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Revised import requirements, PBC, OICCI ask FBR to ensure strict enforcement

ISLAMABAD: Pakistan Business Council (PBC) and Overseas Investors Chamber of Commerce and Industry (OICCI) have approached the Federal Board of Revenue (FBR) to strictly enforce revised import requirements on imported goods for checking massive smuggling of imported items.

Both key bodies represent multinational companies, big corporate entities and documented sector of Pakistan. They raised serious concern over smuggling of imported items.

A senior FBR official told Business Recorder on Friday that the FBR is taking up the matter with the Commerce Ministry to ensure implementation of the revised import requirements mentioned in the SRO 237(1)2019. The FBR would also direct the customs authorities to ensure compliance and implementation of SRO 237(1)2019 at ports.

In a communication to FBR Chairman Shabbar Zaidi, all the members of the Overseas Investors Chamber of Commerce and Industry, who have been impacted by the SRO 237(1)2019 dated 19th February, 2019, whereby an amendment has been made in the Import Policy Order, 2016 with an aim to curtail smuggled and parallel trade, are fully supportive of the government's drive and have taken the necessary actions to be fully compliant with the revised import requirements mentioned in the above SRO.

The members of the OICCI view the amendment as a serious initiative by the government to provide a level playing field to the compliant business sectors, it said.

The OICCI members informed that the government's directives have not been fully implemented. The situation in the market is creating issues and challenges for the compliant businesses as many of the big importers/ distributors and retailers are not complying with SRO 237 and continue to supply the market with goods which are not compliant with the amended requirements of the Import Policy Order, 2016.

This situation is a source of serious concern for leading foreign investors whose market share is being taken away by illegal imports, as a number of products of MNCs operating in Pakistan, as well as other products of competitors are finding their way in the market in violation of GOP regulations. "Moreover, we are informed that the strict enforcement of SRO 237 has not been initiated at retail level by any government authority, leaving the opportunity for illegal/ smuggled products to be sold on shelves for indefinite period," it further said.

Pakistan Business Council (PBC) requested FBR Member Customs Operations that through SRO 237, the government took a major step to safeguard the health and religious beliefs of a majority of the citizens of the country.

The SRO among other things requires imported food products to have a shelf life of at least 66 percent on the date of filing of import general manifesto. All ingredients and details of the food products need to be printed in both Urdu and English on the consumer package and have the logo of the Halal certification body printed on the consumer packaging.

Since SRO 237 came into immediate effect, various stakeholders including the PBC requested the government for a reasonable timeline for compliance.

The Ministry of Commerce as a result issued SRO 438, dated 9, April, 2019 clearly stating that the changes brought about by SRO 237 and SRO438 shall take effect from July 1, 2019.

The Pakistan Business Council is writing on behalf of both the consumers and the compliant sectors to order immediate implementation of both SRO 237 and SRO 438 with immediate effect, the PBC added.