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Food and Agricultural Import Regulations and Standards

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Report Highlights:

Pakistan does not have a set of clearly defined federal laws - either for domestic or imported foods. Pakistan adheres to the Harmonized Coding System to classify imported goods. Food Labeling and packaging requirements are enforced. Pakistan is progressing in the field of Agricultural Biotechnology. Biosafety guidelines and rules were enacted in April 2005 and a national policy and action plan is being prepared. There are no biotechnology related trade barriers between U.S. and Pakistan.

Includes PSD Changes: No
Includes Trade Matrix: No
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Introduction

Pakistan is the world's ninth most populous nation. A relatively sustained economic recovery over the past several years has increased levels of imports, and despite Pakistan's less-than-transparent trade regime it remains a major importer of U.S. vegetable oil, cotton and wheat, and a major and expanding market for U.S. food products.

Pakistan is a member of the World Trade Organization and is also a party to two agreements seeking to promote regional trade liberalization: the Economic Cooperation Organization (ECO), whose members also include Turkey and Iran among others; and the South Asian Association for Regional Cooperation (SAARC), whose members include India, Bangladesh, Sri Lanka and Nepal.

Sri Lanka has recently signed a Free Trade Agreement (FTA) with Pakistan and a list of goods that can be exchanged between these two countries is now available. Singapore has exchanged a draft FTA with Pakistan, which includes services and contains an investment protection clause. Pakistan had a first round of talks with Indonesia in October 2004 that led to an agreement to enhance trade relations, and is expected to lead eventually to an FTA. Negotiations are also underway to conclude an FTA with Bangladesh.

China has recently signed a Preferential Trade Agreement (PTA) with Pakistan, under which either country can initiate trade under an Early Harvest Program (EHP) beginning on January 1, 2006. The China agreement would provide a major reduction in tariffs on certain items already identified by the two sides. Negotiations for an FTA with China are in progress: a first round of talks was held during mid August 2005, and it has recently been announced the agreement would become operational in three phases beginning in January 2006.

India and Pakistan are working towards increasing bilateral trade. Pakistan has allowed duty free import of live animals, meat, garlic, onion, potatoes and tomatoes through Attari Road Land Custom Station at the Wagah Border - an established route for import and export of goods from India. India has accorded MFN status to Pakistan, but reciprocal status, to date, has not been granted to India. Trade links between the two countries will be enhanced with the anticipated completion of a fiber-optic link between Lahore and Amritsar, India.

Pakistan has made significant reforms to its trade regime in recent years. Except for strategic commodities, particularly wheat, state involvement in trading has been greatly reduced and the Government of Pakistan (GOP) has agreed to eventually phase out the consumption subsidy on wheat. The government's policy to promote export-led growth has led to privatization of rice and cotton exports and the elimination of a number of export subsidies, including fertilizer.

Tariffs range from 0 -25 percent and are subject to further reductions as a part of the long-term plan to rationalize the duty structure. The GOP levies surcharges on certain items (e.g., vegetable oils) to protect domestic industry.

Revenue collection remains problematic in Pakistan in general. As a result, the GOP continues to find it effective to collect sales and income taxes on imports upon arrival. Although these are domestic taxes, the difficulty of collecting taxes from domestic sources makes these taxes tantamount to placing a differential tax on imports.

Pakistan is progressing in the field of Agricultural Biotechnology, which it views as being critical to addressing food security in the face of burgeoning population. Biosafety guidelines and rules were enacted in April 2005 and the preparation of national policy and action plan is in process. GM soybeans and soybean oil are currently imported to Pakistan. GM corn seed

and cottonseed imports may find a market in the light of a recently established Biosafety Protocol. There are no biotechnology related trade barriers between U.S. and Pakistan and trade should continue without hindrance into the foreseeable future.

The government maintains a "negative" list of commodities, including food items such as pork and liquor, and their by-products, which are banned for religious reasons.

Section I: Food Laws

Pakistan does not have a set of clearly defined federal food laws—either for domestic or imported foods. Essentially, the federal government regulates imports and the provincial governments regulate food standards. Domestic food laws are based on the Pure Food Law (PFL) of 1963, which has not been revised since enacted. Food standards are maintained in the light of the PFL and are administered by provincial Health Departments. At time of import, the federal Customs Department will check the PFL standards to determine whether an imported item qualifies. If the item is not defined in the PFL standards, the Pakistan Standard Institute (PSI) will be consulted. PSI standards are revised every five years. To ensure that an imported product meets provincial health requirements, the exporter and/or his agent should contact provincial Health Departments to verify that the product meets the requirements of the Pure Food Laws or the Pakistan Standard Institute (see Annex I).

In general, Pakistan's federal food import regulations are based on the premise that if a product is sold in the country of origin, Pakistani standards are met as well. The federal government generally applies Codex standards and guidelines in its regulation of imported food products. U.S. Food and Drug Administration standards also are used with certain products. For animal products, "Halal" certification (slaughtered in accordance with Islamic law) is required.

The Customs Department and Plant Protection and Quarantine (PPQ) are the two main agencies involved in regulating food imports. The Customs Department's primary function is to ensure that imported foods meet Pakistan's labeling and shelf-life requirements, are not on the list of banned items and are assessed the appropriate import tariff. PPQ's function is to ensure that bulk commodities and live animal shipments meet phytosanitary requirements.

The federal government's primary concern regarding imported food is shelf life. Federal import regulations require that an imported food product have at least 50 percent of its original shelf life remaining at time of importation. To ensure shelf life requirements are met, correct labeling is of critical importance. Each retail pack must have the production and expiration dates printed on the label. In addition to shelf life and labeling, certain products are banned for religious reasons. The importation of food products containing pork or pork products is prohibited. Commercial import of alcoholic beverages, as well as products containing alcohol, is also prohibited. Meat and dairy products may be imported if certified to be "Halal."

Pakistan controls certain imports through a "negative list." The negative list is comprised of (a) items banned for religious, security or luxury consumption reasons; (b) capital and consumer goods banned to protect the domestic industry; and (c) intermediate goods used to produce protected goods. Pakistan also maintains a "restricted list" of items that may be imported only by certain parties (i.e., the government or other specified users) or under certain arrangements (such as imports against credit).

Other than the listed above, there are no federal restrictions on the importation of consumer foods. U.S. exporters have had problems with requirements due to the use of bar-code

labels, which do not have printed dates of manufacture and expiration. As a result, U.S. suppliers using bar-coded labels alone will incur the extra cost of printing new labels or of affixing stickers with the printed production and expiration dates on each retail pack.

Since Pakistani consumers have confidence in the quality of foods imported in the manufacturers own packaging, most foods are imported in consumer-ready packs. Refined vegetable oil is the one major exception; it generally is imported in bulk and re-packed locally.

Section II: Labeling Requirements

A. General Requirements

1. Imported food products, including ingredients, must have at least 50 percent of their original shelf life remaining at the time of importation, calculated from the date of filing the "Import General Manifest" (IGM), in accordance with the Customs Act 1969.
2. Packages or containers also must indicate:
 - a. The date of manufacture and date of expiration,
 - b. That the contents are free from pork and pork products,
 - c. That the contents are fit for human consumption and that any animal product was obtained from an animal slaughtered according to 'Halal' requirements,
 - d. That imports of edible oils be on the basis of landed weight and landed quality, and
 - e. That packing may not contain any word or inscription of a religious connotation or any obscene picture that may offend the religious feeling of any sect, class or group in Pakistan.
3. The production and expiration dates must be printed in English, using either words and/or numbers.
4. Standard U.S. bar-code labels alone are generally not acceptable as they lack printed production and expiration dates, as required by law.
5. Stickers, which contain the required printed dates of manufacture and expiration, should be affixed to the standard U.S. labels prior to shipment.
6. Products for institutional sale are governed by the same regulations as products for direct retail sale. However, certain institutions may request additional information on the label to identify it as their product.
7. Samples are governed by the same regulations as products for direct retail sale.
8. The coded "best before use date" is not considered to be an acceptable expiration date. In the past, several cargoes containing items without printed production and/or expiration dates were held by Customs until stickers, with production and expiration dates certified by the Pakistani High Commission in the United States, could be affixed to each individual item.
9. Pakistan does not have any special or additional requirements based on the country of origin for any food product. In the event there is a worldwide alert for a product from a particular origin, Pakistan will notify the appropriate country and trade organizations of any changes in its import requirements.

10. Authorities are very strict regarding label requirements and do not grant exceptions. Instead, they are authorized to reject or to destroy any cargo with improper labels.

B. Requirements Specific to Nutritional Labeling

Pakistan does not require nutritional content to be listed on product labels but generally accepts U.S. Food and Drug Administration (FDA) regulations as guidelines. The Pakistan Standard Institute regularly updates its guidelines, based on Codex and FDA revisions.

1. Nutritional labels are not required but can be included at the option of the supplier.
2. The standard U.S. nutritional fact panel is acceptable, if it conforms to FDA regulations.
3. There are no regulatory restrictions on the importation of products with nutrient or nutritional claims. Pakistani authorities consider claims largely as promotional tools and thus far, do not require them to be based on scientific evidence.
4. There are no regulatory restrictions on the importation of products with implied claims. Here again, authorities consider these claims to be promotional tools and do not require them to be verified by scientific evidence.
5. Authorities generally have no objection to the importation of products with specific health claims. However, if a product claims to be a source of vitamins or minerals, it must be registered with the Ministry of Health prior to arrival, jointly in the name of importer and manufacturer.

Section III: Packaging and Container Requirements

Pakistan generally follows Codex rules for packaging requirements. Generally, if packaging material is acceptable in the exporting country, it is acceptable in Pakistan. Pakistan does not have any packaging requirements related to environmental concerns, such as waste disposal or recycling.

The following information must be placed (in a durable and legible manner) on all packages in the consignment or container:

- The name of the product,
- The name and address of the manufacturer;
- The net contents,
- The date of manufacture and date of expiration,
- The percentage of dye contents, and
- The normal storage stability.

Section IV: Food Additive Regulations

Pakistan generally follows Codex rules for food additives and preservatives. The Ministry of Commerce updates its list of importable food additives based on guidance received from Codex. Pakistan also follows Codex standards regarding vitamins in food products.

The Ministry of Commerce regulates the importation of food coloring. These regulations are reviewed and updated annually. The importation of food coloring or foods containing artificial colors is subject to the following conditions:

- a) The importer must obtain a certificate from the concerned agency of the government of the exporting country. The certificate shall accompany each consignment and shall state

that the food additives/colors are in use in the country of origin at the time of shipment or are registered for use in that country.

b) The exporter's invoice must show the percentage of dye contents in the product.

U.S. exporters may obtain the list of importable additives from the Ministry of Commerce through the FAS/Islamabad office. These lists are in English and are updated annually. Annex II contains a list of importable food colors.

Section V: Pesticide and Other Contaminants

Pakistan generally follows Codex rules and guidelines on maximum residual limits (MRLs) of pesticides and other contaminations in foodstuff. Custom officials enforce these rules according to Codex defined limits for imported foods. However, Pakistan does not have a system to enforce the MRLs of pesticides and other contaminations in domestically produced foods.

Occasionally, authorities enact special requirements, as occurred following the dioxin problem in Belgium in 1999, when Pakistan required a dioxin-free certificate on products originating from Belgium.

Section VI: Other Regulations and Requirements

The importer shall ensure that:

1. Importation is in accordance with regulations and the item(s) are not on the negative list.
2. The terms and conditions of importation are specified in the letter of credit.
3. Imports of plants and animals have the necessary approval of the Ministry of Food and Agriculture.
4. Imports of livestock genetics have the necessary clearance of the Livestock Division of the Ministry of Food and Agriculture.

Registration: There is no requirement to register most consumer foods. However, laboratory testing may be required for food products containing medicines. Bulk vegetable oils are the only products subject to random testing to ensure fitness for human consumption at time of arrival.

If registration is required, the importer must file application with the Ministry of Health. The importer also must attach a letter from the manufacturer stating that he is the manufacturer's sole agent. This letter is required because the product will be registered jointly in the names of the manufacturer and the importer for an initial period of one year, which is extendable. The importer also must submit: a registration fee, a sample of the product in the various packaging to be marketed, a complete product history and other required papers. Registration can take 3 months to a year to complete.

Samples: Product samples can be shipped via express mail or parcel post. If a sample meets labeling and other requirements, it will be released after the applicable tariffs and taxes are paid. Free samples are assessed duty based on freight costs. Specific requirements for sample shipments may be obtained from the Ministry of Commerce (see Annex. I).

Certificate of Origin: The exporter must provide a certificate of origin for all shipments. For animal products, the exporter also must certify that the product is "Halal." Pakistan may

require other specific certificates based on worldwide alerts or other emergency situations. In such instances, the Government of Pakistan will alert the appropriate countries and trade organizations of these requirements. Exporters should verify with their importers that all required certificates for customs and quarantine clearance have been obtained prior to shipment.

There is no system to monitor products at wholesale or retail levels. Under certain circumstances, district administrators, in cooperation with food inspectors, may inspect outlets and, based on their finding, may ban the sale of a product.

Section VII: Other Specific Standards

Pakistan generally follows the European standards for weights and measurements. U.S. weights and measures are acceptable. Other standards applied by product include:

1. Codex rules to regulate importation of vitamin-enriched products.
2. Food products containing a genetically enhanced component (GMO) are not restricted.
3. Fresh or frozen seafood may be imported in consumer packs or in bulk, provided the sale of the same product is permitted in the country of origin
4. Live animals must provide a quarantine certificate from the relevant authority in the country of origin, which contains all the information required for quarantine clearance
5. Alcoholic beverage may not be imported for commercial sale. Importation of alcohol for other than commercial sale requires approval of the Ministry of Commerce
6. Organic foods and health foods are not regulated. However, exporters may use FDA and Codex rules as a general guideline.
7. Product samples and free samples must follow the same regulations as commercially imported items.

Section VIII: Copyright and/or Trademark Laws

Pakistan is committed to World Trade Organization (WTO) agreements and is moving to comply with WTO agreements on intellectual property rights, trademarks and patent rights. Pakistan has enacted laws and is in the process of formulating the sub-ordinate legislation to enforce these laws.

Pakistan is also a member of the Universal Copyright and Bern Conventions. The copyright office is under the Ministry of Education. A copyright on a registered design is initially granted for five years extendable for another ten years. The Patents Office, under the Ministry of Industries administers registration of patents and designs. Patents are granted for up to 16 years from the date of application and may generally be extended for another five years period and, under some circumstances, for an additional five years. Legal remedies, such as injunctions, are available in cases of patent infringement. Trademarks are registered under the Trademarks Act, 1940, through the Trademark Registry, under the Ministry of Commerce. Trademarks are registered for seven years from the date of application and the registration may be renewed for an additional fifteen years.

There are no statute of limitations on trademarks and brand name registrations. The importer of a food product, in coordination with the manufacturer, may register the trade mark(s) and brand(s).

Section IX: Import Procedures

All importers must register with the Export Promotion Bureau and are required to be registered as an importer under the Registration (Importers and Exporters) Order of 1993.

- a. Customs officials and Plant Protection and Quarantine officials, to ensure they conform to labeling and other import requirements must inspect imported products. Imports of live animals or plants require necessary certification from the country of origin. After Customs and PPQ issue their respective clearance reports, the goods are released on payment of import duty.
- b. English is the official language. All agencies will accept documents in English and will respond in English. Thus, there is no need to translate documents to Urdu or other local languages to expedite procedures.
- c. Goods generally can be cleared from Customs in less than a week, if all papers are in order.
- d. The system allows for appeal (at multiple levels) in case of a dispute or rejection of a product.

Section X: Post Contact

If you have questions or comments regarding this report or need assistance exporting to Pakistan, please contact the Foreign Agricultural Service's office in Islamabad at the following:

Mailing Address: Agricultural Attaché
 AMEMB- Islamabad
 Unit 62200, Box 16
 APO AE 09812-2200

Local Address: Agricultural Attaché
 U.S. Embassy
 Diplomatic Enclave
 Ramna 5
 Islamabad, Pakistan

Phone: (92-51) 208-2276

FAX: (92-51) 227-8142

E-mail: agislamabad@usda.gov

For more information on exporting U.S. agricultural products, please visit the Foreign Agricultural Service's home page at: <http://www.fas.usda.gov>

Annex I: Main Regulatory Agencies

Secretary
 Ministry of Food and Agriculture
 Government of Pakistan
 Pak. Secretariat, Block "B"
 Islamabad, Pakistan

Tel # (92-51) 920-3307
 Fax # (92-51) 922-1246

Secretary
 Ministry of Commerce
 Government of Pakistan
 Pak. Secretariat, Block "A"
 Islamabad, Pakistan

Tel # (92-51) 920-1816
 Fax # (92-51) 920-3104

Secretary
 Ministry of Industries
 Government of Pakistan
 Pak. Secretariat, Block "A"
 Islamabad, Pakistan

Tel # (92-51) 921-1709
 Fax # (92-51) 920-7748

Secretary
 Ministry of Finance
 Government of Pakistan
 Pak. Secretariat, Block "Q"
 Islamabad, Pakistan

Tel # (92-51) 922-4956
 Fax # (92-51) 921-8062

Chairman
 Central Board of Revenue
 CBR House
 Islamabad, Pakistan
 chairman@cbr.gov.pk

Tel # (92-51) 920-1938
 Fax # (92-51) 920-5308

Collector of Customs
 Pakistan Custom House
 Karachi, Pakistan

Tel # (92-21) 921-4170
 Fax # (92-21) 921-4134

Chairman
 Export Promotion Bureau
 Finance and Trade Center
 Shara-e- Faisal, Karachi, Pakistan
chairmanepb@yahoo.com
 Pakistan Standard Institute
 Food and Agricultural Division
 Karachi, Pakistan

Tel # (92-21) 920-6462
 Fax # (92-21) 920-6461

Tel # (92-21) 920-5997
 Fax # (92-21) 920-5928

Governor/Director
 State Bank of Pakistan
 Central Directorate
 I.I. Chundrigar Road
 Karachi, Pakistan
 Email: Ishrat.Hussain@sbp.org.pk

Tel # (92-21) 921-244-748
 Fax # (92-21)

Annex II: List of Food Colors and Food Color Lakes

S. NO.	Common Color Name
1.	Curcumin
2.	Riboflavin
3.	Riboflavin-S-phosphate
4.	Tartrazine
5.	Quinoline yellow
6.	Sunset yellow FCF and orange yellow S
7.	Cochineal, carminic acid, carmines
8.	Azorubine, carmoisine
9.	Amaranth
10.	Ponceau 4R, cochineal Red A
11.	Erythrosine
12.	Red 2G
13.	Allura Red AC
14.	Patent Blue V
15.	Indigotine, Indigo carmine
16.	Brilliant blue FCS
17.	Chlorophylls and Chlorophyllins
18.	Copper complexes of chlorophylls and chlorophyllins
19.	Green S
20.	Plain caramel
21.	Caustic sulphate caramel
22.	Ammonia caramel
23.	Sulphite ammonia caramel
24.	Brilliant Black BN, Black PN
25.	Vegetable carbon
26.	Brown FK
27.	Brown HT
28.	Mixed carotenes
29.	Beta carotene
30.	Annatto, bixin, Norbixin
31.	Paprika extract, capranthin
32.	Lycopene
33.	Beta-apo-8 carotenal (C 30)
34.	Ethyl ester of beta-apo-8-carotenic acid (C 30)
35.	Lutein
36.	Canthaxanthin
37.	Beetroot Red, Betanin
38.	Anthocyanins
39.	Calcium carbonate
40.	Titanium Dioxide
41.	Iron oxide and hydroxide
42.	Aluminium
43.	Silver
44.	Gold
45.	Litholrubine BK

Note: The above list is not all conclusive.

