

**BEFORE
THE FEDERAL TAX OMBUDSMAN
ISLAMABAD**

0074/OM/2022

Dated: 29.06.2022* HQs Islamabad

The Secretary,
Revenue Division,
Islamabad

... Respondent

Dealing Officer : Dr. Arslan Subuctageen, Advisor
Appraising Officer : Dr. Sarfraz Ahmad Warraich, Advisor

FINDINGS/RECOMMENDATIONS

This Own Motion has been initiated, on receipt of multiple Complaints, arising out of stuck up courier consignments of marginal value like shoes, chocolates, confectionary items, apparel, perfumes, medicines and alike. Pursuant to MOC's SRO 598(1)/2022 dated 19.05.2022, notifying such items in the category of banned items, approximately 3000 plus consignments of smaller quantities of goods or gifts, sent from abroad, without any payment to be made in foreign exchange from Pakistan, are stuck up due to their non-clearance by Customs authorities. The above state of affairs has caused immense hardship to the bonafide aggrieved taxpayers and citizens of Pakistan and is, thus, tantamount to maladministration, in terms of Section 2(3) of the FTO Ordinance, 2000.

2. The OM was referred to the Secretary, Revenue Division, for comments in terms of Section 10(4) of the FTO Ordinance, read with Section 9(1) of the Federal Ombudsmen Institutional Reforms Act, 2013. In response thereto, Chief (F&C), FBR, Islamabad, submitted parawise comments dated 05.07.2022, stating that MoC issued SRO 598(I)/2022 dated 19.05.2022 and banned import of certain items by adding Sr. No.52 to Sr. No.85 in the Appendix-A of

Import Policy Order. The subject ban, on import of said items, is applicable on DHL and all other courier service providers. Resultantly, a large number of consignments are stuck up at different airports. However, FBR is bound under the law, to implement regulatory order referred above. Further stated that, owing to this blockade and hardship, being faced by the citizens of Pakistan, FBR took up the matter with MoC. A series of meetings took place recently to discuss and resolve this issue. It is hoped that the matter will be resolved soon. Further, Facilitation & Compliance Wing of FBR issued a clarification, vide letter No. 1(1)E&C/2022 dated 25.05.2022, for facilitation of passengers at airports in respect of personal baggage. As regards resolution of courier issue, FBR is striving hard and consistently endeavoring to get clarification from MoC, so that courier consignments, being stuck up, are cleared as early as possible.

3. In view of the supra, it is evident that a multitude of non-commercial postal and courier consignments of marginal/de-minimise value, pertaining to bonafide aggrieved taxpayers and innocent citizens of the country, have got stuck up at various Customs stations, pending clearance due to harsh connotation of SRO 598(I)/2022 dated 19.05.2022. This Office, vide its recommendations in a similar matter, taken up in Complaint No.1815/ABD/CUST/2022 13.05.2022, has issued detailed findings which are inter alia applicable in the subject OM. It is also observed that very spirit, behind the subject SRO, was not to adversely impact non-commercial bonafide imports of marginal value, made through postal service or air courier, of gifts sent from aboard or de-minimis goods and commodities, falling under Section 19C and Chapter XXXIV of Customs Rules, 2001 but it was basically for incoming foreign origin commercial consignments

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at larger scale so as to save precious foreign exchange of the State.

RECOMMENDATIONS:

4. FBR to direct-
- (i) Chief (F&C) to issue clarification, in due consultation with Ministry of Commerce, for processing and clearance of stuck up postal and air courier consignments of marginal and de-minimis value on similar lines as has been done in the case of personal baggage of passengers at International Airports w.r.t. SRO 598(I)/2022 dated 19.05.2022, as per law; and
 - (ii) report compliance within 60 days.


(Dr. Asif Mahmood Jah)
(Hilal-i-Imtiaz) (Sitara-i-Imtiaz)
Federal Tax Ombudsman

Dated: 21/07/2022
MR/U.f

Approved for reporting