

**AGREEMENT BETWEEN  
THE GOVERNMENT OF THE REPUBLIC OF INDIA  
AND  
THE GOVERNMENT OF THE ISLAMIC REPUBLIC OF  
PAKISTAN  
ON COOPERATION AND MUTUAL ASSISTANCE IN  
CUSTOMS MATTERS**

The Government of the Republic of India and the Government of the Islamic Republic of Pakistan (hereinafter referred to individually as "Contracting Party" and collectively as "the Contracting Parties");

**Considering** that the offences against the Customs law are prejudicial to their economic, commercial, fiscal, social, health, environmental and cultural interests;

**Motivated** by the commitment to promote mutual cooperation for the benefit of their people, in a spirit of mutual accommodation, with full respect for the principles of sovereign equality, independence and territorial integrity of the Contracting Parties;

**Recalling** the common desire to promote trade, and convinced that closer cooperation amongst their Customs Administrations will facilitate trade between the Contracting Parties;

**Recognizing** the need for mutual co-operation in matters related to the application and enforcement of their Customs laws;

**Considering** the importance of accurate assessment of Customs duties and other taxes on the importation/exportation of goods and ensuring proper implementation of Customs laws related to enforcement of prohibitions, restrictions and measures of control in respect of specific goods;

**Convinced** that action against Customs offences can be made more effective by close co-operation between their Customs Administrations based on clear legal provisions;

**Concerned** about the trends of illicit traffic of Narcotic Drugs and Psychotropic Substances and bearing in mind that they are hazardous to public health and society;

**Having regard** to the relevant instruments of the World Customs Organisation (WCO) and other international agreements, to which the Contracting Parties have agreed, containing prohibitions, restrictions and special measures of control in respect of specific goods;

**Have agreed** as follows:

## **CHAPTER I**

### **Article 1**

#### **Definitions**

For the purposes of this Agreement

1. "Customs Administration" means: For the Government of the Republic of India – the Central Board of Excise and Customs, for the Government of the Islamic Republic of Pakistan – Federal Board of Revenue;
2. "Agreement" means the Agreement between the Government of the Republic of India and the Government of the Islamic Republic of Pakistan on Cooperation and Mutual Assistance in Customs Matters;
3. "Authenticated or Certified Copy" means a document duly signed and stamped or sealed by the Customs Administration or any other authority so designated by the Customs Administration of the respective Contracting Party;
4. "Customs law" means any legal, regulatory and administrative provisions applicable or enforceable by the Customs Administration of a Contracting Party in connection with the importation, exportation, transshipment, transit, storage and movement of goods, including legal, regulatory and administrative

provisions relating to measures of prohibition, restriction and control;

5. "Customs duties" mean all duties, taxes, fees or any other charges which are levied on or in connection with the importation or exportation of goods in the territories of the Contracting Parties in the application of Customs law, but not including fees and charges for services rendered;

6. "Customs offence" means any breach or attempted breach of Customs law;

7. "Person" means both natural and legal persons, unless the context otherwise requires;

8. "Personal data" means any data concerning an identified or identifiable natural person;

9. "Information" means any data, whether processed, not processed or analyzed, and documents, reports and other communications in any format, including electronic, or certified or authenticated copies thereof;

10. "Intelligence" means information which has been processed and/or analyzed to provide an indication relevant to a Customs Offence;

11. "Requesting Administration" means the Customs Administration of the Contracting Party which requests assistance;

12. "Requested Administration" means the Customs Administration of the Contracting Party from which assistance is requested;

13. "Official" means any Customs Officer or any officer of any other Authority or any other government functionary designated by a Customs Administration of the Contracting Parties.

## CHAPTER II

### Article 2

#### Scope of Assistance

1. The Customs Administrations of the Contracting Parties agree to strengthen, promote and develop cooperation and mutual assistance on matters pertaining to Customs between the Contracting Parties and to strengthen mutual understanding and communication.
2. This Agreement only covers cooperation and mutual assistance on Customs matter between the Contracting Parties and is without prejudice to the provisions of other mutual assistance agreements between the Contracting Parties.
3. The Contracting Parties shall provide each other assistance within their competence through their Customs Administrations, under the terms set out in this Agreement:
  - (a) for proper application of Customs law;
  - (b) for prevention, investigation and combating of Customs offences;
  - (c) for resolution of Customs procedural issues for efficient clearance of goods; and
  - (d) for facilitation of legitimate trade.
4. All assistance under this Agreement by a Contracting Party shall be provided in accordance with its national legal, regulatory and administrative provisions.
5. This Agreement shall be applicable within the territories of the States of the Contracting Parties.

## CHAPTER III

### Article 3

#### Scope of General Assistance

1. The Customs Administration of one Contracting Party may request the Customs Administration of the other Contracting Party to provide available information which may be useful in ensuring the application of Customs Law of the Requesting Customs Administration, including:

- (a) the proper assessment of Customs duties including valuation and tariff classification of goods for Customs purposes;
- (b) the determination of the class and origin of goods;
- (c) the implementation of prohibitions & restrictions of import and export.

2. The Requested Customs Administration shall provide the information requested by the Requesting Customs Administration as soon as possible.

3. The Customs Administrations of the Contracting Parties shall co-operate and adopt and apply their import, export and transit requirements and procedures for goods with the objectives of facilitating legitimate trade and promoting Customs cooperation on a bilateral and multilateral basis.

4. The Customs Administrations of the Contracting Parties shall co-operate in the research, development and application of new Customs procedures, in the training and exchange of personnel and in other matters of mutual interest.

## Article 4

### **Scope of Special Assistance**

1. The Requested Customs Administration shall, in support of proper application of Customs law or in the prevention of Customs offences, provide information to assist a Requesting Administration that has reasons to doubt the truth or accuracy of a declaration by any person. The request shall specify the information or verification needed by the Requested Administration.
2. Each Customs Administration will provide the other, either on request or on its own initiative, with information on activities or transactions, planned, ongoing, or completed which constitute or appear to constitute a Customs offence in the territory of the other Contracting Party.

## **CHAPTER IV**

### Article 5

#### **Expeditious Clearance of Cargo**

The Customs Administration of the Contracting Parties shall endeavour to facilitate trade and ensure expeditious clearance of cargo under the law through:

- (a) proper and adequate infrastructural facilities at the entry and exit Customs stations;
- (b) security risk assessment profiling; and
- (c) use of information technology.

## Article 6

### **Risk Management**

Each Contracting Party shall apply electronic risk based management systems, to the extent possible, to focus on inspection activities efficiently and effectively and facilitate the clearance and movement of legitimate trade.

## Article 7

### **Transparency**

Each Contracting Party shall ensure that its Customs and other trade-related laws, regulations, general administrative procedures and other requirements are readily available to all interested Parties, to the extent possible, in electronic form.

## Article 8

### **Customs Valuation**

The WTO Agreement on Implementation of Article VII of the GATT 1994 shall govern Customs valuation to trade between the Contracting Parties.

## Article 9

### **Advance Rulings**

Each Contracting Party shall endeavor to provide for a system of advance rulings on Customs matters, to the extent possible.

## CHAPTER V

### Article 10

#### **Information for the Application and Enforcement of Customs Law**

1. The Customs Administration of a Contracting Party, if specifically requested by the Customs Administration of the other Contracting Party shall provide information on:
  - (a) whether goods imported into the territory of the Requesting Customs Administration have been lawfully exported from the territory of the Requested Customs Administration; and
  - (b) whether goods exported from the territory of the Requesting Customs Administration have been lawfully imported into the territory of the Requested Customs Administration.
2. The Requested Customs Administration shall also provide details of the Customs procedures adopted in the course of Customs clearance of the goods.
3. The request shall specify the verification procedures that the Requesting Customs Administration wishes the Requested Customs Administration to undertake and shall clearly describe the specific information requested.

## CHAPTER VI

### Article 11

#### **Exchange of Information and Intelligence**

1. The Customs Administration of a Contracting Party, if specifically requested by the Customs Administration of the other Contracting Party shall provide certified copies of Customs



documents, shipment documents, records of evidence, that give information on actions, carried out or intended, which constitute or may constitute an offence against the Customs laws in force in the territory of the other Customs Administration.

2. The requested information can be transmitted via electronic means.

3. Any information and intelligence exchanged under this Agreement, whether electronic or documentary, shall be accompanied by relevant information for interpreting or utilizing it.

## CHAPTER VII

### Article 12

#### Communication of the Requests

1. A request for assistance under this Agreement shall be communicated directly between the Customs Administrations of the Contracting Parties. Each Customs Administration shall designate an official Nodal Point(s) for this purpose and shall provide details thereof to the other Customs Administration. Any change in the designated Nodal Point shall be communicated promptly.

2. Requests for assistance under this Agreement shall be made in writing or electronically and shall be accompanied by any information deemed useful for the purpose of providing the assistance requested. The Requested Administration may require written confirmation of electronic requests. Where the circumstances so require, requests may be made verbally, however, such requests shall be followed up either in writing or by electronic means at the earliest opportunity.

3. Requests shall be made in the English language. Any document accompanying such requests shall be translated, to the extent necessary, into English language.

4. Requests made pursuant to paragraph 2 of this Article, shall include the following details:

- (a) the name of the concerned unit of the Requesting Administration;
- (b) nature of the assistance requested and reasons for the request;
- (c) a brief description of the case under review and the legal and administrative provisions that apply;
- (d) the name(s) and address(es) of the person(s) to whom the request relate(s), if identified; and
- (e) any other information which may assist in the execution of the request.

5. Where the Requesting Customs Administration requests that a certain procedure or methodology should be followed, the reasons for such specific requests may be mentioned. The Requested Customs Administration, in such cases, may comply with the request, subject to its national legal, regulatory and administrative provisions.

6. The Requested Customs Administration shall provide the information requested for at the earliest. However, for requests other than requests for investigative assistance, the information shall be provided, preferably within one month.

7. If the Requested Customs Administration does not have the information requested, it shall in accordance with its national legal and administrative provisions, either:

- (a) initiate inquiries to obtain that information;
- (b) promptly transmit the request to the appropriate agency; or
- (c) indicate to the Requesting Customs Administration which relevant authorities are concerned.

8. Notwithstanding the procedure prescribed in paragraph (7) of this Article, in case the Requested Customs Administration is unable to provide the requested information or documents, it shall immediately inform the Requesting Customs Administration and the procedure given in Article 14 and 15 shall be, *mutatis mutandis*, followed.

### Article 13

#### **Use and confidentiality of information**

1. Any information or documents received under this Agreement shall be used only by the Requesting Customs Administration solely for the purpose of assistance and under the terms set out in this Agreement. The information or documents received under this Agreement shall be eligible for use in administrative, quasi judicial or judicial proceedings and in inquiries, by the recipient Contracting Party. However, such information and documents shall not be used for purposes other than those specified in this Agreement, unless a written consent of the other Customs Administration has been obtained.

2. On request, the Customs Administration that supplied the information may authorize its use for other purposes or by other authorities, subject to any terms and conditions it may specify. Such use shall be in accordance with the legal and administrative provisions of the Contracting Party, which seeks to use the information.

3. Any exchange of information in any form whatsoever communicated under this Agreement shall be treated as confidential and shall be subject to, at least the same protection and confidentiality, as such information is subject to under the national legal and administrative provisions of the Contracting Party where it is received.

4. Where personal data is exchanged under this Agreement, the Customs Administrations of the Contracting Parties shall ensure that it is used only for the purposes it was provided for

and shall also ensure a standard of data protection according to national laws.

#### **Article 14**

##### **Exemption**

1. If a Requested Customs Administration considers that compliance with a request for assistance will be prejudicial to the sovereignty, laws and treaty obligations, security, public policy or any other substantive national interest of a Contracting Party, or will be prejudicial to any legitimate commercial or professional interests of its State, such a request may be declined completely or partially, or be provided subject to any terms and conditions it may specify.
2. The assistance may be postponed if there are grounds to believe that it will interfere with any ongoing investigation, prosecution or proceeding. In such a case, the Requested Administration shall consult with the Requesting Administration to determine if assistance can be given subject to such terms or conditions as the Requested Administration may specify.
3. If the Requested Administration considers that the effort required to fulfill a request is clearly disproportionate to the perceived benefit to the Requesting Administration, it may request them to review the required assistance.
4. If the assistance requested is declined, postponed or requested to be reviewed in terms of this Article, the reasons thereof shall be communicated by the Requested Administration forthwith.

#### **Article 15**

##### **Assistance Expenses**

1. The Contracting Parties shall waive all claims on each other for the reimbursement of expenses incurred pursuant to this Agreement, except, as appropriate, for those who are not public service employees.

2. Any recourse to expert(s), witness(es), translator(s) and interpreter(s) shall be made by the Requested Administration after prior consultation and approval of the Requesting Administration.

3. If during the execution of a request it becomes apparent that execution of the request will entail expenses of an extraordinary nature, the Requested Customs Administration shall consult the Requesting Customs Administration to determine the terms and conditions under which the execution of request may take place.

## Article 16

### **Joint Border Liaison Committees**

1. To ensure close coordination Joint Customs Border Liaison Committees shall be established by the Customs Administrations at each point of crossing between the border Customs stations of the Contracting Parties. Members of the Joint Customs Border Liaison Committees shall be nominated by the respective Customs Administrations as soon as possible after this Agreement comes into force.

2. The Committees shall meet at least once in two months on either side of border Customs station on rotational basis to:

- (i) discuss progress in the development of infrastructure on both sides of border stations enabling expeditious clearance of goods;
- (ii) resolve other operational issues in order to facilitate trade;
- (iii) any other matter of joint interest.

3. In case any issue cannot be resolved by the Committee, the same shall be referred to the Joint Customs Cooperation Committee.

### Article 17

#### **Joint Customs Cooperation Committee**

1. A Joint Customs Cooperation Committee shall be established immediately after this Agreement comes into force, consisting of representatives of Customs Administrations of the Contracting Parties. It shall meet at such place and time and with such agenda as may in advance be mutually agreed upon by the Customs Administrations.

2. The Joint Customs Cooperation Committee shall inter alia:

- (a) oversee proper functioning of the Agreement;
- (b) examine all issues arising from its application;
- (c) address all such issues in accordance with the objectives of this Agreement;
- (d) exchange views on items of common interest relating to Customs;
- (e) recommend amicable solutions aimed at attaining the objectives of this Agreement.

3. The Joint Customs Cooperation Committee shall adopt its internal rules of procedure.

## **CHAPTER VIII**

### **Article 18**

#### **Implementation**

1. The implementation of this Agreement shall be entrusted to the Customs Administration of the Contracting Parties. They shall decide on all practical measures and arrangements necessary for its application. They may recommend to the competent bodies of Contracting Parties such amendments as they may consider to be incorporated in this Agreement.
2. The Contracting Parties shall consult each other and subsequently keep each other informed of the detailed rules of implementation which are adopted in accordance with the provisions of this Agreement.

### **Article 19**

#### **Application**

This Agreement shall be applicable to the jurisdiction of the Contracting Parties to which their respective Customs laws apply.

### **Article 20**

#### **Future Developments**

The Contracting Parties may by mutual consent expand this Agreement with a view to enhance and supplement Customs cooperation in accordance with their respective Customs laws, by means of agreements on specific matters.

### **Article 21**

#### **Withdrawal**

1. This Agreement will be in force for an indefinite period unless either Customs Administration gives six months advance

notice in writing about its intention to terminate the Agreement. The termination shall take effect six months after the date of such notification.

2. Each Customs Administration reserves the right, for reasons of national security, national interest, public order or public health, to suspend temporarily, the whole or in part, the implementation of this Agreement and such suspension shall take effect after one month from the date that intimation has been given to the other Customs Administration through diplomatic channels. The Customs Administration which suspends the Agreement, in whole or part, shall also notify the other Customs Administration of the time period for which the Agreement shall remain suspended. Unless otherwise notified the Agreement shall cease to be suspended at the end of such notified period.

3. The rights and obligations of a Contracting Party, which has withdrawn from or suspended this Agreement, shall cease to apply as of that effective date with the exception that ongoing proceedings at the time of termination or suspension shall nonetheless be completed in accordance with the provisions of this Agreement.

## **Article 22**

### **Entry into force**

This Agreement shall enter into force on the 15th day after the Contracting Parties have notified each other in writing through diplomatic channels that all the necessary domestic legal requirements for the entry into force of this Agreement have been complied with.

## **Article 23**

### **Review**

The Contracting Parties shall meet in order to review this Agreement on request from either Contracting Party, or at the end of five years from the date of its entry into force unless they notify one another in writing that no such review is necessary.



IN WITNESS WHEREOF the undersigned being duly authorized thereto by their respective Governments have signed this Agreement on Cooperation and Mutual Assistance in Customs Matters.

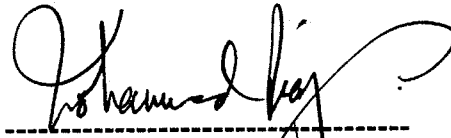
DONE at Islamabad on the 21<sup>st</sup> day of September, 2012 in two originals, each in the Hindi and English languages, each text being equally authentic. In case of any divergence of interpretation of the provisions of this Agreement, the English language text shall prevail.

**For the Government of the  
Republic of India**



(Mohinder Singh Badhan)  
Member (Customs),  
Central Board of Excise &  
Customs

**For the Government of the  
Islamic Republic of Pakistan**



(Mohammad Riaz)  
Member (Customs)  
Federal Board of Revenue