricultural product. As a result, after adjusting the amounts of profits, the C&F value was determined under Section 25(9) read with Section 25 (5) and 25 (7) of the Customs Act, 1969 further read with customs rule 121(2) of the Customs Rules, 2001, which are as under:

6. **Customs values for Soyabean Seeds (Non-GMO)-hereinafter specified** shall be assessed to duty / taxes on the Customs values given against them in the Table below: -

Sr. No	Description of Goods	PCT Code	Proposed PCT Code for WeBOC	Origin	Customs Values (C&F) (USD/Kg)
(1)	(2)	(3)	(4)	(5)	(6)
1.	Soyabean Seeds (Non-GMO)	1201.9000	1201.9000 .1000	All origins	0.625

7. In cases, where declared values or values in invoice retrieved from the consignment, as the case may be, are higher than the customs values determined in this valuation ruling, the assessment shall be made on higher values in terms of sub-section (1) of Section 25 of the Customs Act, 1969.

8. In case of consignments imported by air, the difference between air freight and sea freight shall be added for the assessment of value.

9. The VR shall be applicable for the description and specifications of goods as mentioned in the aforementioned table. HS Codes are mentioned for illustrative purposes.

10. The Collectorates of customs shall ensure the implementation of VR and in case of any anomaly may be brought to the notice of this Directorate immediately.

  
(Dr. Tahir Qureshi)  
Director

**Copy for necessary action and implementation:**

The Collectors / Directors of Customs, Collectorates / Directorates of Customs (Appraisalment-West / East / SAPT / PMBQ / JIAP / Enforcement/), Karachi / Hyderabad / (Appraisalment / Enforcement / Ports), Quetta / Gwadar / Khuzdar (Appraisalment / Enforcement / AIIA), (Appraisalment-East / 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.

**Copy for information:**

- 1) The Member Customs (Operations), F.B.R., Islamabad.
- 2) The Director General, Customs Valuation, Custom House, Karachi.
- 3) All Chief Collectors / Director Generals of Customs, Karachi / Lahore / Islamabad / Quetta / Peshawar.
- 4) All Collectors / Directors of Customs, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ Faisalabad.
- 5) The Director, Directorate of Customs Valuation, Lahore / Quetta / Peshawar.
- 6) The Deputy Director (MIS), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WEBOC database system.
- 7) The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
- 8) The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
- 9) The Karachi Customs Agents Group, Bohri Road, Karachi.
- 10) The Webmaster, Federal Board of Revenue, Islamabad.
- 11) Guard File.