

**STANDARD OPERATING PROCEDURES FOR LOCAL PURCHASE/  
CONSUMPTION/ DISTRIBUTION/ MANUFACTURE/ TRANSPORTATION OF  
PRECURSOR CHEMICALS**

**PREAMBLE**

Pakistan is a signatory to UN Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, 1988. The provisions of Article 12 of the ibid 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 to Pre-Export Notifications (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 Pre-Export Notification 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.
3. Following Standard Operating Procedure (SOPs) will be adopted for manufacture/ local purchase/ consumption / distribution of locally manufactured

precursor chemicals as mentioned at Table I and II of UN Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, 1988.

### **PROCEDURE OF REGISTRATION**

4. Any firm intending to operate in the business of locally manufactured precursor chemicals shall get itself registered with Ministry of Narcotics Control.
5. At the time of applying for registration, the firms shall submit an application on the prescribed form (Annex-I & IF-I) along with all the required information. This application for registration shall also be accompanied by the request from the firm for issuance of NOC for the annual quota as fixed by the Registration Committee and approved by competent authority.
6. MNC shall refer the matter to ANF for ground check/verification of legitimate business status, proper storage and handling capacity and that there is no risk of diversion to illicit trade.
7. ANF shall submit a ground check report for registration within thirty **(30)** days of receiving the case from MNC.
8. After receiving a satisfactory ground check report from ANF, the Ministry of Narcotics Control shall issue a registration certificate as well as NOC to the applicant firm for utilization of the annual quota recommended by the Registration Committee and approved by the competent authority.
9. The Registration Committee shall hold its meeting on or before 10<sup>th</sup> of every month.
10. The registration/quota allocation committee may call an applicant where it deems necessary.

### **CATEGORIZATION OF FIRMS**

11. The firms involved in the business of locally manufactured precursor chemicals as mentioned at para 1 above may be categorized as under:
  - (i) Manufacturer: Producer/Consumer/Distributor
  - (ii) Category A: Government entities/well reputed educational/ research institutes/ power generation companies (End-users)
  - (iii) Category B: Private sector firms (End-user)
  - (iv) Category C: Distributors
12. Ground check by ANF shall be mandatory for all the above categories at the time of registration. However, in case of any special circumstances warranting relaxation, the competent authority may do so, if deemed appropriate on a written request from the authorized office of that entity. This relaxation shall only be applicable to Category- A firms/entities.

13. Firms who are issued NOC for utilization of their quota are required to utilize the whole quantity within the stipulated period. In case of:

- a) Exceeding the allocated quantity in the NOC, action may be taken against the violating firms as per law/rules.
- b) Less consumption of allocated annual quantity, allocated quantity can be re-fixed on the basis of previous year's consumption.

#### **PROCEDURE FOR CONDUCTING GROUND CHECKS BY ANF**

14. Once quota is fixed as per above process, NOC for the whole quantity on annual basis, valid till 31<sup>st</sup> December of that calendar year shall be issued with copies to ANF/concerned District Administration or any other concerned authority.

15. In case a fresh case for Registration/NOC is received in MNC after the expiry of first six months of the year, annual quota will be fixed. However, only 50% of the annual quota shall be issued.

16. ANF may carry out random checks of all categories of firms/entities as deemed necessary. In addition to the ground checks at the time of registration, for Category "C" firms, ANF shall conduct ground checks on annual basis.

17. Annual inspection plan shall be issued by ANF HQs or concerned Regional Directorate in this regard. The inspection reports shall be submitted to Ministry of Narcotics Control.

18. Cases for enhancement of quota/quantity will only be considered in Registration Committee meeting, subject to a request in writing, accompanied by justification by the entity/firm in terms of capacity to store, handle and utilize the enhanced quantity. In such cases, ANF shall include these firms/entities in their annual random ground checks as per Paras-16 & 17 of the SOP.

#### **19. TIMELINES AND CONDITIONS FOR PROCESSING OF REGISTRATION CASES AND ISSUANCE OF NOC**

- a. Scrutiny of Registration cases received in MNC as per approved checklist will be carried out in seven (07) working days.
- b. If application is found incomplete, the firm shall be informed in writing after scrutiny process within the next three (03) working days.
- c. Similarly, complete cases will be forwarded to ANF in next three (03) working days.
- d. The ground check report on the prescribed Proforma duly verified shall be submitted by the ANF within thirty (30) days to the Ministry of Narcotics Control.
- e. In case of positive/recommended report the case will be placed before the Registration Committee with all other required documents.

- f. In case of **Negative** recommendation from ANF, the applicant firm will be informed within 05 working days from the date of receipt of report.
- g. In case of (f) above, the applicant firm can submit a review application within 30 days to the competent authority.
- h. The registered firms shall be allowed to engage in the business of precursor chemicals domestically; however, these firms will keep all record of clients/transactions as well as End User Certificate.
- i. The registered firms shall provide quarterly consumption reports of the precursor chemicals for which NOC has been issued to the MNC, relevant Regional Directorate of ANF or any other concerned authority as required under the applicable law/rules.
- j. The NOC shall be valid for one calendar year and the firm shall apply for a fresh NOC at the start of new calendar year.
- k. ANF may check the premises/record/ business of any registered firm on random basis. All firms are bound to cooperate with the authorized ANF team/staff.
- l. In case of any suspicious or fraudulent activity, ANF shall take appropriate legal action as per law.

20. **TIMELINE IN ANNUAL RENEWAL CASES**

- a. Scrutiny of renewal cases received in MNC as per approved check list carried out in seven (07) working days.
  - b. If the application is found incomplete, the firm shall be informed in writing after scrutiny process within next three (03) working days.
  - c. Complete cases shall be submitted for approval of competent authority within three days and approval/disapproval/further clarifications will be conveyed to the applicant within fifteen (15) working days of submission to the competent authority.
21. The competent authority shall have the powers to allow or disallow any precursor chemical where there is a risk of diversion from licit to illicit trade.
22. The Secretary, Ministry of Narcotics Control being the competent authority may delegate the power to approve issuance of NOC to the next senior most officer, in writing.

**Application Form for Registration**

Subject: **LOCAL PURCHASE/ CONSUMPTION/DISTRIBUTION/ PRODUCTION OF PRECURSOR CHEMICAL**

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 for Local purchase/consumption/distribution/production/distribution of a precursor chemical namely \_\_\_\_\_. IF-I with all information and relevant 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 the Competent Authority to prevent diversion of precursor chemicals.

Yours \_\_\_\_\_

Signature \_\_\_\_\_

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

Designation \_\_\_\_\_

Stamp \_\_\_\_\_

Witness No. 1. \_\_\_\_\_

CNIC No: \_\_\_\_\_

Signature: \_\_\_\_\_

Witness No. 2. \_\_\_\_\_

CNIC No: \_\_\_\_\_

Signature: \_\_\_\_\_

**IF-I**

- 1) Complete Name of Firm \_\_\_\_\_
- 2) Complete Address \_\_\_\_\_  
\_\_\_\_\_
- 3) Contact person in Office \_\_\_\_\_
- 4) Contact Details:  
Office Phone No. \_\_\_\_\_  
Office Fax No. \_\_\_\_\_  
Contact Person's Mobile No. \_\_\_\_\_  
E-mail \_\_\_\_\_  
Website \_\_\_\_\_
- 5) List of owners/proprietors/responsible persons (Copies of ID Cards)  
i) \_\_\_\_\_  
ii) \_\_\_\_\_  
iii) \_\_\_\_\_
- 6) Year of Establishment \_\_\_\_\_
- 7) Category applied for (Local purchase/consumption/distribution/production) \_\_\_\_\_
- 8) Total per year demand \_\_\_\_\_
- 9) Utilization/uses of the chemicals \_\_\_\_\_
- 10) Total working strength of employees \_\_\_\_\_
- 11) Annual Production of the Firm \_\_\_\_\_

**Copies of the following documents need to be attached**

- 12) Stock Register having the entry of subject chemicals \_\_\_\_\_
- 13) GMP/GSP Compliance Certificate/ISO Certificate \_\_\_\_\_
- 14) Membership certificate of Chamber of Commerce and Industry \_\_\_\_\_
- 15) Ownership/lease agreement \_\_\_\_\_
- 16) NTN registration certificate \_\_\_\_\_
- 17) Sales Tax Registration Certificate \_\_\_\_\_
- 18) Enlistment with any stock exchange \_\_\_\_\_
- 19) Map of the Premises \_\_\_\_\_
- 20) List of machinery installed in the unit \_\_\_\_\_

Signature \_\_\_\_\_

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

Designation \_\_\_\_\_

Stamp \_\_\_\_\_

**Application Form for NOC/Authorization**

Subject: **LOCAL PURCHASE/CONSUMPTION/DISTRIBUTION/PRODUCTION OF PRECURSOR CHEMICAL**

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 local purchase/consumption/distribution/production/sale of precursor chemical namely \_\_\_\_\_. IF-II with all information and relevant 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 the Competent Authority to prevent diversion of precursor chemicals.

Signature \_\_\_\_\_

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

Designation \_\_\_\_\_

Stamp \_\_\_\_\_

**IF-II**

1. Name of firm \_\_\_\_\_
2. Registration No. \_\_\_\_\_
3. Name of Chemical to be locally produced/purchased//distributed/sold \_\_\_\_\_
4. Quantity to be locally produced/purchased//distributed/sold \_\_\_\_\_
5. Present Stock position as on (dd/mm/yyyy) \_\_\_\_\_
6. Name of supplying firm \_\_\_\_\_
7. Expected Schedule for Utilization \_\_\_\_\_
9. Per annum production \_\_\_\_\_

Signature \_\_\_\_\_

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

Designation \_\_\_\_\_

Stamp \_\_\_\_\_



**IF-IV**

**Consumption Report for the Year- - - - -**

NAME OF FIRM-----

REGISTRATION NO. -----

NAME OF CHEMICAL LOCALLY PURCHASED/DISTRIBUTED-----

NAME OF PRODUCT MANUFACTURED-----

<b>Period</b>	<b>Previous Balance</b>	<b>Local Purchase</b>	<b>Name of supplier</b>	<b>NOC number &amp; date</b>	<b>Total Stock</b>	<b>Consumption</b>	<b>Balance</b>
January							
February							
March							
April							
May							
June							
July							
August							
September							
October							
November							
December							
<b>Total</b>							

Above report is up till (dd/mm/yyyy)\_\_\_\_\_

Name\_\_\_\_\_

Designation\_\_\_\_\_

SIGNATURE OF AUTHORIZED PERSON