

## **Precursor Control**

### **Standard Operating Procedure (SOP) for Issuance of NOC/Authorization for the Import/Export/Manufacture/Distribution/Sale of Precursor Chemicals**

#### **Background**

Pakistan is a signatory to UN Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances 1988. The provisions of Article 12 of that convention have been incorporated in section 7 of the Control of Narcotic Substances (CNS) Act, 1997. In compliance with sub section 2 of section 7 of CNS Act 1997, the Federal Government has notified rules called “the Control of Narcotic Substances (Regulation of Drug of Abuse, Controlled Chemicals, Equipment and Materials) Rules, 2001”. In pursuance of clause (iv) of rule 2 of the above said rules, the Federal Government has appointed the Secretary, Ministry of Narcotics Control, Islamabad to be the Competent Authority, to discharge various functions under the said rules including registration, licensing and import/export or transit permit authorization. Hence the Secretary, Ministry of Narcotics Control is responsible to control precursor chemicals listed in Table-I and Table-II of UN Convention 1988 so that to check no diversion of these chemicals from licit trade to illicit manufacturing of narcotic drugs taken place. The responsibilities of National Competent Authority are given below:

- i. To respond Pre-Export Notification (PENs) issued by the National Competent Authorities of exporting countries in case of import of precursor chemicals by any importing company of Pakistan.
- ii. To issue PEN to the National Competent Authorities of importing countries in case of export of precursor chemicals from Pakistan.
- iii. To reply queries raised by International Narcotics Control Board (INCB) from time to time in connection with confirmation of legitimacy of an importing/exporting firm of precursor chemicals.
- iv. To provide information to INCB on Form ‘D’ regarding import/export, production and seizure of precursor chemicals in Pakistan.

2. To comply with the above-mentioned international obligations, the competent authority has decided that no operator shall manufacture, import export, acquire, supply or possess any controlled chemical or items of controlled equipment or materials except in pursuance of, and in accordance with, relative control measures determined by the Competent Authority. Moreover, it has also been decided by the Competent Authority that the following procedure will be adopted for any operation in the business/commercial activity of precursor chemicals.

#### Registration of Firms

3. No NOC/authorization will be issued to any firm for any operation in the business of precursor chemicals unless it has been registered with Ministry of Narcotics Control. Each firm desirable to operate in the business of precursor chemicals will get itself registered in Ministry of Narcotics Control in one or more of the following categories of consumers:-

- a. Pharmaceutical importer
- b. Industrial importer
- c. Commercial importer
- d. Exporter
- e. Producer
- f. Distributor

4. The firm desirable to operate in the business (import, export, manufacture, distribution, transaction) of precursor chemicals will submit an application on the prescribed Form (Annex-I) to the Competent Authority wherein the information mentioned in IF-I (copy enclosed) will necessarily be provided. After being satisfied/verification by Anti Narcotics Force (ANF) or any other Law Enforcement Agency, that the operator is a legal one and there is no risk of diversion of precursor chemical from licit trade to illicit manufacturing of narcotic drugs is involved in the business of the operator, the Competent Authority will issue a registration certificate to the applicant.

### **Categorization of Firms**

5. The firms involved in the business of precursor chemicals may be categorized as under:

Category A: Government entities/well reputed educational/research institutes.

Category B: Private Sector Firms.

Category C: Commercial importers and distributors.

Category D: Exporters/importers with no proper setup, safe storage facility and security arrangements.

### **Criteria for Issuance of NOC to Different Firms**

6. NOC to Category 'A' firms may be issued by the Competent Authority on his discretion with or without the ground check report of ANF. NOC/Authorization to Category 'B' firms for any activity in the business of precursor chemicals may be issued by the Competent Authority after receipt of ground check report from ANF. The ground check of Category 'B' firms will be conducted by ANF once and not for each consignment. However, bi-monthly consumption statements provided by these firms will be forwarded to ANF and in case of doubt; ANF may check record of the firms at any time and forward their recommendation to Ministry of Narcotics Control. Furthermore, on the recommendation of ANF, a firm may be transferred from Category 'B' to 'C' or 'D'. The firms listed in Category 'C' may be granted NOC to deal in the business of precursor chemicals after receipt of ground check report from ANF for each consignment. No NOC for operation in the business of precursor chemicals may be granted to a firm listed in Category 'D'.

### **Procedure**

- a. All operators who desire to operate in the business of precursor chemicals will get themselves registered with Ministry of Narcotics Control and get Registration Certificate.
- b. Registration number so obtained will be referred to in all future correspondence.
- c. Applications for registration will be submitted to the Competent Authority on a prescribed Form (Annex-I) and supported with documents listed at IF-I.
- d. Applications for the import/export/manufacture/distribution/sale of precursor chemicals will be submitted to the Competent Authority on a prescribed Form (Annex-II) and supported with documents listed at IF-II.
- e. The Competent Authority may forward the application to Federal Board of Revenue, Ministry of Health, ANF or any other department/agency for determination of annual requirement/quota of the applicant.
- f. After determination of quota by the relevant department, the Competent Authority may take any further action to verify the legitimacy of the importing firm.
- g. After being satisfied that the applicant has legitimate requirement of precursor chemical applied for, and there is no risk of diversion of the chemical from licit trade to illicit manufacturing of narcotic drugs, the Competent Authority may issue NOC/Authorization for the import/export/ manufacturing/distribution of chemical applied for in favour of the applicant.
- h. The grantee of NOC/Authorization will provide all information /documents mentioned in IF-III (copy enclosed) to Ministry of Narcotics Control as soon as possible.
- i. The grantee of NOC/Authorization will extend full cooperation to ANF or any other agency authorized by the Competent Authority for checking of record of grantee and will not conceal any document required by the said agency.
- j. The grantee of NOC/Authorization will invariably submit IF-IV to Competent Authority on bi-monthly basis.

- k. The grantee of NOC will keep complete record of the disposal of the chemical and ensure its production to Competent Authority or any other authority so authorized by the Competent Authority.
- l. The grantee of NOC will comply with all instructions issued by Competent Authority from time to time.
- m. A soft-ware comprising the comprehensive data of all operators in the business of precursor chemicals will be developed by the Ministry and shared with ANF.
- n. The firms operating in the business of precursor chemicals will obtain NOC/Authorization from Ministry of Narcotics Control prior to initiate any activity such as import, export, production and purchase of these chemicals.
- o. The operators in the business of precursor chemicals will have proper set up, safe storage facility and security arrangements for these chemicals.
- p. The commercial traders will sell these chemicals to only those clients who have valid NOC/Authorization of this Ministry for local purchase of these chemicals.
- q. Whenever any firm is blacklisted, its proprietors/owners will also be blacklisted and their names will be circulated to all concerned.
- r. Importers of precursor chemicals will ensure compliance of submitting 'End User Certificate'.

### **Time Frame**

- 7. The whole process of NOC/Authorization will be completed within 15 days in case of end users and 30 days in case of commercial importers/exporters from the receipt of application.

**Application Form for Registration**

Subject: - Import/Export/Production/Distribution of Precursor  
Chemicals namely \_\_\_\_\_

Dear Sir,

We, M/s \_\_\_\_\_ request in the honour of the Competent Authority i.e. the Secretary Ministry of Narcotics Control to register our firm as importer/exporter/manufacturer/distributor of a precursor chemical namely \_\_\_\_\_ . IF-I with all information and relative documents is enclosed.

2. We hereby declare that we will comply with all instructions issued by the Competent Authority to control the diversion of the said chemical from licit trade to illicit manufacturing of narcotic drugs. We also declare that we will extend our full cooperation to Competent Authority to prevent diversion of precursor chemicals.

Yours \_\_\_\_\_

Signature \_\_\_\_\_

Full Name \_\_\_\_\_

Designation \_\_\_\_\_

Stamp \_\_\_\_\_

**Application Form for NOC/Authorization**

Subject: - **Import/Export/Production/Distribution of Precursor Chemicals**  
**namely** \_\_\_\_\_

Dear Sir,

We, M/s \_\_\_\_\_ Registration  
No. \_\_\_\_\_ request in the honour of the Competent  
Authority i.e. the Secretary, Ministry of Narcotics Control to grant us NOC/Authorization  
for the import import/export/manufacture/distribution of precursor chemical namely  
\_\_\_\_\_. IF-II with all information and relative documents is enclosed.

2. We hereby declare that we will comply with all instructions issued by the  
Competent Authority to control the diversion of the said chemical from licit trade to  
illicit manufacturing of narcotic drugs. We also declare that we will extend our full  
cooperation to competent authority to prevent diversion of precursor chemicals.

Yours \_\_\_\_\_

Signature \_\_\_\_\_

Full Name \_\_\_\_\_



Designation\_\_\_\_\_

Stamp\_\_\_\_\_

**IF-I**

1) Complete Name of

Firm\_\_\_\_\_

2) Complete

Address\_\_\_\_\_

\_\_\_\_\_

3) Contact Details:

Phones\_\_\_\_\_

Fax\_\_\_\_\_

Mobile\_\_\_\_\_

E-mail\_\_\_\_\_

Website\_\_\_\_\_

4) List of responsible persons (Copies of ID Cards)

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

5) Year of Establishment

\_\_\_\_\_

6) Enlistment with any stock exchange

\_\_\_\_\_

7) GMP/GSP Compliance Certificate/ISO

Certificate\_\_\_\_\_

- 8) Total per year demand\_\_\_\_\_
  - 9) Year-wise import detail for last three years  
\_\_\_\_\_
  - 10) Copy of Stock Register having the entry of subject chemicals\_\_\_\_\_
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- - 11) Utilization/uses of the chemicals  
\_\_\_\_\_
  - 12) List of machinery installed in the unit  
\_\_\_\_\_
  - 13) Total working strength  
\_\_\_\_\_
  - 14) Copy of ownership/lease agreement  
\_\_\_\_\_
  - 15) Copy of Sales Tax Registration Certificate \_\_\_\_\_
  - 16) Copy of Map of the Premises  
\_\_\_\_\_
  - 17) Annual Production of the Firm  
\_\_\_\_\_
  - 18) Membership certificate of Chamber of Commerce and Industry  
\_\_\_\_\_  
\_\_\_\_\_
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**IF-II**

1. Name of firm  
\_\_\_\_\_

2. Registration No. \_\_\_\_\_
3. Name of Chemical to be imported / exported / manufactured / distributed \_\_\_\_\_  
\_\_\_\_\_
4. Quantity to be imported / exported / manufactured / distributed  
\_\_\_\_\_
5. Present Stock position  
\_\_\_\_\_
6. Name of exporting / importing firm  
\_\_\_\_\_
7. Name Exporting Country \_\_\_\_\_
8. Expected Schedule for Utilization  
\_\_\_\_\_  
\_\_\_\_\_
9. Per annum production  
\_\_\_\_\_

Signature \_\_\_\_\_

Full Name \_\_\_\_\_

Designation \_\_\_\_\_

Stamp \_\_\_\_\_

**IF-III**

1. Name of firm \_\_\_\_\_
2. Registration No. \_\_\_\_\_
3. Name of Chemical \_\_\_\_\_
4. Imported quantity \_\_\_\_\_
5. Copy of bill of lading \_\_\_\_\_
6. Copy of Bill of Entry of the current consignment \_\_\_\_\_
7. Copy of Stock Register having the entry of the consignment \_\_\_\_\_  
\_\_\_\_\_
8. Date on which the consignment was released from  
Customs \_\_\_\_\_
9. Proposed schedule of utilization  
\_\_\_\_\_

Signature \_\_\_\_\_

Full Name \_\_\_\_\_

Designation \_\_\_\_\_

Stamp \_\_\_\_\_

IF-IV

NAME OF FIRM.....

REGISTRATION NO. ....

NAME OF CHEMICAL IMPORTED.....

NAME OF PRODUCT MANUFACTURED.....

QUOTA OF CHEMICAL ALONGWITH AUTHORITY.....

IMPORT FOR THE LAST 3 YEARS: 2010 \_\_\_\_\_ 2011 \_\_\_\_\_ 2012 \_\_\_\_\_

Period	Previous Balance	Import / Local Purchase	Name of exporting country/selling firm	NOC number & date	Total Stock	Consumption/Sale As per detail at Annex-A	Balance	Total CD & Sales Tax Paid
Jan-Feb 2012								
Mar-Apr 2012								
May-Jun 2012								
Jul-Aug 2012								
Sep-Oct 2012								
Nov-Dec 2012								
Total								

SIGNATURE OF RESPONSIBLE PERSON

