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Pakistan

Food and Agricultural Import Regulations and

Standards

FAIRS REPORT

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Report Highlights:

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. Pakistan uses the Harmonized System to classify imported goods. Labeling requirements are strictly enforced.

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DISCLAIMER: This report was prepared by the Office of Agricultural Affairs of the United States Department of Agriculture (USDA), Foreign Agricultural Service in Islamabad, Pakistan for U.S. exporters of domestic food and agricultural products. While every possible care was taken in the preparation of this report, information provided may not be completely accurate either because policies have changed since its preparation, or because clear and consistent information about these policies was not available. It is highly recommended that U.S. exporters verify the full set of import requirements with their foreign customers, who are normally best equipped to research such matters with local authorities, before any goods are shipped. Final import approval of any product is subject to the importing country's rules and regulations as interpreted by border officials at the time of product entry.

INTRODUCTION:

Pakistan is the world's ninth most populous nation. Economic constraints, however, reduce its ability to import. U.S. agricultural trade to Pakistan has been hampered by economic sanctions imposed in 1991 and again in 1998 as well as by Pakistan's complex and less-than-transparent trade regime. Even so, Pakistan is a major wheat and vegetable oil importer, a large consumer food market, and an important trading partner for the United States.

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

Pakistan has made significant reforms to its trade regime in recent years. Except for strategic commodities, such as wheat and fertilizer, state trading largely has been eliminated. The Government of Pakistan (GOP) has eliminated most of the subsidy on fertilizers and has agreed to phase out the consumption subsidy on wheat. As part of the government's policy aimed at export-led growth, rice and cotton exports have been privatized and numerous export subsidies eliminated.

Tariffs range from 0 percent to a maximum of 35 percent and Pakistan has agreed to further tariff reductions as part of IMF reforms. The GOP also 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 often finds it more effective to collect sales and income taxes at the point of import. Although these are domestic taxes, difficulties collecting taxes on the domestic economy amounts to a differential tax on imports. That said, some sources estimate that one-third to one-half of the total value of imports bypass customs formalities. The government also maintains a "negative" list of commodities, including food items such as pork and liquor, which are banned mainly 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 Laws (PFL's) of 1963, which have not been revised since they were enacted. The Pure Food Laws set food standards and are administered by provincial Health Departments. At the time of import, the federal Customs Department will check the PFL to determine whether an imported items meets the PFL standards. If the item is not defined in the PFL's, Customs will then check the standards established by the Pakistan Standard Institute (PSI). These standards are revised every five years. To ensure an imported product meets provincial health requirements, an exporter and/or his agent should contact the Pakistan Standard Institute (see Annex I). The exporter and/or his agent also should contact provincial Health Departments to verify that the product meets the requirements of the Pure Food Laws.

In general, Pakistan's federal food import regulations are based on the premise that if a product is permitted to be sold in the country of origin, it meets Pakistan's standards as well. Pakistan generally uses Codex rules and guidelines to regulate the importation of food products. U.S. Food and Drug Administration procedures also are used in certain cases. For animal products, "halal" certification (that is, slaughtered in accordance with Islamic law) is incorporated in the guidelines.

The Customs Department and Plant Protection and Quarantine (PPQ) are the two main agencies involved in regulating food imports. Customs main function is to ensure that imported foods meet Pakistan's import requirements regarding labeling and shelf life, that the product is not on the list of banned items and to assess the import tariff. PPQ's function is to ensure that the necessary phytosanitary conditions have been met for bulk commodity shipments and shipments of live animals.

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 the time of importation into Pakistan. To ensure this shelf life requirement is 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 banned. The commercial importation of alcoholic beverages as well as products containing alcohol also is banned. Meat and dairy products may be imported if they are 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 maintain 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 above, there are no other federal restrictions on the importation of consumer foods. U.S. exporters have had problems with these requirements due to the use of bar-code labels, which do not have <u>printed</u> 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 more confidence in the quality of foods imported in the manufacturer's own packaging, most foods are imported in consumer-ready packs. Refined vegetable is the one major exception: it generally is imported in bulk and re-packed locally. Pakistan generally follows Codex rules and guidelines regarding the importation of bulk food items as well as food ingredients.

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 into Pakistan, 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:

- i. the date of manufacture and the date of expiration,
- ii that the contents are free from pork and pork products,
- iii. that the contents are fit for human consumption and that any animal product was obtained from a "halal" animal,
- iv. that imports of edible oils shall be on the basis of landed weight and landed quality, and
- v. that packing may not contain any word or inscription of a religious connotation or any obscene pictures which 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 generally are not acceptable as they lack <u>printed</u> 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, were 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 world-wide 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 guideline received from Codex.

Pakistan also follows Codex rules 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 which shall accompany each consignment and shall state that these 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 only for food products containing medicines. Bulk vegetable oils are the only products subject to periodic lab tests to ensure fitness for human consumption at the 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 has also must submit: a registration fee, a sample of the product packed in all the different packages the product is planned to be marketed in, a complete history of the product and other required papers. Registration can require 3 months to a year.

Samples: Product samples can be shipped via express mail or parcel post. If the samples meet labeling and other requirements, they 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 world-wide alerts or other emergency situations. In these 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 the 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. Traders, however, report that the likelihood of this happening are very rare and they are not aware of any instance in which the sale of an imported food product has been banned due to labeling or quality complaints at the retail or wholesale level.

SECTION VII. OTHER SPECIFIC STANDARDS

Pakistan generally follows European standards of weight and measurement but U.S. weights and measures also are acceptable. Other standards for specific products include:

- Codex rules are used to regulate the importation of vitamin-enriched products.
- There is no restriction on the importation of foods produced from Genetically Modified Organisms (GMOs).
- 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
- Exporters of 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
- Alcoholic beverages may not be imported for commercial sale. Importation of alcohol for other than commercial sale requires the approval of the Ministry of Commerce
- Pakistan currently does not regulate the importation of organic foods and health foods.
 However, exporters may use FDA and Codex rules as a general guideline.
- Product samples and free samples must follow the same regulations as commercially imported items.

SECTION VIII. COPYRIGHTS 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, trade marks and patent rights. The Ministries of Commerce, Industries and Education have finalized are in the process of finalizing measures and procedures to enforce intellectual property rights and trade marks.

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 a five-year period and may be extended for two additional five-year periods. Registration of patents and designs is administered by the Patents Office, which is under the Ministry of Industries. Patents are granted for up to 16 years from the date of application and may generally be extended for a five-year period and, under some circumstances, for an additional five years. Legal remedies such as injunctions are available in cases of patent infringement. Trade marks are registered under the Trade Marks Act, 1940, through the Trade Mark Registry, which is under the Ministry of Commerce. Trade marks are registered for seven years from the date of application and the registration may be renewed for an additional fifteen years.

There is no statute of limitations on trade marks and brand name registrations. Importer of food products in coordination with the manufacturer may register their 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.

1. Imported products must be inspected by Customs officials and Plant Protection and Quarantine officials to ensure they conform to labeling and other import requirements. Imports of live animals or plants require the necessary certificates from the country of origin. After Customs and PPQ issue their respective clearance reports, the goods are released on payment of import duty.

2. English is the official language and 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.

3. Goods generally can be cleared from Customs in less than a week, if all papers and labels are in order.

4. There is a system of multiple appeals (each at the next highest level) in case of a dispute or the rejection of a product.

SECTION X. POST CONTACT

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

Mailing Address:	Agricultural Attache AMEMB-Islamabad Unit 62200, Box 16 APO AE 09812-2200
Local Address:	Agricultural Attache U.S. Embassy Diplomatic Enclave Ramna 5 Islamabad, Pakistan

Phone: (92-51) 2080-2276

FAX: (92-51) 278-142

E-mail: <u>agislamabad@fas.usda.gov</u>

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

ANNEX-I

MAIN REGULATORY AGENCIES

1.	Secretary Ministry of Food and Agriculture Government of Pakistan Pak. Secretariat, Block "B" Islamabad, Pakistan	Tel # 92-51- 921 0351 Fax # 92-51- 922 1246
2.	Secretary Ministry of Commerce Government of Pakistan Pak. Secretariat, Block "A" Islamabad, Pakistan	Tel # 92-51- 920 1816 Fax # 92-51- 920 3104
3.	Secretary Ministry of Industries Government of Pakistan Pak. Secretariat, Block "A" Islamabad, Pakistan	Tel # 92-51- 921 1709 Fax # 92-51- 920 6305
4.	Secretary Ministry of Finance Government of Pakistan Pak. Secretariat, Block "Q" Islamabad, Pakistan	Tel # 92-51- 921 1518 Fax # 92-51- 920 6305
5.	Chairman Central Board of Revenue CBR House Islamabad, Pakistan	Tel # 92-51-920 1938 Fax # 92-51-920 5308
6.	Collector of Customs Pakistan Custom House Karachi, Pakistan	Tel # 92-21- 201 155 Fax # 92-21- 200 492
7.	Chairman Export Promotion Bureau Finance and Trade Center Shara-e- Faisal, Karachi, Pakistan	Tel # 92-21-920 6471 Fax # 92-21- 920 6483
8.	Pakistan Standard Institute Food and Agricultural Division Karachi, Pakistan	Tel # 92-21-7728521 Fax # 92-21-7728124

9. Governor/Director State Bank of Pakistan Central Directorate I.I. Chundrigar Road Karachi, Pakistan

Tel # 92-21- 241 7864 Fax # 92-21- 241 7865

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
- 7. Cochinel, 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. Clorophylls 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 cartene
- 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. Beetrool Red, Betanin
- 38. Anthocyanins
- 39. Calciun carbonate
- 40. Titanium Dioxide

- 41. Iron oxide and hydroxide
- 42. Sluminium
- 43. Silver
- 44. Gold
- 45. Litholrubine BK

Note: The above list is not conclusive.