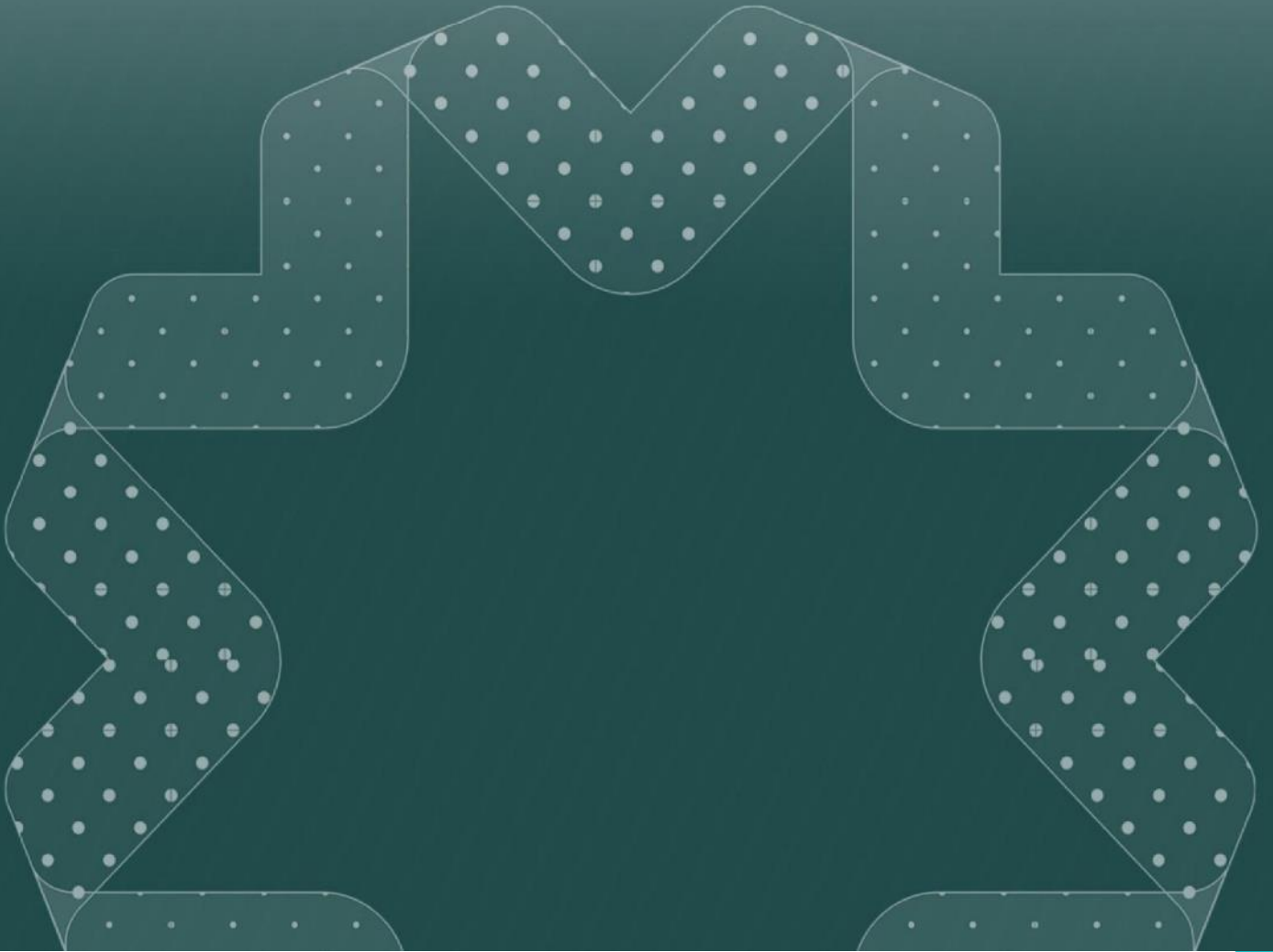




الأمانة العامة للجان الزكوية والضريبية والجمركية
General Secretariat of Zakat, Tax and Customs Committees

Decisions Issued by Customs Committees for 2024





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بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ



Index

Introduction.....	21
The Message of his Excellency the Secretary General of the Zakat, Tax and Customs Committees	22
Methodology	24
Procedural.....	25
Customs - Procedural - Lack of jurisdiction.....	26
Customs - Procedural - Lack of legal capacity	29
Customs - Procedural - Dismissal for failure to file a claim.....	31
Customs - Procedural - Filing the lawsuit prematurely	33
Customs - Procedural - Repetition of the lawsuit.....	36
Customs - Procedural - End of dispute	38
Customs - Procedural - The case has been previously adjudicated	41
Customs - Procedural - Death of the taxpayer	45
Customs - Procedural - Expiration of the statutory period.....	48
Customs - Procedural - Failure to attach the date of knowledge to the absentee decision.....	50
Customs - Procedural - Absence of the appellant's information in the appeal briefstatement of appeal	53
Customs - Procedural - Claims not exceeding 50 thousand	55
Customs - Procedural - Rejection of the request for reconsideration.....	57
Prohibitions	59
Customs - Prohibited items - Sexual drugs - Valuation - Conviction	60
Customs - Prohibitions - Sexual Tools - Conviction.....	63
Customs - Prohibitions - Snuff - Conviction	66
Customs - Prohibited - Not registered with the Food and Drug Authority - Conviction.....	69
Customs - Prohibitions - Abortion Pills - Conviction	71



Customs - Prohibited items - Banned Indian medicine - Conviction	74
Customs - Prohibitions - Laser - Conviction.....	76
Customs - Prohibitions - Tobacco and Qat - Conviction.....	78
Customs - Prohibited items - Tobacco and medicine bottles - Conviction.....	81
Customs - Prohibitions - Nutmeg - Conviction	84
Customs - Prohibitions - Chewing tobacco prohibited - Conviction	87
Customs - Prohibited items - Document and card forgery stickers - Conviction.....	90
Customs - Prohibitions - Shamma and Tobacco - Conviction	93
Customs - Prohibited items - Secret spy camera - Conviction	97
Customs - Prohibited items - Sexual cream and nutmeg - Conviction.....	99
Customs - Prohibited items - Sexual cream, nutmeg, and tobacco - Conviction	102
Customs - Prohibitions - Snuff - Conviction	105
Customs - Prohibited Items - Materials of Magic and Sorcery - Conviction	108
Customs - Prohibited items - Materials of magic and sorcery and sexual materials - Conviction.....	110
Customs – Prohibited items – Obscene materials – Conviction.....	113
Customs - Prohibited Items - Prohibited Religious Materials - Condemnation	116
Customs - Prohibited Items - Cola acuminata Fruits - Conviction.....	118
Customs – Prohibited Items – Prohibited Chewing Tobacco – Conviction	121
Customs - Prohibitions - Tobacco - Conviction.....	124
Customs – Prohibitions – Tobacco – Non-conviction.....	127
Customs - Prohibitions - Listening and Tracking Device - Conviction	130
Customs - Prohibitions - Alcohol Labels - Conviction	133
Customs - Prohibitions - Pork - Conviction.....	136
Constraints	141
Customs - Constraints - Camels and Livestock - Conviction.....	142
Customs - Constraints - Camels and Livestock - No Conviction.....	145



Customs - Constraints - Metal Detectors - Conviction	148
Customs - Constraints - Medical drugs restricted from entry - Conviction	150
Customs - Constraints - Silver Works - Conviction	152
Customs - Constraints - Fireworks - Conviction.....	154
Customs - Constraints - Ornamental Fish - Conviction.....	156
Customs - Constraints - Electronic Hookah - Conviction	159
Customs - Constraints - Commercial Fraud - Imitation Goods - Conviction.....	162
Customs - Constraints - Commercial Fraud - Imitation Goods - No Conviction	165
Customs - Constraints - Commercial Fraud - Registered Trademark - No Conviction	168
Customs - Constraints - Commercial Fraud - Registered Trademark - No Conviction	171
Customs - Constraints - Commercial Fraud - Dual Origin Indication - Conviction	174
Customs - Constraints - Ivory - Endangered - Condemnation.....	177
Customs - Constraints - Bond commitment - Disposing of the shipment before it is approved by the competent authority - Conviction	179
Customs - Constraints - Bond Commitment - Incomplete Contract Data - No Conviction.....	184
Customs - Constraints - Bond Commitment - Cardamom - Non-compliance with specifications - Containing pesticides - Conviction	187
Customs - Constraints - Bond commitment - Lighting and supplies - Non-compliance with specifications - Temperature testing under normal operating conditions - Conviction	192
Customs - constraints - bond commitment - frames - non-compliance with specifications - speed test - conviction	197
Customs - Constraints - Bond Commitment - Electrical Appliances - Non-compliance with specifications - Electric shock testing during operation - Conviction	201
Customs - Constraints - Bond Commitment - Ceramic Tiles - Non-compliance with specifications - Thickness measurement test, breakage test, and water absorption - Conviction.....	205
Customs - Constraints - bond commitment - Dried cake - Non-compliance with specifications - The name of the item does not indicate the nature of the product - Conviction.....	209



Customs - Constraints - Bond Commitment - Bicycles - Non-compliance with specifications - Mechanical and Physical Tests - Conviction.....	212
Customs - Constraints - Bond Commitment - Electric Diffuser - Non-compliance with specifications - Explanatory data and abnormal operation - Conviction	216
Customs - Constraints - bond commitment - Scooter - Non-compliance with specifications - Explanatory data, instructions, and precautions - Conviction.....	220
Customs - Constraints - Bond Commitment - LED Bulbs - Non-compliance with specifications - Illustrative data and electrical durability - Conviction.....	224
Customs - Constraints - Bond Commitment - Laptop - Non-compliance with specifications - Plug and explanatory data and prevention of accidental contact - Conviction.....	228
Customs - Constraints - Bond Commitment - Fabrics - Non-compliance with specifications - Clarifying data and color fastness - Conviction.....	232
Customs - Constraints - Bond Commitment - Tile - Non-compliance with specifications - Explanatory data and angular deviation - Conviction	235
Customs - Constraints - Bond Commitment - Lighting Detector - Non-compliance with specifications - Grounding and Labeling - Conviction.....	239
Customs - Constraints - Bond Commitment - Fabrics - Non-compliance with specifications - Quantitative and qualitative analysis and fibers - Conviction	243
Customs - Constraints - Bond Commitment - Perfume Filling Machines and Accessories - Non-compliance with Specifications - Precise Frequency - Conviction	247
Customs - Constraints - Bond Commitment - Sheets - Non-compliance with specifications - Raw material components - Conviction.....	250
Customs - Constraints - Bond Commitment - Tablets - Non-compliance with specifications - Clearance and Crawling - Conviction	253
Customs - Constraints - Bond Commitment - Hair Cream - Non-compliance with specifications - pH - Conviction	256
Customs - Constraints - Bond Commitment - Accessories - Non-compliance with specifications - Location of symbols and assembly - Conviction	260



Customs - Constraints - Bond Commitment - Perfumes - Non-compliance with specifications - Essential oil - Conviction.....	264
Customs - Constraints - Bond Commitment - Towels - Non-compliance with specifications - Visual Inspection - Conviction.....	268
Customs - Constraints - Bond Commitment - Bicycles - Non-compliance with specifications - Brake Test - Conviction.....	272
Customs - Constraints - Bond commitment - Electric lighting devices - Non-compliance with specifications - Plug and labeling - Conviction	276
Customs - Constraints - Bond Commitment - Popcorn Machine - Non-compliance with specifications - Capacity, current, labeling, and instructions - Conviction.....	280
Customs - Constraints - Bond commitment - Lamps - Non-compliance with specifications - Electrical durability and moisture resistance - Conviction.....	284
Customs - Constraints - Bond commitment - DVD player - Non-compliance with specifications - Mechanical durability and fire resistance - Conviction.....	289
Customs - Constraints - Bond Commitment - Nail Polish - Non-compliance with specifications - Toxic Metals - Conviction.....	294
Customs - Constraints - Bond Commitment - Fans - Non-compliance with specifications - Electrical resistance - Conviction.....	298
Customs - Constraints - Bond Commitment - Gypsum Boards - Non-compliance with specifications - Conviction.....	302
Customs - Constraints - Bond Commitment - Heater - Non-compliance with specifications - Labeling and Instructions - Conviction	305
Customs - Constraints - Bond Commitment - Electric Stoves - Non-compliance with Specifications - Labeling and Explanatory Data - Conviction	310
Customs - Constraints - Bond Commitment - Converters - Non-compliance with specifications - Labeling and protection from electric shock - No conviction.....	315
Customs - Constraints - Bond Commitment - Key - Non-compliance with specifications - Labeling and dimensions - Conviction.....	319



Customs - Constraints - Bond Commitment - Various Foodstuffs - Non-compliance with Specifications - Expiration - Conviction	323
Customs - Constraints - Bond Commitment - Shrimp - Non-compliance with specifications - Vibrio gino litex and para hemolytics bacteria - Conviction	327
Customs - Constraints - Bond Commitment - Akkawi Cheese - Non-compliance with specifications - Coliform bacteria and Escherichia coli bacteria - Conviction	332
Customs - constraints - bond commitment - cosmetics - non-compliance with specifications - failure to review the concerned party in the laboratory - conviction	337
Customs - Constraints - Bond Commitment - Ready-made Clothes - Non-compliance with specifications - pH and tensile strength - Conviction	341
Customs - Constraints - Bond Commitment - Fabrics - Non-compliance with specifications - Color fastness - Conviction.....	345
Customs - Constraints - Bond Commitment - Brake Fabric - Non-compliance with specifications - Absence of asbestos in the sample - Conviction.....	349
Customs - Constraints - Bond Commitment - Chilled Fish - Non-compliance with specifications - Absence of cholera - No conviction	354
Customs - Constraints - Bond Commitment - Ornamental Fish Feed - Non-compliance with specifications - Indication of origin - Conviction	359
Customs - Constraints - Bond Commitment - Bulb - Compliance Check - Heads of Rules and Labeling - Conviction.....	363
Customs - Constraints - Bond Commitment - Car Spare Parts - Non-compliance with specifications - Certificate of conformity is incorrect - Conviction	367
Customs - Constraints - Bond Commitment - Frames - Non-compliance with specifications - Penetration Energy of the Frame - Conviction	372
Customs - Constraints - Bond commitment - Peanut - Non-compliance with specifications - Failure to record the country of origin, weight, and production and expiration dates in Arabic - Conviction...	376
Customs - Constraints - Bond commitment - Soy sauce - Non-compliance with specifications - Sample not technically valid - Conviction	381



Customs - Constraints - Bond Commitment - Urinary Tract Device - Non-compliance with specifications - Non-compliance of the shipment with the requirements of the General Authority for Food and Drug - Conviction.....	386
Customs - Constraints - Bond Commitment - Clothing - Non-compliance with specifications - Non-compliance of samples with specifications - Conviction	391
Customs - Constraints - Bond Commitment - Tea - Non-compliance with specifications - Unfit for human consumption - Conviction	397
Customs - Constraints - Bond Commitment - Food Mixers - Non-compliance with specifications - Income and current capacity and visual inspection - Conviction	402
Customs - Constraints - Bond Commitment - Bulbs - Non-compliance with specifications - Lamp power and luminous flux - Conviction.....	406
Customs - Constraints - Bond Commitment - Ready-made Clothes - Non-compliance with specifications - Explosive strength of the material - Conviction	410
Customs - Constraints - Bond Commitment - Towels and Comforter - Non-compliance with specifications - Tensile strength - Conviction.....	413
Customs - Constraints - Bond Commitment - Soaps - Non-compliance with specifications - Moisture content and volatile materials - Conviction	416
Customs - Constraints - Bond Commitment - Tablet Devices - Non-compliance with specifications - Crawl distances, clearance, and electrical durability - Conviction.....	420
Customs - Constraints - Bond commitment - Shoes - Non-compliance with specifications - Bend resistance and wear resistance - Conviction.....	425
Customs - Constraints - Bond Commitment - Shoes - Non-compliance with specifications - Tear resistance - Conviction	429
Customs - Constraints - Bond commitment - Ceiling lamp - Non-compliance with specifications - Insulation resistance - Conviction	433
Customs - Constraints - Bond commitment - Dettol soap - Non-compliance with specifications - Insoluble materials - Conviction	436



Customs - Constraints - Bond Commitment - Boneless Beef - Non-compliance with specifications - E. coli - Conviction	440
Customs - Constraints - Bond Commitment - Fabrics - Non-compliance with specifications - Formaldehyde content - Conviction	444
Customs - constraints - bond commitment - in the middle with this extra - non-compliance with specifications - the presence of aflatoxin - conviction	449
Customs - Constraints - Bond Commitment - Black Tea - Non-compliance with specifications - Presence of coliform bacteria - Conviction	452
Customs - Constraints - Bond Commitment - Various Foodstuffs - Non-compliance with specifications - Presence of an unauthorized color - Conviction.....	455
Customs - constraints - bond commitment - lighting bulbs - non-compliance with specifications - labeling of rated power - non-conviction	460
Customs - Constraints - Bond Commitment - Bulbs - Non-compliance with specifications - Luminous flux, labeling, and heating - Conviction	465
Customs - Constraints - Bond Commitment - Foodstuffs - Non-compliance with specifications - Color (123) - Conviction	468
Customs - Constraints - Bond Commitment - Fabric - Non-compliance with specifications - pH - Color fastness to washing - Conviction	471
Customs - Constraints - bond commitment - Food products - Non-compliance with specifications - Product contamination with plastic pieces - No conviction	474
Customs - Constraints - Bond commitment - Current choke - Non-compliance with specifications - Circuit power factor - Conviction	478
Customs - Constraints - Bond commitment - Electrical tools - Non-compliance with specifications - Connection terminals - Conviction	481
Customs - Constraints - Bond Commitment - Shampoo - Non-compliance with specifications - Microbiological Testing - Conviction.....	485
Customs - constraints - bond commitment - metal rolls - non-compliance with specifications - lead in paint - conviction.....	488



Customs - Constraints - Bond Commitment - Motor - Non-compliance with specifications - Panels and protective grounding for devices - Conviction.....	492
Customs - Constraints - Cheese Balls - Bond Commitment - Non-compliance with specifications - Presence of artificial colors - Conviction.....	496
Customs - Constraints - Bond Commitment - Men's Shoes - Non-compliance with specifications - Horizontal slip resistance - Conviction.....	499
Customs - Constraints - Bond Commitment - Non-compliance with specifications - Presence of the pesticide chlorpyrifos - Conviction	503
Customs - Constraints - Bond Commitment - Mango Pulp - Non-compliance with specifications - Natural Concerns - Conviction.....	506
Customs - Constraints - Bond commitment - Foodstuffs - Non-compliance with specifications - Failure to write the warning regarding artificial colors - No conviction	509
Constraints - Bond commitment - Batteries - Non-compliance with specifications - Verification of rated capacity test - No conviction.....	512
Constraints - Bond Commitment - Water Technology Systems - Non-compliance with specifications - High temperature and operation - No conviction.....	516
Constraints - Bond commitment - Basil seed drink - Non-compliance with specifications - Presence of unauthorized colors - No conviction	519
Constraints - bond commitment - Alcohol swab - Non-compliance with specifications - Medical device regulation requirements - No conviction	522
Customs - Constraints - Blankets - Non-compliance with specifications - Explanatory data - No conviction.....	527
Customs - Constraints - Bond Commitment - Batteries - Non-compliance with specifications - Verification of rated capacity - No conviction	530
Customs - Constraints - Bond Commitment - Cushions and Towels - Non-compliance with specifications - Quantitative and qualitative analysis of fibers, pH, and visual inspection - No conviction.....	534



Customs - Constraints - Bond Commitment - Hangar - Non-compliance with specifications - Lead in paint - Non-conviction	536
Customs - Constraints - Bond Commitment - Steel Pressure Vessels - Non-compliance with specifications - Actual capacity - No conviction	540
Customs - constraints - bond commitment - batteries - non-compliance with specifications - electrical capacity - no conviction	545
Customs - Constraints - Bond Commitment - Fabrics - Non-compliance with specifications - Visual Inspection - No Conviction	548
Customs - Constraints - Bond Commitment - Hair Dryers - Non-compliance with specifications - Mechanical Durability - No Conviction	551
Customs - Constraints - Bond Commitment - Hotel Supplies - Non-compliance with specifications - Specifications and Standards - No Conviction	554
Customs - Constraints - bond commitment - fan dynamo - non-compliance with specifications - labeling and instructions - non-conviction	559
Customs - Constraints - Bond Commitment - Electrical Tools - Non-compliance with specifications - Labeling and explanatory data - No conviction	562
Customs - constraints - bond commitment - frames - non-compliance with specifications - failure to record heat resistance rating - non-conviction.....	565
Customs - Constraints - Bond Commitment - Panel Lighting - Non-compliance with specifications - Energy Consumption Card - No Conviction.....	568
Customs - Constraints - Bond Commitment - Ready-made Clothes - Non-compliance with Specifications - pH - Conviction.....	571
Customs - Constraints - Bond Commitment - Dettol Soap - Non-compliance with specifications - Estimation of materials insoluble in water - Non-conviction	575
Customs - Constraints - Bond Commitment - Ready-made Clothes - Non-compliance with specifications - Color fastness and dry cleaning and quantitative and qualitative analysis of fibers - No conviction	578



Customs - Bond commitment - Constraints - White honey - Non-compliance with specifications - Presence of sucrose - No conviction.....	581
Customs - Constraints - Bond commitment - Perfumes - Non-compliance with specifications - Decrease in the percentage of essential oil below the permissible limit - Non-conviction	586
Customs - Constraints - Bond commitment - Gel disinfectant for care - Non-compliance with specifications - Pharmaceutical product subject to registration procedures with the drug sector - No conviction.....	588
Customs - Constraints - Bond commitment - Non-compliance with specifications - Clothing - Raw material components and pH testing - No conviction	591
Customs - Constraints - Bond Commitment - Frozen Chicken Shawarma - Non-compliance with specifications - Salmonella Microbe - Non-conviction.....	596
Customs - Constraints - Bond commitment - Sports shoes - Non-compliance with specifications - Abrasion resistance - No conviction	599
Customs - Constraints - Bond commitment - Shoes - Non-compliance with specifications - Slip resistance of the outsole - No conviction	602
Customs - Constraints - Bond commitment - Women's shoes - Non-compliance with specifications - Horizontal slip resistance and abrasion resistance and pH - No conviction.....	605
Customs - Constraints - bond commitment - Men's shoes - Non-compliance with specifications - Horizontal slip resistance - No conviction	608
Customs - Constraints - Sandy Covenant - Men's Shoes - Non-compliance with specifications - Bend resistance and abrasion resistance of the outsole - No conviction	613
Customs - Constraints - Bond commitment - Foodstuffs - Non-compliance with specifications - Containing color E104 - Conviction.....	616
Customs - Constraints - Bond commitment - Mixtures of grain flour with flour - Non-compliance with specifications - Poppy - No conviction.....	620
Customs - Constraints - Bond Commitment - Electrical Tools - Non-compliance with specifications - Electrical Durability Testing - No Conviction.....	623



Customs - Constraints - Bond Commitment - Noodles and Dietary Supplement - Non-compliance with specifications - Technically unfit - No conviction	626
Customs - Constraints - Bond Commitment - Mineral Water - Non-compliance with specifications - Absence of production date and unclear expiration date - No conviction.....	630
Customs - Constraints - Bond Commitment - Lighting Supplies - Non-compliance with specifications - Absence of instructions and guidelines - No conviction	634
Customs - constraints - bond commitment - biscuits and sweets - non-compliance with specifications - no review by the merchant - no conviction	637
Customs - Constraints - Bond commitment - Household items - Non-compliance with specifications - Failure to provide a certificate proving that the containers are food grade - No conviction	640
Customs - Constraints - Bond Commitment - Printing Oil - Non-compliance with specifications - Certificate of Compliance - No Conviction	644
Customs - Constraints - Bond Commitment - Printers - Non-compliance with specifications - Plug shape and inspection of explanatory data - No conviction	647
Customs - Constraints - Bond Commitment - Adhesive Stickers - Non-compliance with Specifications - Indication of Origin - No Conviction.....	651
Customs - Constraints - Bond Commitment - Wall Lamps - Non-compliance with specifications - Explanatory data and heat testing - No conviction.....	654
Customs - Constraints - Bond Commitment - Massage Pillow - Non-compliance with specifications - Explanatory data and instructions - No conviction.....	659
Customs - Constraints - Bond Commitment - Men's Clothing - Non-compliance with specifications - Lack of quantitative and qualitative analysis of fibers - No conviction	663
Customs - Constraints - Bond Commitment - Clothing - Non-compliance with specifications - Material and explanatory data - No conviction	666
Customs - Constraints - Bond Commitment - Clothing - Non-compliance with specifications - Explanatory data and heat testing - No conviction.....	669
Customs - Constraints - Bond Commitment - Clothing - Non-compliance with specifications - Material and Color Fastness - No Conviction.....	672



Customs - Constraints - Bond Commitment - Cables - Non-compliance with specifications - No export permit - No conviction	675
Customs - Constraints - Bond Commitment - Mixers - Non-compliance with specifications - Longitudinal water flow rate - Non-conviction	679
Customs - Constraints - Bond Commitment - Shoes - Non-compliance with specifications - Tear resistance - No conviction.....	682
Customs - Constraints - Bond Commitment - Ready-made Clothes - Non-compliance with specifications - Raw material components and color fastness - No conviction.....	685
Customs - Constraints - Bond Commitment - Clothing - Non-compliance with specifications - Weight per square meter - No conviction.....	688
Customs - Constraints - Bond Commitment - Cables - Non-compliance with specifications - Labeling and declaration card requirements and connection terminals - No conviction	691
Customs - Constraints - Bond Commitment - Electrical Appliances - Non-compliance with Specifications - Light Flux - No Conviction	695
Customs - Constraints - Bond Commitment - Ready-made Clothes - Non-compliance with specifications - Washing Information - No Conviction	698
Customs - Constraints - Bond Commitment - Concentrated Juices - Non-compliance with specifications - Lack of export permit - Conviction.....	701
Customs - Constraints - Bond Commitment - Natural Gel Glycerin Tools - Non-compliance with specifications - Lack of information about the shipment - Conviction	706
Customs - Constraints - Bond Commitment - Building Publisher - Non-compliance with specifications - Indication of origin - Conviction.....	710
Customs - Constraints - Bond Commitment - Frames - Non-compliance with specifications - Rolling tests - No conviction	715
Customs - Constraints - Bond Commitment - Henna - Non-compliance with specifications - High ash content - Conviction	718
Customs - Constraints - Bond commitment - Non-compliance with specifications - No export permit - No conviction	721



Customs - Constraints - Bond commitment - Non-compliance with specifications - Suspended lighting bulbs - Protection against accidental contact with live parts - Conviction.....	723
Customs - Constraints - Bond Commitment - Foodstuffs - Non-compliance with specifications - Product contamination with plastic pieces - No conviction	726
Customs - Constraints - Bond commitment - Electric heater - Non-compliance with specifications - Source connection and external flexible cords - No conviction	730
Customs - Constraints - Bond Commitment - Instant Coffee - Non-compliance with specifications - Subject to registration as a herbal product - No conviction.....	733
Customs - Constraints - Bond commitment - Two types of red pepper - Non-compliance with specifications - Mycotoxins - No conviction.....	735
Customs - Constraints - Bond Commitment - Plastic Toys - Non-compliance with specifications - Failure to pass the sample for theoretical tests - No conviction	737
Customs - Constraints - Bond Commitment - Cream - Non-compliance with specifications - Failure to specify the source of rennet - No conviction	740
Customs - Constraints - Bond Commitment - Mixed Coffee - Non-compliance with specifications - Failure to write the name in Arabic - No conviction	743
Customs - Constraints - Bond Commitment - Fish - Non-compliance with specifications - Sample not found - No conviction	747
Customs - Constraints - Bond Commitment - Shampoo - Non-compliance with specifications - Non-compliance with the conditions and requirements for the clearance of cosmetics - No conviction ..	750
Customs - Constraints - Bond Commitment - Foodstuffs - Non-compliance with specifications - Coliform bacteria - No conviction	754
Customs - Constraints - Bond Commitment - Tea Thermos - Non-compliance with specifications - Asbestos content - No conviction.....	757
Customs - Constraints - Bond Commitment - Lighting Requirements - Non-compliance with specifications - Bulb cover size and electrical capacity - No conviction	760
Customs - Constraints - Bond Commitment - Covers - Non-compliance with specifications - Minimum tire speed - Conviction.....	764



Customs - Constraints - Bond Commitment - Oil Filters - Non-compliance with specifications - Outlet for combating valve test depletion - No conviction	767
Customs - Constraints - Bond Commitment - Candy - Non-compliance with specifications - Non-compliant food products - No conviction	770
Customs - Constraints - Bond Commitment - Frozen Meats - Non-compliance with specifications - Presence of E. coli bacteria - No conviction	773
Customs - Constraints - Imported items - No conviction	775
Customs - Customs Duties - Bond commitment - Molasses - Non-compliance with specifications - Non-compliance due to failure to meet the checklist conditions for tobacco products - No conviction	778
Customs - Constraints - Dogs - No Conviction.....	781
Customs - Constraints - Birds - Hideout - Conviction.....	786
Customs - Constraints - Marking Pens - Conviction	789
Customs - Customs Duties - Indian medicine - Non-declaration - Conviction	792
Customs - Constraints - Zamzam Water - No Declaration - Conviction.....	795
Customs duties.....	798
Customs - Customs Duties - Administrative - Collection of Customs Duties - Presence of amounts in credit balances paid to exporters in advance of import - Safety of customs procedures.....	799
Customs - Customs Duties - Collection - The costs of operations added to the product included in the shipment are not included in the calculation of the estimated value - Lack of integrity in customs procedures.	804
Customs - Customs Duties - Administrative - Refund of fees - The industrial exemption is governed by a mechanism that must be fully adhered to in order to obtain the exemption - Rejection of refund requests.....	809
Customs - Customs Duties - Refund of fees - Fulfillment of the conditions stipulated in the rules for entitlement to a refund - Acceptance of fee refunds.....	815
Customs - Customs Duties - Customs differences - Submitting invoices with low values - Collecting fee differences.....	822



Customs - Customs Duties - Carpets - Submitting incorrect invoices - Conviction	826
Customs - Customs Duties - Aluminum sheets - Undeclared - Conviction.....	831
Customs – Customs Duties - Aluminum windows and doors – Items not listed on the invoice – No conviction.....	835
Customs – Customs Duties - Vehicle violations – Incorrect data entry – No conviction.....	838
Customs - Customs Duties - Vehicle violations - Model differences - No conviction	841
Customs - Customs Duties - Moassel - Lack of conviction.....	844
Customs – Customs Duties - Moassel – Hidden in the truck – Conviction.....	847
Customs - Customs Duties - Raw tobacco - Non-declaration - Conviction	850
Customs - Customs Duties - Silver - Non-declaration - Conviction	853
Customs - Customs Duties - Electronic cigarettes - Non-declaration - Conviction	856
Customs - Customs Duties - Petroleum derivatives - Diesel - The percentage exceeds the allowed limit - Conviction	859
Customs - Customs Duties - Petroleum derivatives - Kerosene at 100% - Conviction	862
Customs - Customs Duties - Petroleum derivatives - Crude oil - Non-declaration - Non-conviction.....	865
Customs - Customs Duties for gold - Non-declaration - Conviction	869
Customs - Customs Duties - Mobile covers - Non-declaration - Conviction.....	872
Customs - Customs Duties - Electrical transformers and their supplies - Invoice discrepancies - Conviction	875
Customs - Customs Duties - Silver works - Concealment - Conviction.....	880
Customs - Customs Duties - Smoke - Non-declaration - Conviction.....	883
Customs - Customs Duties - Smoke - Statement discrepancy - No conviction	886
Customs - Customs Duties - Nicotine conditions - Non-declaration - Conviction.....	890
Customs - Customs Duties - Jewelry - Clearance before preparing the report - No conviction	892
Customs - Customs Duties - Mercury - Hidden - Conviction	894





Introduction

Praise be to Allah, the Lord of the Worlds, and prayers and peace be upon the most honorable messengers and the Last Prophet, our Prophet Muhammad, and upon his family, companions and followers.

It is needless to say that the efforts made by the courts and judicial Committees and the Decisions issued by them constitute a priceless jurisprudential and judicial wealth, and a result that should be given attention and care. In light of the commercial and industrial revolution that the Kingdom of Saudi Arabia is experiencing under Vision 2030, many people are facing numerous challenges in customs cases. From the perspective of social responsibility that the General Secretariat of the Zakat, Tax, and Customs Committees adopts, it has sought to establish a solid foundation and reference for committee members, taxpayers, and interested parties through the publication of the "Final Decisions Issued by Customs Committees for 2024," which effectively contributes to addressing customs disputes, thereby reducing the prolongation of litigation; as these documents clarify what the appeal committees have settled on in their decisions. This will reflect on shortening the duration of litigation for concerned parties, easing the burden on the judge, and achieving the principle of transparency that the General Secretariat pursues, in addition to providing practical aspects for the relevant authorities in legal and regulatory research, especially academic and training institutions, among others.

We ask Allah, the Almighty, to make our work purely for Him, and to support our efforts and endeavors for what is good, as He is indeed a gracious benefactor.



The Message of his Excellency the Secretary General of the Zakat, Tax and Customs Committees

Praise be to Allah alone;

In light of the vision and values of the General Secretariat of Zakat, Tax and Customs Committees, which undertook to excel in the ability to resolve zakat, tax and customs disputes, adopt innovative and effective methods, promote transparency and neutrality, develop cooperation between the parties to the zakat, tax and customs system, and play an effective role in raising the efficiency of legal consideration. This aims to enable the zakat, tax and customs committees to adjudicate disputes before them, and to provide support and assistance to the committees at all stages by conducting studies and research. It also serves taxpayers by clarifying regulations, decisions and judicial precedents, and updating them periodically.

The General Secretariat also placed special emphasis on the Final Decisions issued by the Customs Committees, as they represent a summary of the established jurisprudence and are characterized by their constant possibility of development and change according to the developments in the real world, because their decisions are aimed at resolving disputes before the judicial committees. Moreover, the knowledge of these decisions prevents disputes and conflicts, which is a prevention, protection and assistance to them in their stance before the Committees, including the project of classifying and tabulating the Decisions issued by the Customs Committees.

This prestigious status of the Decisions calls for working to extract and disseminate them to the Public; in order to achieve the principle of transparency, highlight the ongoing efforts, and enrich the scientific arena; to make it a fertile ground for scholars, specialists, and research centers.

The Secretariat's role in disseminating these Decisions is an affirmation of its relentless endeavor to achieve all that would raise the level of justice as befits it, thanks to the support and guidance of the blessed leadership, which spares no effort in its generous support for the legislative and regulatory framework..

In conclusion, I would like to thank the Custodian of the Two Holy Mosques King Salman bin Abdulaziz and His Royal Highness Crown Prince Mohammed bin Salman bin Abdulaziz, Prime Minister, for their unlimited care and support for judicial activities in various fields. I would also like to thank the staff of the General Secretariat for their outstanding efforts in issuing this publication, which I hope will achieve its objectives and be a qualitative addition in the legal field.

Secretary-General
Abdullah bin Abdulrahman al-Suhaybani





Methodology

The General Secretariat has been careful to select judgements with a comprehensive nature of their subjects in order to achieve the desired benefit. In view of the importance of the characterisation of the case before the adjudication and appeal committees and its impact on the reasoning and basis for the Decision, which is the result sought by the parties to the case, and because customs cases have different facts and circumstances; it was necessary to tabulate the final decisions issued by the Customs Committees for 2024 to enable researchers to review the opinion of the Committees on these defences.

As part of the role of the General Secretariat of Zakat, Tax and Customs Committees in adopting and applying the principles of continuous improvement and development in the management of Zakat, Tax and Customs disputes, with the aim of enabling the speedy resolution of these disputes, it has given care and attention to stapling and publishing the final decisions issued by the Customs Appeals Committees. Hence, the task required a solid plan to produce them in an easy and accessible manner; therefore, the task was divided into several phases as follows:

- The Decisions issued by the Final Customs Committees were carefully inventoried during 2024, the total number of which stood at (3518), from which we extracted (250) decisions.
- Keywords have been set to make it easier to search through them.
- The name of the circuit issuing the decision, the number of the decision, dated of issuance were listed.
- A summary of the case which summarizes the most important parts of the case was developed.
- Ensuring the deletion of all data indicating the parties to the lawsuit or other parties without affecting the Decision.
- Verifying the integrity of the Decision from a linguistic and spelling perspective.
- Categorising the Decisions by subject matter and placing them under the most relevant category.



Procedural



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-231728
Case No. PC-2024-231728

Keywords:

Customs - Procedural - Lack of jurisdiction

Summary:

Requesting the Zakat, Tax and Customs Authority to cancel the Decision of the Third First Instance Customs Committee No. (CTR-2024-225530), which ruled that the Committee has no jurisdiction to hear the case. Whereas the Appeals Committee determined that the Authority's statement in its statement that the seizure report was prepared before the issuance of the aforementioned royal decree, given that the decree relates to the procedure for accepting the case, and the electronic file of the case proves that it was recorded on a date subsequent to the royal decree, which makes the decree a ruling on jurisdiction without regard to the date of seizure. Consequently: The first instance decision is upheld in all its provisions.

Document:

- [Zakat, Tax and Customs Committees Regulations issued by Royal Decree No. \(25711\) dated 08/04/1445 AH.](#)
- Article (163) of the [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)

Facts:

To consider the appeal against the first instance decision (CTR-2024-225530) issued by the Third First Instance Customs Committee in Riyadh. The facts of this case are summarized in that the Zakat, Tax and Customs Authority filed its lawsuit against the Defendant/ ... , ... Nationality, holds passport number (...), under the seizure report number (...) On the date 01/01/1434 AH, the First Instance Committee issued its Decision of lack of jurisdiction to consider the case, based on the fact that the subject of the case relates to the smuggling of (Captagon pills), which are prohibited substances and narcotic effects according to the report of the Poison Control and Forensic Chemistry Centre No. (52/45/226) dated 05/02/1437 AH, and based on the royal decree applying the penalties stipulated in the unified customs law related to drug and intoxicant smuggling cases No. (M/14) dated 06/04/1434 AH based on the Cabinet Decision No. (94) dated



01/04/1434 AH which stated: "The application of the penalties stipulated in the unified customs law related to drug and intoxicant smuggling cases shall be by the criminal court."

Upon reviewing the statement of appeal submitted by the authority, the appellate customs committee found that it includes a summary stating that the committee is competent to consider the case in its customs aspect, in accordance with paragraph (2) of Article (3) of the rules of operation of customs Committees, which stipulates that: 'The Customs Adjudication Committee Departments shall be competent to apply the provisions of the Unified Customs Law and its Executive Regulations, as follows: A- Considering all smuggling crimes and what is deemed equivalent. B- Considering all crimes

and violations committed against the provisions of the law and its executive regulations. The royal decree referred to in the reasoning of the First Instance Committee was issued on 06/04/1434 AH and did not stipulate the retroactive effect of the Decision or organize previous cases to the Decision. Since the record of the seizure was drawn up on 01/01/1434 AH - which is a date prior to the decree - the jurisdiction is established for the committee. The regulation added that the defendant's attempt to introduce prohibited materials (Captagon pills) numbering (200,000) pills constitutes an attempt at customs smuggling according to the text of Article (142) of the Unified Customs law. The regulation also included other substantive defenses and concluded with a request to overturn the first instance Decision and return the case to the First Instance Committee for consideration of its subject.

Upon requesting a response from the Appellee on 12/02/2024 and allowing it (45) days to respond, it did not provide the requested response, and based on Article 35 (1) of the Zakat, Tax and Customs Committees' Regulations, the Committee decided to adjudicate the case in light of the documents at its disposal.

After reviewing the case file and the appeal submitted by the authority, the committee found that the case was ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the grounds on which the appeal was based.

Grounds:

After reviewing the unified customs law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the zakat, tax, and customs committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the relevant regulations and laws.

Since the appellant was notified of the first instance decision on 28/01/2024, and submitted the appeal against the decision on 12/02/2024, this entails the acceptance of the appeal in form for being submitted by a person with legal capacity within the time period established by Article (163) of the Unified Customs Law. Since there is no reproach against the reviewing authority for taking the reasons of the decision subject



to the appeal without adding anything whenever it sees in these reasons what suffices to omit any new submissions, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. This is not affected by what the authority mentioned in its memorandum regarding the preparation of the record of the seizure before the issuance of the aforementioned royal decree, considering that this decree relates to the procedure for accepting the lawsuit, and it is established according to the electronic file records of the lawsuit that it was recorded on a date subsequent to the royal decree, which makes the decree governing regarding jurisdiction without regard to the date of the seizure. Since the reasons for the decision are sufficient to support its ruling, it is necessary to determine that the defenses presented do not affect the outcome of the decision, which makes the appeal without a supporting basis, necessitating its rejection. Accordingly, the committee concluded to report the following:

Decision:

First: Acceptance of the appeal in form, submitted by the General Authority of Zakat and Tax and Customs, against the first instance Decision No. (CTR-2024-225530) issued by the Third First Instance Customs Committee in Riyadh.

Second: The appeal is rejected on the merits, and the first instance decision is upheld in all that it ruled, for the reasons and grounds stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No.

CR -2023-162096

Case No.

PC-2022-119322

Keywords:

Customs - Procedural - Lack of legal capacity

Summary:

The importer's request to cancel the first instance decision (CTR-2022-937) issued by the Riyadh Customs Committee of First Instance, which convicted the importer of customs smuggling, ordered him to pay a customs fine, and confiscated the seized items subject to the case. The Appeals Committee determined that the appellant did not present a power of attorney authorising him to file a case before the customs committees, and the case documents lacked any evidence to support this, as previously established. Consequently, the appeal is inadmissible in form because it was filed without legal capacity.

Document:

- Paragraphs (4) and (5) of Article (145) of the [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\)](#).

Facts:

To hear the appeal filed on behalf of/ ... Commercial Registration No. (...), against the first instance decision No. (CTR-2022-937) issued by the Third Customs Committee of First Instance in Riyadh, stating the following:

- 1- Condemnation of/ ... , Commercial Register No. (...) In person with customs smuggling.
- 2- Obliging it to pay a customs fine equivalent to two times the value of the seized items, in accordance with Article 145/4 of the Unified Customs Law.
- 3- Confiscating the seized items subject to the case, in accordance with Article 145/5 of the Unified Customs Law.
- 4- Disregarding the penalty of imprisonment.

On Wednesday, 15/11/2023, the Customs Appeals Committee in Riyadh held its hearing to examine the appeal filed by Meshal Al Baladi, in his capacity as an attorney for ... , Commercial Register No. (...), to challenge the decision of the Third First Instance Customs Committee No. (CTR-2022-937).



Grounds:



Whereas the Appeals Committee examined the status of the submitted appeal request, and where the attorney did not submit with his request the power of attorney that entitles him to appeal before the Customs Committees, and where it is proven that the appellant was requested on 20/08/2023 to provide the Committee through the automated system to attach a power of attorney proving the validity of his representation of the owner of the appellant entity and gave him the opportunity to do the same without response until the date of holding a hearing to examine the appeal submitted on 15/11/2023, and where procedural quality is a matter of public order and must be fulfilled in the applicant within the statutory time limit in order for the decision so that the decision is not fortified against any challenges thereto by missing the prescribed deadline. Since the applicant did not present a power of attorney authorising him to file a case before the Customs Committees and the case documents lacked any evidence to support the same, the Appeals Committee concluded that he does not have the procedural capacity to represent the applicant in this appeal, thus rendering the appeal inadmissible in form; accordingly, the Appeals Committee concluded to decide the following:

Decision:

Inadmissibility of the appeal filed on behalf of/ ... Commercial Register No. (...), against the first instance decision No. (CTR-2022-937), issued by the Third Customs Committee of First Instance in Riyadh, for submitting it without legal capacity, for the reasons and grounds stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR -2023-167915

Case No. PC- 2021-87450

Keywords:

Customs - Procedural - Dismissal for failure to file a claim

Summary:

The Public Prosecution's request to annul the decision of the Second First Instance Customs Committee in Riyadh No. (CSR-2022-50), which ruled to dismiss the case for not being filed. And where it was established for the appellate committee that, upon examining the file of the submitted appeal and its attachments, it became clear that it only included the public lawsuit that was supposed to be submitted to the first instance committee, and the submitted appeal request did not include any reasons from the public prosecution regarding its objection to the validity of the first instance decision, regardless of the lawsuit filed by the prosecution for not being drafted. Consequently: Upholding the first instance decision.

Document:

- Article 163 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)

Facts:

This is to consider the appeal submitted by the Public Prosecution against the first instance decision No. (CSR-2022-50) issued by the Second First Instance Customs Committee in Riyadh, which ruled to dismiss the case filed against the defendant/ ... Residence No. (...), for failure to release it.

Since the appeal was filed by the Public Prosecution against the decision dated .../.../... and the Public Prosecution received the decision on .../.../..., this entails the acceptance of the appeal in form by the Public Prosecution for submitting it within the stipulated period for its execution as stipulated by the provisions of Article (163) of the Unified Customs Law.

The Customs Appeals Committee in Riyadh held its hearing on Thursday, dated .../.../... AD, to study the appeal submitted by the Public Prosecution against the decision of the Second First Instance Customs Committee No. (...) The appellate committee decided to rule on the subject of the appeal based on the



sufficiency of the documents included in the case file and in light of the reasons on which the appeal was based.

Grounds:



Whereas the Customs Appeals Committee found that the first instance decision had dismissed the case due to it not being filed by the plaintiff (the Public Prosecution), and whereas the appeal filed by the Public Prosecution to the Appeals Committee included a mention that it attached to its appeal request the public lawsuit that was part of the case files at the time, and therefore it requests that the case be referred to the Appeals Committee for a decision, and whereas upon examining the file of the submitted appeal and its attachments, it was found that it only included the public lawsuit that should have been submitted to the first instance Committee and did not include any reasons from the Public Prosecution regarding its objection to the validity of the first instance decision that concluded with the dismissal of the lawsuit filed by the Public Prosecution for not being filed, and whereas the request from the Public Prosecution to consider the case by the Appeals Committee is based solely on attaching the public lawsuit without any statement from it regarding the reasons for the invalidity of the first instance decision that concluded with the dismissal of the Public Prosecution's lawsuit for not being filed, which leads the Appeals Committee to decide not to respond to the Public Prosecution's request, which is essentially to rule on the subject of the lawsuit at the appellate level, as ruling on the subject of the lawsuit as requested by the Public Prosecution would deprive the parties of a level of litigation, thus the Appeals Committee concludes to reject the Public Prosecution's appeal against the result of the appealed first instance decision and to uphold the first instance decision that dismissed the lawsuit for not being filed, as it is in accordance with the correct law and there is no need for correction or commentary on its result in light of what was in the Public Prosecution's appeal and its requests, and whereas the Appeals Committee noted the absence of the correct residence number for the defendant/ ... Within the wording of the first instance decision subject to appeal, it was mentioned that the residence of the defendant is number (...) While the attached image of the residence card states that it is numbered (...), which necessitates its amendment as will be stated in the ruling of this decision, and since this observation does not affect the outcome reached by this decision regarding the submitted appeal, the appellate committee concluded to report the following:

Decision:

1- Acceptance of the appeal in form from the Public Prosecution, against the first instance decision No. (CSR-2022-50) issued by the Second First Instance Customs Committee in Riyadh, related to the case filed against/..., case number (...).

2- In the subject, his rejection and the affirmation of the first instance Decision in all that it ruled, and that is for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No.

CTR-2024-202141

Case No.

AC -2023-202141

Keywords:

Customs - Procedural - Filing the lawsuit prematurely

Summary:

The importer is requesting the cancellation of the collection decision issued by the Zakat, Tax and Customs Authority, which resulted in customs differences amounting to a total of (24,052.14) riyals. Where it was established for the first instance committee that there was a notification from the authority regarding the acceptance of the objection dated (10/06/1443 AH) corresponding to (13/01/2022 AD), and the plaintiff submitted a memorandum to the secretariat on 20/06/2023 AD, and she was informed by the authority of the acceptance of the objection on 13/01/2022 AD, and the plaintiff also submitted a request to the secretariat for an additional extension due to sending a request for a refund of fees on 16/11/2023 AD. Consequently: The lawsuit is not accepted in form for being filed prematurely.

Document:

- Paragraph (1) of Article (76) of [the Judicial Procedures law issued by Royal Decree No. \(M/1\) dated 22/01/1435 AH.](#)
- Article (147) of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Article (162) of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)

Facts:

This is to consider the objection submitted by (...), commercial registration number (...), against the collection decision issued by the Zakat, Tax and Customs Authority numbered (.../.../...) For the year (1443 AH), resulting in customs differences amounting to a total of (24,052.14) twenty-four thousand and fifty-two riyals and fourteen halalas, according to the statement attached to the objection file, and based on Article No. (162) of the Unified Customs Law, this committee is responsible for considering and deciding on the objection to the collection decisions.



The facts of this case summarize that on 20/06/2023, the plaintiff submitted her objection to the General Secretariat of the Zakat, Tax, and Customs Committees regarding the collection decision number (.../.../...) For the year (1443 AH) issued by the Zakat and Tax Authority, it summarizes its content: the results of the first instance report issued by the General Administration of Customs Audit concluded that there were differences in customs duties on the company's imports amounting to a total of (24,052.14) twenty-four thousand and fifty-two riyals and fourteen halalas. Accordingly, the company submitted its objection to the authority, and the authority issued its decision dated 18/01/2022, accepting the objection for the purpose of returning it to the Audit Department for re-examination. The parties exchanged memoranda, and the committee reviewed all the case documents.

On Sunday, 15/08/1445 AH, the committee held its hearing to consider the remotely convened case, and upon calling the parties to the case, the representative of the authority attended (...), ID number (...), authorized by the Legal Affairs and Compliance Agency issued under number (.../.../.../...) On the date 19/03/1445 AH, and attended (...), resident ID number (...), by virtue of agency number (...), and upon reviewing the status of the plaintiff's representative, it became clear that she is not authorized to plead and defend before the customs committees, because the principal was ill on Thursday and is in the hospital according to the statement of the present about him ... Accordingly, the committee decided to proceed with the case, and after reviewing the case file, the committee decided to close the door for pleading and deliberation in preparation for issuing the decision.

Grounds:

Since the lawsuit represents the plaintiff's objection to the collection decision number (.../.../...) For the year (1443 AH), resulting in customs differences amounting to a total of (24,052.14) twenty-four thousand and fifty-two riyals and fourteen halalas.

After the committee reviewed the case file and the requests submitted by the plaintiff, it became clear that there was a notification from the authority accepting the objection dated (10/06/1443 AH) corresponding to (13/01/2022 AD). The plaintiff also submitted a memorandum to the secretariat on 20/06/2023 AD, and she was informed by the authority of the acceptance of the objection on 13/01/2022 AD. Additionally, the plaintiff submitted a request to the secretariat for an extension due to her sending a request for a refund of fees dated 16/11/2023 AD, and the authority accepted the request, in accordance with paragraph (1) of Article (76) of the Judicial Procedures Law, which stated that: The defense of lack of jurisdiction of the court due to the absence of its authority or because of the type or value of the lawsuit, or the defense of inadmissibility of the lawsuit due to lack of standing, capacity, interest, or for any other reason, as well as the defense of the inadmissibility of considering the lawsuit due to prior judgment; this can be raised at any stage of the lawsuit and the court may rule on it ex officio, according to Article (162) of the same law. Based on the above, and after study and deliberation, the committee unanimously decided the following:



Decision:

The lawsuit is not accepted in form for being filed prematurely.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.



The Customs Appeals Committee in Riyadh

Decision No.

CTR-2024-226709

Case No.

PC-2023-226709

Keywords:

Customs - Procedural - Repetition of the lawsuit

Summary:

The Public Prosecution demands the third First Instance Customs Committee against the defendant/ ... Pakistani nationality, passport number (...), and a seizure report number (...) has been prepared. dated 22/03/1445 AH.. And where it was established for the appellate committee by reviewing the case file and what the study indicated in good faith that the case was registered repeatedly under number (PC -2023-226710). This means that the lawsuit is not accepted due to its repetition.

Document:

- Article (75) of [the Judicial Procedures law issued by Royal Decree No. \(M/1\) dated 22/01/1435 AH.](#)

Facts:

This case was referred to the Third First Instance Customs Committee in Riyadh after the committees at the customs ports were dissolved based on the decision of His Excellency the Minister of Finance No. (275) dated 18/1/1442 AH, and based on the text of Article (162) of the Unified Customs Law, this committee is responsible for considering the case.

The facts of this case are summarized in that the Public Prosecution in Jeddah Governorate filed its lawsuit against the defendant/ ... Pakistani nationality, passport number (...), and a seizure report number (...) has been prepared dated 22/03/1445 AH. On Sunday, 01/08/1445 AH, the committee held its hearing to consider the remotely held case, attended by the representative of the Public Prosecution (...). Identity number (...), by virtue of a mandate issued by the head of the public prosecution issued under number (...). On the date 8/10/1443 AH, the defendant did not attend despite being notified by the secretariat through automated systems and the mechanisms it follows (via the Hayad System). The General Secretariat of the Customs Committees confirmed that this law notifies the defendant automatically in accordance with the operational rules of the customs committees and other relevant regulations and instructions. Therefore, the



committee decided to proceed with the case, and after reviewing the case file, the committee decided to close the door for pleading and deliberation in preparation for issuing the decision.

Grounds:



After the committee reviewed the case file and what the study indicated in the secretariat that the case was registered repeatedly under number (PC-2023-226710), and based on Article (75) of the Judicial Procedures law issued by Royal Decree No. (M/1) dated 22/01/1435 AH, which stated: The defense of the invalidity of the lawsuit, or of lack of territorial jurisdiction, or of referring the case to another court due to the same dispute being before it or due to another related case, must be raised before any request or defense in the case or a plea of inadmissibility, otherwise the right to raise it is forfeited. Since the plaintiff is requesting in this lawsuit a request that matches in subject matter with the aforementioned existing lawsuit; this lawsuit is ongoing and is under consideration, and this issue applies and is realized in the case being heard before the committee. Based on the above, and after study and deliberation, the committee unanimously decided the following:

Decision:

The lawsuit is not accepted due to its repetition as indicated in the reasons.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.



The Customs Appeals Committee in Riyadh

Decision No.

CR -2024-170987

Case No.

PC-2022-126685

Keywords:

Customs - Procedural - End of dispute

Summary:

The importer is requesting the cancellation of the first instance decision No. (1319/2) for the year 1441 AH, issued by the second First Instance Customs Committee in Riyadh. The judge convicted the importer of customs smuggling and obliged him to pay a fine and confiscation fee. Where it has been established for the appellate committee that the dispute between the importer and the authority has ended based on the customs statement in response to its memorandum indicating that the importer has fulfilled the commitment. This means; the annulment of the first instance decision in all that it ruled.

Document:

- Article (56) of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Article (142) of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Article (163) of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Article (188) of [the Judicial Procedures law issued by Royal Decree No. \(M/1\) dated 22/01/1435 AH.](#)

Facts:

This is to consider the appeal submitted by / ..., national ID number (...), in his capacity as the owner of the ... establishment, commercial registration number (...), against the first instance decision No. (1319/2) for the year 1441 AH, issued by the 1st First Instance Customs Committee at the Al-Bathaa customs, which ruled as follows:

1- Condemnation of the importer (...) Commercial registration number (...), owned by ... Commercial register number (...), present at customs smuggling.



2-Obligating it to pay a customs fine equivalent to the value of the shipment that was disposed of without the approval of the competent authority, in the amount of (30,684) thirty thousand six hundred and eighty-four riyals.

3-Obligating it to pay an amount equivalent to the value of the shipment disposed of as a confiscation fee of (30,684) thirty thousand six hundred and eighty-four riyals, bringing the total amount to (61,368) sixty-one thousand three hundred and sixty-eight riyals.

Since the appellant was notified of the Decision subject to the appeal on 31/01/2021, and submitted the appeal on 28/02/2021, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established by Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a (varied) shipment through the Al-Batha customs under import declaration number (75946) dated 11/06/1437 AH, which was released under a commitment not to dispose of it until it is approved by the competent authority. After examining the sample, the report number (297355) dated 18/06/1437 AH, and number (TRC16/1000687) dated 21/06/1437 AH, indicated non-compliance in terms of labeling, instructions, and plug shape. The importer was contacted, but he did not respond. The first instance committee issued its decision as stated in its ruling, based on the fact that the importer disposed of the shipment before obtaining its release from the competent authority, which violates Article (56) of the Unified Customs Law. Therefore, the goods are considered prohibited from entering the Kingdom, making the incident a customs smuggling according to the provisions of Article (142) of the same law.

Upon reviewing the objection list submitted by the owner of the appealing institution, the customs appellate committee found that its summary mentioned that the appellant was not aware of the issuance of the decision until after the lawsuit was filed, which was three years later. Additionally, he is not aware of the shipment subject to the violation, did not import it, did not act upon it, and was not notified by customs during the procedures related to it. Based on the re-export report attached to the case file dated 07/07/1437 AH, the shipment was returned under re-export declaration number (50842) and was not acted upon. Furthermore, the case file lacks documents for the motion to initiate the lawsuit, a commitment not to act, and a laboratory report. The list concluded with a request to accept the objection and annul the decision due to lack of conviction.

A response memo from the authority was received through the automated system of the secretariat dated 16/03/2023, summarizing that the institution submitted a list including a request for appeal but did not include the reasons for the objection or the requests of the appellant according to the procedures mentioned in Article (188) of the Judicial Procedures law. The list concluded with a request to reject the appeal and uphold the first instance decision in all its provisions.



On Sunday, 26/05/2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against decision No. (1319/2) for the year 1441 AH, issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in its current state after the committee was informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based and the response of the authority to it.

Grounds:



Whereas the appellate committee, upon reviewing the case file and its attachments, found that the importer had paid the guarantee according to the statement from the authority attached to the case file, which mentioned that it was verified that the statement in question was linked to a re-export statement numbered (90942). Therefore, the guarantee is considered paid and concluded, which leads this committee to determine that the conviction issued by the 1st instance committee against the appellant is not valid based on a correct understanding of the facts. As the matter stands, the appellate committee concludes that the dispute between the importer and the authority is resolved based on the customs authority's response to its memorandum indicating that the importer has paid the guarantee, which necessitates the annulment of the first instance decision as will be detailed in the ruling. Accordingly, the appellate committee concluded to report the following:

Decision:

Acceptance of the appeal in form, submitted by/ ... Commercial registration number (...), against the first instance decision (1319/2) for the year 1441 AH, issued by the second First Instance Customs Committee in Riyadh.

2- In the matter of its acceptance, and the annulment of the first instance Decision in all that it ruled, and considering the dispute between the importer and the authority regarding the shipment subject to the lawsuit as concluded, for the Grounds and justifications stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR -2024-167772
Case No. PC -2022-121841

Keywords:

Customs - Procedural - The case has been previously adjudicated

Summary:

The appellant's request to annul the first instance decision issued by the Third First Instance Customs Committee in Riyadh No. (CTR-2022-1222), which convicted the company ... of customs smuggling, and imposed a customs fine equivalent to the value of the contraband item, and confiscated the shipment or obliged it to pay its value. And where it was established for the Appeals Committee that the first instance Committee had issued its first instance decision in case number (PC -2022-121844) with policy number (.../...), which was related to the same shipment concerning the facts of the case for which the decision subject to appeal was issued. Consequently: Cancellation of the first instance decision for the prior ruling in the case.

Document:

- Article (76) of [the Judicial Procedures law issued by Royal Decree No. \(M/1\) dated 22/01/1435 AH.](#)

Facts:

This is to consider the appeal submitted by/ Foundation ... National ID number (...) As an attorney for/ ... National ID number (...) As the Chairman of the Board of Directors at the company ..., against the first instance Decision No. (CTR-2022-1222), issued by the Third First Instance Customs Committee in Riyadh, which ruled as follows:

- 1- Condemnation of/ ..., Commercial Register No. (...) In person with customs smuggling.
- 2- Obliging it to pay a customs fine equivalent to the value of the violating item in accordance with Article (145/4) of the Unified Customs law.
- 3- Confiscation of the shipment subject to the violation or obligating it to its value in case it is not seized as a substitute for confiscation according to Article (145/5) of the same law.



Since the appellant was notified of the Decision subject to the appeal on 26/12/2022, and submitted the appeal on 04/01/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law.

As for the facts of the case, it is that while passing the shipment with bill number (...) With a weight of (250) kilograms and heading to Cairo, the shipment was suspected at the X-ray screening device in the export area. Upon inspection, (27) medical devices bearing the Ministry of Health logo were found, and the shipment has been detained by customs under receipt number (...). dated 19/10/1438 AH, until the case is concluded, and it was found that there is a special re-export statement for the shipment with number (...). On the date of 15/10/1438 AH, it was declared that these were personal belongings. The First Instance Committee issued its Decision as stated in its ruling, based on the fact that the importer's attempt to export goods that are prohibited from being exported and to declare them as personal belongings constitutes customs smuggling according to Article (142) of the Unified Customs law. Furthermore, the company's representative did not attend to respond to the lawsuit filed against it, despite being notified, thus missing the opportunity to defend itself against the allegations made against it. The committee arranged to apply its penalties as stated in its Decision.

Upon reviewing the objection list submitted by the agent of the importing company, the appellate customs committee found that its summary mentioned that the defendant is merely an authorized shipping agent and is not the owner of the shipment in question, as the shipment belongs to the person named/..., who wishes to export it to the Arab Republic of Egypt through the company ... Declared as (personal belongings), and accordingly, the company issued the export shipping policy. Therefore, the company is not directly related to the shipment and has no interest or benefit from its export. The shipment in question consists of (27 medical devices), and this description is not subject to export constraints or prohibitions. According to Article (142) of the Unified Customs law, the criminal aspect from a legal standpoint is the violation of prohibitions or constraints or the failure to pay customs duties, and all these descriptions are absent in this case. Additionally, the owner of the shipment has proven to customs its source and how he obtained it, and the case file includes the statements of the director of the institution ... who submitted an official letter stating that the devices were purchased by them from the Ministry of Health at a public auction and provided the invoices, receipt, and minutes of the public auction sale. The customs authority has contacted the Ministry of Health in the Makkah region more than three times to verify the authenticity of the invoices and the auction sale, but they did not receive a response. Therefore, responsibility cannot be placed on the owner of the shipment or the shipping company for goods that the law allowed to be exported without prohibition or restriction. Additionally, the error in describing the goods as personal belongings rather than medical devices is merely a procedural error that does not constitute any crime or accusation of customs smuggling; rather, the penalty would be considered a procedural violation according to the provisions of the executive regulations. Furthermore, paragraph (3) of the first instance Decision indicated that the



Decision did not address the incident with full knowledge and insight, as it could not determine the fate of the goods in case they were seized or released. The regulation concluded with a request to accept the appeal and overturn the first instance ruling in all its provisions.

A response memo from the authority was received via the Automated System of the Secretariat dated 20/02/2023, which summarized that the company is responsible before customs regarding the shipment. As a company specialized in transporting shipments, it was obligated to verify the shipment before shipping it and to declare it before customs based on Article (154) of the Unified Customs law. Additionally, failing to declare the contents of the shipment and providing other misleading data is nothing but an attempt at smuggling and evading taxes, and a violation of the prohibitions and constraints according to Articles (142) and (11/143) of the same law. Especially since the presence of the Ministry of Health logos on the shipment is a strong indication of smuggling, as the sender did not prove legitimate means of obtaining them. Furthermore, the documents submitted and the certificate (...) The only documents attached were those proving the purchase of medical devices from the Ministry of Health auctions from other individuals, and it was not proven that this shipment consists of the devices purchased at the auctions. It is customary for government entities to remove their logos from their properties before selling them at auctions. Therefore, the reliance of the company's agent on these statements and documents is nothing but a weak argument and evidence. Additionally, the violation of the shipment in question is not merely procedural but involves the crime of customs smuggling as stipulated in articles (142-143-154) of the unified customs law. Moreover, customs smuggling crimes are intentional crimes that require both the material and moral elements to be present, which are present in the case at hand. The memorandum concluded with a request to reject the appeal submitted by the company ... and to uphold the first instance Decision in all its provisions.

On Monday, 29/04/2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against Decision number (CTR-2022-1222), issued by the Third First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a Decision in its current state after the committee was informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the Grounds on which the appeal was based and the response of the authority.

Grounds:

Whereas, upon reviewing the appellate committee of the case file and its attachments, it has become clear to this committee that the first instance committee issued its first instance decision in case number (PC-2022-121844) under policy number (.../...), which was related to the same shipment concerning the facts of the case for which the decision subject to appeal was issued. Since the examination of the jurisdiction to consider the case is one of the first instance cases that must be resolved before delving into the form of the case or considering its subject, once it becomes clear to it that the case is outside its jurisdiction, it must rule



on its own accord that it is not permissible to consider it in accordance with Article (76) of the Judicial Procedures law, which states that: The defense of lack of jurisdiction of the court due to the absence of its authority or because of the type of the case or its value, or the defense of the inadmissibility of the case due to lack of capacity or eligibility or interest or for any other reason, as well as the defense of the inadmissibility of considering the case due to prior judgment; it may be raised at any stage in which the case is, and the court may rule on it ex officio.... Therefore, it has been established based on the above that it is not permissible to consider a case that has been previously judged, which was the case with the case for which the appealed decision was issued, thus the appellate committee concluded to report the following:

Decision:

Acceptance of the appeal in form, from the applicant/ ... commercial registration number (...), against the first instance Decision number (CTR-2022-1222) issued by the 1st First Instance Customs Committee in Riyadh.

2- And regarding the acceptance of the subject, and the cancellation of the first instance Decision for having previously ruled on the case related to it, for the Grounds and grounds stated in this Decision. .

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CTR-2024-226057
Case No. PC -2023-226057

Keywords:

Customs - Procedural - Death of the taxpayer

Summary:

The importer requests the cancellation of the first instance decision issued by the Third Customs Committee in Riyadh, number (CTR-2023-105787), which ruled that the importer was not guilty of customs smuggling and obligated him to pay a customs fine. And where it was established for the appellate committee that the defendant, may God have mercy on him, passed away according to the death certificate that was attached to the case file. Consequently: Cancellation of the previous decision number (CTR-2023-105787) and the dismissal of the case due to the death of the obligated party.

Document:

- Article 159 of the [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)

Facts:

This is to consider the objection submitted by (...), commercial registration number (...), against the first instance decision issued by the Third First Instance Customs Committee in Riyadh, number (CTR-2023-105787), where the facts of the case are summarized as follows: A shipment consisting of (a headset, a gaming monitor, a light valve, and a mobile charger) belonging to the mentioned importer arrived through the Al-Batha customs under import declaration number (...). On the date 07/05/1437 AH, it was granted based on a commitment not to act until it is approved by the competent authority, and after examining the sample by the laboratory, the report number (...) was received. dated 16/05/1436 AH, and the number (...) On 16/05/1437 AH, and number (...) dated 16/05/1437 AH, and the number (...) On the date 16/05/1437 AH, it was noted that it did not comply with the specifications in terms of labeling, instructions, and electrical durability, and the importer was notified of the result through several letters, but he did not respond. Accordingly, the Third First Instance Customs Committee in Riyadh issued its decision No. (CTR-2023-105787), which stipulates the following:



1- The importer/ (...), commercial registration number (...), is not convicted of customs smuggling due to insufficient evidence.

2- To impose a customs fine on the first item (headset), in the amount of (5,000) five thousand riyals, and on the second item (light valve "lighting units"), in the amount of (5,000) five thousand riyals, and on the third item (mobile charger) in the amount of (5,000) five thousand riyals, bringing the total amounts claimed from the importer to (15,000) fifteen thousand riyals, in accordance with Article (30/1) of the executive regulations of the Unified Customs Law.

On 06/11/2023, the plaintiff submitted his objection to the aforementioned first instance decision, and the committee reviewed the request and all attached documents.

On Sunday, 08/08/1445 AH, the committee held its hearing to consider the remotely convened lawsuit. A representative of the authority attended (...), identity number (...), a delegation issued by the Legal Affairs and Compliance Agency with number (.../.../.../...). On the date 19/03/1445 AH, the plaintiff attended in his capacity as the objector (...) National ID number (...), and after verifying the parties to the lawsuit, the committee decided to proceed with the case. When asked about his response to the lawsuit and the reasons for not paying the bond commitment during this entire period, he replied: I do not know the details of the lawsuit, and the institution was for my father who passed away, may God have mercy on him, on 03/02/1439 AH. The first instance decision number (CTR-2023-105787) was issued, and its hearing was held on 02-01-1445 AH after my father's death, may God have mercy on him. He was unable to attend at that time because the deceased did not have access to the Absher service. I then contacted the zakat, tax, and customs committees and added my phone number and the death certificate. When asked about the above by the representative of the authority, he replied: I insist on the formal payment of this lawsuit, dated of the customs declaration was in the year 1437 AH, which is before the death of the importer. Therefore, I request to be satisfied with what was concluded in the first instance decision No. (CTR-2023-105787). After reviewing the case file, the committee decided to close the door for pleading and deliberation in preparation for issuing the decision.

Grounds:

Upon reviewing the case file, the committee found that it is summarized in the objection to the first instance decision issued by the Third First Instance Customs Committee in Riyadh, No. (CTR-2023-105787). Since the defendant has passed away, as evidenced by the death certificate attached to the case file, the case is considered to have been dropped against him in accordance with Article (159) of the Unified Customs Law, which states the following: Heirs are not liable for the payment of fines imposed on the deceased from their share of the estate unless they are partners in smuggling, and the lawsuit is dropped in the event of the violator's death. Based on the above, and after study and deliberation, the committee unanimously decided the following:



Decision:

Acceptance of the lawsuit in form, and cancellation of the previous decision No. (CTR-2023-105787) and the dismissal of the lawsuit due to the death of the obligated party.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.



The Customs Appeals Committee in Riyadh

Decision No.

PC-2024-169809

Case No.

PC -2022-126706

Keywords:

Customs - Procedural - Expiration of the statutory period

Summary:

The importer requests the cancellation of the decision of the 1st First Instance Customs Committee in Riyadh No. (CFR-2022-705), which convicted the importer of customs smuggling and obligated him to pay a customs fine and the value of the contraband item as a substitute for confiscation. And where it was established for the appellate committee that the appeal request was submitted after the expiration of the statutory period of thirty days, and it did not meet the necessary procedural conditions. Consequently: The appeal was rejected on the grounds of being submitted outside the specified time frame, while upholding the first instance decision issued by the 1st First Instance Customs Committee in Riyadh.

Document:

- Article (22) of [the Judicial Procedures law issued by Royal Decree No. \(M/1\) dated 22/01/1435 AH.](#)
- Article (163/c) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by/ Foundation ... Commercial registration number (...), owned by / ... National ID number (...), against the first instance Decision No. (CFR-2022-705), issued by the 1st First Instance Customs Committee in Riyadh, ruling as follows:

- 1- Condemnation of the importer/ institution ... , Commercial Register No. (...) In person with customs smuggling.
- 2- To impose a customs fine equivalent to the value of the violating item in the amount of (530,932) five hundred and thirty thousand and nine hundred and thirty-two riyals.



3- Obliging him to pay an amount equivalent to the value of the violating item as a confiscation fee of (530,932) five hundred thirty thousand nine hundred thirty-two riyals, making the total amount claimed (1,061,864) one million sixty-one thousand eight hundred sixty-four riyals.

Grounds:



It has been established that the appeal was submitted on 15/01/2023, while the notification of the decision by the committee that issued the decision subject to the appeal was on 07/12/2022. Therefore, the appeal was not submitted within the legal timeframe, as it was submitted after the expiration of the legal period set at thirty days from the day following the date specified for receiving the decision, based on what is stipulated in Article (163/c) of the Unified Customs Law. The appellant's claim in their statement that the last day for the objection coincides with an official holiday does not affect this, as Article (22) of the Law of Judicial Procedures clarified that the extension is to the first working day, which in this case corresponds to the date of 08/01/2023, while the appellant submitted their request after the mentioned date. Therefore, the appeal request does not meet the procedural conditions for submission after the expiration of the prescribed legal period for its conduct. Consequently, the committee concluded to report the following:

Decision:

1- Rejection of the appeal in form from the applicant ... Commercial registration number (...), owned by / ... National ID number (...), against the first instance Decision number (CFR-2022-705), issued by the 1st First Instance Customs Committee in Riyadh.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No.

CTR-2024-118261

Case No.

PC -2022-118261

Keywords:

Customs - Procedural - Failure to attach the date of knowledge to the absentee decision

Summary:

The importer requests the cancellation of the first instance decision issued by the second First Instance Customs Committee in Riyadh, number (1301/2) for the year 1439 AH, which ruled that the importer was not guilty of customs smuggling and obligated him to pay a fine for violating customs procedures. Where it was established for the appellate committee that the appellant did not attach to the case file the date of knowledge of the absent decision, and whether he fulfilled the procedures to be followed as stated in Article (163) of the Customs Law, which specifies the mechanisms for appeal and objection to the first instance decisions. This means that the lawsuit is not accepted and the first instance decision issued against him is considered final.

Document:

- Article (39) of [the rules of operation of the Zakat, Tax, and Customs Committees issued by Royal Order No. \(25711\) dated 08/04/1445 AH.](#)
- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (60) of [the Judicial Procedures law issued by Royal Decree No. \(M/1\) dated 22/01/1435 AH.](#)

Facts:

This is to consider the objection submitted by (...), commercial registration number (...), against the first instance absent decision issued by the second First Instance Customs Committee in Riyadh number (.../...) For the year 1439 AH, the facts of the case can be summarized as follows: A shipment of (children's livestock/toy) belonging to the mentioned importer arrived via Al-Batha customs under import declaration number (...). On the date 25/12/1435 AH, the items disposed of amounted to (21,896) twenty-one thousand eight hundred and ninety-six riyals, which were allowed based on a commitment not to dispose



of them until they were approved by the competent authority, and after the sample was examined by the laboratory, the response included in report number (...), number (...), and number (...) was received. On 04/01/1436 AH, it was noted that it did not meet the specifications in terms of mechanical and physical tests, and the importer was notified of the result through several letters, but he did not respond. Accordingly, the second First Instance Customs Committee in Riyadh issued number (.../...) For the year 1439 AH, and the judge ruling as follows:

1- Not condemning the importer (...) Commercial register number (...), owned by (...). National ID number (...) In absentia with customs smuggling.

2- The importer is obliged to pay a fine for violating customs procedures in the amount of (5,000) five thousand riyals.

On 25/04/2022, the plaintiff submitted his objection to the above-mentioned first instance decision, and the committee reviewed the request and all attached documents. On Tuesday, 26/07/1445 AH, the committee held its hearing to consider the remotely convened lawsuit, represented by the authority's representative (...) National ID number (...), by virtue of a mandate issued by the Legal Affairs and Compliance Agency numbered (.../.../.../...) On the date 19/03/1445 AH, the defendant did not attend despite being notified by the General Secretariat of the Zakat, Tax, and Customs Committees through the automated systems and mechanisms it follows (via the Hayad System). The General Secretariat of the Zakat, Tax, and Customs Committees confirmed that this law automatically notifies the defendant in accordance with the operational rules of the customs committees and other relevant regulations and instructions. Therefore, the committee decided to proceed with the case, and after reviewing the case file, the committee decided to close the door for pleading and deliberation in preparation for issuing the decision.

Grounds:

Upon reviewing the case file, the committee found that the lawsuit is an objection to the first instance default decision issued by the second First Instance Customs Committee numbered (.../...) For the year 1439 AH, the file of the lawsuit did not include the date of knowledge of this absent decision, nor whether the procedures required by Article (163) of the Unified Customs Law, which specifies the mechanisms for appeal and objection to first instance decisions, were followed. Since the request for opposition targets rulings that have acquired finality and the authority of res judicata, the legislator intended to grant them immunity to protect them from instability and disruption except for reasons and justifications specified by the legislator exhaustively. Since the objection to the absent decision is subject to what is stated in Article (60) of the Law of Judicial Procedures, and Article (39) of the Rules of Work of Zakat, Tax, and Customs Committees, in addition to what is stated in Article (163) of the Unified Customs Law mentioned above, which regulates the handling of absent decisions and the mechanisms for objecting to them, this is what the



committee has established in several previous decisions. Based on the above, and after study and deliberation, the committee unanimously decided the following:

Decision:

The rejection of the lawsuit and the consideration of the first instance decision issued against him as final.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-230741
Case No. PC-2024-230741

Keywords:

Customs - Procedural - Absence of the appellant's information in the appeal briefstatement of appeal

Summary:

The importer is requesting the cancellation of the first instance decision issued by the 1st customs committee in Riyadh, number (CFR-2023-104071), which convicted the importer of customs smuggling. And where it has been established to the appellate committee that the absence of the name, description of the person who submitted it, and their signature makes it impossible to verify that it was issued by someone entitled to request the appeal. This means that the appeal is not accepted in form.

Document:

- Paragraph (1) of Article (76) of [the Judicial Procedures law issued by Royal Decree No. \(M/1\) dated 22/01/1435 AH.](#)

Facts:

To consider the appeal against the first instance decision (CFR-2023-104071) issued by the Third First Instance Customs Committee in Riyadh.

Grounds:

After reviewing the unified customs law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the zakat, tax, and customs committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the relevant regulations and laws.

After reviewing the case file and the appeal submitted by the appellant, and since the first instance decision subject to the appeal concluded with a report convicting the company of customs smuggling and imposing the associated penalties as detailed in the facts and reasons of the first instance decision to avoid repetition, and since one of the first instance matters to be resolved before entering the subject of the case is to ensure the status of the parties involved, which the committee determines on its own according to paragraph (1)



of Article (76) of the Procedural Law, and upon the committee's consideration of the submitted appeal request, it became clear that it did not meet the necessary documents to prove the status of its submitter, and it lacks the name and status of the person who submitted it and their signature. The appellant was requested on 24/03/2024 to attach a signed appeal statement with the name of the applicant in addition to providing documents proving their legal status; however, they did not submit what was requested until the date of the committee's hearing to consider this case. Article (10) of the executive regulations for methods of objection to judgments states that: 1- The objection memorandum must include the reasons for the objection and the requests of the objector, and the memorandum must be accompanied by the document that proves the status of the objector's representative -if any-. 2- If the objection memorandum does not meet what is stated in paragraph (1) of this article, the court shall rule on its own not to accept it. Moreover, since the appeal is devoid of the name and capacity of the person who submitted it and their signature, it is impossible to verify that it was issued by someone entitled to request the appeal, which leads the committee to conclude that it is not accepted. Therefore, the appellate committee concluded to report the following:

Decision:

Rejection of the appeal in form, from the applicant/, commercial registration number (...), against the first instance Decision number (CFR-2023-104071) issued by the 1st First Instance Customs Committee in Riyadh.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-230248
Case No. AC-2024-230248

Keywords:

Customs - Procedural - Claims not exceeding 50 thousand

Summary:

The importer's request to cancel the decision of the Third First Instance Customs Committee in Riyadh No. (CTR-2024-196704), which ruled that the importer is entitled to recover the difference in customs duties. And where it has been established for the appellate committee that the decision subject to appeal has acquired finality. This means that the appeal cannot be considered based on Article (1/33) of the rules of operation of the Zakat, Tax, and Customs Committees.

Document:

- Paragraph (1) of Article (33) of [the Rules for the Work of Zakat, Tax, and Customs Committees issued by Royal Order No. \(25711\) dated 08/04/1445 AH.](#)

Facts:

This is to consider the appeal against the first instance decision number (CTR-2024-196704) issued by the Third First Instance Customs Committee in Riyadh, submitted by the attorney/ ... National ID number (...), in his capacity as (son) of the appellant and as his attorney under power of attorney number (...). issued on 28/11/1444 AH.

Grounds:

After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws.

After reviewing the case file and the appeal submitted by the appellant, and since the first instance decision subject to the appeal concluded that the plaintiff is entitled to recover the difference in customs duties amounting to (1,489.05) riyals, as detailed in the facts and reasons of the first instance decision to avoid



repetition, and since paragraph (1) of Article (33) of the rules of operation of the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH states that "The decisions of the adjudication circles acquire finality in the following cases:" 1- "The claims in which the value of the amounts due does not exceed (fifty thousand) riyals," which means that the decision subject to appeal has acquired finality upon issuance, and this is not affected by what was mentioned at the end of the first instance decision stating that the decision is subject to appeal within thirty days, considering that the criterion for determining the permissibility of the appeal on the decision is based on the actual amounts due as per the wording of the first instance decision subject to appeal, which leads this committee to conclude that the appeal submitted is not permissible, thus the appellate committee concluded to report the following:

Decision:

The inadmissibility of the appeal based on Article (1/33) of the rules of operation of the Zakat, Tax, and Customs Committees.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No.

CR -2023-164376

Case No.

PC-2023-228079

Keywords:

Customs - Procedural - Rejection of the request for reconsideration

Summary:

The request of the Zakat, Tax and Customs Authority to reconsider the appellate decision No. (171) for the year 1442 AH, issued by the Appellate Customs Committee in Dammam, which convicted the importer of customs smuggling and imposed a customs fine and confiscation of the shipment in question. And where it has been established to the appellate committee that the request for reconsideration submitted by the authority does not fall within the cases in which its subject can be discussed. This means that the petition is not accepted.

Document:

- Paragraph (1) of Article (200) of [the Judicial Procedures law issued by Royal Decree No. \(M/1\) dated 22/01/1435 AH.](#)

Facts:

This is to consider the request for a reconsideration submitted by the General Authority for Zakat and Tax, against the appellate decision No. (171) for the year 1442 AH, issued by the Appellate Customs Committee in Dammam, which ruled in favor of the appeal submitted by the institution ... And the affirmation of the first instance Decision in all that it ruled.

The authority submitted a request for reconsideration of the appellate decision No. (171) for the year 1442 AH on 14/12/2022. The request summarized that the first instance committee in Dammam had issued its first instance decision No. (1157) convicting the accused of customs smuggling and imposing a financial penalty of (64,269) riyals and confiscating the shipment subject to the case. The decision was appealed by the institution, and the appeal was accepted in form, affirming the first instance decision in all its provisions. The text of the first instance decision in paragraph (3) stated the confiscation of the seized goods. Since the goods were released with a commitment not to dispose of them, the importer was notified of the demand to return the shipment, but he did not respond, which implies his disposal of it. After referring the decision



to the operations department for implementation, it was reported that the shipment was released with a commitment not to dispose of it, and the decision issued in the case could not be implemented. The memorandum concluded with a request for a ruling to reconsider and amend paragraph three of the first instance decision and to rule for compensation for the confiscation of the shipment.

Grounds:



After the appellate committee in Riyadh reviewed the submitted petition, it became clear that its content and context involve a request to amend the wording of the first instance decision, which was upheld by the contested appellate decision, by requesting a ruling for the compensation for the confiscated item instead of what was decided by the 1st instance ruling, which was supported by the outcome of the contested appellate decision. Since the submitted petition was not based on a valid reason considering the authority's claim that its wording contradicts itself as previously stated, and since the authority did not prove that the appellate decision upheld the first instance decision with a ruling that the authority did not request as a result of its lawsuit, and since Article (200/1) of the Procedural Law mentions the cases in which a petition for reconsideration is accepted by listing them among specific cases stipulated in that article to state that: 1- Any of the parties has the right to request a reconsideration of the final judgments in the following cases: A - If the ruling was based on documents that were later found to be forged, or was based on a testimony issued - by the competent authority after the ruling - that it was a false testimony. B- If the applicant obtained conclusive documents in the case after the ruling, it was impossible for him to present them before the ruling. G - If the opponent commits fraud that could affect the ruling. D - If the ruling decided on something that the litigants did not request or ruled more than what they requested. H - If the wording of the ruling contradicts itself. And - if the ruling is in absentia. Z - If the ruling was issued against someone who was not properly represented in the case, and since the request for reconsideration submitted by the authority does not fall within the cases where its subject can be examined, the appellate committee decided to dismiss it.

Decision:

The petition regarding the appellate decision No. (171) for the year 1442 AH, issued by the Appellate Customs Committee in Dammam, submitted by the General Authority for Zakat and Tax, is not accepted for the reasons and justifications stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



Prohibitions



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-230792
Case No. PC-2024-230792

Keywords:

Customs - Prohibited items - Sexual drugs - Valuation - Conviction

Summary:

The importer is requesting the cancellation of the first instance decision No. (CFR-2024-201246) for the year 1445 AH, issued by the 1st First Instance Customs Committee in Riyadh, which convicted him of customs smuggling due to the seizure of prohibited materials (17 sexual stimulants) in a personal package, and obliging him to pay a customs fine of (17,000) riyals. And since the appellate committee has established that the defenses presented do not affect the outcome of the decision, the appeal is without supporting evidence and must be rejected. Consequently: And support for the first instance Decision.

Document:

- [Zakat, Tax and Customs Committees Regulations issued by Royal Decree No. \(25711\) dated 08/04/1445 AH.](#)
- Article (163) of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)

Facts:

This is to consider the appeal against the first instance decision number (CFR -2024-201246) issued by the Third First Instance Customs Committee in Riyadh, submitted by the attorney/ ... Identity number (...) On his own behalf. The facts of this case are summarized in that while the customs inspector was conducting a group (...) For quick transport by inspecting the consolidated packages that are declared as goods worth less than (1000) riyals, the package bearing the shipping bill number (...) was suspected. He is returning to the appellant/ ... He is returning to the appellant/... identity number (...), and upon opening the package, (17) sexual stimulants were found inside that were not declared, and they are materials contrary to public morals and prohibited from importation. When the case was presented to the First Instance Committee, it issued its Decision to convict the importer of customs smuggling and to impose a customs fine of (17,000) seventeen



thousand riyals, as stated in the text and Grounds of the first instance Decision subject to appeal, which is referred to in order to avoid repetition.

Upon reviewing the statement of appeal, the appellate customs committee found that it includes a summary stating that the estimated value of the disputed goods is (17,000) riyals, which greatly exceeds its actual value, as its value is only (521) Saudi riyals.

And I request the response from the appellee on 21/01/2024 and enabling her to exercise her right to respond for a period of (45) days without submitting the required answer, and based on paragraph (1) of Article (35) of the rules of operation of the Zakat, Tax, and Customs Committees, the committee decided to rule on the case in light of the documents available to it.

After reviewing the case file and the submitted appeal, the committee found that the case was ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based.

Grounds:

After reviewing the unified customs law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the zakat, tax, and customs committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the relevant regulations and laws.

Since the appellant was notified of the first instance Decision on 16/01/2024, and submitted the appeal on 19/01/2024, this entails the acceptance of the appeal in form as it was submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law.

Since there is no reproach against the reviewing authority for taking the reasons of the decision subject to the appeal without addition whenever it sees in these reasons what suffices to omit any new submissions, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained, and this is not affected by what the appellant argued regarding the valuation of the goods exceeding their actual value, considering that the determination of the amount of customs fines for smuggling prohibited materials is governed by Ministerial Decision No. (2597) dated 24/07/1439 AH, which stipulated imposing a customs fine of (1000) one thousand riyals for each piece, which necessitates stating that the defenses presented do not affect the outcome of the decision, making the appeal unsupported and thus must be rejected. Accordingly, the appellate committee concluded to report the following:



Decision:

First: Acceptance of the appeal in form, from the applicant/ ... , ... identity number (...), against the first instance Decision number (CFR-2024-201246) issued by the 1st First Instance Customs Committee in Riyadh.

Second: The appeal is rejected on the merits, and the first instance decision is upheld in all that it ruled, for the reasons and grounds stated in this Decision.

This decision is final; according to the provisions of paragraph (Second) of Royal Order No. (25711) dated 08/04/1445 AH.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No.

CFR-2023-205259

Case No.

PC-2023-205259

Keywords:

Customs - Prohibitions - Sexual Tools - Conviction

Summary:

The Public Prosecution demands that the First Instance Customs Committee convict the importer of customs smuggling after he was caught with 20 plastic pieces that violate public morals in the shape of a male organ, wrapped in adhesive tape, which were hidden in his luggage. And where it was established for the first instance committee that the sexual tools (sexual stimulants) seized are materials prohibited from being imported into the Kingdom. The result is the conviction of the importer and the imposition of a customs fine of 20,000 riyals, and the confiscation of the seized items in the case.

Document:

- Articles (4) and (5) of (142) of the [Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

Where the letter from the Chief Public Prosecutor in the Eastern Province No. (...) On the date 21/02/1445 AH and the requests made therein, and based on Article (162) of the Unified Customs Law, this committee is responsible for considering the case.

On the merits, that while the customs inspector was inspecting the luggage of the defendant/ ... - Bangladeshi nationality- Residence number (...), there was suspicion of prohibited items, and upon searching, (20) plastic pieces violating public morals in the shape of a male organ were found inside boxes and wrapped in adhesive tape. Since these items are prohibited, a report number (...) was prepared. dated is 24/01/1445 AH.

Accordingly, the committee held its hearing on Wednesday, 03/01/2024, and upon calling the parties to the case, attended/ ... National ID number: (...) As a representative of the plaintiff under the authorization issued under number (...), dated 08/10/1443 AH, and the defendant appeared in person, and upon presenting the case to the defendant and asking him about it, he answered: The lawsuit was settled amicably number (...)



On 04-02-1445 AH, a fine amount of (20,000) riyals was paid according to the account statement attached to the case file. When asked by the plaintiff's representative about the defendant's claim that the case was concluded by the aforementioned amicable settlement, he replied: I request a deadline to verify that. The committee decided to postpone the hearing.

On Thursday, January 11, 2024, the committee held its hearing, and upon calling the parties to the case, attended/..., national ID number: (...) As a representative of the plaintiff under the authorization issued under number (...), dated 08/10/1443 AH, and the defendant appeared in person, and when the committee asked the plaintiff's representative about what he had requested a postponement for in the previous hearing regarding the defendant's claim of the case being concluded through amicable settlement and payment of the due fine, he replied: We inform you that upon reviewing the Adalah law and studying it, and looking at its attachments, it became clear that there is no settlement attached by the customs or the accused. Since it was not clear to the committee that the defendant had clearly terminated the lawsuit against him through an amicable settlement, and the response from the plaintiff's representative did not answer the committee's question during the information available to the law enforcement agency, and since Article (153) stipulated the dismissal of the lawsuit in the event of the settlement's conclusion, the committee decided to request the representative of the prosecution and the defendant to communicate with the General Authority for Zakat and Tax and Customs to inform them whether the lawsuit had been settled or not, and to grant them an additional period.

On Thursday, January 18, 2024, the committee held its hearing, and upon calling the parties to the case, attended/ ... National ID number: (...) As a representative of the plaintiff under the authorization issued under number (...), dated 08/10/1443 AH, and the defendant appeared in person, and when the committee asked the defendant whether he approached the Public Prosecution regarding providing them with the amicable settlement and paying the amount? He answered: I went and did not find the headquarters of the Public Prosecution. After reviewing the case file and documents and hearing the defenses, and since it was not clear to the committee that he signed the acceptance of the amicable settlement definitively, and based on the response of the Public Prosecution attached to the case file that they did not find an amicable settlement contract in this case. The committee decided to rule on the case based on the documents available to it.

Grounds:

It is established by the seizure report as mentioned above in the facts of this case that a total of (20) plastic pieces violating public morals in the shape of a male organ were seized.

Given that the sexual tools (sexual stimulants) seized are materials prohibited from being imported into the Kingdom and that entering or attempting to enter them into the Kingdom is punishable by a customs fine of (1000) one thousand riyals for each piece based on Ministerial Decision (2597) dated 24/7/1439 AH, as



communicated in General Authority of Customs Circular No. (340/21/M) dated 01/08/1439 AH related to determining the amount of customs fines for smuggling prohibited materials. Due to the fact that (sexual stimulants) are among the items prohibited from being imported into the Kingdom, attempting to bring them into the Kingdom is considered customs smuggling under Article (142) of the Unified Customs Law, which states that "smuggling is the introduction or attempted introduction of goods into the country or their exit or attempted exit from it in violation of the applicable legislation without paying customs duties in whole or in part or in violation of the prohibitions or constraints contained in this law and other regulations." Where Article (145/4) of the same law states that a penalty is imposed for the crime of customs smuggling or what is deemed equivalent to it, with a fine of no less than the value of the goods and not exceeding three times their value, and imprisonment for a period of no less than six months and not exceeding three years, or one of these two penalties. Where Article (145/5) of the same law stipulates the confiscation of the goods subject to the violation or a ruling equivalent to their value in the event of non-seizure.

Accordingly, the committee, after study and deliberation, unanimously decided as follows:

Decision:

- 1- Condemnation (...) Bangladeshi nationality - Residence number (...), present at customs smuggling.
- 2- To impose a customs fine in the amount of (20,000) twenty thousand riyals, in accordance with Ministerial Decision No. (2597) dated 24/07/1439 AH.
- 3- Seizure of the seized items in the case.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.



The Customs Appeals Committee in Riyadh

Decision No. CFR-2023-152753
Case No. PC-2022-152753

Keywords:

Customs - Prohibitions - Snuff - Conviction

Summary:

The Public Prosecution has demanded that the 1st firstFirst Instance Customs Committee in Riyadh convict the two defendants of customs smuggling after they were caught in possession of a number of prohibited and restricted materials, including (1173) cartons of cigarettes, (30) kg of fireworks, (4500) kg of molasses, (25) kg of tobacco, and (40) kg of snuff. Where it has been established for the first instance committee that fireworks and shisha are goods whose importation into the Kingdom is prohibited, and it has not been proven that their entry into the Kingdom is lawful according to the regulations. Consequently: Conviction of the defendants, imposing a customs fine, and confiscation of the seized items subject to the lawsuit.

Document:

- Article 24 of the [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. \(M/41\) 03/11/1423 AH.](#)
- Article 142 of the [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. \(M/41\) 03/11/1423 AH.](#)
- Paragraphs (6), (12), and (13) of Article (143) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraphs (1), (4), and (5) of Article (145) of [the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

Where the letter from the Chief Public Prosecution in the Al-Dayer Governorate No. (...) dated 18/02/1444 AH and the requests mentioned therein were received, and based on Article (162) of the Unified Customs Law, this committee is responsible for considering the case.



On the merits, while one of the security patrols was carrying out its duty, reports were received about a house in the area where smuggled goods were being received and stored. After verifying the information, (4) members of the special tasks company were assigned to surround the house, and permission was obtained from the public prosecution to enter. During the raid on the house and its search, (1173) cartons of cigarettes were found, weighing (30) kg of fireworks, (4500) kg of molasses, (25) kg of tobacco, and (40) kg of snuff. A seizure report number (...) was prepared. dated 09/11/1443 AH was approved by the defendant/ ... Yemeni nationality - Residence number (...) that all smuggled goods belong to him.

Accordingly, the committee held its hearing on Thursday, December 14, 2023, and upon calling the parties to the case, ... National ID number: (...) As a representative of the plaintiff under the authorization issued under number (...) On the date 08/10/1443 AH, the defendant or their representative did not attend despite being notified. After reviewing the case documents and deliberating among the members, and since the other defendant in this case ... - Residence number (...) Egyptian nationality; it has not been proven that he was notified in the law. The committee decided to refer the case file to the General Secretariat of the committees and to re-notify the other defendant mentioned... - Residence number (...) Above and attach what proves that until the committee verifies that in the next hearing.

On Thursday, December 21, 2023, the committee held its hearing, and upon calling the parties to the case, ... National ID number: (...) As a representative of the plaintiff under the authorization issued under number (...) On the date 08/10/1443 AH, the defendants or their representatives did not attend despite being notified, thus missing the opportunity to defend themselves. Upon reviewing the statement of claim and the attached valuation report, it became clear that there is a discrepancy among them regarding the names and values of the seized items. When asked about this, what is your response? He answered: Request to amend the incoming request in Regulation No. 1 to be regarding the shamma and fireworks according to Ministerial Decision No. (2597) and regarding tobacco to be of equal value. The committee decided to rule on the case based on the documents available to it.

Grounds:

According to the seizure report as mentioned above in the facts of this case, a total of (1173) smoke cherries, tobacco weighing (25) kg, fireworks weighing (30) kg, and (4500) kg of molasses were seized, along with (40) kg of snuff.

Since tobacco, shisha, and hookah are goods with high customs duties and their import is restricted to the approval of the competent authority, and since fireworks and snuff are goods whose import into the Kingdom is prohibited, and it has not been proven that their entry into the Kingdom is lawful according to the regulations.

Article (142) of the Customs Law states that "smuggling is the introduction or attempt to introduce goods into the country or to remove them, or an attempt to remove them in violation of the applicable legislation



without paying the customs duties in whole or in part or contrary to the provisions of prohibition or restriction contained in this law and other laws." Article (24) of the same law states that the entry, exit, or transit of restricted goods is prohibited except with the approval issued by the competent authorities in the state.

Whereas Article (143/6/12/13) of the same law stipulates that smuggling includes the exceeding of goods in entering or exiting the customs circle without declaring them, and the transport of prohibited or restricted goods, or possessing them without providing proof supporting their lawful importation. Where Article (145/1) of the same law states that a penalty is imposed for the crime of customs smuggling or what is equivalent if the smuggled goods are subject to high customs duties, with a fine of not less than double the due customs duties and not exceeding three times the customs duties or double the value of the goods, whichever is higher, and imprisonment for a period of not less than one month and not exceeding one year, or one of these two penalties. Where Article (145/4) of the same law states that a penalty is imposed for the crime of customs smuggling or what is deemed equivalent to it, with a fine of no less than the value of the goods and not exceeding three times their value, and imprisonment for a period of no less than six months and not exceeding three years, or one of these two penalties.

Where Article (145/5) of the same law stipulates the confiscation of goods subject to smuggling and ruling for an amount equivalent to their value in case they are not seized. Accordingly, the committee, after study and deliberation, unanimously decided as follows:

Decision:

1. Conviction of the two defendants ... Yemeni nationality - Residence number (...), ... Egyptian nationality - Residence number (...), present at customs smuggling.
2. Obliging them jointly to a customs fine equivalent to twice the customs duties of the seized items (tobacco - molasses) in the amount of (187,896) one hundred eighty-seven thousand eight hundred ninety-six riyals.
3. Obliging them jointly to a customs fine for the seized items (fireworks, shamma) in the amount of (35,000) thirty-five thousand riyals according to Ministerial Decision No. (2597) dated 24/07/1439 AH.
4. Seizure of the seized items in the case.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.



The Customs Appeals Committee in Riyadh

Decision No. CFR-2023-227303
Case No. PC-2023-227303

Keywords:

Customs - Prohibited - Not registered with the Food and Drug Authority - Conviction

Summary:

The Zakat, Tax and Customs Authority demands that the Second First Instance Customs Committee in Jeddah convict the defendant of customs smuggling after he was caught with (600) pills of the medication (XANAX) hidden inside boxes of creams and hair dye. And where it was established for the first instance committee that the seized goods are prohibited from being imported into the Kingdom, as they are controlled psychoactive substances according to the forensic chemical report from the Ministry of Health. Consequently: Conviction of the defendant for customs smuggling, imposition of a customs fine, and confiscation of the seized items subject to the case.

Document:

- Paragraphs (6), (12), and (13) of Article (143) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraphs (4) and (5) of Article (145) of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. \(M/41\) 03/11/1423 AH.](#)

Facts:

The facts of this case are summarized in that the Zakat, Tax and Customs Authority filed its lawsuit and the requests contained therein against the defendant (...). Syrian nationality passport number (...), and her lawsuit list included according to the letter of the Director General of Customs number (...). The summary for the year 1431 AH is as follows: With the arrival of the Saudi bus of type (...) The plate number is (.../...) Coming from Syria via the Al-Haditha customs and heading to Jeddah, carrying a total of (19) passengers, including the defendant mentioned above. Due to the customs inspector's suspicion of the defendant, her luggage was searched, resulting in the discovery of (600) pills of the medication type (XANAX) hidden inside three containers of creams and hair dye after emptying their contents and refilling them with the pills. A seizure report number (...) was prepared. dated 23/11/1431 AH.



Accordingly, the committee held its hearing on Tuesday, 02/01/2024, and upon calling the parties to the case, ... appeared, in her capacity as a representative of the Zakat, Tax, and Customs Authority by virtue of the authorization issued by the Legal Affairs and Compliance Agency of the Authority under number (.../.../.../...) On the date 19/3/1445 AH, the defendant or their representative did not attend despite being notified, thus missing the opportunity to defend themselves. Therefore, the committee decided to rule on the case based on the documents available to it.

Grounds:

It is established by the seizure report as mentioned above in the facts of this case that a quantity of (600) tablets of the medication (XANAX) was seized.

Since the seized goods are prohibited from being imported into the Kingdom, as they are controlled narcotics according to the forensic chemical report from the Ministry of Health No. (M.../M S T) attached to the case, and since Article (142) of the same law states that "smuggling is the introduction or attempt to introduce goods into the country or their exit or attempt to exit them in violation of the applicable legislation without paying customs duties in whole or in part or in violation of the prohibitions or constraints contained in this law and other laws," and since paragraphs (13, 12, 6) of Article (143) of the same law stipulate that smuggling includes the bypassing of goods in entering or exiting the customs circle without declaring them and transporting prohibited and restricted goods or possessing them without providing evidence supporting their importation or lawful passage or transporting or possessing goods subject to customs authority without a legal document, and since Article (145/4) of the same law states that "if the smuggled goods are prohibited goods, the penalty shall be a fine of not less than the value of the goods and not more than three times their value, and imprisonment for a period of not less than six months and not more than three years, or one of these two penalties." And since Article (145/5) of the same law states the confiscation of the smuggled goods or a judgment equivalent to their value in case they are not seized.

Accordingly, the committee, after study and deliberation, unanimously decided as follows:

Decision:

1. Conviction of the defendant / (...) Syrian nationality passport number (...), present at customs smuggling.
2. He is obliged to pay a customs fine amounting to (1,800) one thousand eight hundred riyals according to Ministerial Decision No. (2597) dated 24/07/1439 AH.
3. Seizure of the seized items in the case.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.



The Customs Appeals Committee in Riyadh

Decision No.

CFR-2024-170733

Case No.

PC-2023-170733

Keywords:

Customs - Prohibitions - Abortion Pills - Conviction

Summary:

The Public Prosecution's demand for the First Instance Customs Committee to convict the importer of customs smuggling after he was apprehended and searched, and (10 boxes of abortion drugs) were found in his possession. And where it was established for the first instance committee that abortion drugs are prohibited goods. Consequently: Conviction of the defendant for customs smuggling and imposing a customs fine with confiscation of the seized goods.

Document:

- Article 142 of The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 (03/11/1423 AH).
- Paragraphs (5), (6), (12), and (13) of Article (143) of the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH.
- Paragraphs (1) and (5) of Article (145) of The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 (03/11/1423 AH).

Facts:

Where the letter from the Chief Public Prosecutor in Jeddah Governorate No. (...) was received. On the date 16/06/1444 AH and the requests made therein, and based on Article (162) of the Unified Customs Law, this committee is responsible for considering the case.

On the merits, it was mentioned in the seizure report number (...) dated 19/04/1444 AH attached to the lawsuit that the defendant / ... - Indian nationality - Passport number (...), to the exit gate, and the customs inspector noted that the security sticker is missing on luggage tag number (...). And luggage card number (...) He was stripped of it, and as a result, he was transferred to the secondary inspection area. After passing his bags through the X-ray machine and manually inspecting them, a total of (154) Indian cigarette cherries of the type (BHARTH SPECIAL BEDIES) wrapped in blue carbon paper for the purpose of smuggling were found



inside. Additionally, (10) boxes of medical drugs bearing the trade name (...) were also found. The scientific name (...) Each box contains (5) pills used as abortion drugs wrapped in blue carbon paper for the purpose of smuggling.

Accordingly, the committee held its hearing on Sunday, January 28, 2024, and upon calling the parties to the case, ... National ID number (...) As a representative of the plaintiff under the authorization issued under number (...), dated 08/10/1443 AH, ... National ID number: (...) As a representative of the plaintiff under the authorization issued under number (...), dated 13/3/1445 AH, and since the defendant or their representative did not attend despite being notified, thus missing the opportunity to defend themselves, the committee decided to rule on the case based on the documents available to it.

Grounds:

It is established by the seizure report as mentioned above in the facts of this case that a total of (154) Indian cigarette buds of the type (BHARTH SPECIAL BEDIES) were seized, and also (10) boxes of medical drugs bearing the trade name (...) were found. The scientific name (...) Each box contains (5) pills used as abortion drugs by the customs of King Abdulaziz International Airport, as tobacco is one of the goods restricted for import into the Kingdom with permits from the relevant authorities, and is one of the goods with high customs duties. Abortion drugs are among the goods prohibited from entry. Article (142) of the Customs Law states that "smuggling is the introduction or attempted introduction of goods into the country or the attempted removal of them in violation of the applicable legislation without paying the customs duties in whole or in part, in violation of the prohibitions or constraints contained in this law and other regulations." Paragraphs (13, 12, 6) of Article (143) of the same law stipulate that smuggling includes the bypassing of goods in entering or exiting the customs area without declaring them, transporting prohibited and restricted goods, or possessing them without providing evidence supporting their importation or lawful passage, or transporting or possessing goods subject to customs authority without a legal document. Paragraph (1) of Article (145) of the same law states that a penalty is imposed for the crime of customs smuggling or similar offenses, with a fine of not less than twice the customs duties due and not exceeding three times the customs duties or twice the value of the goods, whichever is higher, and imprisonment for a period of not less than one month and not exceeding one year, or one of these two penalties. Article (145/4) of the same law states that a penalty is imposed for the crime of customs smuggling or similar offenses of not less than the value of the goods and not exceeding three times their value, and imprisonment for a period of not less than six months and not exceeding three years, or one of these two penalties. Paragraph (5) of Article (145) of the same law states the confiscation of the smuggled goods or a judgment equivalent to their value in case they are not seized. Accordingly, the committee, after study and deliberation, unanimously decided as follows:



Decision:

1. Conviction of the defendant / ... - Indian nationality - Passport number (...), present at customs smuggling.
2. Obliging him to pay a customs fine equivalent to twice the value of the seized goods (tobacco).
3. He is obliged to pay a customs fine for the seized items (abortion pills) according to Ministerial Decision No. (2597) dated 24/07/1439 AH.
4. Seizure of the seized items in the case.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.



The Customs Appeals Committee in Riyadh

Decision No. CFR-2024-181081
Case No. PC-2023-181081

Keywords:

Customs - Prohibited items - Banned Indian medicine - Conviction

Summary:

The Public Prosecution's demand for the conviction of the defendant for customs smuggling after he was caught in possession of (117) bottles of prohibited Indian medicine (PHENSEDYL) with a capacity of (10 ml per bottle). And where it was established for the first instance committee that these drugs are considered prohibited goods from entering the Kingdom. Consequently: Conviction of the defendant for customs smuggling, and obliging him to pay a customs fine and confiscation of the seized items.

Document:

- Article 142 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Paragraphs (6), (12), and (13) of Article (143) of [the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraphs (4) and (5) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

Where the letter from the head of the Public Prosecution Department in the Riyadh region number (...) On the date 29/07/1444 AH, and based on Article (162) of the Unified Customs Law, this committee is responsible for considering the case.

On the merits, it is that during the arrival of the defendant / ... Indian nationality - Passport number (...) To King Khalid International Airport, he was suspected by the customs inspector and was referred to the baggage inspection device, where (117) bottles of the banned Indian medicine (PHENSEDYL) with a capacity of (10) ml per bottle were found in his bag. It was found that he had removed the security sticker for the purpose of smuggling. A seizure report No. (336017) was prepared on 13/06/1444 AH.



Accordingly, the committee held its hearing on Sunday, January 14, 2024, and upon calling the parties to the case, ... National ID number: (...) As a representative of the plaintiff under the authorization issued under number (...), dated 08/10/1443 AH, the defendant or their representative did not attend despite being notified, thus missing the opportunity to defend themselves. The committee decided to rule on the case based on the documents available to it.

Grounds:



It is established by the seizure report as mentioned above in the facts of this case that a total of (117) bottles of the banned Indian medicine (PHENSEDYL) with a capacity of (10) ml per bottle were seized by the King Khalid International Airport Customs. Since the seized items are prohibited goods from entering the Kingdom, and since Article (142) of the Unified Customs Law for the Gulf Cooperation Council countries states that "smuggling is the introduction or attempt to introduce goods into the country or to remove or attempt to remove them from it in violation of the applicable legislation without paying customs duties in whole or in part, in violation of the prohibitions or constraints contained in this law and other regulations," and since paragraphs (13, 12, 6) of Article (143) of the same law stipulate that smuggling includes the bypassing of goods in entering or exiting the customs area without declaring them and transporting prohibited and restricted goods or possessing them without providing evidence supporting their legal import or transit, or transporting or possessing goods subject to customs authority without legal documentation, and since Article (145/4) of the same law states that a penalty for the crime of customs smuggling or its equivalent shall not be less than the value of the goods and shall not exceed three times their value, and imprisonment for a period of not less than six months and not more than three years, or one of these two penalties, and since paragraph (5) of Article (145) of the same law states the confiscation of the smuggled goods or a judgment equivalent to their value in case they are not seized.

Accordingly, the committee, after study and deliberation, unanimously decided as follows:

Decision:

1. Conviction of the defendant / ... Indian nationality - Passport number (...), present at customs smuggling.
2. Obliging him to pay a customs fine amounting to (5,850) five thousand eight hundred and fifty riyals according to Ministerial Decision No. (2597) dated 24/07/1439 AH.
3. Seizure of the seized items in the case.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CTR-2024-182605
Case No. 182605-2023-PC

Keywords:

Customs - Prohibitions - Laser - Conviction

Summary:

The Public Prosecution's request to the Third Customs Committee in Riyadh to convict the defendant of customs smuggling after he was caught with (6) laser flashlights that are prohibited from being imported. The Customs Committee confirmed that (laser flashlights) are among the items prohibited from entering the Kingdom, and attempting to bring them in is considered customs smuggling. Consequently: Convicting the defendant of customs smuggling and imposing a customs fine, and confiscating the seized items subject to the case.

Document:

- Paragraph (5) of Article (145) of the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH.
- Article 142 of The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 (03/11/1423 AH).

Facts:

This case was referred to the Third First Instance Customs Committee in Riyadh after the committees at the customs ports were dissolved based on the decision of His Excellency the Minister of Finance No. (275) dated 18/01/1442 AH, and according to the provisions of Article (162) of the Unified Customs Law, this committee is responsible for considering the case.

On the merits, the facts of this case are summarized in that the Public Prosecution in Jeddah Governorate filed its lawsuit against the defendant (...). Saudi national by national ID number (...), summarized as follows: During the inspection of incoming parcels at King Abdulaziz International Airport Customs, a total of (6) laser flashlights belonging to the defendant were found, and a seizure report No. (...) was prepared. dated 11/06/1444 AH.



On Monday, 24/07/1445 AH, the committee held its hearing to consider the remotely held case, attended by the representative of the prosecution (...) Identity number (...), by virtue of a mandate from the Attorney General issued under number (...). On the date 08/10/1443 AH, the defendant did not attend despite being notified by the secretariat through automated systems and the mechanisms it follows (via the Hayad System). The General Secretariat of the Customs Committees confirmed that this law automatically notifies the defendant in accordance with the operational rules of the Zakat, Tax, and Customs Committees and other relevant regulations and instructions. Accordingly, the committee decided to proceed with the case. When asked by the representative of the prosecution if he had any additions to what was stated in the lawsuit, he replied; there is none. After reviewing the case file, the committee decided to close the door for pleading and deliberation in preparation for issuing the decision.

Grounds:

After reviewing the Unified Customs Law, and after examining the case documents and reviewing the indictment submitted by the Public Prosecution in Jeddah, the jurisdiction is established for this committee to consider the case, which necessitates accepting the case in form.

On the merits, and upon the committee's review of the case file, and the seizure report number (...). On the date 11/06/1444 AH, it was found that a postal parcel containing (6) laser flashlights, which are prohibited from being imported, had arrived. Since (laser flashlights) are among the items prohibited from entering the Kingdom, attempting to bring them in is considered smuggling according to Article (142) of the Unified Customs Law. After reviewing Ministerial Decision No. (2597) for the year 1439 AH, which sets the fine for laser items at (1,000) riyals, and after reviewing Article (145/5) of the Unified Customs Law, it was noted that the concerned party or their representative did not attend the hearing to defend themselves against the allegations made. Based on the above, and after study and deliberation, the committee unanimously decided the following:

Decision:

- 1- Condemnation (...) a Saudi national by national ID number (...), present at customs smuggling, according to Article (142) of the Unified Customs Law.
- 2- Imposing a customs fine of (6,000) six thousand riyals, in accordance with Ministerial Decision No. (2597) for the year 1439 AH.
- 3- Confiscation of the seized items subject to the lawsuit, in accordance with Article (145/5) of the Unified Customs Law.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions. The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.



The Customs Appeals Committee in Riyadh

Decision No.

CFR-2023-205188

Case No.

PC-2023-205188

Keywords:

Customs - Prohibitions - Tobacco and Qat - Conviction

Summary:

The Public Prosecution's demand to convict the defendants of customs smuggling after they were caught in possession of (200 cherry cigarettes), (a bag of tobacco), (a bag of shamma), and (229 bundles of qat) in their vehicle, and where it was established to the first instance committee that cigarettes are among the goods whose import is restricted with the approval of the relevant authorities, while the substances of shamma, qat, and tobacco are among the goods whose import is prohibited. Consequently: Convicting the two defendants of customs smuggling, obliging them to pay a fine equal to twice the value of the seized contraband, confiscating the seized items, and the committee's lack of jurisdiction to consider the killer.

Document:

- Article 142 of The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 (03/11/1423 AH).
- Paragraphs (6), (12), and (13) of Article (143) of the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH.
- Paragraphs (1), (4), and (5) of Article (145) of the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH.
- Article (76) of the Judicial Procedures law issued by Royal Decree No. (M/1) dated 22/01/1435 AH.

Facts:

Where the letter from the Chief Public Prosecutor in the Al-Dayer Governorate No. (...) On the date 13/02/1445 AH and the requests made therein, and based on Article (162) of the Unified Customs Law, this committee is responsible for considering the case.

On the merits, a vehicle of type (...) was apprehended. The plate number is (.../...) And led by the so-called / ... -Saudi nationality- National ID number (...) The invitee accompanies him/ ... Saudi nationality - National ID number (...), and upon searching the vehicle, a quantity of (200) Shumlan cigarettes was found inside,



and (1) bag of tobacco of type (Best) weighing (20) kg, and (2) bags of snuff weighing (60) kg, and (229) bundles of khat weighing (57.250) kg at the location named Jabal Al-Izza, a seizure report number (...) was prepared. dated is 15/04/1442 AH.

Accordingly, the committee held its hearing on Wednesday, 03/01/2024, and upon calling the parties to the case, attended/ ... National ID number: (...) As a representative of the plaintiff under the authorization issued under number (...), dated 08/10/1443 AH, and the defendant did not attend despite being notified, thus missing the opportunity to defend himself, the committee decided to rule on the case based on the documents available to it.

Grounds:

It is established by the seizure report as mentioned above in the facts of this case that a total of (200) Shumlan smoke cherries were seized, along with (1) bag of the best tobacco weighing (20) kg, (2) bags of shamma weighing (60) kg, and (229) bundles of qat weighing (57.250) kg.

Since tobacco and cigarettes are goods with high customs duties and their import is restricted to the approval of the competent authority, and since snuff is a prohibited import, and there is no evidence of the legality of its entry or import in a regular manner.

Whereas Article (142) of the same law states that "smuggling is the introduction or attempted introduction of goods into the country or their exit or attempted exit from it in violation of the applicable legislation without paying customs duties in whole or in part or in violation of the prohibitions or constraints contained in this law and other laws," and whereas paragraphs (13, 12, 6) of Article (143) of the same law stipulate that the following falls under the definition of smuggling: exceeding the customs circle in the entry or exit of goods without declaring them, transporting prohibited and restricted goods or possessing them without providing evidence supporting their importation or lawful passage, or transporting or possessing goods subject to customs authority without a legal document, and whereas Article (145/1) of the same law states that a penalty is imposed for the crime of customs smuggling or its equivalent if the smuggled goods are subject to high customs duties, with a fine of not less than double the due customs duties and not exceeding three times the customs duties or double the value of the goods, whichever is higher, and imprisonment for a period of not less than one month and not exceeding one year or one of these two penalties. Where Article (145/4) of the same law states that a penalty is imposed for the crime of customs smuggling or what is deemed equivalent to it, with a fine of no less than the value of the goods and not exceeding three times their value, and imprisonment for a period of no less than six months and not exceeding three years, or one of these two penalties. Where paragraph (5) of Article (145) of the same law stipulates the confiscation of goods subject to smuggling or a ruling equivalent to their value in case they are not seized. As for what concerns the qat, it is outside the jurisdiction of the zakat, tax, and customs committees according to Royal Decree No. (M/14) dated 06/04/1434 AH, which states in its first paragraph that "the application of the



penalties stipulated in the Customs Law approved by Royal Decree No. (M/41) dated 03/11/1423 AH related to drug and intoxicant smuggling cases shall be by the competent court." After reviewing the rules of operation of the customs committees issued by the Minister of Finance's decision No. (840) dated 25/02/1441 AH, and the relevant laws and regulations, and since it is established that jurisdiction in its branches (subject matter, territorial, and personal) is considered one of the first instance matters that the committee must examine and verify before delving into the case in terms of procedures and on merits, and based on Article (76) of the Sharia Litigation law which states "the objection to the court's jurisdiction due to the absence of its authority..." It can be raised at any stage of the case, and the court may rule on it ex officio, as jurisdiction over such cases has been removed from the customs committees, which means that the committee is not competent to consider the case jurisdictionally.

Accordingly, the committee, after study and deliberation, unanimously decided as follows:

Decision:

1. Condemnation (...) -Saudi nationality- National ID number (...) and (...) Saudi nationality - National ID number (...) , present at customs smuggling.
2. Obliging them jointly to a customs fine equivalent to twice the value of the seized contraband, an amount of (44,000) forty-four thousand riyals.
3. Seizure of the confiscated items (cigarettes, tobacco, shisha material) subject of the lawsuit.
4. The inadmissibility of considering the case regarding the killer due to lack of jurisdiction.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.



The Customs Appeals Committee in Riyadh

Decision No.

CTR-2024-205628

Case No.

PC -2023-205628

Keywords:

Customs - Prohibited items - Tobacco and medicine bottles - Conviction

Summary:

The Public Prosecution demanded that the third customs committee convict the importer of customs smuggling after he was caught with (12 kilograms of prohibited chewing tobacco), (15 boxes of Indian cigarettes), and (4 bottles of medical drugs), which were not declared upon his entry into the Kingdom through King Khalid International Airport customs. It was established to the first instance committee that the seized items are of categories restricted from entering the Kingdom except with the approval of the competent authorities and are subject to high fees, and are prohibited from entering the Kingdom. Consequently: The importer is convicted of customs smuggling, a customs fine is imposed, and the seized contraband is confiscated.

Document:

- Article 142 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Paragraphs (1), (4), and (5) of Article (145) of [the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This case was referred to the Third First Instance Customs Committee in Riyadh after the committees at the customs ports were dissolved based on the decision of His Excellency the Minister of Finance No. (275) dated 18/1/1442 AH, and according to the provisions of Article (162) of the Unified Customs Law, this committee is responsible for considering the case.

On the merits, the defendant/ ... Indian nationality, passport number (...), to King Khalid International Airport customs, and upon inspection, (12 kilograms of prohibited chewing tobacco) were found, and (15 packs of Indian cigarettes), and (4 bottles of medical drugs), and accordingly, a seizure report number (...) was prepared. dated 05/01/1445 AH.



On Thursday, 13/07/1445 AH, the committee held its hearing to consider the remotely convened case, and upon calling the parties to the case, the representative of the prosecution attended (...). Identity number (...), by virtue of a mandate issued by the head of the public prosecution issued under number (...). On the date 8/10/1443 AH, the defendant did not attend despite being notified by the General Secretariat of the Zakat, Tax, and Customs Committees through the automated systems and mechanisms it follows (via Hayad System). The General Secretariat of the Zakat, Tax, and Customs Committees confirmed that this law automatically notifies the defendant in accordance with the operational rules of the customs committees and other relevant regulations and instructions. Therefore, the committee decided to proceed with the case. When asked if the representative of the plaintiff had any additions to what was stated in the lawsuit, he replied: There is no addition, and after reviewing the case file, the committee decided to close the door to the pleadings and deliberations in preparation for issuing the decision.

Grounds:

After reviewing the Unified Customs Law, and after examining the case documents and reviewing the indictment submitted by the Public Prosecution in the Riyadh region, the jurisdiction is established for this committee to consider the case, which necessitates the acceptance of the case in form.

On the merits, and since the facts of the seizure mentioned in the indictment indicate that the seized items were not declared, which are (12 kilograms of prohibited chewing tobacco), (15 boxes of Indian cigarettes), and (4 bottles of medical drugs), and these are items whose entry into the Kingdom is restricted except with the approval of the competent authorities and with high fees, and their entry into the Kingdom is prohibited, according to the seizure report number (...). On the date 05/01/1445 AH, and since the defendant did not declare them upon his arrival through King Khalid International Airport customs, and it was not proven to the committee that he has any prior offenses, and since he or his representative did not attend to defend himself against the charges against him, and acknowledging the possibility of imposing a prison sentence, and considering the consistency of the punishment and the mitigating and aggravating circumstances, and since imprisonment is one of the penalties that deprives freedom and its effects extend to others, the committee sees that the penalties issued against him are sufficient. After reviewing articles (142) and (145) with paragraphs (1), (4), and (5) of the Unified Customs Law, and Ministerial Decision No. (2597) dated 24/07/1439 AH, and after reviewing the seizure report and the indictment and the circumstances and evidence contained therein.

Based on the above, and after study and deliberation, the committee unanimously decided the following:



Decision:

- 1- Condemnation (...) Indian nationality, passport number (...) In person for customs smuggling according to Article 142 of the Unified Customs law.
- 2- To impose a customs fine equivalent to twice the customs duties for the item (Indian tobacco), in accordance with Article (145/1) of the same regulation.
- 3- Imposing a customs fine on two items (prohibited chewing tobacco / medical drug bottles), according to Ministerial Resolution No. (2597) for the year 1439 AH.
- 4- Seizure of the seized items in violation of the case, according to Article (145/5) of the same law.
- 5- Disregarding the penalty of imprisonment.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-231852
Case No. PC-2024-231852

Keywords:

Customs - Prohibitions - Nutmeg - Conviction

Summary:

The importer is requesting the cancellation of the first instance decision No. (CTR-2024-170754) for the year 1445 AH, issued by the Third First Instance Customs Committee in Riyadh, which convicted the importer of the crime of customs smuggling and imposed a customs fine and confiscation of the violating item. Since the committee has established that the defenses presented do not affect the outcome of the decision, the appeal is without supporting evidence and must be rejected. Consequently: Supporting the first instance decision in the paragraphs related to the confiscation of the violating item and penalizing the importer, while correcting the material error in the wording of the decision to become: Condemnation of the institution ... in the crime of customs smuggling" as it is responsible for the shipment received under the import declaration.

Document:

- [Zakat, Tax and Customs Committees Regulations issued by Royal Decree No. \(25711\) dated 08/04/1445 AH.](#)
- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal against the first instance decision number (CTR-2024-170754) issued by the Third First Instance Customs Committee in Riyadh, submitted by/..., National ID number (...), and holding the attorney license number (...), in her capacity as an attorney for the owner of the establishment/ ... National ID number (...), under agency number (...). issued on 04/02/1445 AH.

The facts of this case are summarized by the arrival of a shipment consisting of cartons labeled ginger belonging to the institution through the customs of King Abdulaziz Port under import declaration number (...). On the date 06/01/1444 AH, and upon actual inspection by the customs inspector, it was found that it



is a different substance suspected to be nutmeg. Accordingly, samples were sent to the laboratory, and the result was that it is nutmeg according to report number (...) On 22/08/2022, the seized items were booked under seizure report number (195) dated 17/02/1444 AH, and upon presenting the case before the third First Instance Customs Committee in Riyadh, it issued its decision as follows:

- 1-Non-conviction / Institution ..., Commercial Registration No. (...), present for customs smuggling.
- 2- To impose a customs fine in the amount of (343,500) three hundred and forty-three thousand five hundred riyals, according to Ministerial Decision No. (2597) dated 24/07/1439 AH.
- 3- Confiscation of the violating item, according to Article (145/5) of the Unified Customs Law.
- 4- Disregard the imprisonment penalty.

Upon reviewing the statement of appeal submitted, the appellate customs committee found that it includes a summary stating that the motion to initiate the lawsuit was not drafted in the proper form by the public prosecution because the lawsuit was initiated against the institution ... , Commercial Register No. (...) And to its director ... The correct legal law is that the owner of the commercial register is responsible for what is stated in the name of the institution, not its manager, which necessitates dismissing the lawsuit for not being drafted in the correct legal form. Additionally, the case file lacks the laboratory result issued by the Food and Drug Authority, which the lawsuit relied upon according to report number (...). On 22/08/2022, in addition to the error in calculating the imposed fine because the correct approach is to take the net weight after excluding the weight of the containers, the regulation concluded with a request for justice for the institution according to the mentioned defenses that confirm the institution's innocence and dismiss the case.

After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based.

Grounds:

After reviewing the unified customs law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the zakat, tax, and customs committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the relevant regulations and laws.

Since the appellant was notified of the first instance Decision on 05/02/2024, and submitted the appeal on 14/02/2024, this entails the acceptance of the appeal in form as it was submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law.



After reviewing the case file and the documents it contained, and considering the defenses presented by the institution, and since there is no reproach against the appellate authority for accepting the reasons for the decision subject to appeal without adding anything new whenever it finds in these reasons sufficient justification to refrain from introducing anything new, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained, which leads to the conclusion that the defenses presented do not affect the outcome of the decision, making the appeal unsupported and thus must be rejected. However, the appellate committee noted that the first instance decision ruled in paragraph (1) of its text to convict / ... Commercial registration number (...), and whereas it was established by the case documents that the shipment subject to the import declaration number (...). On 06/01/1444 AH, it was organized under the name of the Foundation ... Commercial registration number (...), which determines the correction of this material error by stating the correct name of the institution as it will appear in the text of this decision. Accordingly, the committee concluded to report the following:

Decision:

First: Acceptance of the appeal in form from the applicant/ institution ... Commercial registration number (...), owned by / ... National ID number (...), against the first instance decision number (CTR-2024-170754) issued by the 1st First Instance Customs Committee in Riyadh.

Second: In the subject, the affirmation of the first instance decision regarding what was stated in paragraphs (3, 2), and the amendment of paragraph (1) to be "Conviction/ Institution ... , Commercial Register No. (...) For its owner/ ... National ID number (...) for the crime of customs smuggling, for the reasons and considerations stated in this decision.

This decision is final; according to the provisions of paragraph (Second) of Royal Order No. (25711) dated 08/04/1445 AH.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No.

CSR-2024-237904

Case No.

PC -2024-237904

Keywords:

Customs - Prohibitions - Chewing tobacco prohibited - Conviction

Summary:

The Public Prosecution's request to the First Instance Customs Committee to convict the defendant of customs smuggling after he was found in possession of (5,000 grams of prohibited chewing tobacco), and since it was established to the first instance committee that the introduction of the seized items constitutes customs smuggling. Consequently: Convicting the defendant of customs smuggling, obliging him to pay a fine equivalent to three times the customs duties of the seized items, along with the confiscation of the seized items.

Document:

- Article (142) of the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH.
- Article (144) of the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. (M/41) dated 03/11/1423 AH.
- Paragraph (5) of Article (145) of the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH.

Facts:

The facts of this case are summarized by the receipt of the list submitted by the Public Prosecution in Jeddah Province, number (208187) dated 12/11/1445 AH, which states that while the defendant was coming (...) Pakistani nationality under passport number (...) At King Abdulaziz Airport customs, during the inspection of his luggage, (prohibited chewing tobacco weighing 5,000 grams) was found, and accordingly, a seizure report No. (...) was prepared. The date is 25/09/1445 AH, and the plaintiff requests to prove the conviction of the defendant and to rule against him as stated in paragraph (4) of Article (145) of the Unified Customs Law, and to confiscate the seized items.



On Wednesday, September 18, 2024, the committee held its hearing to consider the case, and upon calling the parties to the case, the public prosecutor attended/ ... The public prosecutor appointed by the authorization issued by the head of the public prosecution in the Riyadh region with the number (...) On the date 08/10/1443 AH, the defendant or their representative did not attend despite being duly notified. When the public prosecutor was asked about the indictment submitted in this case, he replied that it does not differ from what was stated in the indictment filed with the General Secretariat of the Zakat, Tax, and Customs Committees. When asked by the public prosecutor if he had any other statements, he replied in the negative, and accordingly, the committee decided to close the door to the pleading and deliberation.

Grounds:

After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws.

In terms of form; after the committee reviewed the subject of the lawsuit, it was established that this dispute is one of the customs disputes, and it is considered one of the disputes within the jurisdiction of this committee. It is also established from the documents of the case that the plaintiff filed the lawsuit with standing, which necessitates the acceptance of the lawsuit in form.

On the merits, the committee found that the defendant was in possession of (5,000 grams of prohibited chewing tobacco), and accordingly, a seizure report No. (...) was prepared. dated is 25/09/1445 AH.

According to Article (142) of the Unified Customs Law, which states that: Smuggling is the introduction or attempt to introduce goods into the country or to remove them, or an attempt to remove them in violation of the applicable legislation, without paying the customs duties "fees" in whole or in part, or contrary to the provisions of prohibition or restriction contained in this law "law" and other laws and laws." Article (144) of the same law states that: " He is considered criminally responsible in particular: The original actors. 2- Partners in crime. 3- The interveners and instigators. 4- Holders of smuggled materials. 5- Owners of the means of transport used in smuggling... 6- Owners and tenants of shops and places where smuggled materials were deposited..." as stated in paragraph (1) of Article (145) of the same law that: The penalty for the crime of customs smuggling or what is considered equivalent shall be a fine of not less than twice the customs tax (fees) due and not exceeding three times the customs tax (fees) or twice the value of the goods, whichever is higher, and imprisonment for a period of not less than one month and not exceeding one year, or one of these two penalties. as stated in paragraph (5) of Article (145) of the same law that: Confiscation of goods subject to smuggling or a ruling equivalent to their value in case they are not seized. Based on the above and since it is established for the committee according to the record of the case that the defendant was found in possession of (5,000 grams of prohibited chewing tobacco).



Accordingly, the defendant's attempt to introduce the seized items constitutes customs smuggling, which leads to the conviction of the defendant for customs smuggling, obliging him to pay a customs fine equivalent to three times the customs duties of the seized items, confiscating the items subject to smuggling, and rejecting any other requests.

As for the absence of the defendant or their representative at the hearing of the case despite the confirmation of their legal notification, and since Article (20) of the rules of operation of the Zakat, Tax, and Customs Committees states that: If the defendant or their attorney or representative is notified of the lawsuit or the hearing date - according to Article (12) - or if they or their attorney or legal representative submitted a defense memorandum and did not attend, or if they or their attorney or representative attended any hearing and then absented themselves thereafter, the decision issued against them is considered in their presence. Since the defendant did not provide an excuse justifying their absence from the committee hearing held to consider their case, and since the committee found that the case is suitable for resolution based on what is available in its file, it concludes by issuing its decision in the case under consideration in the presence of the defendant.

For these reasons, and after deliberation, the committee unanimously decided as follows:

Decision:

First: Conviction of the defendant / ... (Pakistani passport number ...) Smuggling.

Second: Obligation of the defendant/ ... (Pakistani passport number ...) With a fine equivalent to three times the customs duties of the seized items.

Third: Seizure of the confiscated items subject to smuggling.

Forth: Respond to all other requests.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.



The Customs Appeals Committee in Riyadh

Decision No. CTR-2024-207831
Case No. PC -2023-207831

Keywords:

Customs - Prohibited items - Document and card forgery stickers - Conviction

Summary:

The Public Prosecution's demand to convict the importer of customs smuggling after he was caught with (8,400 plastic stickers) used for the purpose of forging government documents, which were seized in a postal package arriving at the King Fahd Bridge customs. And where it was established for the first instance committee that he was convicted of customs smuggling according to the provisions of Article (142) of the Unified Customs Law based on his confession of his knowledge of these seizures and their uses in forgery operations domestically. The result of this is the conviction of the importer for customs smuggling and obliging him to pay a customs fine along with the confiscation of the seized goods, and imposing a one-year imprisonment penalty.

Document:

- Article 129 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Article 130 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Article 131 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Article 132 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Article 142 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Paragraphs (4) and (5) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)



Facts:

This case was referred to the Third First Instance Customs Committee in Riyadh after the committees at the customs ports were dissolved based on the decision of His Excellency the Minister of Finance No. (275) dated 18/01/1442 AH, and according to the provisions of Article (162) of the Unified Customs Law, this committee is responsible for considering the case.

On the merits, a postal parcel belonging to the defendant (...) arrived at the King Fahd Bridge Customs, of Pakistani nationality, with residency ID number (...). Upon inspection, (8,400 plastic stickers) were found, which were suspected to be used for the purpose of forging government documents. The defendant also admitted that the purpose of importing them was for forgery. Accordingly, a seizure report No. (364060) was prepared on 19/11/1444 AH.

On Monday, 26/06/1445 AH, the committee held its hearing to consider the remotely held case, and upon calling the parties to the case, the representative of the prosecution attended (...). Identity number (...), by virtue of a mandate issued by the head of the public prosecution issued under number (...). On the date 08/10/1443 AH, the defendant did not attend despite being notified by the secretariat through automated systems and the mechanisms it follows (via Hayad System). The General Secretariat of the Customs Committees confirmed that this law automatically notifies the defendant in accordance with the operational rules of the customs committees and other relevant regulations and instructions. Therefore, the committee decided to proceed with the case. When asked if the public prosecutor had any additions to what was stated in the lawsuit, he replied: There is none, and after reviewing the case file, the committee decided to close the door to the pleadings and deliberations in preparation for issuing the decision.

Grounds:

After reviewing the Unified Customs Law, and after examining the case documents and reviewing the indictment submitted by the Public Prosecution in the Governorate of Jubail, the jurisdiction is established for this committee to consider the case, which necessitates the acceptance of the case in form.

On the merits, and upon the committee's review of the case file and the motion to initiate it, as well as the circumstances surrounding the seizure, it became clear that what was coordinated by customs for the package addressed to the defendant, and after opening the package upon seizing it, it was found to contain (8,400 plastic stickers) used for forging documents and cards. It would have been more appropriate for customs to limit the seizure report to the incident number (...) On the date of 19/11/1444 AH, regarding what was seized in the suspicious package, considering that the rest of the seized items were found inside, and there was no clear evidence that they were brought into the Kingdom illegally. Therefore, since judgments are based on certainty and conviction, not on doubt, suspicion, or conjecture, it was necessary to prepare a customs report only on the contents of the package without including other items seized inside.



The seizure report must be prepared in accordance with the provisions of articles (129/130/131/132) of the Unified Customs Law. Since the report included in paragraph (1) the seizure of the contents of the postal package, which contained (8,400 plastic stickers), the majority concluded that the conviction should be limited to what was seized in the contents of the package referred from customs to the police to apprehend the recipient, excluding other items seized inside. The handling of such other seized items and the mechanisms for their use by the relevant authorities inside do not fall under the definition of customs smuggling in their current state. Since the concerned party or their representative did not appear to defend themselves against the allegations made against them, the majority concluded to convict the defendant (...) For customs smuggling in accordance with the provisions of Article (142) of the Unified Customs Law, based on his acknowledgment of his knowledge of these seizures and their uses in forgery operations domestically, and the application of the penalties stated in Article (145) in its paragraphs (5,4) of the same law as stated in the decision's text.

Based on the above, and after study and deliberation, the committee decided by majority; the following:

Decision:

- 1- Condemnation / ... , of Pakistani nationality, resident ID number (...), present for customs smuggling.
- 2- To impose a customs fine equivalent to three times the value of the seized items listed in item number (1), which amounts to (8,400 plastic stickers), in accordance with Article (145/4) of the Unified Customs Law.
- 3- Obliging it to pay the value of the violating item number (1) and its quantity (8,400 plastic stickers) as a confiscation substitute, according to Article (145/5) of the same law.
- 4- Seizure of confiscated items.
- 5- Imposing a prison sentence of (1) year.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.



The Customs Appeals Committee in Riyadh

Decision No.

CTR-2024-225297

Case No.

PC-2023-225297

Keywords:

Customs - Prohibitions - Shamma and Tobacco - Conviction

Summary:

The Public Prosecution demands that the Third First Instance Customs Committee in Riyadh convict the defendant of customs smuggling due to the seizure of (21 bags of shamma) inside his vehicle. And where it was established for the first instance committee that these types of goods are prohibited from being imported into the Kingdom, and that this is considered smuggling based on the text of Article (142) of the Unified Customs Law. Consequently: Convicting the defendant and obliging him to pay customs fines and confiscating the seized items in the case, in addition to confiscating the vehicle used in the smuggling.

Document:

- Article (142) The Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. (M/41) dated 03/11/1423 AH.
- Paragraphs (6), (12), and (13) of Article (143) of the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH.
- Paragraphs (4) and (5) of Article (145) of The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 (03/11/1423 AH).

Facts:

This case was referred to the Third First Instance Customs Committee in Riyadh after the committees at the customs ports were dissolved based on the decision of His Excellency the Minister of Finance No. (275) dated 18/1/1442 AH, and according to the provisions of Article (162) of the Unified Customs Law, this committee is responsible for considering the case.

On the merits, a letter was received by the customs of Jizan Port from the commander of the security forces in the district number (...) On the date 03/09/1442 AH, which included the seizure of a vehicle of type (...) The plate number is (.../...) Led by the defendant / (...), a Saudi national, under national ID number (...), during the search, (21 bags of shamma weighing 160 kilograms) were found, valued at (16,000) sixteen thousand



riyals, and (185 bags of tobacco weighing 203 kilograms) were found, valued at (20,300) twenty thousand three hundred riyals, and thus, a seizure report number (...) was prepared. dated is 15/09/1442 AH.

On Monday, dated 02/08/1445 AH, the committee held its hearing to consider the remotely convened lawsuit filed by the (Public Prosecution) against the defendant (...). Identity number (...) And by calling the parties to the case, the representative of the Public Prosecution attended (...) Identity number (...), by virtue of a mandate issued by the head of the public prosecution issued under number (...). On the date 8/10/1443 AH, the defendant or their representative did not attend despite being notified by the secretariat through automated systems and the mechanisms in place (via Hayad System). The General Secretariat of the Customs Committees confirmed that this law notifies the defendant automatically in accordance with the operational rules of the customs committees and other relevant regulations and instructions. Accordingly, the committee decided to proceed with the case, and after reviewing the case file, the committee decided to close the door for pleading and deliberation in preparation for issuing the decision.

Grounds:

After reviewing the Unified Customs Law, and after examining the case documents and reviewing the indictment submitted by the Public Prosecution in the Governorate of Al-Dayer, the jurisdiction is established for this committee to consider the case, which necessitates the acceptance of the case in form.

On the merits, after the committee reviewed the case file, the indictment, and the record of the incident, it became clear that the record of the incident lacks the specification of the distance between the place of the incident and the customs surveillance area defined in Article (2), paragraphs (9) and (10) of the Unified Customs Law, which specifies the customs range and the customs line, as it stated: ".... 9 - Customs area : The part of the land or seas subject to specific customs control and procedures in this law "law" includes: A) The maritime customs zone: It includes the sea area between the shores and the end of the territorial waters. b) The land customs area: It includes the lands located between the shores or land borders on one side, and an internal line on the other side, which is determined by a decision from the minister or the competent authority. 10 - Customs line: The line corresponding to the political borders separating the state from the neighboring countries and the shores of the surrounding seas. This made it clear to the committee that the seizure was outside the scope of the customs control area defined at a distance of (10) kilometers from the customs line into the Kingdom, according to Ministerial Decision No. (158) dated 15/01/1424 AH. Given the circumstances and details of the case, the defendant's escape from the patrol, and his failure to respond to the request to stop, and since he did not provide evidence of the legal entry of the seized items into the Kingdom, it became firmly established in the committee's mind, leaving no room for doubt, that the smuggled goods originated externally and that the defendant participated and assisted with others in illegally bringing them into the Kingdom. Furthermore, since (tobacco) is one of the items restricted from entering the Kingdom except with the approval of the competent authorities and is subject to high fees, and



since (snuff) is one of the materials prohibited from entering the Kingdom according to the instructions communicated to customs outlets by the General Authority of Customs in Circular No. (325/43/M) dated 14/5/1436 AH and No. (278/43/M) for the year 1438 AH, based on the royal order No. (737) dated 28/2/1388 AH, the entry or attempted entry of it into the Kingdom is considered customs smuggling according to Article (one hundred and forty-two) of the Unified Customs Law, which states: Smuggling is the introduction or attempt to introduce goods into the country or to remove them, or an attempt to remove them in violation of the applicable legislation, without paying the customs duties "fees" in whole or in part, or contrary to the provisions of prohibition or restriction contained in this law "law" and other laws and laws." Article (12) and (13) of the same law states that: "The following falls under the definition of smuggling in particular: 12 - Transporting prohibited or restricted goods or possessing them without providing evidence supporting their lawful importation. 13 - Transporting or possessing goods subject to customs authority within the customs zone without a legal document." and Article (one hundred and forty-four) which states: In criminal liability for the crime of smuggling, intent is required, and the applicable criminal texts are taken into account in determining this liability. The following are considered criminally responsible: 1 - the original perpetrators. 2 - Partners in crime. 3 - The interveners and instigators. 4 - Holders of smuggled materials. 5 - Owners of the means of transport used in smuggling, their drivers, and their assistants who are proven to be connected to the smuggled goods. 6 - Owners or tenants of shops and places where smuggled goods are deposited, or those benefiting from them, who prove their knowledge of the existence of smuggled items in their shops and places." and Article (one hundred and forty-five) of the same law with its paragraphs (first, fourth, fifth, and sixth) which states: Without prejudice to any more severe penalty provided for by other effective texts in the state, smuggling and similar acts, as well as the attempt to commit either of them, shall be punished as follows: If the smuggled goods are subject to high customs "fees" taxes, the penalty shall be a fine of not less than twice the due customs "fees" tax and not more than three times the customs "fees" tax, or twice the value of the goods, whichever is higher, and imprisonment for a period of not less than one month and not more than one year, or one of these two penalties. 4- "If the smuggled goods are among the prohibited items, the penalty shall be a fine not less than the value of the goods and not exceeding three times their value, and imprisonment for a period of not less than six months and not exceeding three years, or one of these two penalties." 5- Confiscation of goods subject to smuggling or a ruling equivalent to their value in case they are not seized. And since the defendant has obscured the chassis number of the vehicle used to transport the seized items and changed its plate, the committee concluded that the defendant used the means of transport for the purpose of smuggling, according to paragraph (six) of Article (one hundred and forty-five) of the same law which stated: 6- Confiscation of means of transport, tools, and materials used in smuggling, except for public transport means such as ships, airplanes, trains, and public cars, unless they have been prepared or rented for this purpose or judged equivalent to their value when not seized. Therefore, they must be confiscated according to the text of the mentioned article.



Based on the above, and after study and deliberation, the committee unanimously decided the following:

Decision:

- 1- Conviction of the defendant / ... Saudi national, under national ID number (...) In person for customs smuggling according to Article 142 of the Unified Customs law.
- 2- To impose a customs fine equivalent to twice the value of the customs duties (for tobacco), an amount of (40,600) forty thousand and six hundred riyals, in accordance with Article (145/1) of the Unified Customs Law.
- 3- Obliging him to a customs fine equivalent to the value of the prohibited substance, an amount of (16,000) sixteen thousand riyals, in accordance with Article (145/4) of the Unified Customs Law.
- 4- Confiscation of the seized items subject to the lawsuit, in accordance with Article (145/5) of the same law.
- 5- Confiscation of the means of transport, according to Article (145/6) of the same law for using it to transport the seized quantity of tobacco and shamma.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.



The Customs Appeals Committee in Riyadh

Decision No.

CFR-2024-191476

Case No.

PC-2023-191476

Keywords:

Customs - Prohibited items - Secret spy camera - Conviction

Summary:

The Public Prosecution demands that the First Instance Customs Committee convict the defendant of customs smuggling, due to the seizure of (30 secret spy cameras) within a postal package coming from the UAE via the company ... It turns out that it belongs to him. Where it was established for the first instance committee that the seized goods are prohibited from entering the Kingdom, and that this constitutes an attempt at smuggling based on the text of Article (142) of the Unified Customs Law. Consequently: Conviction of the importer for customs smuggling and obliging him to pay a customs fine and confiscation of the seized items subject to the lawsuit.

Document:

- Article 142 of The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 (03/11/1423 AH).
- Paragraphs (6), (12), and (13) of Article (143) of the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH.
- Paragraphs (4) and (5) of Article (145) of the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. (M/41) dated 03/11/1423 AH.

Facts:

Where the letter from the head of the Public Prosecution Department in the Riyadh region number (...) On the date 29/08/1444 AH, and based on Article (162) of the Unified Customs Law, this committee is responsible for considering the case.

On the merits, during the inspection of postal parcels by the customs of King Khalid International Airport received through the company ... A postal package coming from the UAE has been suspected, carrying a policy number (...) When it was opened and searched, a number of (30) secret spy cameras were found, and it was revealed that the importer is the defendant / ... - Chinese nationality - Passport number (...), a report of seizure number (...) has been prepared. dated 20/11/1443 AH.



Accordingly, the committee held its hearing on Sunday, January 14, 2024, and upon calling the parties to the case, ... National ID number: (...) As a representative of the plaintiff under the authorization issued under number (...), dated 08/10/1443 AH, and the defendant or their representative did not attend despite being notified, thus missing the opportunity to defend themselves, the committee decided to rule on the case based on the documents available to it.

Grounds:



It is established by the seizure report as mentioned above in the facts of this case that a total of (30) secret spy cameras were seized by the customs at King Khalid International Airport. Given that the seized items are prohibited goods from entering the Kingdom, and since Article (142) of the same law states that "smuggling is the introduction or attempt to introduce goods into the country or to remove them or attempt to remove them in violation of the applicable legislation without paying customs duties in whole or in part, in violation of the prohibitions or constraints contained in this law and other regulations," and since paragraphs (13, 12, 6) of Article (143) of the same law stipulate that smuggling includes the bypassing of goods in entering or exiting the customs area without declaring them, and the transfer of prohibited and restricted goods or possessing them without providing evidence supporting their importation or lawful passage, or the transfer or possession of goods subject to customs authority without a legal document.

Where Article (145/4) of the same law states that a penalty is imposed for the crime of customs smuggling or what is equivalent to it, not less than the value of the goods and not exceeding three times their value, and imprisonment for a period of not less than six months and not exceeding three years, or one of these two penalties. Where paragraph (5) of Article (145) of the same law stipulates the confiscation of goods subject to smuggling or a ruling equivalent to it.

Its value if not reserved. Accordingly, the committee, after study and deliberation, unanimously decided as follows:

Decision:

1. Conviction of the defendant / ... - Chinese nationality - Passport number (...), present at customs smuggling.
2. Obliging him to a customs fine amounting to (30,000) thirty thousand riyals according to Ministerial Decision No. (2597) dated 24/07/1439 AH.
3. Seizure of the seized items subject to the lawsuit.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions. The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.



The Customs Appeals Committee in Riyadh

Decision No. CTR-2024-205533
Case No. PC-2023-205533

Keywords:

Customs - Prohibited items - Sexual cream and nutmeg - Conviction

Summary:

The Public Prosecution demanded that the Third First Instance Customs Committee in Riyadh convict the importer of customs smuggling after he was caught with 100 boxes of sexual cream, 4 kilograms of nutmeg, and 24 boxes of Indian tobacco containing 12,000 cigarettes hidden for camouflage without declaring them upon his arrival through King Fahd International Airport customs. Where it has been established for the first instance committee that the categories whose entry into the Kingdom is restricted except with the approval of the competent authorities and with high fees, are prohibited from entering the Kingdom. Consequently: The importer is convicted of customs smuggling and is obliged to pay two customs fines, and the confiscated goods subject to the lawsuit are seized.

Document:

- Article 142 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Paragraphs (1), (4), and (5) of Article (145) of [the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This case was referred to the Third First Instance Customs Committee in Riyadh after the committees at the customs ports were dissolved based on the decision of His Excellency the Minister of Finance No. (275) dated 18/1/1442 AH, and according to the provisions of Article (162) of the Unified Customs Law, this committee is responsible for considering the case.

On the merits, the defendant/ ... Indian nationality, passport number (...), to King Fahd International Airport customs, and upon inspection, (100 boxes of sexual cream), (4 kilograms of nutmeg), and (24 boxes of Indian cigarettes containing 12,000 cigarettes) were found hidden under food items for the purpose of



camouflage, and were not declared before the inspection, thus a seizure report number (...) was prepared. dated 02/02/1445 AH.

On Thursday, 13/07/1445 AH, the committee held its hearing to consider the remotely convened case, and upon calling the parties to the case, the representative of the prosecution attended (...). Identity number (...), by virtue of a mandate issued by the head of the public prosecution issued under number (...). On the date 8/10/1443 AH, the defendant did not attend despite being notified by the General Secretariat of the Zakat, Tax, and Customs Committees through the automated systems and mechanisms it follows (via Hayad System). The General Secretariat of the Zakat, Tax, and Customs Committees confirmed that this law automatically notifies the defendant in accordance with the operational rules of the customs committees and other relevant regulations and instructions. Therefore, the committee decided to proceed with the case. When asked if the representative of the plaintiff had any additions to what was stated in the lawsuit, he replied: There is no addition, and after reviewing the case file, the committee decided to close the door to the pleadings and deliberations in preparation for issuing the decision.

Grounds:

After reviewing the Unified Customs Law, and after examining the case documents and reviewing the indictment submitted by the Public Prosecution in the Eastern Province, the jurisdiction is established for this committee to consider the case, which necessitates the acceptance of the case in form.

On the merits, and since the facts of the seizure mentioned in the indictment indicate that the seized items were not declared, which are (100 boxes of sexual cream), (4 kilograms of nutmeg), and (24 boxes of Indian tobacco containing 12,000 cigarettes), and these are among the items whose entry into the Kingdom is restricted except with the approval of the competent authorities and with high fees, and their entry into the Kingdom is prohibited, according to the seizure report number (...). On the date 02/02/1445 AH, and since the defendant did not declare it upon his arrival through King Fahd International Airport customs, and it was not proven to the committee that he has any prior offenses, and since he or his representative did not attend to defend himself against the charges against him, and acknowledging the possibility of imposing a prison sentence, and considering the consistency of the punishment and the mitigating and aggravating circumstances, and since the prison sentence is one of the penalties that deprive freedom and its effects extend to others, the committee sees that the penalties issued against him are sufficient, and after reviewing articles (142) and (145) with paragraphs (1), (4), and (5) of the Unified Customs Law, and ministerial decision No. (2597) dated 24/07/1439 AH, and after reviewing the seizure report and the indictment and what was mentioned in it regarding the circumstances and evidence.

Based on the above, and after study and deliberation, the committee unanimously decided the following:



Decision:

- 1- Condemnation of/ ... Indian nationality, passport number (...) In person for customs smuggling according to Article 142 of the Unified Customs law.
- 2- Obliging him to a customs fine equivalent to twice the customs duties for the item (Indian tobacco), according to Article (145/1) of the same law.
- 3- To impose a customs fine on the two types (sex cream / nutmeg fruit), according to Ministerial Decision No. (2597) for the year 1439 AH.
- 4- Seizure of the seized items in violation of the case, according to Article (145/5) of the same law.
- 5- Disregarding the penalty of imprisonment.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.



The Customs Appeals Committee in Riyadh

Decision No. CTR-2024-209957
Case No. PC-2023-209957

Keywords:

Customs - Prohibited items - Sexual cream, nutmeg, and tobacco - Conviction

Summary:

The Public Prosecution has demanded that the Third First Instance Customs Committee in Riyadh convict the importer of customs smuggling after he was caught in possession of (100 boxes of sexual cream, 7 kilograms of nutmeg fruit), (393 grams of pan masala), (92 grams of banned chewing tobacco), and (28 boxes of Indian cigarettes hidden under food items without declaring them upon his arrival through King Fahd International Airport customs. And where it was established for the first instance committee that the seized items are of the types prohibited from entering the Kingdom, and that this is considered customs smuggling based on Article (142) of the Unified Customs Law. Consequently: The importer is convicted of customs smuggling, with a requirement to pay a customs fine in addition to the confiscation of the seized goods subject to the lawsuit.

Document:

- Article (142) The Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. (M/41) dated 03/11/1423 AH.
- Paragraphs (1), (4), (5), and (6) of Article (145) of the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. (M/41) dated 03/11/1423 AH.

Facts:

This case was referred to the Third First Instance Customs Committee in Riyadh after the committees at the customs ports were dissolved based on the decision of His Excellency the Minister of Finance No. (275) dated 18/01/1442 AH, and according to the provisions of Article (162) of the Unified Customs Law, this committee is responsible for considering the case.

On the merits, the defendant presented (...) Indian nationality, under passport number (...) To King Fahd International Airport customs, and during the inspection of his luggage, a total of (100) boxes of sexual cream were found, (7 kilograms) of nutmeg, (393 grams) of pan masala, (92 grams) of banned chewing



tobacco, (28) boxes of Indian cigarettes, which were found hidden under food items, and were not declared, and thus a seizure report No. (...) was prepared. dated is 01/02/1445 AH.

On Sunday, 02/07/1445 AH, the committee held its hearing to consider the remotely convened lawsuit, attended by the representative of the prosecution (...). Identity number (...), by virtue of a mandate from the Attorney General issued under number (...). On the date 08/10/1443 AH, the defendant did not attend despite being notified by the secretariat through automated systems and the mechanisms it follows (via the Hayad System). The General Secretariat of the Customs Committees confirmed that this law automatically notifies the defendant in accordance with the operational rules of the Zakat, Tax, and Customs Committees and other relevant regulations and instructions. Accordingly, the committee decided to proceed with the case. When asked by the representative of the prosecution if he had any additions to what was stated in the lawsuit, he replied; there is none. After reviewing the case file, the committee decided to close the door for pleading and deliberation in preparation for issuing the decision.

Grounds:

After reviewing the Unified Customs Law, and after examining the case documents and reviewing the indictment submitted by the Public Prosecution in the Eastern Province, the jurisdiction is established for this committee to consider the case, which necessitates the acceptance of the case in form.

On the merits, and since the facts of the seizure mentioned in the indictment indicate that the seized items were not declared, which are (100 boxes of sexual cream, 7 kilograms of nutmeg, 393 grams of pan masala, 92 grams of banned chewing tobacco, and 28 boxes of Indian tobacco) according to the seizure report number (...). On the date 01/02/1445 AH, it is one of the items prohibited from entering the Kingdom, as detailed in the seizure report. After reviewing articles (142) and (145) with paragraphs (1), (4), (5), and (6) of the Unified Customs Law, and Ministerial Decision No. (2597) for the year 1439 AH, and noting that the defendant has no prior offenses, and after reviewing the seizure report and the indictment and the circumstances and evidence presented therein, and since the concerned party or their representative did not attend the hearing to defend themselves against the charges, and acknowledging the possibility of imposing a prison sentence, and considering the consistency of the punishment and the mitigating and aggravating circumstances, and since imprisonment is a deprivation of liberty that has effects beyond itself, the committee finds the penalties issued against him to be sufficient.

Based on the above, and after study and deliberation, the committee unanimously decided the following:



Decision:

- 1- Condemnation (...) Indian nationality, under passport number (...), present at customs smuggling.
- 2- Obliging him to a customs fine equivalent to twice the customs duties for the two items (the seized tobacco and the value of the cannabis), according to Article (145/1) of the Unified Customs Law.
- 3- Obliging him to a customs fine regarding the two items (nutmeg fruit) and (prohibited chewing tobacco), according to Ministerial Resolution No. (2597) for the year (1439 AH).
- 4- Confiscation of the seized items in violation of the case, in accordance with Article (145/5) of the Unified Customs Law.
- 5- Disregarding the penalty of imprisonment.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.



The Customs Appeals Committee in Riyadh

Decision No. CFR-2023-178166
Case No. PC-2023-178166

Keywords:

Customs - Prohibitions - Snuff - Conviction

Summary:

The Public Prosecution's demand for the First Instance Customs Committee to convict the two defendants of customs smuggling after their vehicle was seized carrying 250 kg of tobacco and 115 kg of the substance of shammah in violation of customs regulations. And since it has been established for the first instance committee that it is one of the goods prohibited from being imported, and it was not declared upon its entry into the Kingdom, which constitutes customs smuggling according to Article (142) of the Unified Customs Law. The implication is that the defendants are convicted of customs smuggling, with a requirement for them to pay a customs fine equivalent to twice the value of the seized items amounting to (72,000) riyals, in addition to the confiscation of the seized items in the case.

Document:

- Article 142 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Paragraphs (6), (12), and (13) of Article (143) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraphs (1), (4), and (5) of Article (145) of [the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

Where the letter from the Chief Public Prosecution in the Governorate of Abu Arish No. (...) dated 24/08/1443 AH and the requests mentioned therein were received, and based on Article (162) of the Unified Customs Law, this committee is authorized to consider the case.

On the merits, a vehicle of type ... was seized. Model ... Plate No. (...) ... The defendant's restriction/... Saudi nationality with ID number ... The defendant accompanies him/ ... Saudi nationality with ID number ...



During the search of the vehicle, a quantity of tobacco weighing (250) kg and a quantity of snuff weighing (110) kg were found inside it. Accordingly, a seizure report No. (...) was issued. dated 04/03/1442 AH.

Accordingly, the committee held its hearing on Monday, January 15, 2024, and upon calling the parties to the case, ... attended, with national ID number (...), in his capacity as a representative of the plaintiff based on the authorization issued under number (...), dated 08/10/1443 AH, and the defendant or his representative did not attend despite being notified, thus missing the opportunity to defend himself. Therefore, the committee decided to rule on the case based on the documents available to it.

Grounds:

It is established by the seizure report as mentioned above in the facts of this case that a quantity of tobacco weighing (250) kg and a quantity of shamma weighing (110) kg were seized. Since tobacco is one of the goods with high customs duties and its import is restricted to the approval of the competent authority, and shamma is one of the goods prohibited from being imported, and there is no evidence of the legality of its entry or importation in a regular manner. Article (142) of the same law states that "smuggling is the introduction or attempt to introduce goods into the country or to remove them or attempt to remove them from it in violation of the applicable legislation without paying the customs duties in whole or in part or in violation of the prohibitions or constraints contained in this law and other laws." Paragraphs (13, 12, 6) of Article (143) of the same law stipulate that the smuggling provisions include the exceeding of goods in entry or exit from the customs circle without declaring them and transporting prohibited and restricted goods or possessing them without providing evidence supporting their importation or passage in a regular manner or transporting or possessing goods subject to customs authority without a regular document. Paragraph (1) of Article (145) of the same law states that a penalty is imposed for the crime of customs smuggling or what is equivalent to it, with a fine of not less than double the customs duties due and not exceeding double the value of the goods, and imprisonment for a period of not less than one month and not exceeding one year, or one of these two penalties. Article (145/4) of the same law states that a penalty is imposed for the crime of customs smuggling or what is equivalent to it, of not less than the value of the goods and not exceeding three times its value, and imprisonment for a period of not less than six months and not exceeding three years, or one of these two penalties. Paragraph (5) of Article (145) of the same law states the confiscation of the smuggled goods or a judgment equivalent to their value in case they are not seized.

Accordingly, the committee, after study and deliberation, unanimously decided as follows:



Decision:

1. Conviction of the defendant / ... -Saudi nationality- National ID number (...) The defendant/ ... Saudi nationality - National ID number (...), present at customs smuggling.
2. Obliging them to pay a customs fine equivalent to twice the value of the seized goods, amounting to (72,000) seventy-two thousand riyals.
3. Seizure of the seized items in the case.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.



The Customs Appeals Committee in Riyadh

Decision No.

CFR-2024-201305

Case No.

PC-2023-201305

Keywords:

Customs - Prohibited Items - Materials of Magic and Sorcery - Conviction

Summary:

The Public Prosecution's request to the First Instance Customs Committee to convict the defendant due to the customs inspector finding papers, tools, and sorcery works inside the bag, where (128) papers containing talismans were found, (31) iron needles, (2) stones, (2) tied tricks, and (1) nail. It has been established for the first instance committee that tools and works of magic are prohibited items for import into the Kingdom. The result is the conviction of the defendant for customs smuggling, obliging him to pay a customs fine and confiscation of the seized items in the case.

Document:

- Article (142) of the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. (M/41) dated 03/11/1423 AH.
- Paragraphs (6), (12), and (13) of Article (143) of the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH.
- Paragraphs (4) and (5) of Article (145) of The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 (03/11/1423 AH).

Facts:

Where the letter from the head of the Public Prosecution Department in Jeddah, number (182132) dated 10/11/1444 AH, was received, and based on Article (162) of the Unified Customs Law, this committee is responsible for considering the case.

On the merits, during the routine work of the customs inspector, the defendant/ ... Bengali nationality - Passport number (...) At the inspection area, while displaying his belongings on the device, the customs inspector suspected one of the bags. Upon opening and manually inspecting it, he found papers, tools, and magical works inside the bag, where he discovered a total of (128) papers containing talismans, (31) iron needles, (2) stones, (2) tied tricks, and (1) nail. Based on this, a seizure report number (...) was prepared. dated is 25/08/1444 AH.



Accordingly, the committee held its hearing on Tuesday, January 23, 2024, and upon calling the parties to the case, ... National ID number (...), in his capacity as a representative of the plaintiff under the authorization issued under number (...), dated 08/10/1443 AH, and the defendant or his representative did not attend despite being notified, thus missing the opportunity to defend himself, and therefore the committee decided to rule on the case based on the documents available to it.

Grounds:



It is established by the seizure report as mentioned above in the facts of this case that papers, tools, and works of magic were seized inside the bag by the customs of King Abdulaziz International Airport. Since tools and works of magic are prohibited goods from being imported into the Kingdom, and since Article (142) of the Customs Law states that "smuggling is the introduction or attempt to introduce goods into the country or their exit or attempt to exit them in violation of the applicable legislation without paying customs duties in whole or in part or in violation of the prohibitions or constraints contained in this law and other regulations," and since paragraphs (13, 12, 6) of Article (143) of the same law stipulate that smuggling includes the bypassing of goods in entering or exiting the customs circle without declaring them and transporting prohibited and restricted goods or possessing them without providing evidence supporting their importation or lawful passage or transporting or possessing goods subject to customs authority without a legal document, and since paragraph (4) of Article (145) of the same law states that a penalty for the crime of customs smuggling or what is equivalent to it shall not be less than the value of the goods and shall not exceed three times their value, and imprisonment for a period of not less than six months and not exceeding three years or one of these two penalties, and since paragraph (5) of Article (145) of the same law states the confiscation of the smuggled goods or a judgment equivalent to their value in case they are not seized.

Accordingly, the committee, after study and deliberation, unanimously decided as follows:

Decision:

1. Conviction of the defendant ... Bengali nationality - Passport number (...) In person with customs smuggling.
2. He is obliged to pay a customs fine equivalent to the value of the seized items, amounting to (4,100) four thousand one hundred riyals, according to Ministerial Decision No. (2597) dated 24/07/1439 AH.
3. Seizure of the seized items in the case.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.



The Customs Appeals Committee in Riyadh

Decision No.

CTR-2024-198675

Case No.

PC -2023-198675

Keywords:

Customs - Prohibited items - Materials of magic and sorcery and sexual materials - Conviction

Summary:

The Public Prosecution demands that the third customs committee convict the defendant for possessing 288 boxes of magic and sorcery materials and 1530 boxes of sexual materials. The first instance committee has established that the seized items are among the categories prohibited from entering the Kingdom, and attempting to smuggle them in an illegal manner constitutes customs smuggling according to Article (142) of the Unified Customs Law. Given the seriousness of the seized magic and sorcery materials and sexual materials with the defendant, this means: Convicting the defendant and obliging him to pay a customs fine equivalent to the value of the seized items, confiscating the seized items, and applying a prison sentence of six months.

Document:

- Article 142 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\)](#).
- Paragraphs (4) and (5) of Article (145) of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\)](#).

Facts:

This case was referred to the Third First Instance Customs Committee in Riyadh after the committees at the customs ports were dissolved based on the decision of His Excellency the Minister of Finance No. (275) dated 18/1/1442 AH, and according to the provisions of Article (162) of the Unified Customs Law, this committee is responsible for considering the case.

On the merits, since during the arrival of the defendant/ ... Sudanese nationality, passport number (...), to the customs of Jeddah Islamic Port, on the ship number (.../...), he was suspected, and upon inspecting his belongings, a large number of materials related to magic and sorcery were found, totaling (288) boxes, as



well as sexual materials totaling (1530) boxes, and accordingly, a seizure report number (...) was prepared. dated 29/07/1444 AH.

On Tuesday, 20/06/1445 AH, the committee held its hearing to consider the remotely convened case, and upon calling the parties to the case, the representative of the prosecution attended (...). Identity number (...), by virtue of a mandate issued by the head of the public prosecution issued under number (...). On the date 8/10/1443 AH, the defendant did not attend despite being notified by the General Secretariat of the Zakat, Tax, and Customs Committees through the automated systems and mechanisms it follows (via Hayad System). The General Secretariat of the Zakat, Tax, and Customs Committees confirmed that this law automatically notifies the defendant in accordance with the operational rules of the customs committees and other relevant regulations and instructions. Therefore, the committee decided to proceed with the case. When asked if the representative of the plaintiff had any additions to what was stated in the lawsuit, he replied: There is none, and after reviewing the case file, the committee decided to close the door to the pleadings and deliberations in preparation for issuing the decision.

Grounds:

After reviewing the Unified Customs Law, and after examining the case documents and reviewing the indictment submitted by the Public Prosecution in Jeddah, the jurisdiction is established for this committee to consider the case, which necessitates accepting the case in form.

On the merits, and since what was seized from the defendant consists of materials for magic and sorcery, totaling (288) boxes, and sexual materials totaling (1530) boxes, as detailed in the seizure report number (...). On the date of 29/07/1444 AH, and since the seized items are considered prohibited from entering the Kingdom, and attempting to smuggle them in an illegal manner is considered customs smuggling according to Article (142) of the Unified Customs Law, and due to the seriousness of the materials seized, which include sorcery and witchcraft materials and sexual materials with the defendant, and since neither he nor anyone representing him attended to defend himself against the charges against him, and after reviewing Article (145) with its paragraphs (4) and (5) of the Unified Customs Law, and after reviewing the seizure report and the indictment and the circumstances and evidence contained therein.

Based on the above, and after study and deliberation, the committee unanimously decided the following:



Decision:

1- Condemnation (...) Sudanese nationality, passport number (...) In person for customs smuggling according to Article 142 of the Unified Customs law.

2- To impose a customs fine equivalent to the value of the seized items in the amount of (90,900) ninety thousand and nine hundred riyals, according to Article (4/145) of the same law.

3- Confiscation of the seized items in violation of the subject of the lawsuit, or obliging him to pay their value in case they are not seized, in accordance with Article (145/5) of the same law.

4- Imposing a prison sentence of six months, according to Article (4/145) of the same law.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.



The Customs Appeals Committee in Riyadh

Decision No.

CFR-2024-202091

Case No.

PC-2023-202091

Keywords:

Customs – Prohibited items – Obscene materials – Conviction

Summary:

The Public Prosecution demands that the First Instance Customs Committee convict the importer of customs smuggling, after he was caught attempting to bring in materials contrary to Islamic beliefs and morals hidden inside his vehicle for the purpose of camouflage, without declaring them. And where it has been established to the first instance committee that materials contrary to the doctrine are considered prohibited goods for import into the Kingdom. The implication is that the importer is convicted of customs smuggling and is obliged to pay a fine equal to twice the value of the seized items that are contrary to the doctrine, in addition to the confiscation of the seized items in the case.

Document:

- Article 142 of The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 (03/11/1423 AH).
- Paragraphs (6), (12), and (13) of Article (143) of the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. (M/41) dated 03/11/1423 AH.
- Paragraphs (1), (4), and (5) of Article (145) of the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH.

Facts:

Where the letter from the head of the Public Prosecution Office in the Eastern Province No. (...) On the date 24/11/1444 AH, and based on Article (162) of the Unified Customs Law, this committee is responsible for considering the case.

On the merits, while a vehicle of the type (Hyundai) with the license plate number (D D N 7867) was driven by the defendant/ ... -Saudi nationality- National ID number (...) At the King Fahd Bridge customs outlet, it was suspected by the customs inspector, and when the customs inspector conducted a search of the vehicle, he found (1069) medals bearing prohibited religious symbols, (673) pendants bearing religiously



prohibited symbols, (27) wooden boards with prohibited religious symbols, (3) wall devices emitting prohibited religious sounds, (3) fabrics bearing prohibited religious symbols, (4) flags bearing prohibited religious symbols, (24) boxes of molasses, and (29) boxes of cigarettes, which were found distributed and hidden inside a bag designated for animal feed (bird food) and concealed within the feed for camouflage in the vehicle's bag, inside a plastic bag on the back seat, and inside a fabric blanket after being wrapped for camouflage in the vehicle's bag, and inside a plastic bag in the vehicle's bag, and inside a plastic bag on the driver's seat after being secured with adhesive tape and covered with fabric designated for the seat for camouflage, and they were not declared. He also has two previous seizure reports, and based on that, a seizure report number (...) was prepared. dated 11/10/1444 AH.

Accordingly, the committee held its hearing on Wednesday, January 24, 2024, and upon calling the parties to the case, ... National ID number: (...) and attended ... National ID number (...) As representatives of the plaintiff under the authorization issued under number (...), dated 08/10/1443 AH, the defendant appeared in person / (...). National ID number (...) After verifying the parties to the case, the committee decided to proceed with the lawsuit.

After reviewing the case file, and upon questioning the defendant regarding the allegations made in the lawsuit submitted by the Public Prosecution, what do you say about the charges against you? He answered: The indictment was read to him, and when asked, what do you say about what has been attributed to you? He answered: What is attributed to me is correct.

And when the committee asked the defendant, do you have any other statements? He answered: No, and therefore the committee decided to rule on the case based on the documents available to it.

Grounds:

It is established by the seizure report as mentioned above in the facts of this case that materials contrary to Islamic beliefs and morals were seized, including (24) boxes of molasses and (29) twenty-nine boxes of tobacco hidden in a bag designated for animal feed (bird food), by the King Fahd Bridge Customs. Given that tobacco and molasses are goods subject to customs duties.

The high value upon import, alongside being among the restricted items, which require the approval of the relevant authorities for clearance, and since materials contrary to Islamic beliefs and morals are prohibited from being imported into the Kingdom, and since Article (142) of the Customs Law states that "smuggling is the introduction or attempted introduction of goods into the country or their exit or attempted exit from it in violation of the applicable legislation without paying the customs duties in whole or in part or in violation of the prohibitions or constraints set forth in this law and other regulations," and since paragraphs (13, 12, 6) of Article (143) of the same law stipulate that the smuggling provisions include the bypassing of goods in entry or exit from the customs circle without declaring them and transporting prohibited and restricted goods or possessing them without providing evidence supporting their importation or lawful



passage or transporting or possessing goods subject to customs authority without a legal document, and since paragraph (1) of Article (145) of the same law states that a penalty is imposed for the crime of customs smuggling or its equivalent, with a fine not less than twice the due customs tax "fees" and not exceeding twice the value of the goods, and imprisonment for a period not less than one month and not exceeding one year, or one of these two penalties, and since paragraph (4) of Article (145) of the same law states that a penalty is imposed for the crime of customs smuggling or its equivalent of not less than the value of the goods and not exceeding three times its value, and imprisonment for a period not less than six months and not exceeding three years, or one of these two penalties, and since paragraph (5) of Article (145) of the same law states the confiscation of the goods subject to smuggling or a ruling equivalent to their value in case they are not seized.

Accordingly, the committee, after study and deliberation, unanimously decided as follows:

Decision:

1. Conviction of the defendant ... -Saudi nationality- National ID number (...) In person with customs smuggling.
2. Obliging him to pay a customs fine equivalent to twice the value of the confiscated items that are contrary to Islamic beliefs and morals.
3. Obliging him to pay a customs fine equivalent to three times the customs duties for the two types of tobacco and molasses.
4. Seizure of the seized items in the case.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.



The Customs Appeals Committee in Riyadh

Decision No. CFR-2024-203802
Case No. PC-2023-203802

Keywords:

Customs - Prohibited Items - Prohibited Religious Materials - Condemnation

Summary:

The Public Prosecution is requesting the First Instance Customs Committee to convict the defendant of customs smuggling after seizing a package belonging to the bill of lading number (...). The one coming from the Kingdom of Bahrain through the express transport company (...) The item sent to the defendant, which according to the invoice description contains (fabric), and upon actual inspection, (117) pieces of fabric were found with prohibited religious logos. It has been established to the first instance committee that the seized items are goods that are prohibited from being imported into the Kingdom. This means; the conviction of the importer for customs smuggling and the confiscation of the seized items in the case.

Document:

- Article (142) The Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. (M/41) dated 03/11/1423 AH.
- Paragraphs (2), (12), and (13) of Article (143) of the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH.
- Paragraphs (4) and (5) of Article (145) of the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH.

Facts:

Where the letter from the Chief Public Prosecutor in the Eastern Province No. (...) On the date 07/01/1445 AH and the requests made therein, and based on Article (162) of the Unified Customs Law, this committee is responsible for considering the case.

On the merits, it was mentioned in the seizure report No. (300580) dated 09/11/1443 AH attached to the case that during the actual inspection of the parcel belonging to the policy No. (...) The one coming from the Kingdom of Bahrain through the express transport company (...) and sent to the defendant / ... - Saudi nationality - National ID number (...), which contains according to the invoice description (fabric) and upon



actual inspection, (117) pieces of fabric were found with prohibited religious logos, noting that he has (3) previous seizure reports.

Accordingly, the committee held its hearing on Monday, January 22, 2024, and upon calling the parties to the case, ... National ID number (...) As a representative of the plaintiff under the authorization issued under number (...), dated 08/10/1443 AH, and the defendant or their representative did not attend despite being notified, thus missing the opportunity to defend themselves, the committee decided to rule on the case based on the documents available to it.

Grounds:

It is established by the seizure report as mentioned above in the facts of this case that a total of (117) pieces of fabric bearing prohibited religious slogans were seized by the King Fahd Bridge Customs. Since the seized items are goods prohibited from being imported into the Kingdom, and since Article (142) of the Customs Law states that "smuggling is the introduction or attempt to introduce goods into the country or their exit or attempt to exit them in violation of the applicable legislation without paying customs duties in whole or in part, in violation of the prohibitions or constraints set forth in this law and other regulations," and since paragraphs (13, 12, 6) of Article (143) of the same law stipulate that smuggling includes the bypassing of goods in entering or exiting the customs area without declaring them and transporting prohibited and restricted goods or possessing them without providing evidence supporting their lawful importation or transit, or transporting or possessing goods subject to customs authority without a legal document, and since paragraph (4) of Article (145) of the same law states that a penalty for the crime of customs smuggling or its equivalent shall not be less than the value of the goods and shall not exceed three times their value, and imprisonment for a period of not less than six months and not exceeding three years or one of these two penalties, and since paragraph (5) of Article (145) of the same law states the confiscation of the goods subject to smuggling or a ruling equivalent to their value in case they are not seized, and since the prosecution has decided to dismiss the case regarding the penalties of imprisonment and fines due to their inclusion in the amnesty instructions issued under the royal decree number (61877) dated 27/10/1442 AH.

Accordingly, the committee, after study and deliberation, unanimously decided as follows:

Decision:

1. Conviction of the defendant / ... - Saudi nationality - National ID number (...) , present at customs smuggling.
2. Seizure of the seized items in the case.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions. The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-228005
Case No. PC-2023-228005

Keywords:

Customs - Prohibited Items - Cola acuminata Fruits - Conviction

Summary:

The importer is required to cancel the first instance decision No. (CTR-2023-122571) issued by the Third First Instance Customs Committee in Riyadh, which convicted him of smuggling (87 kilograms of the gourd plant) hidden in a non-manufactured means inside the vehicle, and obliging him to pay a customs fine equivalent to the value of the seized items, confiscating the contraband and the means of transport, in addition to a three-month prison sentence. The appellate committee found that the reasons for the decision under appeal are sufficient to uphold its ruling, which necessitates declaring that the defenses presented do not affect the outcome of the decision, making the appeal unsupported and thus must be rejected. This means; upholding the first instance decision.

Document:

- [Zakat, Tax and Customs Committees Regulations issued by Royal Decree No. \(25711\) dated 08/04/1445 AH.](#)
- Article 163 of the [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)

Facts:

To consider the appeal against the first instance decision (CTR-2023-122571) issued by the Third First Instance Customs Committee in Riyadh.

The facts of this case summarize the arrival of a vehicle driven by the appellant at the King Fahd Bridge customs, and during the inspection, (99) plastic bags weighing (87 kilograms of the gourd plant) were found, all hidden inside the cavity of the right front and rear fender after it was removed and inside the rear bumper cavity after placing an unmanufactured iron plate fixed with screws under the rear of the vehicle's body, and the seized items are extracted after completely removing the vehicle's trunk mat and opening the plate. The appellant also has (2) previous reports numbered (...). dated 13/06/1438 AH, and the number



(...) On the date 08/03/1438 AH, the seized items related to this case were not disclosed, and a seizure report number (...) was prepared. On the date 22/07/1438 AH, the first instance committee issued its decision to convict the defendant of customs smuggling, obliging him to pay a customs fine equivalent to the value of the seized items according to the applicable estimates at customs, confiscating the contraband item, confiscating the means of transport, and imprisonment for three months, as stated in the text and reasons of the first instance decision subject to appeal, which is referred to in order to avoid repetition.

Upon reviewing the statement of appeal submitted, the appellate customs committee found that it includes a summary stating that the notice of the hearing was received on 11-12-2023, and upon attending the hearing on that date, it was found that a month had passed since the hearing, due to the date being reversed by you. It also included his objection to the ruling of a three-month prison sentence and his request to be satisfied with the confiscation of the car and the fine, considering that he is the sole provider for his elderly mother who has heart disease, and that he has young children, and that the case is old and he feels wronged in it.

Upon reviewing the response memorandum submitted by the authority, the appellate customs committee found that it includes a summary stating that, based on paragraph (1) of Article (188) of the Sharia Procedures Law, which stipulates that "the objection is made by a request for appeal or review, with a memorandum submitted to the court that issued the ruling, including a statement of the contested ruling, its number, date, the reasons on which the objection is based, the requests of the objector, their signature, dated of submitting the objection memorandum," and since drafting the objection is one of the first instance matters that require consideration before delving into and deciding on the subject of the objection, and since the appeal memorandum submitted by the appellant was not drafted correctly according to what is stated in the above article, as it did not specify the reasons on which the objection is based, in addition to not specifying its requests, it is therefore necessary to reject the appeal. Based on the above, the authority requests the rejection of the appeal and the affirmation of the first instance decision in all that it ruled.

After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based.



Grounds:



After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws.

Since the appellant was notified of the first instance Decision on 11/12/2023, and submitted the appeal on 18/12/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law.

Since there is no reproach against the reviewing authority for taking the Grounds of the Decision subject to the appeal without adding anything whenever it sees that these Grounds are sufficient to negate the need for any new arguments, because in its support, based on its Grounds, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those Grounds contained. And since the Grounds for the Decision subject to the appeal are sufficient to support its ruling, it is necessary to state that the defenses presented do not affect the outcome of the Decision, which makes the appeal without any supporting basis, thus necessitating its rejection. Therefore, the appellate committee concluded to report the following:

Decision:

First: Acceptance of the appeal in form, from the applicant/ ... , ... National ID number (...), against the first instance decision number (CTR-2023-122571) issued by the 1st First Instance Customs Committee in Riyadh.

Second: The appeal is rejected on the merits, and the first instance Decision is upheld in all that it ruled, for the Grounds and considerations stated in this Decision.

This decision is final; according to the provisions of paragraph (Second) of Royal Order No. (25711) dated 08/04/1445 AH.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.



The Customs Appeals Committee in Riyadh

Decision No.

CFR-2024-169813

Case No.

PC-2023-169813

Keywords:

Customs – Prohibited Items – Prohibited Chewing Tobacco – Conviction

Summary:

The Public Prosecution is requesting the First Instance Customs Committee to convict the importer of customs smuggling, after a truck coming from Qatar was intercepted while being driven by him, and upon inspection, a quantity of prohibited chewing tobacco weighing (6500) kilograms was found hidden in the roof of the caravan. And since it has been established to the first instance committee that the seized goods are prohibited from entering the Kingdom, and given that the means of transport was prepared and used for smuggling. This means; the conviction of the importer for customs smuggling, and obliging him to pay a customs fine and the confiscation of the seized goods and the means of transport prepared and used for smuggling.

Document:

- Paragraphs (6), (12), and (13) of Article (143) of the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH.
- Paragraphs (4), (5), and (6) of Article (145) of the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH.

Facts:

Where the letter from the head of the Public Prosecution Department in Al-Ahsa Governorate No. (...) dated 05/06/1444 AH was received, and based on Article (162) of the Unified Customs Law, this committee is responsible for considering the case.

On the merits, on Saturday, corresponding to 02/05/1444 AH, at exactly 5:20 PM, the head of the first shift at customs security, employee / ... A phone call from an unknown source reported the presence of a smuggled shipment coming from the State of Qatar, consisting of tobacco loaded in a caravan and hidden in its roof. The head of the shift, the aforementioned employee, informed the head of the evening shift that in the event a similar truck arrives, he should be informed personally. At exactly 6:28 PM, a truck of type



(Mercedes) with license plate number (...) arrived. Qatari led by the defendant / ... -Saudi nationality - National ID number (...) Accordingly, the truck was subjected to a thorough inspection in the customs security waiting area, and the information received at exactly 9:18 PM was confirmed after cutting parts of the caravan's roof and extracting the prohibited chewing tobacco, totaling (260) cartons, each containing (20) bags weighing (1250) grams per bag, with a total weight of (6500) kilograms. Consequently, a seizure report number (...) was prepared. dated 03/05/1444 AH.

Accordingly, the committee held its hearing on Tuesday, January 16, 2024, and upon calling the parties to the case, ... attended, national ID number (...). As a representative of the plaintiff under the authorization issued under number (...), dated 08/10/1443 AH, and the defendant or their representative did not attend despite being notified, thus missing the opportunity to defend themselves, the committee decided to rule on the case based on the documents available to it.

Grounds:

It is established by the seizure report as mentioned above in the facts of this case that chewing tobacco, which is prohibited, was seized weighing (6500) kg, by the Salwa Customs. Given that the seized chewing tobacco is among the goods prohibited from entering the Kingdom, and since Article (142) of the Unified Customs Law for the Gulf Cooperation Council states that "smuggling is the introduction or attempt to introduce goods into the country or their exit or attempt to exit them in violation of the applicable legislation without paying customs duties in whole or in part, in violation of the prohibitions or constraints set forth in this law and other regulations," and since paragraphs (13, 12, 6) of Article (143) of the same law stipulate that smuggling includes the bypassing of goods in entry or exit from the customs circle without declaring them and transporting prohibited and restricted goods or possessing them without providing evidence supporting their importation or lawful passage, or transporting or possessing goods subject to customs authority without a legal document, and since Article (145/4) of the same law states that a penalty for the crime of customs smuggling or what is equivalent to it shall not be less than the value of the goods and shall not exceed three times their value, and imprisonment for a period of not less than six months and not exceeding three years or one of these two penalties, and since paragraph (5) of Article (145) of the same law states the confiscation of the goods subject to smuggling or a ruling equivalent to their value in case they are not seized, and since the means of transport in this case was prepared and used for smuggling, which necessitates its confiscation according to Article (145/6) of the Customs law.

Accordingly, the committee, after study and deliberation, unanimously decided as follows:



Decision:

1. Conviction of the defendant / ... -Saudi nationality - National ID number (...) In person with customs smuggling.
2. He is obliged to pay a customs fine amounting to (3,250,000) three million two hundred and fifty thousand riyals, according to Ministerial Decision No. (2597) dated 24/07/1439 AH.
3. Seizure of the seized items subject to the lawsuit.
4. Confiscation of the means of transport prepared and used for smuggling or compensation for confiscation in case confiscation is not possible.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-231623

Case No. PC-2024-231623

Keywords:

Customs - Prohibitions - Tobacco - Conviction

Summary:

The importer is requesting the cancellation of the first instance decision No. (CTR-2024-212173), issued by the Third First Instance Customs Committee in Riyadh, which convicted him of smuggling (252 bags of raw tobacco) weighing (25,200) kilograms. The appellate committee found that the reasons for the decision under appeal were sufficient to uphold its ruling, which necessitates declaring that the defenses presented do not affect the outcome of the decision, making the appeal unsupported and thus must be rejected. However, the appellate customs committee, upon reviewing the case file, found the value assessment from the valuation department attached to the case file. Consequently: Support for the first instance decision in all that it ruled, with the adjustment of the customs fine to be equivalent to the estimated value of the seized goods.

Document:

- Article 163 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Article 50 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)

Facts:

This is to consider the appeal against the first instance decision number (CTR-2024-212173) issued by the Third First Instance Customs Committee in Riyadh, submitted by the attorney/ ... Civil registry number (...).

The facts of this case can be summarized as follows: a shipment belonging to the defendant arrived through the Islamic Port of Jeddah customs, and no customs declaration was submitted for it. It was declared to be (iron), but upon inspection, (252) bags of (raw tobacco) were found, weighing (25,200) kilograms. The first instance committee issued its decision to convict the defendant of customs smuggling and impose the



associated penalties, as stated in the text and reasons for the decision subject to appeal, which is referred to here to avoid repetition.

Upon reviewing the objection list submitted, the appellate customs committee found that it included a summary stating that the committee issuing the decision under appeal mentioned in its proceedings that the defendant did not submit a customs declaration for the shipment in question, and that it was declared based on the assumption that the import was iron, but upon inspection, it was found to be tobacco. Since the committee did not clearly state the reason for the defendant's failure to submit a customs declaration for the shipment, it seemed as if it had already issued a conviction against the defendant. The reason for not submitting a customs declaration for the shipment is that the plaintiff had contacted the shipping company after learning that the incoming shipment did not belong to him, based on the letter clarifying the error in sending a shipment that does not belong to the defendant, who in turn notified customs. All shipment documents, including the certificate of origin, invoices, and shipping documents, indicate that the shipment consists of metal shelves for carrying air conditioning units, and that there is an agreement with the company ... For the contracts to supply these iron shelves for their project located in Jeddah, this confirms the good faith of the defendant and the absence of customs smuggling from the outset; which made the committee's decision ambiguous in terms of facts and reasoning, and it was not based on knowledge and certainty but rather on suspicion and conjecture. It concluded with a request to dismiss the case due to insufficient evidence, and to allow the appellant to appear before the committee if necessary to explain the documents and correspondence.

And I request the response from the appellee on 11/02/2024 and to enable her right to respond for a period of (45) days, and she did not submit the required answer. Based on paragraph (1) of Article (35) of the rules of work of the Zakat, Tax, and Customs Committees, the committee decided to rule on the case in light of the documents available to it.

After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based.

Grounds:

After reviewing the unified customs law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the zakat, tax, and customs committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the relevant regulations and laws.



Since the appellant was notified of the first instance Decision on 10/01/2024, and submitted the appeal on 10/02/2024, this entails the acceptance of the appeal in form as it was submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law.

Whereas there is no reproach against the reviewing authority for taking the reasons of the decision subject to appeal without addition whenever it sees that these reasons suffice to avoid presenting anything new, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. The defenses raised by the appellant do not affect the outcome reached by the decision subject to appeal, considering that the importer had the opportunity to verify the goods before submitting the customs declaration based on Article (50) of the Unified Customs Law. Since the reasons for the decision subject to appeal are sufficient to support its ruling, it is necessary to determine that the defenses presented do not affect the outcome of the decision, which makes the appeal unsupported and thus must be rejected. However, the customs appeals committee, upon reviewing the case file, found the value assessment provided by the valuation department attached to the case file, which leads this committee to uphold the first instance decision in all that it ruled, while amending the amount of the customs fine to be equivalent to the estimated value of the seized goods, amounting to (756,000) seven hundred fifty-six thousand riyals. Accordingly, the committee concluded to report the following:

Decision:

First: Acceptance of the appeal in form, from the applicant/ ... , ..., commercial registration number (...), against the first instance Decision number (CTR-2024-212173) issued by the 1st First Instance Customs Committee in Riyadh.

Second: In the subject, the first instance decision is upheld in all that it ruled, with the amount of the customs fine being adjusted to be equivalent to the estimated value of the seized items, an amount of (756,000) seven hundred fifty-six thousand riyals, for the reasons and considerations stated in this decision.

This decision is final; according to the provisions of paragraph (Second) of Royal Order No. (25711) dated 08/04/1445 AH.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CTR-2024-170299
Case No. PC-2023-170299

Keywords:

Customs – Prohibitions – Tobacco – Non-conviction

Summary:

The Public Prosecution's demand for the third customs committee in Riyadh to convict the smuggler for customs smuggling, as his vehicle was seized and upon inspection, (38) bags of (tobacco) weighing (41) kilograms were found. The first instance committee found that there was no evidence in the case file indicating that the inspection authority had approved its release, and whether it complied with specifications and standards or not. The committee did not firmly believe that the seized items were brought in by the accused or smuggled into the kingdom unlawfully, and the evidence and documents presented are not deemed sufficient by the committee to assert the defendant's guilt in customs smuggling. This means that the importer is not convicted due to insufficient evidence proving the smuggling of goods into the kingdom.

Document:

- Paragraphs (9) and (10) of Article (2) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article 142 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)

Facts:

This case was referred to the Third First Instance Customs Committee in Riyadh after the committees at the customs ports were dissolved based on the decision of His Excellency the Minister of Finance No. (275) dated 18/1/1442 AH, and according to the provisions of Article (162) of the Unified Customs Law, this committee is responsible for considering the case.

On the merits, a letter was received by the Jazan Port Customs from the leadership of the security forces in the Jazan region, number (...) and dated 29/02/1443 AH, which included the seizure of a vehicle of the type (Hyundai Accent) bearing the license plate number (.../...) Led by the defendant (...), a Saudi national, with



national ID number (...), during the search, (38) bags of (tobacco) weighing (41) kilograms were found, and a seizure report number (...) was prepared. dated 04/03/1443 AH.

On Monday, dated 19/06/1445 AH, the committee held its hearing to consider the remotely convened lawsuit, and upon calling the parties to the lawsuit, the representative of the prosecution attended (...). Identity number (...), by virtue of a mandate issued by the head of the public prosecution issued under number (...). On the date 8/10/1443 AH, the defendant did not attend despite being notified by the General Secretariat of the Zakat, Tax, and Customs Committees through the automated systems and mechanisms it follows (via Hayad System). The General Secretariat of the Zakat, Tax, and Customs Committees confirmed that this law automatically notifies the defendant in accordance with the operational rules of the customs committees and other relevant regulations and instructions. Therefore, the committee decided to proceed with the case. When asked if the representative of the plaintiff had any additions to what was stated in the lawsuit, he replied: There is none, and after reviewing the case file, the committee decided to close the door to the pleadings and deliberations in preparation for issuing the decision.

Grounds:

After reviewing the Unified Customs Law, and after examining the case documents and reviewing the indictment submitted by the Public Prosecution in the Governorate of Al-Dayer, the jurisdiction is established for this committee to consider the case, which necessitates the acceptance of the case in form.

On the merits, and after the committee reviewed the case file, the indictment, and the incident report, it became clear that the report lacks the specification of the distance between the place of seizure and the customs surveillance area defined in Article (2) in paragraphs (9) and (10), which determine the customs zone and the customs line. This made it clear to the committee that the seizure occurred outside the customs surveillance area defined as (10) kilometers from the customs line into the Kingdom according to Ministerial Decision No. (158) dated 15/01/1424 AH. Therefore, it is evident that the seizure was internal and did not include the seizure report number (...). The date 04/03/1443 AH, on which the lawsuit was based, does not provide evidence that the seized items were introduced, attempted to be introduced, or smuggled by the defendant into the Kingdom according to Article (142) of the Unified Customs Law. Given that the situation is as mentioned, and the seized items are of the types (tobacco and cigarettes), and there is no indication in the case file that they were permitted to be released by the competent inspection authority, and whether they comply with specifications and standards or not, the committee has not established in its conviction that the seized items were introduced by the accused or smuggled into the Kingdom unlawfully. The evidence and documents presented are not deemed sufficient by the committee to convict the defendant of customs smuggling, considering that Article (142) of the Unified Customs Law defines smuggling as "introducing or attempting to introduce goods into the country unlawfully," which has not been



conclusively and decisively proven to the committee, as rulings are based on certainty and conviction, not on doubt, suspicion, or conjecture, and doubt is interpreted in favor of the accused.

Based on the above, and after study and deliberation, the committee unanimously decided the following:

Decision:

1- Non-conviction / ... Saudi nationality, national ID number (...) In person for customs smuggling, due to insufficient evidence of the smuggling of the seized items as indicated in the facts and reasons.

2- Seizure of the seized items subject to the lawsuit.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-231177
Case No. PC-2024-231177

Keywords:

Customs - Prohibitions - Listening and Tracking Device - Conviction

Summary:

The importer is requesting the cancellation of the first instance decision No. (CFR-2023-156264) issued by the 1st First Instance Customs Committee in Riyadh, which convicted him in solidarity with the truck driver for smuggling (200) tracking and listening devices hidden within the declared shipment, and obligating them to a customs fine of (200,000) riyals, along with the confiscation of the seized devices. The appellate committee has established that the defenses presented did not affect the outcome of the decision, which means that the appeal has no supporting basis and must be rejected. This means supporting the first instance decision.

Document:

- [Regulations for the operation of Zakat, tax, and customs committees issued by Royal Order No. \(25711\) dated 08/04/1445 AH.](#)
- Article 163 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)

Facts:

This is to consider the appeal against the first instance decision number (CFR-2023-156264) issued by the Third First Instance Customs Committee in Riyadh, submitted by the attorney/ ... National ID number (...) On his own behalf.

The facts of this case are summarized in that while a truck driven by the driver/ ... - Pakistani nationality - Border number (...) The board number is (...) From the United Arab Emirates, a statement was issued regarding the shipment of various goods belonging to the citizen/..., national ID number (...), with import number (...). During the search, a total of 200 tracking and eavesdropping devices were found hidden among the cargo boxes, which are items prohibited from being imported into the Kingdom. When the case was presented to the first instance committee, it issued its decision to convict both the importer and the



truck driver in absentia for customs smuggling, and to hold them jointly liable for a customs fine amounting to 200,000 riyals based on Ministerial Decision No. 2597 dated 24/07/1439 AH, in addition to confiscating the seized items subject to the case, as stated in the ruling and reasons of the first instance decision subject to appeal, which is referred to in order to avoid repetition.

Upon reviewing the statement of appeal submitted by the customs appellate committee... National ID number (...) It turns out that it includes a summary stating that there is no connection to the seized contraband and that he disclosed the order and its invoices, and that none of them included the item that violates the regulations. The driver is the one who exploited the shipment of the order and replaced it with items that belong to him, and the importer has no connection to them according to the driver's declaration, which means that there is no criminal intent on the part of the importer. Furthermore, it is confirmed that there was no item listed in the invoices in terms of quantity and number of the violating item, and that all items are commercially permissible. Therefore, he requests the annulment of the ruling.

And I request the response from the appellee on 31/01/2024 and enabling her to exercise her right to respond for a period of (45) days without submitting the required answer, and based on paragraph (1) of Article (35) of the rules of operation of the Zakat, Tax, and Customs Committees, the committee decided to rule on the case in light of the documents available to it.

After reviewing the case file and the submitted appeal, the committee found that the case was ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based.

Grounds:



After reviewing the unified customs law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the zakat, tax, and customs committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the relevant regulations and laws.

Since the appellant was notified of the first instance Decision on 01/01/2024, and submitted the appeal on 29/1/2024, this entails the acceptance of the appeal in form as it was submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law.

Since there is no reproach against the reviewing authority for taking the reasons of the decision subject to the appeal without addition whenever it sees in these reasons what suffices to avoid presenting anything new, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. This is not affected by what the appellant argued regarding the validity of the shipment according to the invoice submitted by him, considering the presence of the item (mobile phone accessories) in item number (9) of the invoice, which is not present in the shipment and contradicts what was found of tracking and eavesdropping devices without



clarifying the reason for that and the nature of the accessories mentioned in the invoice and what proves their validity contrary to the conflicting item. Therefore, it is necessary to determine that the defenses presented do not affect the outcome of the decision, which makes the appeal unsupported and necessitates its rejection.

Accordingly, the appellate committee concluded the following report:

Decision:

First: Acceptance of the appeal in form, from the applicant/ ... , ... National ID number (...), against the first instance decision number (CFR-2023-156264) issued by the 1st First Instance Customs Committee in Riyadh.

Second: The appeal is rejected on the merits, and the first instance decision is upheld in all that it ruled, for the reasons and grounds stated in this Decision.

This decision is final; according to the provisions of paragraph (Second) of Royal Order No. (25711) dated 08/04/1445 AH.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No.

CFR-2024-203136

Case No.

PC-2023-203136

Keywords:

Customs - Prohibitions - Alcohol Labels - Conviction

Summary:

The Public Prosecution's demand for the conviction of the defendant (...) In customs smuggling after being caught with (700) strips bearing the brand (...). Each strip contains a total of (2) labels with wine names totaling (1400) labels, and (165) strips carry the brand (...). Each strip contains a total of (3) three labels with wine names, totaling (495) labels, and (695) strips carry the brand (...). Each strip contains a total of (6) six labels with wine names, totaling (6065) labels carrying wine names. And where it was established for the first instance committee that the labels with the names of wines are goods prohibited from being imported into the Kingdom. This means; convicting the defendant of customs smuggling and obliging him to pay a customs fine and confiscating the seized items.

Document:

- Article 142 of The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 (03/11/1423 AH).
- Paragraphs (6), (12), and (13) of Article (143) of the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. (M/41) dated 03/11/1423 AH.
- Paragraphs (4) and (5) of Article (145) of The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 (03/11/1423 AH).

Facts:

Where the letter from the head of the Public Prosecution Office in the Sharqia region number (...) On the date 21/12/1444 AH, and based on Article (162) of the Unified Customs Law, this committee is responsible for considering the case.

On the merits, that during the arrival of the defendant/ ... Indian nationality - Residence number (...) At King Fahd International Airport, and during the inspection of his luggage with an X-ray machine, there was



suspicion of prohibited items. He was referred for a manual inspection, and upon searching, (700) strips bearing the brand (...) were found inside the carton. Each strip contains a total of (2) labels with wine names totaling (1400) labels, and (165) strips carry the brand (...). Each strip contains a total of (3) three labels with wine names, totaling (495) labels, and (695) strips carry the brand (...). Each strip contains a total of (6) six labels with wine names, totaling (4170) labels, making the total number (6065) labels that have not been authorized, and based on that, a seizure report number (...) was issued dated is 29/09/1444 AH.

Accordingly, the committee held its hearing on Wednesday, January 24, 2024, and upon calling the parties to the case, ... National ID number: (...) and attended ... National ID number (...) As representatives of the plaintiff under the authorization issued under number (...), dated 08/10/1443 AH, the defendant appeared in person / (...). Resident ID number (...) The one who is proficient in the Arabic language, and after verifying the parties to the case, the committee decided to proceed with the case.

When the committee asked the defendant about what was stated in the lawsuit submitted by the Public Prosecution, what do you say about the accusations against you and why did you bring these stickers? He answered: I have been in the kingdom for nine years and I worked as a driver, then I got sick and worked as a laborer. Then my father got sick in India, and I went on vacation for a month and twenty-five days. When the vacation ended, my father asked me to deliver these stickers to his friend who opened a hotel in Saudi Arabia to use them in the hotel. He mentioned that he had a number of work visas and told me that it was simple. My father's friend asked my father to have me deliver them to him in Saudi Arabia, and we do not know what is inside the plastic. And when the committee asked the defendant originally, did you receive any money for your receipt? He answered: No, I have not received any money; therefore, the committee decided to rule on the case based on the documents available to it.

Grounds:

It is established by the seizure report as mentioned above in the facts of this case that a total of (6065) labels with names of alcoholic beverages were seized by the King Fahd International Airport Customs. Since the labels with names of alcoholic beverages are goods prohibited from being imported into the Kingdom, and it has not been proven that they entered or were imported into the Kingdom in a regular manner, the seizure of these materials with the mentioned individual without declaring them constitutes an attempt at smuggling. Article (142) of the Customs Law states that "smuggling is the introduction or attempt to introduce goods into the country or their exit or attempt to exit them in violation of the applicable legislation without paying customs duties in whole or in part or in violation of the prohibitions or constraints contained in this law and other regulations." Paragraphs (13, 12, 6) of Article (143) of the same law stipulate that it is considered smuggling to exceed the customs circle in the entry or exit of goods without declaring them and to transport prohibited and restricted goods or possess them without providing evidence supporting their importation or lawful passage or to transport or possess goods subject to customs authority without legal



documents. Paragraph (4) of Article (145) of the same law states that a penalty for the crime of customs smuggling or its equivalent shall not be less than the value of the goods and shall not exceed three times their value, and imprisonment for a period of not less than six months and not more than three years or one of these two penalties. Paragraph (5) of Article (145) of the same law states that the goods subject to smuggling shall be confiscated or a judgment equivalent to their value shall be issued in case they are not seized.

Accordingly, the committee, after study and deliberation, unanimously decided as follows:

Decision:

1. Conviction of the defendant ... -Indian nationality- Residence number (...) In person with customs smuggling.
2. He is obliged to pay a customs fine equivalent to the value of the seized items, amounting to (3,028) three thousand and twenty-eight riyals.
3. Seizure of the seized items in the case.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.



The Customs Appeals Committee in Riyadh

Decision No.

CFR-2024-235508

Case No.

PC-2024-235508

Keywords:

Customs - Prohibitions - Pork - Conviction

Summary:

The Public Prosecution's demand for the conviction of the importers for smuggling (57000 grams of pork) was found under the back seat, on the front seat pedal, on the back seat pedal, behind the back seat, and inside a fabric bag on the front seat pedal, and inside boxes bearing a trademark for electrical tools for the purpose of camouflage located on the rear passenger seat pedal, which were not declared. It was established to the first instance committee that pork is one of the goods prohibited from being imported. . Consequently: Convicting the two defendants of customs smuggling, and obliging them jointly to pay fines equivalent to double the customs duties for the molasses and three times the value of the pork, along with confiscating the seized goods and the means of transport.

Document:

- Article 142 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Paragraphs (6), (12), and (13) of Article (143) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraphs (1), (4), (5), and (6) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

Where the letter from the Chief Public Prosecution in the Eastern Region No. (...) dated 21/10/1445 AH and the requests mentioned therein were received, and based on Article (162) of the Unified Customs Law, this committee is responsible for considering the case.

On the merits, with the arrival of the defendant/ ... -Saudi nationality- National ID number (...) And attached is the defendant/ ... Filipino nationality - Residence number (...) At the King Fahd Bridge customs, a vehicle of type (Isuzu) with license plate number (.../...) was inspected, and during the search of the vehicle, (39)



bottles weighing (23250) milliliters of alcohol, (50) cans weighing (12500) grams of molasses, and (2) bags containing (57000) grams of pork were found. These items were located under the back seat, on the front seat pedal, on the back seat pedal, behind the back seat, inside a fabric bag on the front seat pedal, and inside boxes bearing a brand name for electrical tools for the purpose of camouflage located on the rear passenger seat pedal, which were not declared. A seizure report number (...) was prepared. dated 12/07/1445 AH.

Accordingly, the committee held its hearing on Tuesday, 23/07/2024, and upon calling the parties to the case, attended/ ... National ID number: (...) As a representative of the plaintiff under the authorization issued under number (...), dated 08/10/1443 AH, the defendant was present through the attorney (...) with ID number (...), agency number (...). And the number (...), and after verifying the parties to the case, the committee decided to proceed with the case. Upon reviewing the case papers and documents, and presenting the case to the defendant, and asking him what is your response to what has been attributed to your clients, he replied: I request a postponement to review the plaintiff's list as I was unable to access the automated system to view the list due to technical reasons. I will respond to the list by attaching a memorandum to the law if I can and respond directly during the next hearing. Accordingly, the committee decided to approve the request of the defendants' attorney to grant him an extension until Thursday, 25/7/2024.

On Thursday, July 25, 2024, the committee held its hearing, and upon calling the parties to the case, attended/ ... National ID number: (...) As a representative of the plaintiff under the authorization issued under number (...), dated 08/10/1443 AH, the defendant was present through the attorney (...) with ID number (...), agency number (...). And the number (...), and after verifying the parties to the case, the committee decided to proceed with the case. When asking the representative of the defendants, what do you say regarding the allegations against your clients of smuggling (pork and molasses)? He answered: The Chairman and members of the first customs committee, we inform you that we have reviewed the lawsuit filed against my clients who are accused in the case before you, and we summarize their response as follows:

1- Regarding our client, the first accused (...), Article (142) of the Unified Customs Law defines smuggling as (the introduction or attempted introduction of goods into the country or their removal, or attempted removal from it, in violation of the applicable legislation, without paying taxes... or contrary to the provisions of registration...), and applying the concept of the article to the facts of the case, my client denies smuggling the seized materials in violation of the applicable legislation, as she introduced the materials openly and in a visible place, not hidden, and she acknowledged bringing them for her personal use without the knowledge of her other accused sponsor. A public lawsuit was filed against her before the Criminal Court in Khobar, and a judgment was issued against her with ruling number (...). On the date 15/10/1445 AH, the judge sentenced her to eight months in prison for smuggling, and this ruling is sufficient and deterrent for what she has committed. She is remorseful and repentant and seeks forgiveness and pardon from the esteemed court.



2- Regarding our client, the second accused/ (...) Saudi nationality, ID number: (...) He is also adamant in his denial and rejection of the accusation, neither by knowing about the seized items in the car nor by concealing them in any way. Unfortunately, he fell victim to his other accused ward who exploited his assistance when he took her to visit her sister, whom she claimed was in the Kingdom of Bahrain. After leaving her sister's house, she placed the seized items and did not disclose to him their nature or type in any way. The public prosecutor had previously accused him of concealing the existence of the seized items in the case that was heard before the criminal court in Khobar, which resulted in the aforementioned ruling sentencing him to a month in prison for concealment.

Accordingly, the public prosecutor accused my client, the second defendant in the previous case, of concealing the seized items, while in this current case before you, he accused him of customs smuggling. This contradiction invalidates this case against my client (...). In any case, the first and second defendants in the first case were punished for the same reason, and therefore, it is not appropriate to punish them again for the same reason.

His Excellency says that Allah, the Almighty, says in His sacred Hadith: "O My servants, I have forbidden injustice upon Myself and made it forbidden among you, so do not wrong one another." And He, Exalted is His Majesty, says: "Indeed, Allah commands you to be just and to do good." Our clients, the accused, request the dismissal of the plaintiff's claim and their release. May Allah's blessings be upon our Prophet Muhammad and his family and companions.

When asked why the guarantor did not ask the guaranteed party about the contents of the boxes? He answered that since she has been under his sponsorship for ten years and he had not witnessed any mistakes before, he did not ask her, but he knew that she had boxes, although he thought they were gifts from her sister.

When asking the representative of the plaintiff, what do you think of the statements of the defendants' attorney? He answered: What the defendants' attorney mentioned is not correct, and the correct thing is that the defendant can be accused of (...) Smuggling and concealment at the same time, and the statement is that he denied his knowledge through his client about the seized items, thus he is considered to be concealing. Since he is the driver of the vehicle in which the prohibited items were seized, he is considered a partner in the smuggling.

And when asking the representative of the defendants, do you have anything you would like to add? He answered: I would like to stick to what was presented earlier.

And asking the plaintiff, do you have anything you would like to add? He answered: I would like to amend the prosecution requests regarding paragraph number (3) to include the confiscation of the seized items in the case, and I would like to add a penalty for the molasses according to the penalty stated in Article (145/1) of the Unified Customs Law.



After reviewing the case documents and hearing the defenses, and based on Royal Decree No. (M/14) dated 6/4/1434 AH, which transfers the jurisdiction to consider cases of drug and alcohol smuggling from the penal court, and since it was stated in the prosecution's statement "Independent papers have been sorted to address matters related to alcohol smuggling and referred to the competent court," and after reviewing articles (116), (142), (143), (144), (145/1/4/5/6), (A/154), and since what the two defendants did, while fully competent, is a criminal act punishable by law, the committee decided to rule on the case.

Grounds:

It is established by the seizure report as mentioned above in the facts of this case that a total of (39) bottles weighing (23250) milliliters of alcohol, (50) boxes weighing (12500) grams of molasses, and (2) bags containing a weight of (57000) grams of pork were seized.

Since molasses is one of the goods with high customs duties and its import is restricted with the approval of the competent authority, and alcoholic beverages and pork are goods that are prohibited from being imported.

Whereas Article (142) of the same law states that "smuggling is the introduction or attempted introduction of goods into the country or their exit or attempted exit from it in violation of the applicable legislation without paying customs duties in whole or in part or in violation of the prohibitions or constraints contained in this law and other laws," and whereas paragraphs (13, 12, 6) of Article (143) of the same law stipulate that the following falls under the definition of smuggling: exceeding the customs circle in the entry or exit of goods without declaring them, transporting prohibited and restricted goods or possessing them without providing evidence supporting their importation or lawful passage, or transporting or possessing goods subject to customs authority without a legal document, and whereas Article (145/1) of the same law states that a penalty is imposed for the crime of customs smuggling or its equivalent if the smuggled goods are subject to high customs duties, with a fine of not less than double the due customs duties and not exceeding three times the customs duties or double the value of the goods, whichever is higher, and imprisonment for a period of not less than one month and not exceeding one year or one of these two penalties. Where Article (145/4) of the same law states that a penalty is imposed for the crime of customs smuggling or what is deemed equivalent to it, with a fine of no less than the value of the goods and not exceeding three times their value, and imprisonment for a period of no less than six months and not exceeding three years, or one of these two penalties. Where paragraph (5) of Article (145) of the same law stipulates the confiscation of goods subject to smuggling or a ruling equivalent to their value in case they are not seized. Since the seized items were found by the law enforcement agency in a place designated for smuggling, it necessitates the confiscation of the means of transport in accordance with Article (145/6) of the same law. As for what concerns alcoholic beverages, it is outside the jurisdiction of the zakat, tax, and customs committees according to Royal Decree No. (M/14) dated 06/04/1434 AH, which states in its first paragraph that (the



application of the penalties stipulated in the Customs Law approved by Royal Decree No. (M/41) dated 03/11/1423 AH related to drug and alcohol smuggling cases shall be by the criminal court). After reviewing the rules of operation of the customs committees issued by the Minister of Finance's decision No. (840) dated 25/02/1441 AH, and the relevant laws and regulations, and since it is established that the jurisdiction in its branches (territorial, spatial, and qualitative) is considered one of the first instance matters that the committee must examine and verify before delving into the case in terms of procedures and on merits, and based on Article (76) of the Sharia Litigation law, which states that "the objection to the court's jurisdiction due to the absence of its authority..." It can be raised at any stage of the case, and the court may rule on it ex officio, as jurisdiction over such cases has been removed from the customs committees, which means that the committee is not competent to consider the case jurisdictionally.

Accordingly, the committee, after study and deliberation, unanimously decided as follows:

Decision:

- 1- Conviction of the defendant (...) Saudi nationality, ID number: (...) The defendant (...) Filipino nationality, residence number (...), present by customs smuggling.
- 2- Obliging them jointly to pay a fine equivalent to twice the customs duties for the tobacco subject to the lawsuit.
- 3- To obligate it to jointly pay a fine equivalent to three times the value of the pork in the lawsuit.
- 4- Seizure of the confiscated molasses and pork in the case.
- 5- Confiscation of the means of transport used in smuggling unless it has been ruled for confiscation in the separate case or a confiscation equivalent to its value if confiscation is not possible.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.



Constraints



The Customs Appeals Committee in Riyadh

Decision No.

CFR-2023-192181

Case No.

PC-2022-192181

Keywords:

Customs - Constraints - Camels and Livestock - Conviction

Summary:

The Public Prosecution demands that the 1st firstInstance Customs Committee convict the importer of customs smuggling due to the seizure of (38) heads of sheep. And since it has been established to the first instance committee that the seized goods are items that are subject to high customs duties upon import, in addition to being restricted goods that require approval from the competent authority to enter the Kingdom, and it has not been proven that they entered or were imported in a regular manner, and since this constitutes an attempt at smuggling based on the provisions of Article (142) of the Customs Law. This means; convicting the importer and obliging him to pay a customs fine and confiscating the seized items in the case.

Document:

- Article (142) from [The Unified Customs Law for the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (143/6) of [the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (143/12) of [the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (143/13) of [the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (145/3) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (145/5) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)



Facts:

Where the letter from the Chief Public Prosecutor in the Al-Dayer Governorate No. (...) The date .../.../... and the requests mentioned therein, and based on Article (162) of the Unified Customs Law, this committee is responsible for considering the case. On the merits, while the security forces were carrying out their duties at the entrance of Al-Dair Governorate, a vehicle of type (...) was stopped. in white color model ... The plate number (...) The return of ownership to its leader, the defendant (...) Atif has a national ID number (...), and upon inspection, 38 heads of sheep were found inside the vehicle, and a seizure report number (...) was prepared. dated .../.../...h. Accordingly, the committee held its hearing on ... The agreement.../.../... and by calling the parties to the case, (...) attended, national ID number (...), in his capacity as a representative of the plaintiff under the authorization issued under number (...), dated .../.../...H, and the defendant or his representative did not attend despite being notified, thus missing the opportunity to defend himself, and therefore the committee decided to rule on the case based on the documents available to it.

Grounds:

It is established by the seizure report as mentioned above in the facts of this case that a total of (38) heads of sheep were seized. Given that the seized items are goods subject to high customs duties upon import, and since they are restricted goods that require approval from the competent authority to enter the Kingdom, and it has not been proven that they entered or were imported into the Kingdom in a regular manner. Article (142) of the same law states that "smuggling is the introduction or attempt to introduce goods into the country or their exit or attempt to exit them in violation of the applicable legislation without paying customs duties in whole or in part or in violation of the prohibitions or constraints contained in this law and other regulations." Paragraphs (13, 12, 6) of Article (143) of the same law stipulate that smuggling includes the bypassing of goods in entry or exit from the customs circle without declaring them and transporting prohibited and restricted goods or possessing them without providing evidence supporting their import or lawful passage or transporting or possessing goods subject to customs authority without legal documents. Article (145/3) of the same law states that if the smuggled goods are not subject to customs taxes (exempt), the penalty shall be a fine of not less than ten percent of the value of the goods and not exceeding their value, and imprisonment for a period of not less than one month and not exceeding one year, or one of these two penalties. Paragraph (5) of Article (145) of the same law stipulates the confiscation of the goods subject to smuggling or a ruling equivalent to their value in case they are not seized. Accordingly, the committee, after study and deliberation, unanimously decided as follows:



Decision:

1. Condemnation (...) National ID number (...), present at customs smuggling.
2. Obliging him to pay a customs fine for the violating item (sheep) at a rate of 10%, amounting to (1140) one thousand one hundred and forty riyals.
3. Seizure of the seized items in the case.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.



The Customs Appeals Committee in Riyadh

Decision No.

CR -2024-171225

Case No.

PC-2022-125197

Keywords:

Customs - Constraints - Camels and Livestock - No Conviction

Summary:

The importer's request to cancel the decision of the First Instance Customs Committee in Al-Ruqai number (415) for the year 1441 AH, which convicted the importer of customs smuggling and imposed a customs fine equivalent to the value of the camels and required him to pay a confiscation fee. Where it has been established for the appellate committee that the customs' reliance on the mere violation by the importer of the commitment to return the camels within the specified period does not negate the fact of the camels' death, and it results in the impossibility of the appellant returning the camels due to their physical death. This means; the first instance decision overturned everything it ruled.

Document:

- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (142) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by/ Foundation ... This is to consider the appeal submitted by (...), national ID number (...), in his capacity as an agent for (...), Kuwaiti ID number (...), issued by the external agency in the State of Kuwait, certified by the Ministry of Justice in the Riyadh region under number (...). dated .../.../... against the first instance decision No. (415) for the year 1441 AH, issued by the 1st First Instance Customs Committee in Al-Ruqai, ruling as follows:

Condemnation (...) Under passport number (...) In person with customs smuggling.

He is obliged to pay a customs fine of (20,000) twenty thousand riyals, equivalent to the value of the camels.



He is obliged to pay a customs fine amounting to (20,000) twenty thousand riyals as a confiscation fee, bringing the total fine to (40,000) forty thousand riyals.

Not imprisonment.

Since the appellant was notified of the Decision subject to the appeal on .../.../... and submitted the appeal against the Decision on .../....., this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its conduct as stipulated in Article (163) of the Unified Customs law. As for the facts of the case, they can be summarized as follows: when a number (4) of camels covered by the customs declaration issued under number (...) exited. Dated .../.../... for participating in the cultural heritage event held in the country (...), however, it has not been proven that the camels were returned to the Kingdom, which contradicts the entry and exit instructions that must be observed and adhered to. The First Instance Committee issued its Decision as stated in its ruling based on the fact that the invitee (...) did not comply with returning the camels immediately after participating in the cultural heritage event within the granted timeframe, which constitutes customs smuggling according to Article (142) of the Unified Customs law. Upon reviewing the objection list submitted by the appellant's agent, the appellate customs committee found that its summary mentioned that the appellant stated in his previous testimony that the non-return of the camels was due to their death, as evidenced by the report issued by the Animal Health Department of the Public Authority for Agriculture and Fish Resources dated .../.../... which was attached to the case file, proving that the camels were not brought to the Kingdom. The appellant also pledged to provide evidence of the camels' death; however, the total ban prevented him from entering the Kingdom and appearing before the First Instance Committee. The list concluded with a request to overturn the first instance Decision and rule to dismiss the claim of the Public Authority for Customs due to lack of evidence and to cancel the fines mentioned in the Decision's text. A response memo was received through the Automated System of the secretariat from the authority dated.../.../... which summarized that the permit granted to the appellant on .../.../...H is valid for six months, meaning that the appellant must return the camels to the Kingdom before the date .../.../...M. However, he submitted a certificate issued by the Public Authority for Agriculture and Fish Resources on .../.../...H, indicating his failure to comply with the commitment made to return them within six months. Additionally, customs smuggling crimes are intentional crimes that require both the material and moral elements to be present, which were met in the case at hand due to the appellant's failure to return the camels within the granted period. The memo concluded with a request to reject the appeal submitted by (...), and to uphold the first instance decision in all its provisions. On Wednesday, March 13, 2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against Decision No. (415) for the year 1441 AH, issued by the 1stFirst Instance Customs Committee in Al-Ruqai. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a Decision in its current state after the committee was informed of the facts of the case and the sufficiency of what was



presented to form its conviction and rule on it in light of the Grounds on which the appeal was based and the response of the authority.

Grounds:



And since the authority did not provide anything that undermines what was apparent regarding the death of the four camels, which was supported by the attached documents in support of his statements and reinforced by the certificate issued by the Public Authority for Agriculture and Fish Resources in Kuwait dated .../.../... except for what it mentions about the long period between the presumed date for the end of the license to return the camels to the country before the date .../.../... and the issuance of the certificate of the camels' death corresponding to the date .../.../... and that it can be inferred from this that the concerned party did not adhere to the commitment taken upon him to return the camels within six months, which expires on .../.../... and since the customs' reliance on the mere violation by the importer of the commitment to return the camels within the specified period does not negate the fact of the camels' death, it follows that merely relying on the commitment that the concerned party did not adhere to in returning the camels to support what the customs claims regarding the existence of customs smuggling and the validity of its attribution to him is not based on reality, given that the fact of death, for which there is no evidence to refute the apparent indication of the submitted document to prove it, results in the impossibility of the appellant returning the camels due to their death, which means that the first instance Decision did not align with the reality and circumstances of the case, as its outcome was contrary to the truth of its facts as required by the correct application of the law. Since the customs appeal committee concluded that the defenses presented by the appellant included what confirms the invalidity of the appealed first instance Decision, it was decided to annul the first instance Decision in all that it ruled, and thus the committee concluded to report the following:

Decision:

- 1- The acceptance of the appeal in form from the applicant (...), identity number (...), against the first instance Decision number (415) for the year 1441 AH, issued by the 1stFirst Instance Customs Committee in Al-Ruqai.
- 2- In the matter of his acceptance, and the annulment of the first instance Decision regarding everything that was ruled against the appellant, and that is for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No.

CFR -2023-227111

Case No.

PC- 2023-22711

Keywords:

Customs - Constraints - Metal Detectors - Conviction

Summary:

The Public Prosecution has demanded the 1st firstFirst Instance Customs Committee in Riyadh to hold the importer accountable for customs smuggling due to the seizure of a metal detector. And where it was established for the first instance committee that the seized goods are prohibited from being imported into the Kingdom and that this constitutes an attempt at smuggling based on the text of Article (142) of the Customs Law. This means; convicting the importer and obliging him to pay a customs fine and confiscating the seized items in the case.

Document:

- Article (142) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraphs 6, 12, and 13 of Article (143/6) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraphs 4 and 5 of Article (145/4) of [the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

Where the letter from the Chief Public Prosecutor of the Governorate ... and the number (...) Dated .../.../... AD, and the requests mentioned therein, and based on Article (162) of the Unified Customs Law, this committee is responsible for considering the case. On the merits, it has been requested to complete the necessary procedures in accordance with Article 150 of the Unified Customs Law regarding the accused (...) National ID number (...), which was found in his possession with a metal detector, and where the device was requested as well as instructions to the police ... And by obliging the accused to attend, we received a police letter ... In the governorate of ... and the number (...) On the date .../.../... and with the device in question, the concerned party was contacted several times, but his mobile was out of service according to



the attached call log. Accordingly, a report number (...) was prepared. dated .../.../...h. Accordingly, the committee held its hearing on Monday, 19/02/2024. Upon calling the parties to the case, (...) attended, with national ID number (...), in his capacity as a representative of the plaintiff based on the authorization issued under number (...), dated .../.../...H. The defendant or his representative did not attend despite being notified, thus missing the opportunity to defend himself. Therefore, the committee decided to rule on the case based on the documents available to it.

Grounds:



It is established by the seizure report as mentioned above in the facts of this case that a metal detector was seized, and since the seized item is among the goods prohibited from being imported into the Kingdom. Where Article (142) of the Customs law states that "smuggling is the introduction or attempted introduction of goods into the country or their exit or attempted exit from it in violation of the applicable legislation without paying customs duties in whole or in part or in violation of the prohibitions or constraints set forth in this law and other laws," and where paragraphs (13, 12, 6) of Article (143) of the same law stipulate that the smuggling provisions include the exceeding of goods in entry or exit from the customs circle without declaring them and the transfer of prohibited and restricted goods or possessing them without providing evidence supporting their importation or lawful passage or the transfer or possession of goods subject to customs authority without a legal document, and where Article (145/4) of the same law states that a penalty is imposed for the crime of customs smuggling or what is equivalent to it of not less than the value of the goods and not more than three times their value and imprisonment for a period of not less than six months and not more than three years or one of these two penalties, and where paragraph (5) of Article (145) of the same law stipulates the confiscation of goods. The smuggling shop or a ruling equivalent to its value in case it is not seized.

Decision:

1. Condemnation (...) National ID number (...), present at customs smuggling.
2. Obliging him to pay a fine equivalent to the value of the seized items.
3. Seizure of the seized items in the case.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.



The Customs Appeals Committee in Riyadh

Decision No.

CTR -2024-167783

Case No.

PC-2023-167783

Keywords:

Customs - Constraints - Medical drugs restricted from entry - Conviction

Summary:

The Public Prosecution has demanded that the Third First Instance Customs Committee in Riyadh convict the importer due to the presence of undeclared confiscated items, which are (150) boxes of medical tools (cough medicine). The first instance committee has established that the confiscated items are of categories restricted from entering the Kingdom except with the approval of the relevant authorities, and they were not declared to customs, which is considered an attempt to smuggle based on the provisions of Article (142) of the Customs Law. This means; convicting the importer and obliging him to pay a customs fine and confiscating the seized items subject to the lawsuit.

Document:

- Article (142) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraphs 4 and 5 of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

Where this case was referred to the Third First Instance Customs Committee in Riyadh after the committees at the customs ports were dissolved based on the decision of His Excellency the Minister of Finance No. (...) Dated .../.../... , based on the text of Article (162) of the Unified Customs Law, this committee is responsible for considering the case. On the merits, as it was during the arrival of the defendant (...) Passport number (...), to the customs of the airport ..., and when passing with his luggage through the security sensor device, the effect of removing the security sticker was noticed. When the defendant was questioned about this, he admitted to doing so in order to avoid presenting it to the inspection device and smuggling the seized items. Upon subjecting the luggage to inspection, a total of (150) boxes of medical tools (cough medicine) were found. Accordingly, a seizure report number (...) was prepared. dated .../.../...h.

On Monday, dated 19/06/1445 AH, the committee held its hearing to consider the case conducted remotely, and upon calling the parties to the case, the representative of the prosecution attended (...) Identity number (...), by virtue of a mandate issued by the head of the public prosecution issued under



number (...) dated .../.../... and the defendant did not attend despite being notified by the General Secretariat of the Zakat, Tax, and Customs Committees through the automated systems and mechanisms it follows (via Hayad System). The General Secretariat of the Zakat, Tax, and Customs Committees confirmed that this law notifies the defendant automatically in accordance with the operational rules of the customs committees and other relevant regulations and instructions. Therefore, the committee decided to proceed with the case, and when asked if the representative of the plaintiff had any additions to what was stated in the statement of claim, he replied: There is none, and after reviewing the case file, the committee decided to close the door to the pleadings and deliberations in preparation for issuing the decision.

Grounds:

After reviewing the Unified Customs Law, and after examining the case documents and reviewing the indictment submitted by the Public Prosecution in the Riyadh region, the jurisdiction is established for this committee to consider the case, which necessitates the acceptance of the case in form. On the merits, and since the facts of the seizure mentioned in the indictment indicate that the seized items were not declared, which are (150) boxes of medical tools (cough medicine), according to the seizure report number (...). dated .../.../... is one of the categories whose entry into the Kingdom is restricted except with the approval of the competent authorities, and it was not declared to customs as detailed in the seizure report, and after reviewing articles (142) and (145) with paragraphs (4) and (5) of the Unified Customs Law, and since the concerned party or their representative did not attend to defend themselves against the allegations made against them, and after reviewing the seizure report and the indictment and the circumstances and evidence contained therein. Based on the above, and after study and deliberation, the committee unanimously decided the following:

Decision:

- 1- Condemnation (...), passport number (...). In person for customs smuggling according to Article 142 of the Unified Customs law.
- 2- He is obliged to pay a customs fine equivalent to the value of the seized items, amounting to (1,800) one thousand eight hundred riyals, in accordance with Article (4/145) of the same law.
- 3- 3-Confiscation of the seized items subject to the lawsuit, in accordance with Article (145/5) of the same law.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions. The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.



The Customs Appeals Committee in Riyadh

Decision No.

CFR -2024-235898

Case No.

PC- 2024-235898

Keywords:

Customs - Constraints - Silver Works - Conviction

Summary:

The Public Prosecution demands the First Instance Customs Committee in Riyadh to convict the importer due to the presence of confiscated items containing silver cut pieces weighing (3575) grams. Where it has been established for the first instance committee that the seized items are of the restricted categories that require the approval of the competent authorities for their clearance, and given that the seizure of these materials without declaring them constitutes an attempt at smuggling based on Article (142) of the Customs Law. This means; convicting the importer and obliging him to pay a customs fine and confiscating the seized items in the case.

Document:

- Article (142) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (143) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraphs 3 and 5 of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

Where the letter from the Chief Public Prosecutor in Jeddah Province No. (...) The date .../.../... and the requests mentioned therein, and based on Article (162) of the Unified Customs Law, this committee is responsible for considering the case. On the merits, that during the arrival of (...) Passport number (...) Through the airport ... On board the airline company (...) coming from (...), and while the defendant was passing through the exit gate, the inspector noticed signs of the removal of the security sticker belonging to the Image Analysis Center and the absence of it on his luggage tag. Therefore, he was referred for secondary inspection, and by placing his bag on the luggage detection device and opening it for manual inspection, silver pieces weighing (3575) grams were found. Consequently, a seizure report number (...) was prepared. dated .../.../...h. Accordingly, the committee held its hearing on Wednesday, corresponding to .../.../... and upon calling the parties to the lawsuit, (...) attended, with national ID number (...), in his capacity as a representative of the plaintiff based on the authorization issued under number (...), dated .../.../... and the



defendant did not attend despite being notified by the secretariat through the automated systems and the mechanisms followed (via Hayad System) and other automated systems. The General Secretariat of the committees confirmed that this law notifies the defendant automatically in accordance with Article Nine of the rules of operation of the committees and other relevant regulations and instructions. Therefore, the defendant did not attend the first hearing, which deprived him of the opportunity to defend himself. When asked what the plaintiff's representative would like to add? He answered: I request to amend the first paragraph of the prosecution requests to impose a penalty according to (145/3) of the Unified Customs Law, as the seized goods are exempt from customs duties. Accordingly, the committee decided to rule on the case based on the documents available to it.

Grounds:

It is established by the aforementioned seizure report in the facts of this case that silver jewelry weighing (3575) grams was found with the defendant. Since the seized items are restricted categories that require approval from the relevant authorities for clearance, the seizure of these materials with the mentioned individual without declaring them is considered an attempt at smuggling. Article (142) of the Customs Law states that "smuggling is the introduction or attempt to introduce goods into the country or their exit or attempt to exit them in violation of the applicable legislation without paying customs duties in whole or in part, in violation of the prohibitions or constraints contained in this law and other regulations," which is represented by the attempt to introduce these prohibited items. Furthermore, Article (143) of the same law states, "It is considered smuggling to exceed the customs circle in the entry or exit of goods without declaring them and to remove goods from the customs circles without completing their customs procedures, as well as transporting prohibited and restricted goods or possessing them without providing evidence supporting their importation or lawful passage." Additionally, paragraph (3) of Article (145) of the same law states, "If the smuggled goods are not subject to customs taxes (exempt), the penalty shall be a fine of not less than ten percent of the value of the goods and not exceeding their value, and imprisonment for a period of not less than one month and not exceeding one year, or one of these two penalties." Moreover, Article (145/5) of the same law stipulates the confiscation of the smuggled goods or a judgment equivalent to their value in case they are not seized. Accordingly, the committee, after study and deliberation, unanimously decided as follows:

Decision:

- 1- Condemnation of the plaintiff (...) Passport number (...) In person with customs smuggling.
- 2- Obliging him to pay a fine equivalent to (10%) of the value of the seized items subject to the lawsuit.
- 3- Seizure of the seized items in the case.

May Allah's blessings and peace be upon our Prophet Muhammad and upon his family and companions. The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.



The Customs Appeals Committee in Riyadh

Decision No.

CFR -2024-201555

Case No.

PC- 2023-201555

Keywords:

Customs - Constraints - Fireworks - Conviction

Summary:

The Public Prosecution demands that the 1st firstInstance Customs Committee in Riyadh convict the importer of customs smuggling due to the seizure of fireworks in 100 cartons totaling (120000) pieces hidden inside cartons in a white bag. And where it was established for the first instance committee that the seized goods are prohibited from being imported into the Kingdom and that this constitutes an attempt at smuggling based on the text of Article (142) of the Customs Law. This means; convicting the importer and obliging him to pay a customs fine and confiscating the seized items in the case.

Document:

- Article (142) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraphs 6, 12, and 13 of Article (143) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraphs 4 and 5 of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

Where the letter from the Chief Public Prosecutor in the Al-Ahsa Governorate number (...) was received. The date .../.../... and the requests mentioned therein, and based on Article (162) of the Unified Customs Law, this committee is responsible for considering the case. On the merits, when the truck arrived driven by the defendant (...) Passport number (...), registered in the record of Kingdom registration number (...). On the date .../.../... at the Al-Batha customs outlet, and after transferring the truck to the radiation inspection device, the result was positive, and the truck was suspected by the customs inspector. Consequently, it was manually searched, and 100 cartons of fireworks of the type (POP) were found, with each carton containing 24 packs and each pack containing 50 pieces, totaling (120000 pieces). They were hidden inside cartons in a white bag. Accordingly, a seizure report No. (...) was prepared. dated .../.../...h. Accordingly, the committee held its hearing on Thursday, and upon calling the parties to the case, ... attended, national ID number (...) As a representative of the plaintiff under the authorization issued under number (...), dated .../.../... , and the



defendant did not attend despite being notified, and the defendant was notified by the secretariat through automated systems and the mechanisms it follows (via Hayad System) and other automated systems. The General Secretariat of the Customs Committee confirmed that this law notifies the defendant automatically in accordance with Article Nine of the Rules of Procedure of the Customs Committees and other relevant regulations and instructions. The defendant did not attend the first hearing, thus missing the opportunity to defend himself, and therefore the committee decided to proceed with the case.

Grounds:

It is established by the seizure report as mentioned above in the facts of this case that 100 cartons of fireworks were seized, totaling (120000) pieces hidden inside cartons in a white bag. Since the seized items are goods prohibited from being imported into the Kingdom, and since this constitutes an attempt at smuggling based on the text of Article (142) of the Customs Law, which states: "Smuggling is the act of introducing or attempting to introduce goods into the country or removing or attempting to remove them from it in violation of the applicable legislation without paying customs duties in whole or in part or in violation of the prohibitions or constraints set forth in this law and other regulations." Furthermore, paragraph (13,12,6) of Article (143) of the same law stipulates that smuggling includes the bypassing of goods in entering or exiting the customs area without declaring them, transporting prohibited and restricted goods, or possessing them without providing evidence supporting their lawful importation or transit, or transporting or possessing goods subject to customs authority without legal documentation. Additionally, paragraph (4) of Article (145) of the same law states that a penalty for the crime of customs smuggling or its equivalent shall not be less than the value of the goods and shall not exceed three times their value, along with imprisonment for a period of not less than six months and not more than three years, or one of these two penalties. Moreover, paragraph (5) of Article (145) of the same law stipulates the confiscation of the smuggled goods or a judgment equivalent to their value in case they are not seized.

Decision:

1. Conviction of the defendant (...) In person with customs smuggling.
2. He is obliged to pay a customs fine equivalent to the value of the seized items, amounting to (1,220,000) one million two hundred and twenty thousand riyals, according to Ministerial Decision No. (2597) dated 24/07/1439 AH.
3. Seizure of the seized items in the case.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.



The Customs Appeals Committee in Riyadh

Decision No.

CFR -2024-230347

Case No.

PC- 2024-230347

Keywords:

Customs - Constraints - Ornamental Fish - Conviction

Summary:

The Public Prosecution has demanded that the 1st firstInstance Customs Committee in Riyadh convict the importer of customs smuggling due to the seizure of (114) ornamental fish found inside the storage unit located under the rear passenger seat. Where it was established for the first instance committee that the seized goods are items subject to high customs duties upon import, in addition to being restricted goods that require approval from the relevant authority to enter the Kingdom, and that this is considered an attempt at smuggling based on the provisions of Article (142) of the Customs Law. This means; convicting the importer and obliging him to pay a customs fine and confiscating the seized items subject to the lawsuit.

Document:

- Article (142) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (143/6) of [the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (143/12) of [the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (143/13) of [the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (145/2) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (145/5) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)



Facts:



Where the letter from the Chief Public Prosecutor in the Eastern Province No. (...) The date .../.../... and the requests mentioned therein, and based on Article (162) of the Unified Customs Law, this committee is responsible for considering the case. On the merits, that during the arrival of a vehicle of type (...) The board number is (...) and the return of its ownership to the accompanying person called (...) Under identity number (...) The defendant leads it (...) Identity number (...), and during the inspection of the vehicle by the inspector, the vehicle was suspected and referred to the automated means device, and the suspicion was confirmed by the image analyst. Upon examining the places of suspicion, a total of (114) ornamental fish were found alive and could not be weighed, and they were not declared before the inspection. They were found inside the storage unit located under the rear passenger seat. The person whose details are provided below acknowledged that what was seized belongs to him personally, and contact was made with the representative (...). To receive the seized items, a seizure report number (...) has been prepared. dated .../.../...h. Accordingly, the committee held its hearing on Wednesday, corresponding to .../.../... and upon calling the parties to the case, (...) attended, with national ID number (...), in his capacity as a representative of the plaintiff based on the authorization issued under number (...), dated .../.../..., (...), national number: (...) As a representative of the plaintiff under the authorization issued under number (...), dated .../.../..., and the defendant or their representative did not attend despite being notified, thus missing the opportunity to defend themselves, the committee decided to proceed with the case, and the representative of the prosecution requested to add paragraph 3 to their requests in the lawsuit, which is the confiscation of the seized items as it was not mentioned in the list. Therefore, the committee decided to rule on the case based on the documents available to it.

Grounds:



It is established by the seizure report as mentioned above in the facts of this case that a total of (114) ornamental fish were found inside the storage unit located under the rear passenger seat by the customs of (...) Given that the seized goods are subject to high customs duties upon import, and since they are restricted goods that require approval from the relevant authority to enter the Kingdom, and since Article (142) of the Unified Customs Law states that "smuggling is the introduction or attempted introduction of goods into the country or their exit or attempted exit from it in violation of the applicable legislation without paying the customs duties in whole or in part or in violation of the prohibitions or constraints contained in this law and other regulations," and since paragraphs (13, 12, 6) of Article (143) of the Unified Customs Law stipulate that the smuggling provisions include the bypassing of goods in entering or exiting the customs circle without declaring them, and the transfer of prohibited and restricted goods or possessing them without providing evidence supporting their import or lawful passage, or the transfer or possession of goods subject



to customs authority without a legal document, and since paragraph (2) of Article (145) of the same law states that a penalty is imposed for the crime of customs smuggling or its equivalent of not less than twice the customs tax "fees" due and not exceeding the value of the goods, and imprisonment for a period of not less than one month and not exceeding one year or one of these two penalties. Where paragraph (5) of Article (145) of the same law stipulates the confiscation of goods. The smuggling shop or a ruling equivalent to its value in case it is not seized. Accordingly, the committee, after study and deliberation, unanimously decided as follows:

Decision:

- 1- Condemnation (...) Number (...), present at customs smuggling.
- 2- He is obliged to pay a fine equivalent to the amount of (2,320) two thousand three hundred and twenty riyals.
- 3- Seizure of the seized items in the case.

May Allah's blessings and peace be upon our Prophet Muhammad and upon his family and companions.

The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-230544
Case No. PC-2024-230544

Keywords:

Customs - Constraints - Electronic Hookah - Conviction

Summary:

The importer's request to cancel the decision of the First Instance Customs Committee No. (CSR-2023-120092), which condemned the importer for customs smuggling and obligated him to pay a customs fine and confiscate the vehicle. And since it has not been proven to the Appeals Committee through the case documents that the means of transport used in the smuggling operation has been altered. This means; to uphold the first instance decision as ruled and to annul paragraph (5).

Document:

- [Zakat, Tax and Customs Committees Regulations issued by Royal Decree No. \(25711\) dated 08/04/1445 AH.](#)
- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal against the first instance Decision number (CSR-2023-120092) issued by the 1st First Instance Customs Committee in Riyadh, submitted by/ ..., ID number (...). On his own behalf.

As for the facts of this case, they can be summarized as follows: while the appellant was entering the Kingdom via the bridge (...). Driving the Vehicle Type (...) Model (...) Plate No. (...) The vehicle was suspected and upon searching it, (...) was found. Electronic shisha supplies valued at (1,950) riyals, and (20) electronic cigarettes valued at (2,000) riyals, were found hidden inside the cavity of the right and left rear fender and were not declared. When the case was presented to the first instance committee, it issued its decision to convict the importer of customs smuggling, obliging him to pay a customs fine equivalent to the value of the seized electronic cigarettes, and obliging him to pay a customs fine equivalent to 10% of the value of the seized electronic shisha supplies, and to confiscate the vehicle used to transport and conceal the seized items or obliging him to pay an amount equivalent to its value in case it is not seized, as stated in the text



and reasons of the first instance decision subject to appeal, which is referred to in order to avoid repetition. Upon reviewing the statement of appeal, the appellate customs committee found that it includes a summary stating that the appellant objects to the committee's decision to confiscate the vehicle, as the vehicle does not belong to him but is owned by a company (...), and that it has not been proven that its owner was involved in smuggling, which makes the confiscation penalty extend to others. Additionally, most of the seized materials are for personal use and do not have any significant commercial value. The appellant also argues that he is unaware of customs regulations and the related penalties, and that he has no prior offenses in this regard. Therefore, he requests the cancellation of paragraph five of the first instance decision and a ruling against the confiscation of the vehicle. And I request the response from the appellee on the date .../.../... and enabling her to exercise her right to respond for a period of (45) days without submitting the required answer, and based on paragraph (1) of Article (35) of the rules of operation of the Zakat, tax, and customs committees, the committee decided to rule on the case in light of the documents available to it. After reviewing the case file and the submitted appeal, the committee found that the case was ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based.

Grounds:



After reviewing the unified customs law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the zakat, tax, and customs committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the relevant regulations and laws. Since the appellant was notified of the first instance Decision on 18/12/2023, and submitted the appeal against the Decision on 13/01/2024, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its conduct as stipulated in Article (163) of the Unified Customs law. Since it has been established according to the appeal regulations that the appellant has limited his requests to canceling paragraph five of the first instance decision and ruling against the confiscation of the vehicle, and since the law relied upon for determining the confiscation of the means of transport is inherently linked to the extent to which the means of transport itself is prepared for smuggling the seized materials, such as arranging hiding places or pockets within the means of transport for use in smuggling, based on that, and since it has not been proven through the case documents that the means of transport used in the smuggling operation has undergone the changes previously mentioned, this committee concludes to uphold the first instance decision in paragraphs (1, 2, 3, 4), while canceling paragraph number (5) of its ruling and declaring the non-confiscation of the means of transport as it was no longer used for smuggling. Accordingly, the committee concluded to report the following:



Decision:

First: Acceptance of the appeal in form, from (...), national ID number (...), against the first instance Decision number (CSR-2023-120092) issued by the second First Instance Customs Committee in Riyadh.

Second: In the subject, the affirmation of the first instance decision regarding what was stated in paragraphs (1, 2, 3, 4), and the cancellation of paragraph (5) related to the confiscation of the vehicle, for the reasons and justifications mentioned in this decision.

May Allah's blessings and peace be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-231355
Case No. PC-2024-231355

Keywords:

Customs - Constraints - Commercial Fraud - Imitation Goods - Conviction

Summary:

The importer's request to cancel the decision of the 1st First Instance Customs Committee in Riyadh No. (CFR-2023-205295), which convicted the importer of customs smuggling. Where it was established for the appellate committee that the decision subject to appeal referred to the same number of the letter from the Public Prosecution in Jeddah, which included the customs declaration and the seizure report in the correct form, and this was followed by the committee's reasoning in accordance with what was mentioned in both in terms of description and value. This means; to uphold the first instance decision in all that it ruled.

Document:

- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal against Decision number (CFR-2023-205295) issued by the 1st First Instance Customs Committee in Riyadh, submitted by (...), National ID number (...). The law license number (...), as the agent for the owner of the institution (...), national ID number (...), based on the agency number (...). Issued on .././....

As for the facts of this case, they are summarized by the arrival of a shipment belonging to the appealing institution through the customs of Jeddah Islamic Port under import declaration number (...) On the date 13/12/1442 AH, it was declared in the documents as (shoes), and upon inspection by the customs inspector, there was suspicion of well-known trademarks. The samples were referred to the consulting company, and then the Ministry of Commerce and Investment was contacted, and it was reported that they bore a counterfeit trademark and were considered a violation of the trademark law and would not be cleared. It was also found during the inspection that there were (travel bags) that had not been declared. The first instance committee issued its decision to convict the institution of customs smuggling and impose the



associated penalties as stated in the decision subject to appeal, based on the fact that the importer imported items that violated the trademark law and the anti-commercial fraud law, and that the attempt to introduce counterfeit and fraudulent items constitutes an attempt at customs smuggling according to the provisions of articles (142, 143, 144) of the unified customs law. Additionally, the institution's failure to declare the discovered items led to the loss of the due customs duties and bypassed the inspection procedures to ensure compliance with the approved Saudi specifications, which constitutes customs smuggling. Upon reviewing the statement of appeal submitted, the appellate customs committee found that it includes a summary stating that there is no letter to initiate the case from the Public Prosecution concerning the import declaration number (...). On 29/12/1442 AH as stated in the contested decision, as well as the letter to initiate the lawsuit from the prosecution number (...). On 21/02/1445 AH, it concerns the customs declaration number (...) On 13/12/1442 AH, in addition to the fact that the items specified in the decision do not pertain to the statement outlined in the decision but rather to the customs declaration specified in the letter initiating the lawsuit from the prosecution, and that the investigations conducted with the institution pertain to the customs declaration number (...). The list of the lawsuit initiated by the authority against the prosecution clarifies the customs declaration number (...), and accordingly, the appealing institution argues that the customs declaration mentioned in the decision subject to appeal does not pertain to the list of the lawsuit attached to the case file, and the list concluded with a request to overturn the decision and acquit the institution. And I request the response from the appellee on 04/02/2024 and to enable her right to respond for a period of (45) days, and she did not submit the required answer. Based on paragraph (1) of Article (35) of the rules of work of the Zakat, Tax, and Customs Committees, the committee decided to rule on the case in light of the documents available to it. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based.

Grounds:

After reviewing the unified customs law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the zakat, tax, and customs committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the relevant regulations and laws. Since the appellant was notified of the first instance Decision on 21/01/2024, and submitted the appeal on 01/02/2024, this entails the acceptance of the appeal in form as it was submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law. After reviewing the case file and its contents, and considering the defenses presented by the appellant, it is noted that there is no reproach against the reviewing authority for adopting the reasons for the decision subject to the appeal without adding anything new, whenever it finds in these reasons sufficient justification to refrain from introducing any new evidence. This is because its support is based on its reasons, indicating that it did not



find in the objections raised against it anything that warrants a response beyond what those reasons contained. Furthermore, the argument presented by the appellant regarding the discrepancy in the customs declaration number mentioned in the facts of the decision subject to the appeal and what was stated in the public prosecution's lawsuit and the letter of initiation submitted by the Zakat, Tax and Customs Authority does not undermine this, as it is established that the decision subject to the appeal referred to the same number as the letter from the Chief Public Prosecutor in Jeddah numbered (...). The customs declaration and the seizure report were correctly stated, and this was followed by the committee's reasoning in accordance with what was mentioned in both in terms of description and value. This indicates that what was stated in the facts of the decision is merely a matter of material errors that do not affect the validity of the decision reached. Since the reasons for the decision under appeal are sufficient to support its ruling, it is necessary to state that the defenses presented do not affect the outcome of the decision, which makes the appeal unsupported and thus must be rejected. Accordingly, the committee concluded to report the following:

Decision:

First: Acceptance of the appeal in form, from its presenter (...), commercial registration number (...), owned by (...), national ID number (...), against the first instance Decision number (CFR-2023-205295) issued by the 1st First Instance Customs Committee in Riyadh.

Second: The appeal is rejected on the merits, and the first instance decision is upheld in all that it ruled, for the reasons and considerations stated in this decision.

May Allah's blessings and peace be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-225619
Case No. PC-2023-225619

Keywords:

Customs - Constraints - Commercial Fraud - Imitation Goods - No Conviction

Summary:

The request of the Zakat, Tax and Customs Authority to cancel the decision of the First Instance Customs Committee No. (CSR-2023-120092), which ruled not to convict the importer of customs smuggling while obliging him to pay a customs fine. And where it was established for the appellate committee that the statement from the competent authority did not confirm the imitation of the imported goods and there was no explicit examination result proving the violation of intellectual property rights. This means; to uphold the first instance decision as ruled.

Document:

- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (35/1) of [the rules for the work of Zakat, tax, and customs committees issued by Royal Order No. \(25711\) dated 08/04/1445 AH.](#)

Facts:

This is to consider the appeal against the first instance Decision number (CSR-2023-111287) issued by the second First Instance Customs Committee in Riyadh, submitted by (...).

As for the facts of this case, they are summarized by the arrival of a shipment (fan dynamo - compressor) through the Al-Batha customs under import declaration number (...). On the date 20/12/1436 AH corresponding to 3/10/2015 AD, it was granted based on a commitment not to act until the result of the competent authority appears, and upon examining the sample, the report number (...) was received. dated 12/10/2015 AD, which includes non-compliance with specifications in terms of raw material components and visual inspection, as stated in the letter from the Ministry of Commerce No. (...) dated 16/1/1437 AH includes that it does not comply with the specifications as it bears a trademark (...) Not registered, it is poorly made and has a Spanish origin. The importer was addressed by customs, but he did not respond. The first



instance committee issued its decision not to convict the importer of customs smuggling, obliging him to pay a fine for violating customs procedures amounting to two thousand riyals, as stated in the text and reasons for the decision subject to appeal, which is referred to in order to avoid repetition. Upon reviewing the statement of appeal, the customs appellate committee found that it includes a summary indicating that the violation in question is a technical violation according to the Ministry of Commerce's statement, which states that the sample bears an unregistered trademark and indicates Spanish origin. Due to the poor quality of the sample, it is considered a violation of the Anti-Fraud Law, and thus the shipment is classified as prohibited goods based on the letter from the relevant authority, which indicates its violation of the regulations and instructions in force in the Kingdom, where "the administration prohibits under the provisions of this law (law) or any other law (law) or decision the entry of prohibited or violating goods or their exit or transit, and it also prohibits the entry of restricted goods or their exit or transit except with approval issued by the competent authorities in the state" according to the text of Article (24) of the Unified Customs Law. Based on the above, the authority requests the committee to accept the appeal on its merits and to convict the institution (...) For customs smuggling and obliging him to pay a customs fine equivalent to three times the value of the goods and confiscating the goods or ruling an amount equivalent to their value if they are not seized. And I request the response from the appellee on 26/10/2023 and enabling her to exercise her right to respond for a period of (45) days without submitting the required answer, and based on paragraph (1) of Article (35) of the rules of operation of the Zakat, Tax, and Customs Committees, the committee decided to rule on the case in light of the documents available to it. After reviewing the case file and the appeal submitted by the authority, the committee found that the case is ready for a Decision in its current state after being informed of the facts of the case and the sufficiency of what has been presented to form its conviction and rule on it in light of the Grounds on which the appeal was based.

Grounds:

After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws. Since the appellant was notified of the first instance Decision on 09/10/2023, and submitted the appeal against the Decision on 26/10/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law. Since there is no reproach against the reviewing authority for taking the reasons of the decision subject to the appeal without adding anything whenever it sees that these reasons suffice to avoid presenting anything new, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained, and this is not affected by what the authority mentions in its appeal statement that the Ministry of Commerce's statement indicated that the sample bears an unregistered trademark and indicates Spanish origin, and that



due to the poor quality of the sample, it is considered a violation of the Anti-Commercial Fraud law. This is because that statement from the competent authority did not confirm the imitation of the imported goods, and there was no explicit test result proving the violation of intellectual property rights (imitation). Moreover, that statement indicated that the shipment was of poor quality without referring a sample of it to the laboratory for examination and analysis to ensure that it does not comply with Saudi specifications, and it cannot be definitively stated in this case that the shipment sample does not comply with the specifications without being examined and analyzed by the laboratory. Since the reasons for the decision subject to the appeal are sufficient to support its ruling, it is necessary to determine that the defenses presented do not affect the outcome of the decision, which makes the appeal unsupported and thus must be rejected. Accordingly, the appellate committee concluded to report the following:

Decision:

First: Acceptance of the appeal in form, submitted by the General Authority of Zakat and Tax and Customs, against the first instance Decision No. (CSR-2023-111287) issued by the Second First Instance Customs Committee in Riyadh.

Second: The appeal is rejected on the merits, and the first instance Decision is upheld, for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-203036
Case No. PC-2023-203036

Keywords:

Customs - Constraints - Commercial Fraud - Registered Trademark - No Conviction

Summary:

The request of the Zakat, Tax and Customs Authority to cancel the decision of the First Instance Customs Committee No. (CSR-2022-2347), which ruled not to convict the importer of customs smuggling while obliging him to pay a fine for violating customs procedures. And where it was established for the appellate committee that the defenses presented by the appellant do not affect the outcome reached by the decision subject to appeal. This means; to uphold the first instance decision in all that it ruled.

Document:

- [Zakat, Tax and Customs Committees Regulations issued by Royal Decree No. \(25711\) dated 08/04/1445 AH.](#)
- Article (56) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (142) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal against the first instance Decision No. (CSR-2022-2347) issued by the 1st First Instance Customs Committee in Riyadh. Since the appellant was notified of the first instance Decision on 18/06/2023, and submitted the appeal on 16/07/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the prescribed period for its submission as stipulated in Article (163) of the Unified Customs law.

As for the facts of this case, they are summarized by the arrival of a shipment (tires) through the Al-Batha customs under import declaration number (...). On the date 11/01/1439 AH, it was allowed under a commitment not to act until the result of the examination by the competent authority appeared, and upon



examination of the sample by the laboratory, the report number (...) was received. On 28/01/1439 AH, which includes the non-compliance of the sample with the hours (...) Origin (...) Due to the lack of registration for the mark, it is noted that it violates the commercial data law for having the country of origin in the form of a removable label, and that the sample (...) Origin (...) It carries a registered trademark and is therefore considered a violation of the trademark law, and the sample (...) origin (...) It carries a registered trademark and is therefore considered a violation of the trademark law, as it violates the commercial data law due to the presence of the country of origin in the form of a removable label. The importer was addressed with the result by customs, but he did not respond. The first instance committee issued its decision not to convict the importer of customs smuggling, obliging him to pay a fine for violating customs procedures, as stated in the ruling and reasons for the decision subject to appeal, which is referred to in order to avoid repetition. Upon reviewing the objection list submitted, the appellate customs committee found that it included a summary indicating that the disputed item in the case consists of various watches (...) and (...) It carries a registered trademark, and the use of a registered trademark by someone other than its owner without a relationship between the parties is considered a violation of the trademark law, and involves commercial fraud due to its misleading and deceptive nature to the consumer, which is sufficient for a conviction of customs smuggling. Therefore, the shipment is considered prohibited goods, and the handling of the shipment released under a commitment is considered a violation of Article (56) of the Unified Customs Law and is deemed customs smuggling according to Article (142) of the same law. It concluded with a request to accept the appeal, and to rule against the importer for customs smuggling and obligate him to a customs fine equivalent to three times the value of the goods, and to obligate him to pay an amount equivalent to the value of the goods as a confiscation substitute. After reviewing the case file and the appeal submitted by the appellant and the response from the appellee regarding it, the committee found that the case is ready for a Decision in its current state after being informed of the facts of the case and the sufficiency of what has been presented to form its conviction and to rule on it in light of the Grounds on which the appeal was based.

Grounds:

After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws. Since there is no reproach against the reviewing authority for taking the Grounds of the Decision subject to the appeal without adding anything whenever it sees that these Grounds are sufficient to negate the need for any new arguments, because in its support, based on its Grounds, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those Grounds contained. And since the Grounds for the Decision subject to the appeal are sufficient to support its ruling, it is necessary to state that the defenses presented do not affect the outcome of the Decision, which makes the



appeal without any supporting basis, thus necessitating its rejection. Therefore, the appellate committee concluded to report the following:

Decision:

First: Acceptance of the appeal in form, submitted by the General Authority of Zakat and Tax and Customs, against the first instance Decision No. (CSR-2022-2347) issued by the Second First Instance Customs Committee in Riyadh.

Second: The appeal is rejected on the merits, and the first instance Decision is upheld in all that it ruled, for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-230454
Case No. PC-2024-230454

Keywords:

Customs - Constraints - Commercial Fraud - Registered Trademark - No Conviction

Summary:

The demand of the Zakat, Tax and Customs Authority to cancel the decision of the First Instance Customs Committee No. (CSR-2022-2347), which ruled not to convict the importer of customs smuggling. And where it has been established for the appellate committee that the indication of origin is one of the requirements for customs clearance that customs authorities address during inspection without the need to refer the sample. This means; to uphold the first instance decision in all that it ruled.

Document:

- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal against the first instance Decision number (CFR-2023-104130) issued by the 1st First Instance Customs Committee in Riyadh.

As for the facts of this case, they are summarized by the arrival of a shipment (hand flashlights) through the Riyadh customs dry port under import declaration number (...). On the date 03/03/1438 AH, upon inspection, it was found that there was a trademark, and samples were seized and referred to the Ministry of Commerce and Investment, and a response was received in letter number (...) On 28/03/1438 AH, for the item flashlight bearing the trademark (...) Origin (...) It is included that it has been found that there is no registration for the mark, but it is noted that it violates the commercial data law for not explicitly mentioning the country of origin on the sample, and it is necessary to verify the accuracy of the country of origin. The first instance committee issued its Decision not to convict the importer of customs smuggling, as stated in the text and Grounds for the Decision subject to appeal, which is referred to in order to avoid repetition. Upon reviewing the objection list submitted, the appellate customs committee found that it included a summary indicating that the violation in question is technical, and thus it falls under prohibited goods,



based on the statement from the Ministry of Trade and Industry No. (...) The date 03/07/1437 AH indicates that the sample is poorly manufactured and violates the commercial fraud law, as also stated in the letter from the Ministry of Commerce and Investment (...) The date 28/03/1438 AH indicates that upon reviewing the sample, it was found that there is no registration for the trademark; however, it is noted that it violates the commercial data law for not explicitly mentioning the country of origin. Where "the administration prohibits under the provisions of this law "law" or any other "law" or decision the entry of prohibited or non-compliant goods or their exit or transit, and also prohibits the entry of restricted goods or their exit or transit except by virtue of approval issued by the competent authorities in the state", according to the text of Article (24) of the Unified Customs Law. In addition, the law defined commercial fraud in its first article as any product that does not comply with the approved standard specifications, and Article (142) of the Unified Customs Law stated that: Smuggling is the introduction or attempt to introduce goods into the country or to remove them, or an attempt to remove them in violation of the applicable legislation, without paying the customs duties "fees" in whole or in part, or contrary to the provisions of prohibition or restriction contained in this law "law" and other laws and laws." Article (143/16) of the same law states that: " The following falls under the definition of smuggling in particular: ... 16- "The import or export of counterfeit goods or imitation goods"; therefore, the action taken by the importer in attempting to introduce counterfeit items is considered an attempt at customs smuggling, due to the deception it causes to the consumer. It concluded with a request to convict the importer of customs smuggling and to impose a customs fine equivalent to three times the value of the goods, and to confiscate the goods or rule for an amount equivalent to their value if they are not seized. Upon reviewing the response memorandum submitted by appellee, the customs appellate committee found that it included a summary stating that the authority based its appeal on the letter from the Ministry of Trade and Industry No. (...) On 03/07/1437 AH, this reference is incorrect; because the letter does not pertain to the shipment in question, but rather to the institution ..., and it was issued prior to the date of the shipment's arrival, and as for the letter issued with the number (...). It does not indicate a violation of the sample, and the committee responded to that in its first instance Decision, concluding with a request to reject the appeal and uphold the first instance Decision. Upon reviewing the appeal committee's response to the rebuttal submitted by the appellee, it became clear that it summarized that the authority based its appeal on the importer's violation of the commercial data law by importing goods that do not bear a clear country of origin. Additionally, the importer did not return the violating item, which is not held at customs, thus confirming his handling of the violating shipment, which constitutes customs smuggling under Article (142) of the Unified Customs law. The response concluded with the authority's insistence on the requests stated in its appeal. After reviewing the case file and the appeal submitted by the authority and the response of appellee, the committee found that the case is ready for a Decision in its current state after being informed of the facts of the case and the sufficiency of what has been presented to form its conviction and rule on it in light of the Grounds on which the appeal was based.



Grounds:



After reviewing the unified customs law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the zakat, tax, and customs committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the relevant regulations and laws. Since the appellant was notified of the first instance Decision on 31/12/2023, and submitted the appeal against the Decision on 10/01/2024, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its conduct as stipulated in Article (163) of the Unified Customs law. Since there is no reproach against the reviewing authority for taking the reasons of the decision subject to the appeal without adding anything whenever it sees in these reasons what suffices to avoid presenting anything new, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. This is not affected by what the authority mentioned in its appeal statement that the violation related to the shipment subject to the case is of the same kind as technical violations, as the customs inspected the violating item in the case and did not express its observations regarding the establishment of the origin indication. Moreover, it approved the clearance of the shipment without requiring the institution to establish the origin indication before proceeding, considering that the origin indication is one of the requirements for customs clearance that customs addresses during inspection without the need to refer the sample to the laboratory, which negates the crime of customs smuggling against the importer. Therefore, it is necessary to determine that the defenses presented do not affect the outcome of the decision, which makes the appeal unsupported and necessitates its rejection. Accordingly, the committee concluded to report the following:

Decision:

First: Acceptance of the appeal procedurally, from the applicant / the General Authority of Zakat and Tax and Customs, against the first instance Decision No. (CFR-2023-104130), issued by the 1st First Instance Customs Committee in Riyadh.

Second: He rejected it as a subject and upheld the first instance decision in all that it ruled, and that is for the reasons and grounds stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-225885
Case No. PC-2023-225885

Keywords:

Customs - Constraints - Commercial Fraud - Dual Origin Indication - Conviction

Summary:

The importer requests the cancellation of the decision of the First Instance Customs Committee No. (CFR-2023-100146), which convicted the importer of customs smuggling and imposed a fine for violating customs procedures. And where the appellate committee has established what the appellant presented as defenses that do not affect the outcome reached by the decision subject to appeal. This means; to uphold the first instance decision in what it ruled.

Document:

- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by/ Foundation ... Commercial registration number (...) regarding the first instance decision number (CFR-2023-100146) issued by the 1st First Instance Customs Committee in Riyadh.

As for the facts of this case, they are summarized by the arrival of a shipment (thermally insulated water tanks for water preservation) through the customs of Jeddah Islamic Port under import declaration number (...). On the date 19/07/1440 AH, the importer stated that the origin of the shipment (...) After the actual inspection of the shipment, it was found that part of the incoming goods carries on the sample from the inside, originating from ... At the bottom is the phrase "Made in ...", and the contraband item has been seized by customs. The first instance committee issued its Decision to convict the importer of customs smuggling and to impose the associated penalties, as stated in the text and Grounds for the Decision subject to appeal, which is referred to in order to avoid repetition. Upon reviewing the objection list submitted, the appellate customs committee found that it included a summary of the argument regarding the absence of criminal



intent. The reliance of the first instance committee in its decision on articles (142) and (16/143) of the Unified Customs Law concerning the description of customs smuggling does not apply to the incident in question in any way. Additionally, the phrase "Made in Italy" appeared on a small label below the tanks, which was mistakenly used by the supplier during the assembly of the product. Furthermore, there is a set of tanks that did not include this part and were released. The importer has never previously violated the customs law and is not responsible for the error that occurred. The request concluded with a request to overturn the first instance decision and to suffice with the confiscation of the non-compliant product. Upon reviewing the response memorandum submitted by the appellant against the customs appellate committee, it became clear that it included a summary of the argument regarding the expiration of the legally prescribed period for objecting to the decision, which necessitates its rejection in form. The purpose of having a country of origin indication for goods imported into the Kingdom of Saudi Arabia is to enable regulatory authorities to apply their requirements based on the validity of the country of origin. The duality of the origin indication and manipulation of it renders the imported product equivalent to prohibited goods due to the deception and fraud against consumers. It concluded with a request to reject the appeal in form due to the expiration of the legal period, and in the alternative, to reject the appeal and uphold the first instance decision in all its provisions. The appellate customs committee, upon reviewing the appellant's comments on the response memorandum submitted by the appellee, found that it included a summary of the argument regarding the validity of the appeal being submitted within the legal timeframe, and the assertion of the absence of criminal intent in the incident subject to the lawsuit, as well as the shipment being compliant with the specifications and regulations in force in the Kingdom of Saudi Arabia, and the importer's record being free of any violations of the customs law. It concluded with a request to overturn the first instance decision imposing the fine due to the absence of criminal intent in customs smuggling, and to suffice with the confiscation of the non-compliant product. After reviewing the case file and the appeal submitted by the appellant and the response of the committee regarding it, the committee found that the case is ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what has been presented to form its conviction and to rule on it in light of the reasons on which the appeal was based.

Grounds:

After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws. Since the appellant was notified of the first instance Decision on 09/10/2023, and submitted the appeal against the Decision on 01/11/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law. Since there is no reproach against the reviewing authority for taking the Grounds of the Decision subject to the appeal without adding anything whenever it sees that these Grounds are sufficient



to negate the need for any new arguments, because in its support, based on its Grounds, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those Grounds contained. And since the Grounds for the Decision subject to the appeal are sufficient to support its ruling, it is necessary to state that the defenses presented do not affect the outcome of the Decision, which makes the appeal without any supporting basis, thus necessitating its rejection. Therefore, the appellate committee concluded to report the following:

Decision:

First: Acceptance of the appeal in form, from the applicant (...), commercial registration number (...), against the first instance Decision number (CFR-2023-100146), issued by the 1st First Instance Customs Committee in Riyadh.

Second: The appeal is rejected on the merits, for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CFR-2024-232137

Case No. PC-2024-232137

Keywords:

Customs - Constraints - Ivory - Endangered - Condemnation

Summary:

The Public Prosecution has demanded the 1st firstFirst Instance Customs Committee in Riyadh to hold the importer accountable for customs smuggling due to the seizure of two pieces of (elephant ivory). And where it was established for the first instance committee that the seized items are products of endangered species that are prohibited from being traded and imported into the Kingdom except with a license from the National Authority for the Protection and Development of Wildlife, the result is; to convict the importer and obligate him to pay a customs fine and confiscate the seized items in the case.

Document:

- Article (142) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraphs 6, 12, and 13 of Article (143) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraphs 4 and 5 of Article (145/4) of [the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

Where the letter from the head of the Public Prosecution Department in Al-Qurayyat Governorate No. (...) On the date 25/07/1445 AH, and based on Article (162) of the Unified Customs Law, this committee is responsible for considering the case. On the merits, a bus with the license plate number (...) was presented. To the modern customs outlet, led by the defendant (...) Passport number (...) For the purpose of entry, it was recorded under movement record number (...) On the date 3-8-1444 AH, and upon transferring it to the designated bus area and inspecting it by the specialized customs inspector, two pieces of (ivory) were found. The length of the first piece was (84) cm and the length of the second piece was (90) cm, as they were hidden inside the packages behind the bus's equipment. Based on that, a seizure report number (...) was prepared. dated 03/08/1444 AH. Accordingly, the committee held its hearing on Tuesday, March 19, 2024, calling on the parties to the case... National ID number (...), in his capacity as a representative of the plaintiff



under the authorization issued under number (...), dated 08/10/1443 AH, and the defendant or his representative did not attend despite being notified, thus missing the opportunity to defend himself, and therefore the committee decided to rule on the case based on the documents available to it.

Grounds:



It is established by the seizure report as mentioned above in the facts of this case that two pieces of (elephant ivory) were seized. Since elephant ivory is a commodity prohibited from being imported into the Kingdom, and as it is a product of endangered species that are prohibited from being traded and brought into the Kingdom except with a license from the National Commission for Wildlife Protection and Development, based on Article 3 of the Endangered Species Trade and Products law issued by Cabinet Resolution No. (54) dated 25/02/1421 AH, ratified by Royal Decree No. (M/9) dated 06/03/1421 AH, the defendant's attempt to bring it into the Kingdom is considered customs smuggling under Article (142) of the Customs Law, which states "that smuggling is the introduction or attempt to introduce goods into the country or their exit or attempt to exit them in violation of the applicable legislation without paying customs duties in whole or in part or in violation of the prohibitions or constraints contained in this law and other regulations." Furthermore, paragraph (13,12,6) of Article (143) of the same law stipulates that smuggling includes the bypassing of goods in entering or exiting the customs circle without declaring them and transporting prohibited and restricted goods or possessing them without providing evidence supporting their importation or lawful passage or transporting or possessing goods subject to customs authority without legal documents. Moreover, paragraph (4) of Article (145) of the same law states that a penalty for customs smuggling or its equivalent shall not be less than the value of the goods and shall not exceed three times their value, and imprisonment for a period of not less than six months and not exceeding three years or one of these two penalties. Additionally, paragraph (5) of Article (145) of the same law stipulates the confiscation of the smuggled goods or a judgment equivalent to their value in case they are not seized.

Decision:

1. Conviction of the defendant (...) Passport number (...) In person with customs smuggling.
2. Obliging him to pay a fine equivalent to the value of the seized items.
3. Seizure of the seized items in the case.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.



The Customs Appeals Committee in Riyadh

Decision No. CR-2023-198457
Case No. PC-2022-153558

Keywords:

Customs - Constraints - Bond commitment - Disposing of the shipment before it is approved by the competent authority - Conviction

Summary:

The importer's request to cancel the decision of the Third First Instance Customs Committee in Riyadh No. (CTR-2023-153558), which convicted the importer of customs smuggling and imposed a fine equal to the value of the shipment and required it to pay the value of the shipment as a confiscation substitute. Where it has been established to the appellate committee that what the appellant raised in his list of general defenses does not change the reality of his client's responsibility for the shipment as detailed in the first instance decision, it is necessary to state that the defenses presented do not affect the outcome of the decision. This means; to uphold the first instance decision in all that it ruled, with the amendment of the imposed customs fine to be twice the amount of the customs duties.

Document:

- Paragraph (4,2) of Article 145 of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article 176 of the [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)

Facts:

This is to consider the appeal submitted by each of / ..., national ID number (...), national ID number (...), in their capacity as attorneys for / Company ... for shipping, commercial registration number (...), under agency number (...). On the date .../.../..., against the first instance Decision No. (CTR-2023-153558), issued by the third First Instance Customs Committee in Riyadh, ruling as follows:

- 1- Condemnation / ... , Commercial Register No. (...) In person for customs smuggling according to Article 142 of the Unified Customs law.



- 2- Obliging it to pay a customs fine amounting to (132,858) one hundred thirty-two thousand eight hundred fifty-eight riyals, equivalent to the value of the shipment according to Article (145/4) of the same law.
- 3- Obliging it to the value of the shipment as a confiscation compensation, an amount of (132,858) one hundred thirty-two thousand eight hundred fifty-eight riyals, making the total (265,716) two hundred sixty-five thousand seven hundred sixteen riyals, according to Article (145/5) of the same law.

Since the appellant was notified of the decision subject to the appeal on .../.../... and submitted the appeal on .../....., this entails the acceptance of the appeal in form as it was submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment consisting of (spare parts / household items / shoes) through the customs of King Abdulaziz International Airport under import declaration number (...). dated .../.../... The quantity reached (6) packages containing (22) units and (570) pairs, with a value of (132,858) riyals and Customs Duties amounting to (6,643) riyals. When requesting to bring the packages for inspection, they were not found in the warehouse ... For shipping, and in communication with the company by the director of customs at King Abdulaziz International Airport regarding the status of the shipment, the company's response was received according to letter number (...) dated .../.../... It is included that the shipment was searched for in the warehouse ... It was found that she had disappeared from her location and could not be found. When questioned by the 1st instance committee, the importer stated that he had not received the packages. The first instance committee issued its decision as previously mentioned, convicting the company of customs smuggling and obliging it to the associated penalties, based on the committee's conviction that the shipment had not originally entered the warehouse of the company ... For shipping, due to its non-inclusion in the warehouse inventory, it is therefore responsible - according to Article 144 of the Unified Customs Law - for its actions regarding the shipment without adhering to depositing it in the shipping warehouse and preparing it for customs inspection when requested by customs, considering it responsible for the transport and receipt of goods shipped by air, applying the actual receipt to the shipping bills, entering them into the warehouse, and recording them in the (inventory) lists. In case of a discrepancy between the actual receipt and the manifest or if the shipment does not arrive, it must indicate this, prepare a report on it, and notify customs accordingly, as per Article (45) of the Unified Customs Law.

Upon reviewing the objection list submitted and signed by the company's attorney ..., ID number (...), it was noted that its summary mentioned that the first instance decision indicated that customs requested its preparation three days after its arrival at the warehouse ... For shipping and not after three years, and since this statement acknowledges and declares that the packages were requested by customs within three days, it is the duty of customs to provide proof of that. The three years mentioned in the memorandum submitted by the company during the consideration of the case before the first instance committee was merely a



request from the data follow-up committee, which was formed to inventory the data that had not completed its procedures due to the loss of packages. This committee began its work starting from .../.../... For a month, that is, after three years from the arrival of the goods, the appellant also presented a document showing that the search was for a lost customs transaction and not the package, as inquiries were made about the loss of the customs transaction with the Director of Legal Affairs, who stated that it did not exist. Inquiries were also made with the Director of Customs Affairs, the Director of Customs Security, the Head of the Contraband Detection Department, the Head of the Transit Department, and the Head of the Records Department, which confirms that the subject of the search is the transaction and not the package. If the search were for the packages, the relevant department, which is the Inspection Department and its Head, would have been among those consulted. The appellant added that the customs broker should be held accountable, emphasizing that packages cannot remain in the company's warehouse for more than a month given the size and area of the warehouse.

The response of the authority to the statement of appeal was received through the automated system of the secretariat on .../.../... Including what can be summarized as the book of the shipping station manager in Jeddah, which states, "The shipment was searched for in all recent records of the warehouse, and unfortunately, it is not listed," which clearly indicates that the shipment did not enter the warehouse of the company at all. For shipping, which arranges its responsibility according to Article (144) of the Unified Customs Law for its handling of the shipment without being restricted to depositing it in the shipping warehouse and preparing it for inspection upon request, considering it responsible for the transport and receipt of goods shipped by air and applying the actual receipt to the shipping bills and entering them into the warehouse and recording them in the lists (of goods). In case of a discrepancy between the actual receipt and the manifest or if the shipment does not arrive, the company must indicate this and prepare the necessary reports regarding it - which the appealing company did not do - and notify customs accordingly as per the regulations and instructions. What confirms the company's violation of the regulations and instructions is the absence of the goods, as the customs delivery permit issued by the airline for shipping was stamped with the seal of King Abdulaziz Airport, group two, requesting the shipment to be brought for inspection. Upon customs review of the company three days after its arrival, it was found to be missing according to the statement of the appealing company, which indicates that the shipment did not enter the company's warehouse, and this action is considered customs smuggling according to Article (142) of the Unified Customs Law. The memorandum concluded with a request to reject the submitted appeal and uphold the first instance decision in all its provisions.

dated .../.../... The company's attorney deposited his follow-up memorandum through the automated security law in response to what was stated in the authority's memorandum, which included a summary that the shipment does not belong to the company ... For shipping, it is specifically for the company ... For supply, and the company's statement mentioned in the memorandum of the authority was dated ... While the shipment arrived on ... More than a year has passed since what you do not retain... Inside its warehouses,



and the seizure report for this shipment was issued on .../.../... It states that "upon inspecting the shipment, it became clear that it was missing from the warehouse," which raises the question of how its disappearance from the warehouse was known given that the report was filed nearly three years after the shipment's arrival. The report concluded with the phrase that there is a suspicion of customs smuggling, and suspicion requires evidence and proof. The appellant confirms that the shipment in question was delivered to customs for inspection and examination and was not returned to the company's warehouse; the customs broker and the concerned party are responsible for this, or it was transferred to the abandoned goods section. There is a similar case where a shipment was lost from the customs inspection area, and the concerned party and the customs broker were accused. After investigation, it was found that it was transferred to the abandoned goods section and sold at public auction without the knowledge of the concerned party or the customs broker. Therefore, it is necessary to request the relevant customs authority to prove the return of the parcels to the company's warehouse after inspection and examination according to the return law approved by customs. The memorandum added that there is a delivery permit in the case file that clarifies in the delivery column that the goods are present, as it is evident that they were transferred to the customs inspection area through the import declaration number, as no parcel is approximated unless a customs declaration number is taken, which confirms the presence of the goods and their approximation to the inspection area without being returned under the return law to the company's warehouse. The company requested to contact the abandoned goods section to inquire about the shipment, considering that the submission and organization of reports can only be done by customs officials; however, there was no response in this regard. Additionally, the appealing company has no interest in hiding goods belonging to the company. For the supply or any importer, the beneficiary of its exit is the concerned party and the customs clearance attorney.

On Wednesday, .../.../... the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted against the first instance Decision No. (CTR-2023-153558), issued by the Third First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, as well as the authority's response to it, the Appeals Committee decided that the documents presented and the contents of the case file were sufficient to form its conviction and to rule on the matter in light of the Grounds on which the appeal was based.

Grounds:

Since there is no reproach on the reviewing authority for accepting the Grounds for the Decision subject to appeal without adding anything whenever it sees that these Grounds are sufficient to negate the need to present anything new, because in its support, based on its Grounds, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those Grounds contained, and this is not diminished by what the appellant argued that the communication from the customs was not made until after three years, as Article (176) of the Unified Customs Law stated that: "... The statute of limitations regarding customs administration, if no prosecution has been initiated, is as follows: Fifteen



years for the following two cases: 1- Smuggling activities or similar actions starting from the date of committing the crime," and what the appellant raised in his list of general defenses does not change the fact of his client's responsibility for the shipment as detailed in the first instance decision, which necessitates stating that the defenses presented do not affect the outcome of the decision, making the appeal unsupported and thus must be rejected. However, the appellate committee noted that the committee issuing the decision had ruled to calculate the customs fine on the importer by applying paragraph (4) of Article (145) of the Unified Customs Law, which applies to prohibited goods. Since the imported goods are not prohibited in their type and nature, but the violation associated with them was due to their non-compliance with the customs regulations and instructions for entering the country as previously mentioned, this committee decides to apply paragraph (2) of Article (145) of the Unified Customs Law contrary to what was ruled in the first instance decision. Thus, this committee concludes to calculate the amount of the customs fine at twice the customs duties as will be stated in the text of this decision. Accordingly, the customs appellate committee concluded to report the following:

Decision:

- 1- Acceptance of the appeal in form, submitted by / Company ... For shipping, commercial registration number (...), against the first instance Decision number (CTR-2023-153558), issued by the Third First Instance Customs Committee in Riyadh.
- 2- The appeal is rejected in substance, and the first instance ruling against the appellant for customs smuggling and the confiscation penalty is upheld, with the amount of the customs fine modified to be twice the customs duties, making the total amounts claimed by the appellant an amount of (146,143) one hundred and forty-six thousand one hundred and forty-three riyals, for the reasons and considerations stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-205337
Case No. PC-2022-205337

Keywords:

Customs - Constraints - Bond Commitment - Incomplete Contract Data - No Conviction

Summary:

The request of the Zakat, Tax and Customs Authority to cancel the decision of the Second First Instance Customs Committee in Riyadh No. (CTR-2023-140828), which ruled not to convict the importer of customs smuggling while obliging him to pay a customs fine of one thousand riyals. And where it was established for the appellate committee that, considering the commitment not to dispose of the existing case file, it lacks the data of the shipment that the company committed not to dispose of, which confirms that it was signed empty of most of the essential data. The implication of this is to uphold the first instance decision in all that it ruled.

Document:

- Article 24 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\)](#).
- Article 142 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\)](#).

Facts:

This is to consider the appeal submitted by the General Authority for Zakat and Tax, against the first instance Decision No. (CTR-2023-140828) issued by the Second First Instance Customs Committee in Riyadh.

As for the facts of this case, they are summarized by the arrival of a shipment (medical supplies) through King Fahd Airport customs under import declaration number (52219) dated 16/08/1439 AH. The first instance committee issued its decision not to convict the importer of customs smuggling, while obliging him to pay a customs fine of one thousand riyals, based on the absence of a written commitment not to dispose of the goods, which is considered one of the essential documents and is the basis of the authority's claim.



Upon reviewing the statement of appeal submitted, the customs appeal committee found that it includes a summary stating that the commitment was attached in a neutral law, and that the customs data lacks the registration of the commitment number, as the commitment is submitted electronically to the concerned party based on the issued circular No. 476/11/M dated 11/9/1438 AH. Additionally, the shipment consists of prohibited goods based on the results from the competent authority, which is the Food and Drug Authority. Furthermore, "the administration prohibits under the provisions of this law (law) or any other law (law) or decision the entry of prohibited or violating goods or their exit or transit, and it also prohibits the entry of restricted goods or their exit or transit except with approval issued by the competent authorities in the state" according to the text of Article (24) of the Unified Customs Law. Moreover, the handling of the released shipment by not acting upon it is considered a violation of the text of Article (142) of the same law, as the article defines customs smuggling by stating: Smuggling is the introduction or attempt to introduce goods into the country or to remove them, or an attempt to remove them in violation of the applicable legislation, without paying the customs duties "fees" in whole or in part, or contrary to the provisions of prohibition or restriction contained in this law "law" and other laws and laws." Article of the same law states that: " For customs smuggling and obliging it to pay a customs fine equivalent to three times the value of the goods and obliging it to pay an amount equivalent to the value of the goods as a confiscation fee. Upon reviewing the appeal committee's memorandum submitted by the company being appealed against, it became clear that according to customs declaration number (52219), it did not include any number or reference to the subject of the bond commitment on which the authority relies. Additionally, the goods are (pressure and sugar devices) and are not prohibited, as confirmed by the letter from the Food and Drug Authority dated 5/10/1439 corresponding to 19/6/2018, which states the reason for the non-clearance is that the goods did not meet the requirements of the General Authority for Food and Drug. The company stated in the conclusion of its response memorandum that the shipment in question was seized on 12/10/1441 AH, and accordingly, the shipment was returned to the country of origin, along with a letter from the company ... Accordingly, and based on what has been mentioned, the company being appealed against requests the rejection of the appeal and the affirmation of the first instance decision.

After reviewing the case file and the appeal submitted by the authority and the response from the appellant, the committee found that the case was ready for a Decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and to rule on it in light of the Grounds on which the appeal was based.

Grounds:

After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws.



Since the appellant was notified of the first instance Decision on 14/08/2023, and submitted the appeal against the Decision on 07/09/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law.

Whereas, upon reviewing the commitment not to dispose of the goods in the case file, it is evident that it lacks the shipment details that the company committed not to dispose of, which confirms that it was signed without most of the essential data. Additionally, the commitment found in the attachments submitted by the authority indicates that the date of the commitment was recently recorded on 19/02/1445 AH, while the shipment is dated 16/08/1439 AH according to the import declaration. Consequently, the importer did not commit to the customs not to dispose of this shipment, and a commitment that does not include any details about the shipment in question cannot be accepted, as it is unclear what the shipment is that was prepared for completing its procedures. Therefore, the importer did not commit not to dispose of this shipment since its description was not specified by customs to determine their responsibility for it. The claim of a customs smuggling crime regarding the disposal of the released shipment under the condition of non-disposal requires the existence of a complete data commitment for the disposed shipment. If this is not available, the importer cannot be convicted for the crime, which leads the committee to reject the appeal and uphold the first instance decision. Accordingly, the appellate committee concluded with the following report:

Decision:

First: Acceptance of the appeal in form, submitted by the General Authority of Zakat and Tax and Customs, against the first instance Decision No. (CTR-2023-140828) issued by the Third First Instance Customs Committee in Riyadh.

Second: The appeal is rejected on the merits, and the first instance Decision is upheld in all that it ruled, for the Grounds and considerations stated in this Decision.

This decision is final; according to the provisions of paragraph (Second) of Royal Order No. (25711) dated 08/04/1445 AH.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-194139
Case No. AC -2022-100629

Keywords:

Customs - Constraints - Bond Commitment - Cardamom - Non-compliance with specifications - Containing pesticides - Conviction

Summary:

The importer requests the cancellation of the decision of the 1st First Instance Customs Committee in Riyadh No. (CFR-2022-3067), which convicted the importer of customs smuggling and imposed a customs fine equivalent to three times the value of the violating item and obligated him to pay the value of the violating item as a confiscation substitute. Where the appellate committee established that the defenses presented did not affect the outcome of the decision, making the appeal unsupported and necessitating its rejection, the appellate committee noted the incorrect reliance by the committee issuing the decision on paragraph (4/145) referenced in the report of the customs fine against the importer, considering that this paragraph pertains to prohibited materials in their essence, while the shipment in its essence is exempted under the customs declaration prepared for it, and its disallowance was due to its violation of the required specifications. This means; to uphold the first instance decision in all that it ruled, with a modification of the imposed customs fine.

Document:

- Paragraph (4/145) [The Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article 142 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)

Facts:

This is to consider the appeal submitted by/ ..., national ID number (...), in his capacity as an agent for the ... institution, commercial registration number (...), under the agency number (...). Issued on the date .../.../... and the law license number (...), against the first instance Decision No. (CFR-2022-3067), issued by the 1st First Instance Customs Committee in Riyadh, ruling as follows:



1-Condemnation of the importer (Institution ...) Commercial register number (...), present at customs smuggling.

2- Obliging him to pay a customs fine equivalent to three times the value of the violating item, amounting to (1,019,103) million and nineteen thousand and one hundred and three riyals.

3- Obliging him to pay an amount equivalent to the value of the violating item as a confiscation fee of (339,701) three hundred thirty-nine thousand seven hundred and one riyals, making the total amount claimed (1,358,804) one million three hundred fifty-eight thousand eight hundred and four riyals.

Since the appellant was notified of the decision subject to the appeal on .../.../... and submitted the appeal on .../....., this entails the acceptance of the appeal in form as it was submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment (Cardamom) through the customs of King Abdulaziz International Airport under import declaration number (...). The date .../.../... was referred to the competent authority for examination, and upon examining the sample, the report number (...) was received. dated .../.../... The inclusion of non-compliance in terms of containing pesticide residues above the permissible limit, and the first instance committee issued its decision as previously mentioned, condemning the importer for customs smuggling and obliging him to the associated penalties based on the fact that the importer did not return the shipment to the customs area, which implies that he acted with the shipment that was not permitted for clearance, which he committed to the customs not to dispose of until the laboratory results appeared, which constitutes the incident as fulfilling the crime of customs smuggling according to Article (142) of the Unified Customs Law.

Upon reviewing the objection list submitted by the appellant, the customs appellate committee found that its summary mentioned that the importer was convicted of customs smuggling for violating the bond commitment not to dispose of the shipment, and the documents were devoid of it. Therefore, the importer did not prove his commitment to the customs not to dispose of this shipment, which makes him not responsible for it, necessitating the annulment of the decision and considering it as if it never existed, and that the lawsuit is not admissible in form for being raised by someone without standing under Royal Order No. (...) Dated .../.../...; as the record of the violation is not present in the case file, contrary to Article (129) of the Unified Customs Law, "A record of the seizure for customs smuggling violations and crimes shall be prepared according to the provisions specified in this law"; which defects the procedures and necessitates the annulment of the decision, and that the appellant did not act on the shipment, which results in the absence of the crime of customs smuggling due to the lack of its elements, and that the decision subject to appeal was issued without notifying the defendant of the hearing dates in the correct legal manner and without taking the procedures for accusation and trial in person, and that the case is expired due to being covered by the royal pardon instructions issued by royal decree number (...). dated .../.../...; the regulation concluded with a request to accept the appeal procedurally for submission within the legal timeframe, to annul the first instance decision and erase all its legal effects.



The response from the Zakat, Tax and Customs Authority to the statement of appeal was received through the automated system of the secretariat on .../.../... Including a summary that the institution was notified by several letters from customs at the addresses registered with the authority, indicating that the shipment did not comply and was returned according to the commitment signed by it, and it did not respond. Moreover, customs smuggling crimes are intentional crimes that require the existence of both the material and moral elements for their occurrence, which were present in the case at hand, as the institution acted with the shipment and violated the commitment taken upon it by introducing goods whose entry into the country is restricted, as mentioned above, and that the violation occurred on the date .../.../... According to the date of the customs declaration submitted at the time of the shipment's clearance, the authority is considered to have the jurisdiction to file the lawsuit as it holds the status of the plaintiff in the case, as indicated by the coordinating report for transferring the jurisdiction of investigation and prosecution in the crimes stipulated in the Unified Customs Law in its paragraph (thirteenth), stating that "the transfer of jurisdiction in the crimes and rules mentioned in this report will take effect from the date .../.../...; however, crimes that occurred before this date will be handled by the General Authority for Customs." As for the appellant's argument regarding the expiration of the lawsuit due to royal pardon, according to general provisions, this pardon applies to prisoners, and the application of pardon provisions falls under the jurisdiction of the regions' emirates and judicial authorities. It is also customary that customs smuggling cases are not included in the pardon instructions. The response memorandum concluded with a request to reject the appeal and uphold the first instance decision in all its provisions.

On Wednesday .../.../... , the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted against the first instance decision No. (CFR-2022-3067), issued by the 1st First Instance Customs Committee at the Al-Batha Customs. After reviewing the case file and the appeal submitted by the appellant, the Appeals Committee decided that the documents presented and included in the case file were sufficient to form its conviction and to rule on the matter in light of the reasons on which the appeal was based and the response of the authority regarding it.

Grounds:

Whereas there is no reproach against the authority reviewing the appeal for taking the reasons of the decision subject to the appeal without addition whenever it sees that these reasons suffice to avoid presenting anything new, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. This is not affected by what the appellant argued regarding the invalidity of the lawsuit being initiated by customs and that, according to his claim, it is not competent in this regard, considering that the jurisdiction is vested in customs under the arrangements made between the Public Prosecution and customs to transfer the jurisdiction of the Public Prosecution to the Public Prosecution that is competent in prosecuting customs smuggling crimes for imports after the date 02/09/1440 AH. As for the appellant's argument regarding the



absence of a written Bond Commitment in the case file, it is rejected, considering that although the case file lacks the document of the Bond Commitment not to dispose of the goods, this does not contradict the established principle that the shipment was not finally cleared for him, with a report from the relevant laboratory proving that it cannot be cleared. This is because the customs procedure related to completing the entry of the shipment into the country requires the importer to observe the general duty required by the customs law regarding the importer when dealing with the incoming shipment, which is embodied in complying with everything required by the customs law and other related regulations regarding the clearance of the shipment, necessitating that he does not dispose of it in any way until it is approved and he is permitted to dispose of it. This duty is particularly emphasized for the importer if the subject of the shipment is related to food materials, as the importer himself must ensure consumer safety before engaging in commercial dealings. Therefore, the importer's violation of this duty by disposing of the shipment without regard to the matter of permission for its entry into the country constitutes a behavior contrary to that general duty, which is also something that is necessarily known to him, which does not negate the validity of attributing the crime of customs smuggling to him based on his violation of the prohibitions or constraints as stipulated in Article (142) of the Unified Customs Law. Since the reasons for the decision subject to the appeal are sufficient to support its ruling, it is necessary to determine that the defenses presented do not affect the outcome of the decision, making the appeal unsupported and thus must be rejected. This is not affected by what the appellant mentions regarding the inclusion of the case in the royal pardon, as it is established from the prosecution's statement that customs demanded a prison sentence, which the first instance committee that issued the customs decision did not respond to in its request, which is the requirement for exemption from the penalties stipulated under the royal order mentioned in the appeal statement submitted by the importer. However, the appellate committee noted the incorrect reliance by the committee that issued the decision on paragraph (4/145) used in determining the customs fine against the importer, considering that this paragraph pertains to prohibited materials in their essence, while the shipment in its essence is exempted under the customs declaration prepared for it, and its non-approval was due to its violation of the required specifications. Therefore, it is necessary to impose the customs fine and calculate it based on the value of the violating item. Accordingly, the customs appellate committee concluded to report the following:

Decision:

1- Acceptance of the appeal in form, from the applicant/ ..., commercial registration number (...), against the first instance Decision number (...) issued by the 1st First Instance Customs Committee in Riyadh.



2- In the subject, his rejection, and the affirmation of the first instance decision regarding the conviction for customs smuggling and the confiscation fee, with the amendment of the imposed customs fine to be equal to the value of the shipment, making the total amount claimed by the importer an amount of (679,402) six hundred seventy-nine thousand four hundred and two riyals, and this is for the reasons and considerations stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-190980
Case No. PC-2022-125685

Keywords:

Customs - Constraints - Bond commitment - Lighting and supplies - Non-compliance with specifications - Temperature testing under normal operating conditions - Conviction

Summary:

The importer is demanding the cancellation of the decision of the 1st first instance Committee in Riyadh No. (CFR-2022-2884) which condemned (A) and obligated him to pay a customs fine equivalent to the value of the violating item and to pay an amount equivalent to the value of the violating item as a confiscation substitute. And since the appellate committee has established that there is a violation of the type stated in the specification (temperature testing under normal operating conditions), this makes the behavior of the importing company regarding the shipment a realization of the crime of customs smuggling and justifies attributing it to them. This means; to uphold the first instance decision, with the amendment of paragraph (1) of its ruling to become as follows: Conviction of Company (B) in person for customs smuggling.

Document:

- Article (142) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by/ ..., national ID number (...), in his capacity as an agent for/ Company ..., commercial registration number (...), under agency number (...) dated .../.../... , against the first instance Decision number (CFR-2022-2884), issued by the 1st First Instance Customs Committee in Riyadh, which ruled as follows:

- 1-Conviction of the importer company (A) commercial registration number (...), in person for customs smuggling.
- 2-Obligating him to a customs fine equivalent to the value of the violating item, an amount of (502,327) five hundred and two thousand three hundred and twenty-seven riyals.



3-Obligating him to pay an amount equivalent to the value of the violating item as a confiscation fee of (502,327) five hundred and two thousand three hundred and twenty-seven riyals, making the total amount claimed (1,004,654) one million four thousand six hundred and fifty-four riyals.

Where the appellant was notified of the decision subject to the appeal on the date .../.../..., and submitted the appeal against the decision on the date .../.../..., this entails the acceptance of the appeal in form for being submitted by a party with standing within the time prescribed for its conduct according to what is stipulated in Article (163) of the Unified Customs Law, after it was established that there was an error in mentioning the name of the company related to the facts of the case in the first instance decision by stating that it was Company (A) with commercial registration number (...), while the correct import statement for the shipment was in the name of Company (B), commercial registration number (...), and that the lawsuit filed by the Zakat, Tax and Customs Authority was against Company (A), and that the representation of the company before the first instance committee was a correct representation considering that the power of attorney based on which the company's statements were heard was under power of attorney number (...). dated .../.../..., in the presence of the representative of the company (A), national ID number (...) This necessitates correcting the material error regarding the name of the company related to the facts of the case within the preamble and title of this decision and rectifying the name of the company to its correct form, contrary to what was stated in the ruling of the first instance decision as will be mentioned in this decision.

As for the facts of the case, they are summarized by the arrival of a shipment (lamps) belonging to the importer through the customs of Jeddah Islamic Port, according to import declaration number (...). On the date .../.../..., it was granted based on a commitment not to act until it is approved by the competent authority, and after examining the sample by the laboratory, the report number (...) was received. The date .../.../... indicates non-compliance with specifications regarding heat testing under normal operating conditions. The importer was contacted to return the shipment, but he did not respond. The first instance committee issued its decision based on the fact that the importer did not return the shipment to the customs area, which implies his handling of it. His handling of the unauthorized shipment is considered a violation of Article 56 of the Unified Customs Law and is also deemed customs smuggling under Article 142 of the same law, leading to the imposition of penalties on the importer as stated in the decision being appealed.

The appellate customs committee reviewed the objection list submitted by the representative of Company (A). The summary of the representative's argument was that their client had taken all possible measures to ensure compliance with the applicable laws and regulations, the most important of which was that they had issued a certificate of conformity for export before importing the goods, which is evidence of the absence of grounds for punishment and of not intending to commit the crime. Furthermore, the company is exempt from liability according to the provisions of Article (154/A) of the Unified Customs Law, and that a customs smuggling violation requires the presence of criminal intent, and the lack of intent by the client (the company) and their lack of knowledge undermines this element fundamentally. Additionally, the violation in question is considered a minor violation since the laboratory report was based on only one sample out of



235 of the goods, and it is possible that there is a manufacturing defect in the product, given that the sample passed 4 out of 5 tests, indicating a slight manufacturing defect. Moreover, the company did not import the goods for commercial sale but rather for personal use by installing them in its branches. The committee is requested to take into account commercial customs and consider the conditions of traders. It is unacceptable to consider a product that meets all quality specifications and essential standards, and is accompanied by all necessary warning information and instructions, as a case of customs smuggling subject to the maximum penalties, despite the fact that the difference is minor and non-impactful. The objection list concluded its requests by requesting the annulment of the decision issued under number (...), and the dismissal of the accusations directed at their client.

On the date .../.../... , a response memo from the authority regarding the submitted appeal was received through the automated system of the secretariat, which summarized that the importer was addressed through several correspondences, but he did not respond to the customs. Moreover, the signed bond commitment from the company on the entire shipment explicitly stated that the shipment should not be handled in any way except after notification from the authority granting its clearance from the competent authority. It would have been more appropriate for the company to communicate and respond to customs instead of handling the shipment, which constitutes customs smuggling according to Article 142 of the Unified Customs Law. The violation mentioned in the laboratory report is considered a technical violation that involves consumer fraud. Additionally, customs smuggling crimes are intentional crimes that require the presence of both their material and moral elements, which were present in the case at hand. The memo concluded its requests by rejecting the submitted appeal and upholding the first instance decision in all its provisions.

The customs appeals committee in Riyadh requested the appearance of the shipment in question to verify whether the intention of the appellant's attorney in his defense that it is still with him is valid, mentioning that (he imported the shipment for his personal use by installing it in his branches) and on the date .../.../... The authority's statement indicated that, in reference to the committee's request to communicate with the appellant regarding the imported goods and to arrange for their return with the importer to the customs area and to inform what is being done, (we inform that communication has been made with the attorney assigned by the competent administration - as per the attached contact report - and he confirmed that the quantities have been disposed of).

On Sunday, .../.../..., the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against decision number (...), issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based and the response of the authority.



Grounds:



Whereas there is no reproach against the reviewing authority for taking the reasons of the decision subject to the appeal without addition whenever it sees that these reasons suffice to avoid the need to present anything new, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained after confirming the violation of the type stated for the specification (temperature test under normal operating conditions), which makes the action of the importing company regarding the shipment a realization of the crime of customs smuggling and validly attributed to it, which is not affected by what the appellant mentions of defenses as they do not negate the established fact of the importer's action regarding the shipment contrary to the commitment taken regarding it, and that what the company's attorney mentions about the absence of criminal intent is refuted in light of the importing company's knowledge that there is a commitment taken on the company not to act with the shipment except after its clearance, which the company violated knowingly, and it does not affect the result reached by the decision what the appellant argued about the claim that the violation subject to the lawsuit is a minor violation, as such a defense does not contradict the established fact of the violation and the validity of attributing customs smuggling to the importer considering that it does not negate the fact of the importer's non-compliance with the general obligation imposed by the customs law on him not to introduce the shipment except after passing it for clearance, which was not the case with the importer's dealings with the shipment by acting with it before obtaining permission for its clearance after it was established that there were observations made in the laboratory report - as stated in the first instance decision subject to the appeal - which the importer cannot judge himself regarding what is among the customs procedures observations or not in light of his indifference to the fate of clearing the shipment for his intention to act with it, which does not affect the validity of what the decision concluded by claiming that the shipment was for personal use, as the characterization of the violating act that the importer committed as a crime of customs smuggling under what is stated in Article (142) of the Unified Customs Law for the importer's violation of the provisions of prohibition and restriction is not affected by whether the shipment was for personal or commercial use regardless of the validity of that claim or not. Since the reasons for the decision subject to the appeal are sufficient to support its ruling, it is necessary to state that the defenses presented do not affect the outcome of the decision, which makes the appeal without a supporting basis, necessitating its rejection. Accordingly, the appellate committee concluded to report the following.



Decision:

1- Acceptance of the appeal in form, submitted by / Company ... Commercial registration number (CFR-2022-2884) against the first instance decision number (CFR-2022-2884), issued by the 1st First Instance Customs Committee in Riyadh.

2- In the subject, his rejection and the affirmation of the first instance decision regarding the imported company's conviction for customs smuggling, the customs fine, and the confiscation fee imposed, with the amendment of paragraph (1) of the first instance decision to read as follows: (Convicting Company (B), Commercial Register No. (...), in presentia, on the charge of customs smuggling), for the reasons stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-204717
Case No. AC-2022-109105

Keywords:

Customs - constraints - bond commitment - frames - non-compliance with specifications - speed test - conviction

Summary:

The importer requests the cancellation of the decision of the Second First Instance Customs Committee in Riyadh No. (CSR-2023-109105), which convicted the importer of customs smuggling and imposed a fine equivalent to the value of the contraband item and required it to pay an amount equivalent to its value as a confiscation substitute. Where it has been established to the appellate committee that customs have no concern when applying the customs law regarding the clearance of shipments in relation to the importer and the customs broker, as long as those shipments have been organized with the import declaration in the name of the importer; this means that the first instance decision is upheld in all that it ruled.

Document:

- Article 154 of The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 (03/11/1423 AH).
- Article 157 of The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 (03/11/1423 AH).

Facts:

This is to consider the appeal submitted by/ Foundation ... The commercial entity, commercial registration number (...), owned by / ..., national ID number (...), against the first instance decision number (...), issued by the second First Instance Customs Committee in Riyadh, ruling as follows:

- 1- Conviction of the defendant / Institution Commercial register number (...) In person with customs smuggling.
- 2- Obliging it to pay a customs fine equivalent to the value of the violating item in the amount of (29,402) twenty-nine thousand four hundred and two riyals.



- 3- Obligating it to pay an amount equivalent to the value of the violating item as a confiscation fee of (29,402) twenty-nine thousand four hundred and two riyals.

Since the appellant was notified of the decision subject to the appeal on .../.../... and submitted the appeal on .../....., this entails the acceptance of the appeal in form as it was submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment consisting of (tires) belonging to the importer through the customs of Jeddah Islamic Port under import declaration number (...). dated .../.../... and its total value amounted to (29,402) twenty-nine thousand four hundred and two riyals, which was granted under a commitment not to dispose of it until it is approved by the competent authority, and after presenting the sample to the laboratory, the response was received in report number (...) dated .../.../... which includes non-compliance due to the sample not passing the speed test, and the importer was notified of the result through several letters, but he did not respond. The first instance committee issued its decision as stated in its ruling, based on the fact that the violation is technical and affects the quality and safety of the product and the health and safety of the consumer. Furthermore, the lack of response from the importer to customs to return the non-compliant item, despite it not being approved by the competent authority, is considered a violation of Article (56) of the Unified Customs law, and is also considered customs smuggling according to Article (142) of the same law, and it arranged for the application of penalties against the importer as stated in its decision.

Upon reviewing the objection list submitted by the importing institution, the customs appellate committee found that its summary mentioned that the import was based on the commercial register without the knowledge of the institution's owner. Additionally, it did not pay any fees on the imported goods and is unaware of anything regarding them. Furthermore, the commitment not to act attached to the case file is a copy and not the original, and it did not include the details of the shipment in question. It is noted that the information mentioned in the commitment, such as mobile numbers, telephone numbers, postal box, and bank account number, all do not belong to the institution. It is known from the unified customs law that the commitment must be the original for each import declaration, and a copy cannot be attached to more than one import declaration. Moreover, the institution is a victim of a force majeure that it had no control over, and therefore it cannot bear responsibility for goods that exploited the institution's name with incorrect documents according to Article (154) of the unified customs law. In addition, the customs broker is responsible for those actions under Article (157) of the same law, along with the responsibility of the Al-Batha customs for failing to perform its duties due to not verifying the validity of the commitment and the submitted data. The list concluded with a request not to convict the institution and to overturn the first instance decision.

A response memo from the authority was received through the Automated System of the secretariat dated .../.../... included a summary that the institution is responsible to the customs as the customs declaration number (...) The date .../.../... is registered in its name, and all customs and commercial transactions



submitted to the authority are certified documents signed by the institution. It can hold accountable those who caused harm before the relevant authorities. Additionally, the incident occurred during a period when there was no electronic linkage between government entities to verify the validity of commercial records and agencies, except on paper. Therefore, the documents submitted to the authority allowed for temporary clearance until the laboratory results were issued after taking a commitment not to act by the importer. Furthermore, customs smuggling crimes are intentional crimes that require both the material and moral elements to be present, which were available in the case at hand. The memorandum concluded with a request to reject the appeal submitted by the institution and to uphold the first instance decision in all its provisions.

On Wednesday, .../.../... the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against decision number (...), issued by the Second First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in its current state after the committee was informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based and the response of the authority.

Grounds:



Whereas there is no reproach against the authority reviewing the appeal for taking the Grounds of the Decision subject to the appeal without addition whenever it sees that these Grounds suffice to avoid presenting anything new, because in its support, based on its Grounds, it implies that it did not find in the objections raised against it anything that deserves a response beyond what those Grounds contained. This is not affected by what the appellant claims regarding the alleged lack of jurisdiction over the shipment and that it is unaware of the exploitation of the institution's name without its knowledge in importing the shipment in question as stated in the Grounds for its appeal. This is because customs have no concern when applying the customs law regarding the clearance of shipments in relation to the importer and the customs broker, as long as those shipments have been organized in the import declaration in the name of the importer, whether this resulted in a smuggling incident related to the violating shipment or the shipment was linked to a violation of customs procedures when the importer violated the commitment taken regarding it and acted with the shipment that has not been cleared from the jurisdiction. The appellant is responsible for returning to whoever claims to have suffered damage from the exploitation of his data and the relationship that existed with him regarding the import of the shipment organized in his name. As for what was regarding the claim of the invalidity of the conviction for customs smuggling, alleging that the commitment taken not to act with the shipment in question was devoid of the completion of its data in a manner that confirms its connection to the shipment in question and that there exists only a copy of it



without its original. Whereas, since it is relied upon in criminal matters - which include violations and crimes of customs smuggling - that it is not necessary for the evidence to be confined to certain methods, and it is also not essential for the evidence relied upon in the conviction Decision for smuggling to be based on the competence of each piece of evidence in every detail of the case, considering that the original in those facts when proven is that the evidence regarding them should be supportive, complementing each other, and collectively forming the conviction of the reviewing authority of the case. Thus, it is not appropriate to discuss each piece of evidence separately, isolated from the rest of the documents, evidence, and indications, but rather it becomes sufficient that the evidence and indications collectively lead to forming the conviction of that authority and completing its direction in stabilizing its belief and reassurance. This is because the punishable act is not in the fact of holding the importer accountable for violating the commitment taken regarding him, as the act constituting the crime of customs smuggling is embodied in entering or attempting to enter the shipment without completing its clearance from the jurisdiction. The commitment is nothing but a document from the shipment papers to prepare for the commencement of its customs clearance, reminding the importer of the general duty known to the importer by necessity not to act with the shipment except after being permitted to do so. Since the Grounds for the Decision subject to the appeal are sufficient to support its ruling, it is necessary to state that the defenses presented do not affect the outcome of the Decision, which makes the appeal without a supporting basis, necessitating its rejection. Accordingly, the committee concluded to report the following:

Decision:

- 1- Acceptance of the appeal in form from the applicant/ institution ... Commercial, commercial registration number (...), owned by / ..., national ID number (...), against the first instance Decision number (...), issued by the second First Instance Customs Committee in Riyadh.
- 2- In the subject, his rejection and the affirmation of the first instance Decision in all that it ruled, and that is for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-190848
Case No. PC-2022-125674

Keywords:

Customs - Constraints - Bond Commitment - Electrical Appliances - Non-compliance with specifications - Electric shock testing during operation - Conviction

Summary:

The importer's request to cancel the decision of the 1st First Instance Customs Committee in Riyadh No. (CFR-2022-2287), which convicted the importer of customs smuggling and imposed a customs fine equivalent to the value of the violating item and obligated him to pay the value of the violating item as a confiscation substitute. Where it has been established to the appellate committee that all the arguments raised by the appellant against the result reached by the decision are rejected; considering that the customs procedure related to the completion of the entry of the shipment into the country requires the importer to take into account the general duty imposed by the customs law on the importer when dealing with the incoming shipment. This means; the affirmation of the first instance Decision in all that it ruled.

Document:

- Article 142 of the [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\)](#).

Facts:

This is to consider the appeal submitted by/ ..., national ID number (...), in his capacity as an agent for/ ..., national ID number (...). As the company director at (...) company, commercial registration number (...), under agency number (...). On .../.../... date, issued by the notary ..., licensed by the Ministry of Justice under license number (...), against the first instance decision number (CFR-2022-2287), issued by the 1st First Instance Customs Committee in Riyadh, whose ruling states the following:

- 1-Conviction of the importer company ..., commercial registration number (...), in person for customs smuggling.
- 2- To impose a customs fine equivalent to the value of the violating item in the amount of (272,291) two hundred twenty-seven thousand two hundred ninety-one riyals.
- 3- Obliging him to pay an amount equivalent to the value of the violating item as a confiscation fee of (272,291) two hundred seventy-two thousand two hundred and ninety-one riyals., making the total amount claimed (544,582) five hundred forty-four thousand five hundred and eighty-two riyals.



Since the appellant was notified of the decision subject to the appeal on .../.../... and submitted the appeal on .../....., this entails the acceptance of the appeal in form as it was submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment (lamps) belonging to the importer through the customs of Jeddah Islamic Port, according to import declaration number (...). On the date .../.../... AH, it was granted based on a commitment not to act until it is approved by the competent authority, and after examining the sample by the laboratory, the report number (...) was received. On .../.../... it was noted that there was non-compliance regarding the inspection of electric shock hazards during normal operation. The importer was contacted, but did not respond. The first instance committee issued its Decision based on the fact that the importer violated the commitment made by acting on the shipment before obtaining the necessary clearance from the competent authority, thus violating Article (56) of the Unified Customs law, which constitutes customs smuggling according to Article (142) of the same law, and imposed penalties on the importer as stated in its Decision.

Upon reviewing the objection list submitted by the attorney of the appealing company, the customs appeals committee found that its summary mentioned that the committee issuing the decision had erred in properly classifying the incident as customs smuggling, despite the importer's claim that the shipment had been in his warehouses for a long time and that the area where the warehouse was located had been completely removed, thus preventing him from releasing the shipment. Furthermore, the committee did not present the notification letter regarding the inspection results and did not prove that the importer was informed of its contents. Additionally, there was no evidence of the commitment letter not to act, which the authority claimed existed, and there was a delay in raising the decision in the law. Moreover, the committee's assertion that the importer intended to evade responsibility was insufficient, as the elements of tort liability were not present in his case. The authority's oral defenses presented to prove the conviction contradicted the logic on which the accusation was based, as they lacked the necessary evidence in the case. Therefore, the evidence relied upon by the committee is subject to doubt and thus contradicts the legal principle that states that if evidence is subject to doubt, it cannot be used for inference, as established in Article (3) of the Criminal Procedure Law. The objection list concluded with a request to accept the objection procedurally for being submitted in compliance with its conditions and, on the merits, to overturn the previous conviction and rule that the importer is not guilty and release him from this case.

A response memo from the authority was received via the automated system of the secretariat dated/.../... which summarized that the release of the shipment is based on a commitment from the importer ensuring that he will not dispose of it except after it is approved by the competent authority, and that violating this commitment constitutes customs smuggling according to the text of Article (142) of the Unified Customs Law. The importer has been notified of the laboratory result indicating that the shipment does not comply, and this was sent to the addresses registered with the authority for the importer, but he did not respond, which indicates his disposal of the shipment and his violation of the signed commitment. Therefore, his



actions constitute customs smuggling according to the aforementioned article, in addition to the existence of the elements of the crime of customs smuggling against the importer due to his disposal of the shipment and his violation of the signed commitment taken against him and the introduction of goods whose entry into the country is restricted. The memo concluded with a request to reject the appeal submitted by the company ... and to uphold the first instance decision in all its provisions.

On Wednesday, .../.../..., the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against decision number (...), issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based and the response of the authority.

Grounds:

Whereas, upon reviewing the appellate committee, it became clear that it was based on the premise that there was an error in understanding the incident and in correctly classifying it, as the first instance committee interpreted the company's response as indicating that the shipment was in its warehouses and that it was unable to release the shipment due to the site being closed off with concrete walls, considering this as customs smuggling. Furthermore, the authority did not present the notification letter regarding the examination results, and there was a violation of the law due to an error in its application. Additionally, the plaintiff did not prove in her case the existence of a letter (commitment not to dispose) issued by the company. However, the appellate committee, after scrutinizing the reasons on which the appeal was based, found that all the claims raised by the appellant against the result reached by the decision were unfounded; considering that the customs procedure related to completing the entry of the shipment into the country requires the importer to observe the general duty imposed by the customs law regarding the importer when dealing with the incoming shipment, which is embodied in complying with all that the customs law and other related regulations require for the clearance of the shipment, necessitating that the importer does not dispose of it in any way until it is approved and permission is granted for its disposal. Thus, the importer's violation of this duty by disposing of the shipment without regard to the matter of permission for its entry into the country constitutes behavior contrary to that general duty, especially since this duty is something that is necessarily known to him, which does not negate the validity of attributing the crime of customs smuggling to him. Therefore, what he claims regarding the absence of error on his part in dealing with the shipment in light of what the general duty imposes, as previously stated, is worthy of disregard. Moreover, his mention of the absence of any evidence of being notified of the examination results is incorrect; considering that it is established from the documents that there was notification of the laboratory results and the necessity to return the shipment, in addition to the fact that such a claim does not negate the original obligation to observe the general duty of not disposing of the shipment until it is approved. As for what the



appellant criticizes about the first instance decision relying on the result it reached despite - according to his claim - the absence of a document proving the commitment not to dispose through the case documents, what the appellant claims in this regard is not valid; considering that what is relied upon in criminal matters - which customs smuggling violations and crimes fall under - is that it is not necessary for the evidence to be confined to certain methods, nor is it also necessary for the evidence relied upon in the conviction decision for smuggling to be based on the exclusivity of each piece of evidence in every detail of the case; considering that the original principle in those facts when proven is that the evidence regarding them should be supportive of each other, collectively forming the conviction of the examining authority of the case. Thus, it is not appropriate to discuss each piece of evidence in isolation from the other documents, evidence, and indications, but rather it becomes sufficient that the evidence and indications as a whole lead to the formation of that authority's conviction and the completion of its direction in stabilizing its belief and reassurance. This is because the punishable act is not in the fact of holding the importer accountable for violating the commitment taken from him, as the act constituting the crime of customs smuggling is embodied in entering or attempting to enter the shipment without completing its clearance from the competent authority, and what supports the commitment is merely a document from the shipment papers to prepare for the commencement of customs clearance for it, reminding the importer of complying with the general duty, which is necessarily known to the importer, of not disposing of the shipment except after being permitted to do so. Since it is established from the documents that the shipment was prepared in the name of the importer and samples were taken from the shipment for examination by the laboratory, and the customs communicated with him to return the shipment to the customs yard due to its non-clearance through several correspondences without any response from him and without any follow-up on the matter of its clearance, this confirms the validity of his conviction for the crime of customs smuggling against him in the manner specified by the Unified Customs Law in Article (142) by entering the shipment contrary to the prohibitions and constraints that must be observed for the clearance of the shipment, which was not the case with the importer's dealings with the shipment as previously stated. Therefore, the appellate committee concluded to report the following:

Decision:

- 1-Acceptance of the appeal in form, submitted by/ Company (...), Commercial Register No. (...), against the first instance Decision No. (...), issued by the 1st First Instance Customs Committee in Riyadh.
- 2-In the subject of his rejection, the affirmation of the first instance Decision in all that it ruled regarding the importer, and that for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-186000
Case No. PC-2022-125141

Keywords:

Customs - Constraints - Bond Commitment - Ceramic Tiles - Non-compliance with specifications - Thickness measurement test, breakage test, and water absorption - Conviction

Summary:

The importer requests the cancellation of the decision of the 1st firstFirst Instance Customs Committee in Riyadh No. (CFR-2022-3167), which condemned the importer and obliged him to pay a customs fine equivalent to twice the customs duties and to pay the value of the shipment as a confiscated value. And since the appellate committee has established that the defenses presented by the importer do not contradict the established basis of the first instance decision subject to appeal in its reasons and ruling. This means; to uphold the first instance decision as ruled.

Document:

- Article 142 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\)](#).

Facts:

This is to consider the appeal submitted by (...), national ID number (...), in his capacity as the owner of the institution (...), commercial registration number (...), against the first instance Decision number (CTR-2022-2255), issued by the 1st First Instance Customs Committee in Riyadh, which ruled as follows:

- 1-Conviction / Institution ..., commercial registration number (...) in person for customs smuggling, according to Article (142) of the Unified Customs Law.
- 2-Obligating it to pay a customs fine equivalent to twice the value of the customs duties, according to Article (145/2) of the same law.
- 3- Obliging it to pay the value of the violating items as a confiscation fee, in accordance with Article (145/5) of the same law.



Since the appellant was notified of the Decision subject to the appeal on 14/02/2023, and submitted the appeal against the Decision on 12/03/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its conduct according to what is stipulated in Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment consisting of (ceramic tiles) belonging to the importer through the customs of Jeddah Islamic Port under import declaration number (...) dated 01/08/1436 AH, which was cleared based on a commitment not to dispose of it until it is approved by the competent authority. After the sample was examined by the laboratory, the report number (.../.../...) was received. The date 12/08/1436 AH, which includes non-compliance in terms of thickness measurement tests, fracture tests, and water absorption tests, and the importer was notified of the result through several letters, but he did not respond. The first instance committee issued its decision as stated in its ruling based on the fact that the violation of the shipment relates to the quality and specifications of the product and constitutes commercial fraud against the consumer as stated in the laboratory report. The importer's claims regarding the damage to part of the shipment are nothing more than unsubstantiated statements aimed at evading the accusations against him. Furthermore, the importer's action of handling the entire shipment or part of it in violation of the registered bond commitment constitutes a customs smuggling act according to Article (142) of the Unified Customs Law.

Upon reviewing the objection list submitted by the owner of the importing institution, the customs appellate committee found that its summary mentioned that the committee issuing the decision based its conviction on suspicion rather than certainty, confirming that the institution had disposed of the shipment in question, even though it was informed during the hearing that a large part of the shipment was still in the institution's warehouses and had not been disposed of in respect of the commitment signed at customs. The committee was also requested to inspect the shipment, inventory it, and ensure its compliance, but it ignored that. Furthermore, the shipment in question was assembled in the institution's warehouse in Taif, and it was confirmed that the majority of it was present despite having arrived more than eight years ago, and it is natural for a small part to be lost during the transfer from one warehouse to another. Therefore, the institution did not commit any act constituting the crime of customs smuggling due to the absence of the mental element in this incident according to Article (154) of the Unified Customs Law. The institution also requests the appellate committee to communicate with the Zakat, Tax, and Customs Authority to coordinate with the nearest customs office to the location of the institution's warehouse to inspect the shipment, inventory it, and prepare a report for that. Additionally, the goods passed all laboratory tests except for three of them, noting that their results do not significantly affect the quality of the goods and do not cause harm from their use, as the laboratory report did not indicate that the samples were adulterated or in violation of trademark regulations or unfit for use, which means that the incident does not rise to the level of customs



smuggling as stipulated in Articles (142-143) of the Unified Customs Law. Furthermore, the criminal intent stipulated in Article (144) of the Unified Customs Law is not present, considering that the technical examination results proved that the sample passed all tests, and the violation of the items that did not pass the examination is a procedural violation and not substantive and does not affect the quality of the goods. Therefore, it is considered a violation of customs procedures according to Article (31) of the Executive Regulations of the Customs Law. The customs judiciary has also established that the disposal of goods released under a commitment not to dispose of them is not considered customs smuggling unless the non-release is due to a substantial reason related to the quality of the shipment. It has been decided in this regard to consider it a violation of customs procedures according to Article (6/31) of the Executive Regulations of the Unified Customs Law. The regulation concluded with a request to accept the appeal in form and verify the existence of the shipment in question in the warehouses in Taif.

A response memo from the authority was received through the automated system of the secretariat dated 30/04/2023, which summarized that the commitment signed by the institution stated that it would not act in any way except after being notified by the authority of its approval from the competent authority. The institution was notified by several letters from the authority at the addresses registered with it, indicating that the shipment did not comply and that it should return it according to the commitment signed by it; however, it did not respond. Moreover, the shipment was from the year 1436 AH, and throughout this period, the institution did not respond or communicate with the authority. It would have been more appropriate for it to communicate and respond instead of acting with the shipment and violating the commitment, which constitutes customs smuggling according to Article (142) of the Unified Customs Law. It also violates Article One of the Anti-Commercial Fraud law. Based on the laboratory results indicating that the samples did not meet the specifications in terms of thickness measurement test, fracture test, and water absorption test, the violation is technical due to the fraud it entails against consumers and affects their financial resources due to purchasing non-compliant goods. The memo concluded with a request to reject the appeal submitted by the institution ... and to uphold the first instance decision in all that it ruled.

On Monday, June 10, 2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party regarding Decision number (CTR-2022-2255), issued by the Third First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a Decision in its current state after the committee was informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the Grounds on which the appeal was based and the response of the authority.



Grounds:



Since there is no reproach against the reviewing authority for taking the Grounds of the Decision subject to the appeal without adding anything whenever it sees that these Grounds are sufficient to negate the need for any new arguments, because in its support, based on its Grounds, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those Grounds contained. And since the Grounds for the Decision subject to the appeal are sufficient to support its ruling, it is necessary to state that the defenses presented do not affect the outcome of the Decision, which makes the appeal without any supporting basis, thus necessitating its rejection. Therefore, the appellate committee concluded to report the following:

Decision:

- 1- Acceptance of the appeal in form from the applicant/ institution ..., commercial registration number (...), owned by/ ..., national ID number (...), against the first instance Decision number (CTR-2022-2255), issued by the third First Instance Customs Committee in Riyadh.
- 2- In the subject, his rejection and the affirmation of the first instance Decision in all that it ruled, and that is for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-179147
Case No. PC-2023-179147

Keywords:

Customs - Constraints - bond commitment - Dried cake - Non-compliance with specifications - The name of the item does not indicate the nature of the product - Conviction

Summary:

The importer's request to cancel the decision of the 1st first Instance Customs Committee in Riyadh No. (CFR-2022-2202), which convicted the importer of customs smuggling. And where it was established for the appellate committee by virtue of the letter from the Food and Drug Authority number (...) dated 19/05/1438 AH, which included the non-compliance of the items in that the name of the item does not indicate the nature of the product, and the ingredients in Arabic differ from those in English, and there is a quality system logo, and there is no country of origin. This means; the affirmation of the first instance Decision in all that it ruled.

Document:

- Paragraph (17) of Article (143) of the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH.
- Article 176 of The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 (03/11/1423 AH).

Facts:

This is to consider the appeal against the first instance Decision No. (CFR-2022-2202) issued by the 1st Customs Committee in Riyadh, submitted by the agent / ..., Civil Registration No. (...), under Agency No. (...), and since the appellant was notified of the first instance Decision on 06/02/2023, and submitted the appeal against the Decision on 16/02/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the prescribed period for its submission as stipulated in Article (163) of the Unified Customs law.

As for the facts of this case, they are summarized by the arrival of a shipment (dried cake, coconut cake, butter cookies, Angari biscuits) through the Islamic Port of Jeddah Customs under import declaration number (...) dated 03/04/1438 AH, which was allowed under a commitment not to dispose of it until the



results of the examination by the competent authority appeared. Upon examining the sample by the laboratory, the report number (...) dated 19/05/1438 AH was received, indicating non-compliance in that the product name does not reflect the nature of the product, the ingredients in Arabic do not match those in English, there is a quality system logo, and there is no country of origin. The importer was addressed with the result by the customs, but he did not respond. The first instance committee issued its Decision to convict the importer of customs smuggling and impose the associated penalties, as stated in the text and Grounds for the Decision subject to appeal, which is referred to in order to avoid repetition.

Upon reviewing the objection list submitted, the Customs Appeals Committee found that it includes a summary indicating that the first instance Decision was issued in absentia against the appellant, and that the facts of the Decision indicate that the violation is considered procedural, which necessitates ruling in favor of the appellant (the institution) and applying the provisions of Article (30/6) of the Unified Customs law. Furthermore, the case is subject to statute of limitations since the shipment is dated 03/04/1438H, and there is a circular from the Director General of Customs canceling the commitments for the year 1438H and prior. The appeal concluded with a request to overturn the first instance Decision.

Upon reviewing the response memorandum submitted by appellee, the customs appellate committee found that it includes a summary stating that the institution did not comply with the commitment made to it and did not respond to the customs letters. The violation of the commitment regarding the handling of goods is considered customs smuggling according to Article (142) of the Unified Customs law. Furthermore, the violation is technical and directly affects the health and safety of consumers, impacting their financial resources due to the purchase of goods that do not meet the required specifications and standards. It concluded with a request to reject the appeal and uphold the first instance Decision in all its provisions.

After reviewing the case file and the appeal submitted by the authority and the response of appellee, the committee found that the case is ready for a Decision in its current state after being informed of the facts of the case and the sufficiency of what has been presented to form its conviction and rule on it in light of the Grounds on which the appeal was based.

Grounds:

After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws.

Whereas the appellate customs committee, upon reviewing the case file and its attachments, and whereas it is established by the letter from the Food and Drug Authority number (...) dated 19/05/1438 AH, which states that the items do not comply in that the name of the item does not indicate the nature of the product, and the components in Arabic differ from those in English, and there is a quality law logo, and there is no country of origin, and whereas the importer's action regarding the items released temporarily without the



approval of the competent authority falls under the definition of customs smuggling specifically according to paragraph (17) of Article (143) of the Unified Customs law, especially since he did not deny his action regarding the non-compliant items. As for the appellant's argument that the Decision was issued in absentia against him, this is rejected; considering that it is established through the narration of the facts of the first instance Decision subject to appeal that the appellant was present before the First Instance Committee in the session dated 15/03/1444 AH, thus the conclusion of the Decision that it was in person is consistent with the correct law. As for the appellant's argument regarding the statute of limitations, this is also rejected; as the law has set a period of (15) years to pursue actions.

Customs smuggling based on Article (176) of the Unified Customs law, which states that: "... " ... The statute of limitations regarding customs administration, if no prosecution has been initiated, is as follows: Fifteen years for the following two cases: 1- Smuggling activities or similar actions starting from the date of committing the crime. Since the Grounds for the Decision subject to appeal are sufficient to support its ruling, it is necessary to state that the defenses presented do not affect the outcome of the Decision, which makes the appeal unsupported and must be rejected. Accordingly, the customs appeals committee concluded to report the following:

Decision:

First: Acceptance of the appeal in form from the applicant/ institution ..., commercial registration number (...), owned by/ ..., national ID number (...), against the first instance Decision number (CFR-2022-2202), issued by the 1st First Instance Customs Committee in Riyadh.

Second: The appeal is rejected on the merits, and the first instance Decision is upheld in all that it ruled, for the Grounds and considerations stated in this Decision.

This decision is final; according to the provisions of paragraph (Second) of Royal Order No. (25711) dated 08/04/1445 AH.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-189685
Case No. PC-2023-189685

Keywords:

Customs - Constraints - Bond Commitment - Bicycles - Non-compliance with specifications - Mechanical and Physical Tests - Conviction

Summary:

The importer requests the cancellation of the decision of the 1st firstInstance Customs Committee in Riyadh, number (CFR-2022-2376), which condemned the importer and imposed a customs fine equivalent to the value of the violating item and required him to pay an amount equivalent to the value of the violating item as a confiscation substitute. Where it has been established to the appellate committee that the claim regarding the customs' lack of response to his request for retesting at the time of the shipment's arrival is unfounded, considering that this claim is an unsubstantiated statement that has not been proven by evidence of the customs' response for the purpose of re-examining the samples. This means; the affirmation of the first instance Decision in all that it ruled.

Document:

- Article 142 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)

Facts:

This is to consider the appeal submitted by/ ..., national ID number (...), in his capacity as an agent for/ Company ..., commercial registration number (...), under agency number (...) dated 23/03/1444 AH, against the first instance Decision number (CFR-2022-2376), issued by the 1st First Instance Customs Committee in Riyadh, which ruled as follows:

- 1- Condemnation of the importer institution ..., commercial registration number (...), present for customs smuggling.
- 2- He is obliged to pay a customs fine equivalent to the value of the violating item, an amount of (52,500) fifty-two thousand five hundred riyals.



- 3- Obliging him to pay an amount equivalent to the value of the violating item as a confiscation fee of (52,500) fifty-two thousand and five hundred riyals, making the total amount claimed (105,000) One hundred and five thousand riyals.

Since the appellant was notified of the Decision subject to the appeal on 01/03/2023, and submitted the appeal on 19/03/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its conduct according to what is stipulated in Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment of (bicycles) belonging to the importing institution through the customs of Jeddah Islamic Port under import declaration number (...) dated 13/10/1436 AH, where the shipment was cleared based on a commitment not to dispose of it until the result of the competent authority appeared. After examining the sample by the laboratory, the report number (...) dated 06/08/2015 AD indicated that the sample did not meet the specifications in terms of mechanical and physical tests. The importer was contacted to return the shipment to the customs yard, but he did not respond. The first instance committee issued its decision as stated in its ruling, based on the violation of the importer of the written commitment taken against him by disposing of the shipment, contrary to what is stipulated in Article (56) of the Unified Customs Law, which constitutes his behavior as customs smuggling according to Article (142) of the Unified Customs Law, and imposed penalties on the appellant as stated in the text of its decision. Upon reviewing the objection list submitted by the attorney of the owner of the importing institution, the customs appellate committee found that its summary mentioned that the institution objected to the laboratory test results and that customs did not take any action to re-examine despite the institution's review to resolve the sample testing issue without success. Furthermore, the institution did not receive any letter or notification to prove its non-responsiveness to customs, knowing that the hearing date was communicated to it via email and text message, and it attended the hearing at its first request, which indicates its good faith in dealing and responding. The institution had previously imported quantities of the same goods and items for more than ten previous shipments over the past four years without facing any cases, knowing that this product is well-known to it from the parent company for its compliance with Saudi specifications. The commercial registration was also canceled due to the institution's losses on 25/07/1440 AH. Additionally, the facts of the case are covered by the royal pardon issued in (1443 AH) due to the incident being related to the circumstances of the import statement dated 14/10/1436 AH. The list concluded with the appellant's request to acquit the institution for all its efforts in resolving the shipment and the laboratory result that was objected to, which customs did not take into account, in addition to requesting that the case be considered a procedural violation and also covered by the royal pardon.

A response memo was received through the automated system of the secretariat from the authority dated 10/05/2023, which summarized that the appellant was notified of the result of the laboratory report



indicating that the shipment in question did not comply and that he should return the shipment according to the commitment made. However, he did not respond, thereby violating the commitment taken upon him, which constitutes customs smuggling according to Article (142) of the Unified Customs Law. Additionally, the violation related to the item received according to the laboratory report is represented in (mechanical and physical tests), which are of the nature of technical violations due to the deception involved for consumers. The mentioned royal pardon applies to prisoners, and the implementation of its provisions is the responsibility of the regions' emirates and judicial authorities. Furthermore, customs smuggling crimes are intentional crimes that must have both the material and moral elements, which were present in the incident under consideration, as the institution acted regarding the shipment in question. The authority's memo concluded with a request to reject the appeal and uphold the first instance decision in all its provisions.

On Monday, July 01, 2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party regarding Decision No. (CFR-2022-2376), issued by the 1st First Instance Customs Committee at the Al-Batha Customs. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a Decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in its current condition.

Grounds:



Whereas there is no reproach against the reviewing authority for taking the reasons of the decision subject to appeal without addition whenever it sees that these reasons suffice to avoid the need to present anything new, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. All the defenses raised by the appellant do not undermine the validity of the first instance decision and are like the established basis on which the first instance decision concluded its correctness regarding the appellant. This is because the customs procedure related to completing the entry procedures for the shipment requires the importer to observe the general duty required by the customs law concerning the importer when dealing with the incoming shipment, which is embodied in compliance with all that the customs law and other related regulations require for the clearance of the shipment. This necessitates that the importer does not act with it in any way until it is approved and permission is granted to act with it. Therefore, the violation by the importer of that duty by acting with the shipment without proving the matter of permission for its entry into the country constitutes behavior contrary to that general duty, especially since that duty is something that is necessarily known to him, which does not negate the correctness of attributing the crime of customs smuggling to him. Moreover, what he claims regarding the customs' lack of response to his request for re-examination at the time of the shipment's arrival is rejected, considering that this claim is an unsubstantiated statement that has not provided evidence of the customs' response to him for re-examining



the samples. Additionally, this matter does not justify him violating his duty regarding the shipment after acting with it in any way without the clearance approval, which was not the case with the importer's dealings with the shipment. As for what the appellant raises regarding the connection of the incident and its inclusion in the royal pardon, it is rejected considering that the matter of that pardon is related to imposing a prison sentence without tax and financial penalties. Furthermore, what he mentions about the cancellation of the commercial register of the institution due to the losses incurred is not influential in establishing what he was convicted of. Accordingly, the appellate committee concluded to report the following:

Decision:

- 1- Acceptance of the appeal in form, submitted by/ Institution ..., commercial registration number (...), owned by/ ..., national ID number (...), against the first instance Decision number (CFR-2022-2376) issued by the second First Instance Customs Committee in Riyadh.
- 2- In the subject, it rejected him and upheld the first instance Decision in all that it ruled against the appellant, for the Grounds and justifications stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-171890
Case No. PC-2023-171890

Keywords:

Customs - Constraints - Bond Commitment - Electric Diffuser - Non-compliance with specifications - Explanatory data and abnormal operation - Conviction

Summary:

The importer is requesting the cancellation of the decision of the 1st first Instance Customs Committee in Riyadh No. (CFR-2022-750), which condemned the importer for customs smuggling and obligated him to pay a fine equivalent to the value of the contraband item and to pay an amount equivalent to its value as a confiscation substitute. And where it was established for the appellate committee that the fire that destroyed the shipment, assuming the fact of its occurrence, does not prove that the shipment in question was specifically present at the time of the fire, especially since the period between the importation and the temporary permission for clearance and the occurrence of the fire is a long time, during which the usual diligence of the importer to follow up on the clearance from customs was not proven. This means; the affirmation of the first instance Decision in all that it ruled.

Document:

- Article (14) of [the rules for the work of Zakat, tax, and customs committees issued by Royal Order No. \(25711\) dated 08/04/1445 AH.](#)
- Paragraph (1/A) of Article (176) of [the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by (...), national ID number (...), in his capacity as the owner of the institution (...), commercial registration number (...), against the first instance Decision number (CFR-2022-750), issued by the 1st First Instance Customs Committee in Riyadh, which ruled as follows:

- 1- Condemnation of the importer/ branch of the company ..., commercial registration number (...), in person for customs smuggling.



- 2- Obliging it to pay a customs fine for the value of the violating item in the amount of (29,393) twenty-nine thousand three hundred and ninety-three riyals.
- 3- Obliging him to pay an amount equivalent to the value of the violating item as a confiscation fee of (29,393) twenty-nine thousand three hundred and ninety-three riyals, making the total amount claimed (58,786) fifty-eight thousand seven hundred and eighty-six riyals.

Since the appellant was notified of the Decision subject to the appeal on 05/01/2023, and submitted the appeal on 26/01/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its execution according to what is stipulated in Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment consisting of an (electric diffuser) through the Islamic Port of Jeddah customs under import declaration number (...) dated 17/11/1436 AH, which was released based on a commitment not to dispose of it until the result from the competent authority appears. After examining the sample, a report was received under report number (...) dated 07/12/1436 AH, indicating non-compliance in terms of the explanatory data and abnormal operation. The importer was contacted, but he did not respond. The first instance committee issued its decision as stated in its ruling, based on the fact that the failure of the importer to return the non-compliant item after being notified of the laboratory result is considered a violation of the written commitment, and it is also considered customs smuggling according to Article (142) of the Unified Customs Law.

Upon reviewing the objection list submitted by the appellant, the appellate customs committee noted that its summary mentioned that the decision was issued in absentia against him. It was also noted that the goods, which were in the year 1436 AH, were placed in the warehouse, and a lease contract proving this was attached. Additionally, he had corresponded with the customs broker several times and requested the dispatch of a committee to destroy the contraband item. Furthermore, this case has exceeded eight years, which does not justify accountability at this time. Moreover, a fire occurred in the warehouse, leading to the destruction of the contraband item, which is evidenced by a report issued by the civil defense. The list concluded with the appellant's request to accept the appeal and overturn the first instance decision.

A response memo from the authority was received via the automated system of the secretariat dated 21/03/2023, which summarized that regarding the appellant's claim of communication with the destruction committee, the authority found that the company did not attach any proof of its correspondence with the destruction committee. Additionally, the signed commitment from the company stated that it would not dispose of the shipment in any way except after obtaining approval for its release from the competent authority. Furthermore, the company was notified by several letters from customs indicating that the shipment did not comply and that it had to return the shipment according to the bond commitment, but it did not respond, which indicates its disposal of the shipment, leading to the company's violation of



the bond commitment, which constitutes customs smuggling according to Article (142) of the Unified Customs Law. Regarding the appellant's claim that a large fire broke out in the company's warehouses, resulting in the shipment being burned, the authority found that the company did not attach any proof of the fire occurring and that the fire included the shipment in question. Moreover, customs smuggling crimes are intentional crimes that require the existence of both the material and moral elements for their establishment, which were present in the incident of this case due to the company's disposal of the shipment and its breach of the bond commitment. The memorandum concluded with the authority's request to reject the appeal submitted and uphold the first instance decision in all its provisions.

On Tuesday, 28/05/2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against Decision number (CFR-2022-750) issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a Decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the Grounds on which the appeal was based and the response of the authority to it.

Grounds:



Whereas there is no reproach against the reviewing party of the appeal for taking the reasons of the decision subject to the appeal without addition whenever it sees that these reasons suffice to negate the need for any new arguments, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. This is not affected by what the appellant's attorney argued that the case relates to events that occurred over a long period exceeding eight years, and that this does not justify holding them accountable after that period, as this is rejected, considering what Article (176) in paragraph (1/a) of the Unified Customs Law indicates that the statute of limitations for smuggling and similar acts is (15) fifteen years from the date of the commission of the crime. As for what the appellant's attorney argued that a fire broke out in the company's warehouse, resulting in the destruction of the shipment, and attached is a statement from the Civil Defense proving this, this is also rejected, considering that the fire that destroyed the shipment, assuming its occurrence, does not prove that the shipment in question was specifically present at the time of the fire, especially since the period between the importation and the temporary clearance permission and the occurrence of the fire is long, and during this time, the usual importer did not show diligence in following up on the clearance of the shipment from customs. As for what the appellant's attorney argued that the decision was issued in absentia despite their presence via the sent link and that no one attended, this argument is rejected, considering that it is established from the narration of the facts of the appealed decision that the importer was notified in the hearing held on Monday, corresponding to 10/06/1443 AH, and in the hearing held on Tuesday, corresponding to 23/10/1443 AH for the second time, but the appellant did not attend, and what he mentions to negate what the first instance decision established is nothing but an unsubstantiated claim that



lacks evidence to support it for it to be investigated, which makes the decision issued against him in his presence as stipulated in Article (14) of the Rules of Work of Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/04/1445 AH. And since the matter is as mentioned, the defenses presented by the defendant are not influential in the result reached by the 1st instance decision, which leads the appellate committee to report the following:

Decision:

1- Acceptance of the appeal in form, submitted by / Institution ..., Commercial Registration No. (...), against the first instance Decision No. (CFR-2022-750) issued by the 1st First Instance Customs Committee in Riyadh.

2- In the subject, his rejection and the affirmation of the first instance Decision in all that it ruled, and that is for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-205412
Case No. PC-2023-205412

Keywords:

Customs - Constraints - bond commitment - Scooter - Non-compliance with specifications - Explanatory data, instructions, and precautions - Conviction

Summary:

The importer requests the cancellation of the decision of the 1st firstInstance Customs Committee in Riyadh No. (CFR-2023-103556), which condemned the importer for customs smuggling and obligated him to pay a fine equivalent to the value of the violating item and to pay an amount equivalent to its value as a confiscation substitute. The shipment has been released with a commitment not to dispose of it, which means that the importer is aware of the prohibition on disposing of the shipment before its approval, and violating this by the importer indicates his disregard for the commitment taken and his intention to dispose of the shipment without considering the condition of its release. This means; to uphold the first instance decision in all that it ruled, with the amendment of the customs fine to be twice the amount of the customs duties.

Document:

- Paragraph (2,4) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by (...), national ID number (...), in his capacity as the owner of the institution (...), commercial registration number (...), against the first instance Decision number (CFR-2023-103556), issued by the 1st First Instance Customs Committee in Riyadh, which ruled as follows:

- 1-Condemnation of the importer (Institution ...) Commercial registration number (...), owned by / ..., National ID number (...), present for customs smuggling.
- 2-To impose a customs fine equivalent to the value of the violating item in the amount of (660,000) six hundred sixty thousand riyals.



3- Obliging him to pay an amount equivalent to the value of the violating item as a confiscation fee of (660,000) six hundred sixty thousand riyals, making the total amount claimed (1,320,000) one million three hundred twenty thousand riyals.

Since the appellant was notified of the Decision subject to the appeal on 30/08/2023, and submitted the appeal against the Decision on 09/09/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its conduct according to what is stipulated in Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment consisting of a (scooter) belonging to the importer through the Al-Batha customs under import declaration number (...) dated 09/02/1437 AH, which was released based on a commitment not to dispose of it until it is approved by the competent authority. After presenting the sample to the laboratory, the response was received in report number (...) dated 30/11/2015 AD, which included non-compliance regarding the explanatory data, instructions, and prevention from accessing the electrified parts. The importer was notified of the result through several letters, but he did not respond. The first instance committee issued its decision as stated in its ruling based on the fact that the importer did not review the customs or return the shipment to the customs area, which implies that he acted with the unapproved shipment, violating the commitment taken from him, which constitutes customs smuggling according to Article (142) of the Unified Customs law, and arranged for the application of penalties against the importer as stated in the ruling subject to appeal.

Upon reviewing the objection list submitted by the owner of the importing institution, the customs appellate committee found that its summary mentioned that a customs clearance office was authorized to import the goods and clear them customs-wise after being provided with all the required documents for import. However, this office did not execute what was agreed upon; it acted without consulting the owner of the institution and imported multiple times without the owner's knowledge. The committee that issued the decision condemned the institution for customs smuggling, relying on Article (142) of the Unified Customs law, which does not apply to the case at hand. This is because the office that was authorized did not introduce or attempt to introduce the goods in violation of the applicable regulations, as evidenced by the goods passing through legally and with import data, and they were released based on a commitment not to act. Therefore, the handling of the goods in this case does not rise to the level of being described as customs smuggling but rather constitutes a violation according to Article (141) of the Unified Customs law. Additionally, there was no criminal intent on the part of the institution and its owner, as it was not proven to the First Instance Committee that he was an actor, partner, intervenor, instigator, or possessor, as stated in Article (144) of the Unified Customs law, which the committee relied upon in condemning the institution. The list concluded with a request to accept the appeal in substance and to challenge the contested decision in its entirety.



A response memo from the authority was received via the Automated System of the Secretariat dated 18/10/2023, summarizing that the importing institution is responsible for the subsidiary actions according to Article (158) of the Unified Customs law. Furthermore, the shipment in question is registered in the name of the institution, and Article (143) explicitly states that the handling of goods temporarily released falls under the definition of customs smuggling. Additionally, the institution was notified through several letters sent to the addresses registered with the authority, indicating that the shipment did not comply and that it must return the shipment according to the commitment signed by it; however, it did not respond. The institution should have communicated with customs instead of acting on the shipment. Moreover, customs smuggling crimes are intentional crimes that require both the material and moral elements to be present, which were met in the case at hand. The memo concluded with a request to reject the appeal submitted by the institution and to uphold the first instance Decision in all its provisions.

On Wednesday, 07/02/2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against decision number (CFR-2023-103556), issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based and the response of the authority.

Grounds:



Whereas there is no reproach against the appellate authority for taking the Grounds of the Decision subject to the appeal without addition whenever it sees that these Grounds suffice to avoid the need to present anything new, because in its support, based on its Grounds, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those Grounds contained. This is not affected by what the appellant mentions in his statement that the customs clearance office was authorized to complete the procedures for the shipment subject to the lawsuit and did not fulfill what was agreed upon for importing the goods without his knowledge, as customs has no concern when applying the customs law regarding the clearance of shipments in relation to the importer and the customs clearance agent, as long as those shipments have been organized in the import declaration in the name of the importer, whether this resulted in a smuggling incident related to the violating shipment or the shipment was linked to a violation of customs procedures when the importer violated the commitment taken regarding it and dealt with the shipment that was not cleared by the competent authority. The appellant is free to claim against anyone who claims to have suffered damage by exploiting what he claims to be an authorization that exceeds what was agreed upon with the customs clearance office. The result reached by the Decision is not affected by what the appellant claims that the shipment was introduced in a regular manner, as such a defense is rejected considering that it contradicts reality, as it is established that the shipment was cleared with a commitment not to deal with it except after its approval by the competent authority, which was not the case



with the importer's dealings with the shipment. As for what the appellant mentions about the absence of criminal intent on his part, it is rejected, considering that the shipment was cleared with a commitment not to deal with it, thus confirming the importer's knowledge of the prohibition of dealing with the shipment before its approval, and the violation of this by the importer indicates his disregard for the commitment taken on him and his intention to deal with the shipment without regard to the condition of its clearance. Since the Grounds for the Decision subject to the appeal are sufficient to support its ruling, it is necessary to state that the defenses presented do not affect the outcome of the Decision, which makes the appeal without a supporting basis, necessitating its rejection. However, the appellate committee noted that the committee issuing the Decision had ruled to calculate the customs fine on the importer by applying paragraph (4) of Article (145) of the Unified Customs law, which applies to prohibited goods. Since the goods in question are not prohibited in their nature and type, but their entry was prohibited due to non-compliance with some required specifications, which is confirmed by the request from the importer to bring the shipment to the customs area for re-export, this committee decides to apply paragraph (2) of Article (145) of the Unified Customs law contrary to what was ruled by the 1st instance Decision. Thus, this committee concludes to calculate the amount of the customs fine at twice the customs duties as will be stated in the ruling. Accordingly, the committee concluded to report the following:

Decision:

- 1- Acceptance of the appeal in form submitted by / Institution ..., Commercial Registration No. (...), owned by / ..., National ID No. (...), against the first instance Decision No. (CFR-2023-103556), issued by the 1st First Instance Customs Committee in Riyadh.
- 2- In the subject, his rejection and the affirmation of the first instance Decision regarding the conviction of the importer for customs smuggling and the confiscation fee, with the amendment of the customs fine to be twice the customs duties, making the total amount claimed from the importer an amount of (726,000) seven hundred twenty-six thousand, and that for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-169872
Case No. PC-2023-169872

Keywords:

Customs - Constraints - Bond Commitment - LED Bulbs - Non-compliance with specifications - Illustrative data and electrical durability - Conviction

Summary:

The importer is requesting the cancellation of the decision of the Third First Instance Customs Committee No. (129/3) for the year 1442 AH, which convicted the importer of customs smuggling and imposed a fine equivalent to three times the value of the shipment in question, and obligated it to pay an amount equivalent to the value of the contraband item as a confiscation substitute. Where it has been established to the appellate committee that the committee issuing the decision has ruled to calculate the customs fine on the importer by applying paragraph (4) of Article (145) of the Unified Customs Law, which is the paragraph that applies to prohibited goods, and since the imported goods are not prohibited in their type and nature, but the entry of these goods was prohibited due to their non-compliance with certain required specifications. This means; to uphold the first instance decision in all that it ruled, with the amendment of the imposed customs fine to be equal to the value of the shipment.

Document:

- Article (191) of [the Judicial Procedures law issued by Royal Decree No. \(M/1\) dated 22/01/1435 AH.](#)
- Paragraph (2,4) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by / ..., national ID number (...), in his capacity as an attorney for / ..., national ID number (...) in his capacity as the owner of the institution ..., commercial registration number (...), under the agency number (...) dated 03/04/1442 AH, issued by the electronic services of the Ministry of Justice, against the first instance decision number (129/3) for the year 1442 AH, issued by the third First Instance Customs Committee, whose ruling is as follows:



1- Condemnation of the institution ..., commercial registration number (...) for its owner ..., civil registration (...) present for customs smuggling.

2- Obliging it to pay a customs fine equivalent to three times the value of the shipment that was disposed of without the approval of the competent authority, an amount of (396,723) three hundred ninety-six thousand seven hundred twenty-three riyals.

3- Obliging it to pay an amount equivalent to the value of the violating item as a confiscation fee of (132,241) one hundred thirty-two thousand two hundred and forty-one riyals, bringing the total amount to (528,964) five hundred twenty-eight thousand nine hundred and sixty-four riyals.

Since the appellant was notified of the Decision subject to the appeal on 10/03/2021, and submitted the appeal on 14/03/2021, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its execution according to what is stipulated in Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment (lamps) belonging to the importer through the customs of Jeddah Islamic Port, according to import declaration number (...). On the date 04/06/1439 AH, it was granted based on a commitment not to act until it is approved by the competent authority, and after examining the sample by the laboratory, the report number (...) was received. On 24/06/1439 AH, which included non-compliance in terms of explanatory data and electrical strength, and the occurrence of insulation failure when applying a voltage of (1130) volts to the mobile unit, the first instance committee issued its decision as stated in its ruling based on the fact that the importer did not adhere to the commitment taken upon him when he acted with the shipment before obtaining clearance from the competent authority, thus violating Article (56) of the Unified Customs Law, which constitutes customs smuggling according to the provisions of Article (142) of the same law, and imposed penalties on the importer as stated in its decision.

Upon reviewing the objection list submitted by the attorney of the appealing institution, the appellate customs committee found that it was limited to requesting an appeal against decision No. (129/3) for the year 1442 AH, issued by the third First Instance Customs Committee in Riyadh.

A response memorandum from the authority was received via the automated system of the secretariat dated 07/03/2023, which summarized that the appeal petition submitted by the representative of the appealing institution was limited to the request for appeal and did not include the grounds for objection or the requests for appeal; accordingly, the petition was not drafted in the required legal form as stipulated in Article (188) of the Law of Judicial Procedures. The memorandum concluded with a request to reject the appeal submitted by the institution ... and to uphold the first instance decision in all its provisions.

On Thursday, April 18, 2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against decision No. (129/3) for the year 1442 AH, issued by the



1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in its current state after the committee was informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based and the response of the authority to it.

Grounds:



Whereas the appellate committee, upon reviewing the appeal submitted by the concerned party and the contents of the case file, found that the appeal was merely a request to consider the appeal, and whereas the third paragraph of Article Two of the executive regulations for appeal procedures - which applies the provisions of its texts regarding similar appeal requests - states that: If the appellant does not specify the type of appeal request, whether it is a hearing or a review, it will be considered as a review. This leads the appellate committee to consider the appeal request through review. Article (191) of the Procedural Law states: "If the Court of Appeal finds that the ruling in cases being reviewed without a hearing is consistent with its legal principles, it will uphold it, with guidance on any observations it may have that do not necessitate overturning the ruling. If it overturns the ruling wholly or partially, it must rule on what has been overturned after hearing the parties' statements." There is no reproach on the reviewing authority for adopting the reasons for the decision subject to the appeal without addition whenever it sees that these reasons suffice to avoid presenting anything new, as its support is based on its reasons, indicating that it found nothing that requires correction or commentary on its conclusion regarding the conviction of the importer for customs smuggling and the penalty of the confiscation substitute imposed. However, the appellate committee noted that the committee issuing the decision had calculated the customs fine on the importer by applying paragraph (4) of Article (145) of the Unified Customs Law, which applies to prohibited goods. Since the imported goods are not prohibited in their nature and type, but their entry was banned due to non-compliance with certain required specifications, which is confirmed by the request from the importer to bring the shipment to the customs area for re-export, this committee decides to apply paragraph (2) of Article (145) of the Unified Customs Law, contrary to what was decided in the first instance ruling. Thus, this committee concludes to calculate the amount of the customs fine based on the value of the shipment as will be detailed in the ruling. Therefore, the appellate committee concludes to report the following:



Decision:

1- Acceptance of the appeal in form from the applicant/ institution ..., commercial registration number (...), against the first instance decision number (129/3) for the year 1442 AH, issued by the 1stFirst Instance Customs Committee at the Al-Bathaa customs.

2- In the subject of his rejection, and the affirmation of the first instance decision regarding the conviction for customs smuggling and the penalty of the confiscation substitute, with the amendment of the amount of the imposed customs fine to be equal to the value of the shipment, making the total amount claimed from the importer an amount of (264,482) two hundred sixty-four thousand four hundred eighty-two riyals, for the reasons and justifications stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-174690
Case No. PC-2023-174690

Keywords:

Customs - Constraints - Bond Commitment - Laptop - Non-compliance with specifications - Plug and explanatory data and prevention of accidental contact - Conviction

Summary:

The importer is requesting the cancellation of the decision of the First Instance Customs Committee at Al-Bathaa Customs No. (1128) for the year (1441 AH), which convicted the importer of customs smuggling and obligated him to pay a fine equivalent to the value of the contraband shipments. And since the appellate committee established the importer's handling of the non-compliant item, as indicated in the laboratory report confirming its violation of the specification related to (protection against accidental contact with electrified parts), and since that observation falls under the category of technical observations, the importer's handling of that item, while burdened with that violation, constitutes a customs smuggling. This means; to uphold the first instance decision in all that it ruled, with the imposition of a customs fine equal to twice the customs duties.

Document:

- Article (158) of [the Code of Criminal Procedure issued by Royal Decree No. \(M/2\) dated 22/01/1435 AH.](#)
- Article (31/6) from [The executive regulations of the customs law issued by Ministerial Resolution No. \(2748\) dated 25/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by / Institution ..., Commercial Registration No. (...), against the first instance decision No. (1128) for the year (1441 AH), issued by the 1st First Instance Customs Committee at the Al-Bathaa customs, ruling as follows:

First - Condemnation of the importer / ... Saudi national, under national ID number (...) Issued by Al-Ahsa, Owner/Founder of ..., Commercial Registration No. (...) On 08/07/1431 AH, Al-Ahsa - in person - for customs smuggling.



Secondly) He is fined an amount equivalent to the value of the violating shipments, which number (862) cartons (lighting supplies – computer screens – laptops) in the amount of (11,202) eleven thousand two hundred and two riyals. Due to the impossibility of confiscation, the importer is required to pay an amount equivalent to its value as a confiscation substitute, amounting to (11,202) eleven thousand two hundred and two riyals, making the total amount demanded from the owner of the institution ... An amount of (22,404) twenty-two thousand four hundred and four riyals.

Since the appellant was notified of the Decision subject to the appeal on 12/08/2020, and submitted the appeal on 30/08/2020, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established by Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment consisting of (lighting supplies – computer screens – laptop) belonging to the importer through the Al-Batha customs under import declaration number (61373) dated 18/05/1435 AH, which was released based on a commitment not to dispose of it until the result of the competent authority appears. After presenting the sample to the laboratory, the response was received in report number (170400), report number (170401), and report number (170402), which included non-compliance in terms of the shape of the plug and examination of the explanatory data and protection against accidental contact. The importer was contacted to return the shipment to the customs area, but he did not respond. The First Instance Committee issued its decision as stated in its ruling, based on the fact that the importer did not return the shipment to the customs area, which he committed not to dispose of until it was approved by the competent authority, which implies that he acted with the unapproved shipment, which constitutes customs smuggling according to Article (142) of the Unified Customs law, and it arranged for the application of penalties against the appellant as stated in its decision.

Upon reviewing the objection list submitted by the importing institution, the appellate customs committee found that its summary mentioned that the institution objects to paragraphs (2) and (3) of the first instance decision because the samples were formally rejected by the laboratory as they do not harm the consumer, and that procedural cases are settled with customs by paying a fine of (1,000) one thousand riyals, and that the customs have been approached several times to request a settlement, and the list concluded with a request to refer the case to the appellate committee.

A response memorandum from the authority was received via the Automated System of the Secretariat dated 27/03/2023, which summarized that the objection list submitted by the appellant was devoid of Grounds for the objection and requests of the appellant. Therefore, the list was not drafted in the required legal form according to Article (188) of the Judicial Procedures law. The memorandum concluded with a request to reject the appeal and uphold the first instance Decision in all its provisions.



On Thursday, June 13, 2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party regarding Decision No. (1128) for the year (1441 AH), issued by the 1st First Instance Customs Committee at the Al-Batha Customs. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a Decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in its current condition.

Grounds:

Whereas, regarding the response of the authority after giving it the right to respond to the appellant's statement that the submitted list is not drafted as required due to the lack of Grounds for objection and requests therein, which according to its claim necessitates the rejection of the submitted appeal, it is rejected, considering that the list submitted by the appellant included sufficient information to indicate his objections and requests, making his appeal drafted as required. And whereas, concerning the two categories (screens - computers) for which each has a laboratory report, it is established in the rules of litigation that applying the law correctly is an obligation on the authority examining the case, and it must do so on its own without the need for a request from the parties. Therefore, the authority examining the case has broad discretion in assessing the facts and giving them the appropriate description and correct classification without being bound by the classification of the claimant or his opponent, in light of what it is convinced of and the state of the evidence and the inferences drawn from it, relying on it and taking it as a basis for its ruling, as long as the documents related to it within the case file do not contradict what has been inferred and established in its conviction and belief to resolve the dispute, and that its inference is sound, reasonable, and leads to the result it reached. This is consistent with what is stated in Article (158) of the Criminal Procedure law, which stipulates that "the court is not bound by the description contained in the indictment and must give the act the description it deserves, even if it contradicts the description in the indictment...". And whereas, according to the report of the sample examination results for the two categories, it has shown that the violation subject to the case relates to (explanatory data - plug shape), and since this violation has been established by the customs appeal court's practice as a non-essential observation that does not affect consumer deception and the safety of using the imported product, especially since the sample has passed other fields of testing, it follows that the importer's action regarding the two problematic categories, which are burdened with such an observation, constitutes in reality considering it an observation of a procedural nature that does not rise, in the case of dealing with them in its presence, to classify the importer's action as customs smuggling. Therefore, it is decided to annul the first instance Decision in all that it ruled against the appealing institution regarding those two categories. However, since the importing institution violated the commitment taken upon it and acted with the shipment without notifying customs, it is decided to consider the action of the importing institution a violation governed by Article (31/6) of the executive regulations of the customs law, and to impose a financial penalty on it as will be stated in the text of this Decision, in



application of what that article stipulates. As for the state of the category (lighting supplies), it is established that the importer acted with the violating category as stated in the laboratory report confirming its violation of the specification related to (protection against accidental contact with electrified parts). Since that observation is of a technical nature, the importer's action with that category, which is burdened with that violation, is considered customs smuggling, and it is established to impose a conviction penalty and a fine equal to twice the customs duties with compensation for the confiscation of that category as will be stated in the total amount in the text of this Decision. Accordingly, the committee concluded to report the following:

Decision:

- 1- Acceptance of the appeal in form from the applicant/ institution ..., commercial registration number (...), against the first instance Decision (1128) for the year (1441 AH), issued by the 1stFirst Instance Customs Committee at the Al-Bathaa customs.
- 2- In the subject of his acceptance, and supporting the first instance Decision regarding the conviction for customs smuggling and the confiscation fee against the appellant, limiting it only to the category of (lighting supplies) with the imposition of a customs fine equivalent to twice the customs duties, the total amount claimed from the importer for his conviction for customs smuggling is (2,798) two thousand seven hundred and ninety-eight riyals, and this is for the Grounds and considerations stated in this Decision.
- 3- Considering the importer's actions as constituting a penalty for violating customs procedures amounting to (500) five hundred riyals for each of the two violating items (screens - computer), the total amount of the fine demanded from the importer for that violation is (1,000) one thousand riyals, for the reasons and considerations stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-171148

Case No. PC-2023-171148

Keywords:

Customs - Constraints - Bond Commitment - Fabrics - Non-compliance with specifications - Clarifying data and color fastness - Conviction

Summary:

The importer requests the cancellation of the decision of the third First Instance Customs Committee No. (392) for the year 1439 AH, which convicted the importer of customs smuggling and fined them an amount equivalent to the value of the shipment subject to the violation case. And since the appellate committee established that the condition for the ruling on the maximum amount of the customs fine was not met, considering the nature of the material related to the shipment (fabrics), after the laboratory report showed that it did not meet the required specifications, the customs requested the importer to bring it to the customs yard for re-export. This means; to uphold the first instance decision in all that it ruled, with the amendment of the customs fine to be twice the amount of the customs duties.

Document:

- Paragraph (2) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by / ..., national ID number (...), in his capacity as the owner of the ... establishment, commercial registration number (...), against the first instance decision No. (392) for the year 1439 AH, issued by the 1st First Instance Customs Committee at the Al-Bathaa customs, which ruled as follows:

1- Condemnation of the importer / ... Saudi nationality with national identity number (...) on 19/12/1420H, originating from Al-Ahsa, owner / establishment ..., commercial registration number (...) On 07/06/1435 AH, Al-Ahsa was issued in person for customs smuggling.



2- Fining her an amount equivalent to the value of the shipment subject to the violation, which amounts to (192) units (fabrics) as indicated in the facts and reasons, an amount of (18,913.16) eighteen thousand nine hundred and thirteen riyals and sixteen halalas. Due to the impossibility of confiscation, the importer is required to pay an amount equivalent to its value as a substitute for confiscation, amounting to (18,913.16) eighteen thousand nine hundred and thirteen riyals and sixteen halalas, making the total amount claimed by the owner of the institution ... An amount of (37,826.32) thirty-seven thousand eight hundred and twenty-six riyals and thirty-two halalas.

Since the appellant was notified of the Decision subject to the appeal on 11/04/2019, and submitted the appeal on 25/04/2019, this entails the acceptance of the appeal in form for being submitted by a person with standing within the prescribed period for its execution as stipulated in Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment consisting of (accessories) belonging to the importer through the Al-Batha customs under import declaration number (...). On the date 21/04/1436 AH, a certificate of origin for the shipment was submitted with the number (...) dated 10/11/2014 issued by the Ras Al Khaimah Chamber of Commerce and Industry, and after examining the sample by the laboratory, the report number (...) was received. The inclusion of non-compliance in terms of illustrative data and color stability for washing or cleaning, and quantitative and qualitative analysis, has been notified to the importer, but he did not respond. The first instance committee issued its decision as stated in its ruling, based on the fact that the importer did not return the shipment that was temporarily cleared until it was approved by customs, and that the commitment not to dispose of it is a customs obligation that must be fulfilled, which makes his action with it a violation of Article (56) of the Unified Customs Law, and it is also considered customs smuggling according to Article (142) of the same law. The first instance committee has imposed its penalties as stated in its decision.

Upon reviewing the objection list submitted by the owner of the importing institution, the appellate customs committee noted that it included a summary stating that she is submitting an objection to the ruling of the decision, and the list concluded with a request to refer the case to the appellate customs committee. A response memorandum from the authority was received via the automated system of the secretariat dated 15/03/2023, which summarized that the appeal submitted by the institution did not include the reasons for objection and the requests of the appellant. Based on the text of Article (188) of the Judicial Procedures law, the memorandum is considered not properly drafted as it lacks the reasons for objection and the requests. The memorandum concluded with a request to reject the appeal submitted by the institution and to uphold the first instance decision in all its provisions.

On Wednesday, April 24, 2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party regarding Decision No. (392) for the year (1439 AH), issued by the 1st First Instance Customs Committee at the Al-Batha Customs. After reviewing the case file and the



appeal submitted by the appellant, the committee found that the case was ready for a Decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in its current condition.

Grounds:



Whereas, upon reviewing the statement of appeal, the appellate committee found that it was limited to the appellant's request to refer the case to the customs appellate committee, it was decided by this committee to consider the appeal by reviewing the decision through scrutiny. Moreover, there is no reproach on the body reviewing the appeal for adopting the reasons of the decision subject to the appeal without addition whenever it sees that these reasons suffice to avoid presenting anything new, because in its support, based on its reasons, it indicates that it found nothing that necessitates correction or commentary on what the first instance decision concluded regarding the conviction of the importer for customs smuggling and the penalty of the confiscation substitute imposed. However, the appellate committee noted the failure to meet the requirement of the ruling regarding the maximum amount of the customs fine in light of the nature of the material associated with the shipment (fabrics) after the laboratory report showed that it did not meet the required specifications, and the customs requested the importer to bring it to the customs area for re-exportation. Consequently, it was decided to amend the customs fine in accordance with what has been established by the customs appellate judiciary in such cases by applying paragraph (2) of article (145) of the Unified Customs Law, which leads this committee to calculate the amount of the customs fine at twice the customs duties as will be stated in the ruling among the total amounts claimed from the importer. Therefore, the appellate committee concluded to report the following:

Decision:

- 1- Acceptance of the appeal in form from the applicant/ institution ..., commercial registration number (...), against the first instance decision number (392) for the year 1439 AH, issued by the 1stFirst Instance Customs Committee at the Al-Bathaa customs.
- 2- In the subject, his rejection and the affirmation of the first instance Decision regarding the conviction of the importer for customs smuggling and the confiscation fee, with the amendment of the customs fine to be twice the customs duties, making the total amount claimed from the importer an amount of (20,804) twenty thousand eight hundred four riyals, and that for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-224911
Case No. PC-2023-224911

Keywords:

Customs - Constraints - Bond Commitment - Tile - Non-compliance with specifications - Explanatory data and angular deviation - Conviction

Summary:

The importer requests the cancellation of the decision of the 1st firstFirst Instance Customs Committee in Riyadh No. (CFR-2023-125736), which convicted the importer of customs smuggling and obligated him to pay a fine equivalent to the value of the contraband item and to pay an amount equivalent to the value of the contraband item as a confiscation substitute. The appellate committee has established that the importer is not authorized to determine the extent to which the shipment is related to a procedural or technical violation, and it is his duty to follow up on the matter of its approval without considering himself a judge by deciding to act on it, regardless of whether it is approved or not. His failure to fulfill this duty results in him bearing responsibility and consequences. This means; to uphold the first instance decision in all that it ruled, with the amendment of the imposed customs fine to be double the customs duties.

Document:

- Article 176 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Paragraph (2,4) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by (...), national ID number (...), in his capacity as the owner of the institution (...), commercial registration number (...), against the first instance Decision number (CFR-2023-125736), issued by the 1st First Instance Customs Committee in Riyadh, which ruled as follows:

1-Condemnation of the importer institution ..., commercial registration number (...), present for customs smuggling.



2-Obligating him to a customs fine equivalent to the value of the violating item, an amount of (75,993) seventy-five thousand, nine hundred and ninety-three riyals.

3- Obliging him to pay an amount equivalent to the value of the violating item as a confiscation fee of (75,993) seventy-five thousand, nine hundred and ninety-three riyals, making the total amount claimed (151,986) one hundred fifty-one thousand, nine hundred and eighty-six riyals.

Since the appellant was notified of the Decision subject to the appeal on 12/09/2023, and submitted the appeal against the Decision on 09/10/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its conduct according to what is stipulated in Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment (tiles) through the Islamic Port of Jeddah Customs under import declaration number (3289) dated 03/01/2016, which was released based on a commitment not to dispose of it until the result from the competent authority appeared. After examining the sample, the report number (TR-057/01/2016) dated 04/02/2016 indicated that the sample did not comply with the explanatory data and angular deviation. The importer was notified of the result through several correspondences, but he did not respond. The first instance committee issued its decision as stated in its ruling based on the fact that the importer did not return the shipment subject to the lawsuit to the customs area, which implies that he disposed of it. The disposal of the unapproved shipment is considered a violation of Article 56 of the Unified Customs Law, and it is also considered customs smuggling according to what is stated in Article 142 of the same law, and it arranged for the application of penalties against the importer as stated in its decision.

Upon reviewing the objection list submitted by the owner of the appealing institution, the customs appellate committee found that its summary stated that the case should not be considered or filed as it is an old case due to the passage of more than eight years and the expiration of the statute of limitations. Furthermore, the conviction and smuggling pertain to commercial goods and not personal ones. Additionally, the violation of the goods is a procedural violation and not a technical one, which necessitates dismissing the case or at least reducing it. The reviewer of the laboratory result relied upon in the committee's decision knows that it is a procedural violation and not a technical one. The list concluded with a request to dismiss the case and reduce the fine due to the existence of grounds for reduction.

A response memorandum from the authority was received via the automated system of the secretariat dated 19/11/2023, which summarized that the statute of limitations for customs smuggling cases is 15 years from the date of the crime. Since the basis of the case is customs smuggling due to the institution's violation of the commitment made and its handling of the shipment in question, and in addition to the fact that the violating shipment represented by (tiles) is a technical violation as it affects the product itself and its quality, the institution's request to mitigate the penalty is merely an acknowledgment of the product's violation.



Furthermore, the claim that the laboratory result indicates that the violation is procedural and not substantive is incorrect, as the first instance committee reached a conviction against the institution for customs smuggling based on the fact that the violation is technical and cannot be considered a procedural violation in any way. Additionally, the commitment made by the institution explicitly stated that it should not handle the shipment in any way except after being notified of its approval by the competent authority, and violating this constitutes customs smuggling according to Articles 142 and 143 of the Unified Customs Law. Customs smuggling crimes are intentional crimes that require the presence of both the material and moral elements, which were present in the case at hand. The memorandum concluded with a request to reject the appeal and uphold the first instance decision in all its provisions.

On Wednesday, 07/02/2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against Decision number (CFR-2023-125736) issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a Decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the Grounds on which the appeal was based and the response of the authority to it.

Grounds:

Whereas there is no reproach against the appellate authority for taking the reasons of the decision subject to the appeal without addition whenever it sees that these reasons suffice to avoid the need to present anything new, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. This is not affected by what the owner of the appealing institution argued, that the case is considered an old case and that more than 8 years have passed since it, as the law has set a period of 15 years to pursue customs smuggling activities according to what is stipulated in Article 176 of the Unified Customs Law. As for what he mentioned regarding the conviction for customs smuggling being based on considering the goods as commercial and not personal, this does not change the validity of attributing the crime of customs smuggling to the importer, given that the established fact is that the customs declaration was issued in the name of the institution and for its benefit. As for what he mentions that the violation is procedural and not technical, which results in the validity of the decision convicting him of customs smuggling, this is rejected, considering that the importer is not authorized to determine the extent to which the shipment is related to a procedural or technical violation, and that he is obliged to follow up on the matter of its clearance without considering himself a judge in his decision to act with it without regard to its clearance or not. His failure to fulfill this obligation results in him bearing his responsibility and consequences. However, the appellate committee noted that the committee issuing the decision had ruled to calculate the customs fine on the importer by applying paragraph (4) of Article (145) of the Unified Customs Law, which applies to prohibited goods. Since the imported goods are not prohibited in their type and nature, but their entry was prohibited



due to non-compliance with some required specifications, which is confirmed by the request from the importer to bring the shipment to the customs area for re-export, it is determined by this committee to apply paragraph (2) of Article (145) of the Unified Customs Law, contrary to what was ruled by the 1st instance decision. Thus, this committee concludes to calculate the amount of the customs fine at twice the customs duties as will be stated in the ruling. Therefore, the appellate committee concluded to report the following:

Decision:

- 1- Acceptance of the appeal in form, submitted by / Institution ..., Commercial Registration No. (...), against the first instance Decision No. (CFR-2023-125736) issued by the 1st First Instance Customs Committee in Riyadh.
- 2- In the subject, his rejection, and the affirmation of the first instance Decision regarding the conviction for customs smuggling and the penalty of confiscation compensation, with the amendment of the imposed customs fine to be double the Customs Duties, making the total amount claimed by the importer an amount of (94,231) ninety-four thousand, two hundred thirty-one riyals, and this is for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR -2024-224834
Case No. AC-2022-105294

Keywords:

Customs - Constraints - Bond Commitment - Lighting Detector - Non-compliance with specifications - Grounding and Labeling - Conviction

Summary:

The authority's request to annul the decision issued by the Third First Instance Customs Committee in Riyadh No. (CTR-2023-105294), which ruled not to convict in person for customs smuggling, and to impose a customs fine, as the appeals committee found that the non-compliant item did not pass the grounding test, which is a technical violation affecting the quality and specifications of the product, and that the shipment is considered prohibited goods and handling it contrary to the commitment constitutes customs smuggling. Consequently, the importer is convicted of customs smuggling and is obliged to pay a customs fine amounting to twice the customs duties and the equivalent of confiscation, considering the importer's actions as warranting the imposition of a customs fine on him.

Document:

- Article 191 [of the Judicial Procedures law issued by Royal Decree No. \(M/1\) dated 22/01/1435 AH.](#)
- Article 197 [of the Code of Criminal Procedure issued by Royal Decree No. \(M/2\) dated 22/01/1435 AH.](#)
- Article (30/1) of [the Executive Regulations of the Customs law issued by Ministerial Decision No. \(2748\) dated 25/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by the General Authority for Zakat and Tax, against the first instance decision No. (CTR-2023-105294), issued by the 1st First Instance Customs Committee in Riyadh, which ruled as follows:

1- Non-conviction/ ... , commercial registration number (...) , present for customs smuggling.



2-Obligating it to pay a customs fine amounting to (5,000) five thousand riyals, at a rate of (2,500) two thousand five hundred riyals for each item, in accordance with Article (30/1) of the executive regulations of the unified customs law.

Since the appellant was notified of the Decision subject to the appeal on 18/09/2023, and submitted the appeal against the Decision on 08/10/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its conduct according to what is stipulated in Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment of assorted clothing belonging to the defendant through the Al-Batha customs under import declaration number (...). On the date 24/12/1436 AH, it was allowed under a commitment not to act until it is approved by the competent authority, and after presenting the sample to the laboratory, the response was received in report number (...) On 09/01/1437 AH, due to non-compliance in terms of grounding and labeling, the importer was notified of the result through several correspondences, but he did not respond. The first instance committee issued its decision as stated in its ruling, based on the fact that the violations mentioned in the laboratory report are considered procedural violations that are not substantial and do not relate to the quality and specifications of the product. Therefore, it was decided to consider the incident a customs violation in accordance with what was stated in Article 141 of the Unified Customs Law.

Upon reviewing the objection list submitted by the Zakat, Tax and Customs Authority, the summary mentioned that the result of laboratory number (...) The sample did not pass the grounding test, which is a technical violation affecting the quality and specifications of the product. The shipment is considered prohibited goods, and handling it contrary to the commitment constitutes customs smuggling as stipulated in Article 142 of the Unified Customs Law. The regulation concluded with a request to accept the appeal, to rule against the institution for customs smuggling, and to obligate it to a customs fine equivalent to three times the value of the goods, as well as an equivalent value as a confiscation substitute.

On Wednesday, January 17, 2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the authority against decision (CTR-2023-105294), issued by the Third First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, and noting that the importer did not respond after being requested to reply to the appeal submitted on January 7, 2024, without any response until the date of this session, as shown in the case file, the Appeals Committee decided that the case was ready for adjudication in its current state after the committee was informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based and the conduct of the importer in failing to provide a response to the authority's appeal after being granted his right to defense and his failure to do so. It was determined that, according to the regulations governing the appellate authority when overturning a judgment wholly or partially, this should be in accordance with what is stated



in Article 191 of the Sharia Litigation law, which stipulates: "If the Court of Appeals finds that the ruling in the cases being reviewed without a hearing is consistent with its legal principles; it shall uphold it, with guidance on any observations it may have that do not necessitate overturning the ruling. If it overturns the ruling wholly or partially, it must rule on what has been overturned after hearing the parties' statements." This was also confirmed by Article 197 of the Criminal Procedure law.

Grounds:



Whereas, upon reviewing the appeal submitted by the Zakat, Tax and Customs Authority, which included a summary considering the violation mentioned in the laboratory report as a technical violation that warrants a conviction for customs smuggling... It was found by the appellate committee that the violating item represented by the (fixed lantern) was noted by the laboratory for non-compliance regarding grounding. Since the violation reported by the laboratory is, in fact, treated according to established customs jurisprudence as a technical and substantive violation affecting the quality of the product and its safe use, and since it was established through the documents that the customs authority communicated with the importer to return the violating shipment, which was not the case with the importer's handling of the shipment, this leads to the conviction of the importer for customs smuggling concerning the item (fixed lantern), thus necessitating the imposition of a customs fine and confiscation as will be stated in the ruling. Furthermore, the customs authority was contacted on 27-02-2024 to provide the appellate committee with an estimate of the value of the first item (SWD-24) mentioned in the detailed invoice number (...). The report from the laboratory number (...) regarding him. Regarding the crime of customs smuggling as previously investigated, and as stated in the invoice regarding its quantity and number, and granting it a period of 10 days for that, yet it did not submit what was requested from it until the date of this session, the appellate committee concluded regarding the valuation of the item by taking the lower value mentioned in the declaration document and requesting preparation and inspection for the shipment that only included two items (lamps), the first of which had a value of (48,285) riyals according to the documents, and the other valued at (48,812) riyals. The amount of (48,812) riyals is considered the certain amount encompassing the value of the violating item (lamps) in light of the lack of response from the authority to what was requested from it and the importer's failure to respond to the appeal submitted by the authority. As for the other item represented by (lighting spotlight), the laboratory report regarding it only indicated non-compliance in terms of labeling, which leads to considering the importer's action regarding that item as carrying that violation, thus constituting a violation of customs procedures and imposing a fine regarding it as stipulated in Article (31/6) of the executive regulations of the customs law. Accordingly, the appellate committee concluded to report the following:



Decision:

- 1- Acceptance of the appeal in form, submitted by the General Authority for Zakat and Tax and Customs, against the first instance decision No. (CTR-2023-105294), issued by the Third First Instance Customs Committee in Riyadh.
- 2- In the subject of his acceptance, and the ruling is as follows:

First/Condemnation of the importer/ ..., Commercial registration number (...) For its owner/ ..., national ID number (...), for customs smuggling regarding the item (fixed lantern), and obliging him to pay a customs fine amounting to twice the customs duties and the confiscation fee, making the total amount demanded (53,693) fifty-three thousand six hundred and ninety-three riyals, for the reasons and details stated in this decision.

Secondly, considering the importer's action regarding the item (lighting fixture) as a basis for imposing a customs fine of (1000) one thousand riyals, for the reasons and justifications stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No.

CR -2024-167759

Case No.

PC-2022-140555

Keywords:

Customs - Constraints - Bond Commitment - Fabrics - Non-compliance with specifications - Quantitative and qualitative analysis and fibers - Conviction

Summary:

The importer requests the cancellation of the first instance decision No. (894/2) for the year 1443 AH, issued by the second First Instance Customs Committee in Riyadh, which convicted the importer in absentia of customs smuggling and imposed a customs fine equivalent to the value of the shipment that was disposed of and not permitted for clearance by the competent authority. The appeals committee has established that the imported goods are not prohibited in their type and nature, but the prohibition on their entry was due to their non-compliance with certain required specifications, as confirmed by the importer's request to bring the shipment to the customs area for re-export. This means; to uphold the first instance decision regarding the conviction for customs smuggling and the confiscation fee, while amending the imposed fine to be twice the amount of the customs duties.

Document:

- Article 56 of the [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Article 142 of the [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Paragraph (4) and (2) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article 163 of the [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Article (188) of [the Judicial Procedures law issued by Royal Decree No. \(M/1\) dated 22/01/1435 AH.](#)
- Paragraph (1) of Article (10) of [the executive regulations for the methods of objection to the rulings issued by the decision of the Minister of Justice dated 5/1/1445.](#)



- Article (33) of [the rules of operation of the Zakat, Tax, and Customs Committees issued by Royal Order No. \(25711\) dated 08/04/1445 AH.](#)

Facts:



This is to consider the appeal submitted by/ ..., national ID number (...), in his capacity as an attorney for/ ... National ID number (...) As the owner of the institution ..., commercial registration number (...), under agency number (...). On 10/07/1442 AH, issued by the notary ... licensed by the Ministry of Justice in the Notary Public in North Jeddah, against the first instance decision No. (894/2) for the year 1443 AH, issued by the second First Instance Customs Committee in Riyadh, whose ruling is as follows:

1-Conviction of the defendant/ ..., Civil Registry No. (...) Institution (...), commercial registration number (...), present at customs smuggling.

2-Obligating it to a customs fine equivalent to the value of the shipment that has been disposed of and not permitted for clearance by the competent authority, an amount of (108,744) one hundred eight thousand seven hundred and forty-four riyals.

3- Obliging it to pay an amount equivalent to the value of the shipment disposed of as compensation for the confiscation of an amount of (108,744) one hundred eight thousand seven hundred and forty-four riyals, bringing the total to an amount of (217,488) two hundred seventeen thousand four hundred and eighty-eight riyals.

Since the appellant was notified of the Decision subject to the appeal on 04/09/2020, and submitted the appeal on 13/09/2022, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established by Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment (lamps) belonging to the importer through the customs of Jeddah Islamic Port, according to import declaration number (...). On the date 26/11/1434 AH, it was granted based on a commitment not to act until it is approved by the competent authority, and after examining the sample by the laboratory, the report number (...) was received. On 15/12/1434 AH, it was noted that there was non-compliance in terms of quantitative and qualitative analysis of the fibers, visual inspection, and pH level. The importer was contacted, but did not respond. The first instance committee issued its decision as stated in its ruling, based on the fact that the importer did not adhere to the commitment made, as he acted on the shipment before obtaining clearance from the competent authority, in violation of Article (56) of the Unified Customs Law, which constitutes customs smuggling according to the provisions of Article (142) of the same law, and imposed penalties on the importer as stated in its decision.

Upon reviewing the objection list submitted by the representative of the appellant institution, the customs appellate committee found that its summary mentioned that the appellant did not receive a message indicating the hearing's convening through the communication data of the establishment. Additionally, the case number was not registered on the General Secretariat of Committees' website. The list concluded with



a request to reconsider case number (894/2) and a request to convene the hearing and inform about its date via the official mobile registered in Absher, which belongs to the establishment, and the email registered with the secretariat for the establishment.

A response memorandum from the authority was received via the automated system of the secretariat dated 04/04/2024, summarizing that a decision was issued by the second First Instance Customs Committee No. (894\2) on 2/7/1443 AH in person against the appellant. According to the applicable regulations, he had the right to object to the decision for a period of 30 days from the date of the ruling, as paragraph (T) of Article (163) of the Unified Customs Law states, "The period for appeal is thirty days from the date of notification of the first instance ruling if it is in absentia and from the date of pronouncement if it is in person." Article (33) of the rules of operation of the Zakat, Tax, and Customs Committees states, "The decisions of the committee acquire finality in the following cases:" 2- The deadline for appealing the decision has expired without an appeal being filed... Since the appellant submitted his objection on 17/02/1444 AH, which is not in accordance with the regulations due to the expiration of the deadlines stipulated in the law, it is necessary to reject the case in form. The memorandum concluded with a request to reject the appeal submitted by the institution ... in form and to uphold the first instance decision in all that it ruled.

On Thursday, April 18, 2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against decision No. (894/2) for the year 1443 AH, issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in its current state after the committee was informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based and the response of the authority to it.

Grounds:

Whereas, regarding the response of the authority to the appeal submitted and the request to dismiss it for being submitted after the statutory period for its execution, it is rejected, considering that it is established from the case file that the appeal was made within the legally prescribed period, as the appellant was notified of the decision subject to the appeal on 04/09/2022, and he submitted the appeal against the decision on 13/09/2022 - according to the statement of the General Secretariat. And On the merits of the appeal, there is no blame on the authority reviewing the appeal for adopting the reasons of the decision subject to the appeal without adding anything new, whenever it sees that these reasons suffice to avoid presenting anything new, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. This is not affected by what the appellant argues regarding not being notified of the hearing, considering that what the objector stated in the submitted memorandum regarding his claim of not being notified of the hearings of the case before the first instance committee contradicts what is established from his notification by the



Secretariat through the automated systems and mechanisms it follows (via Hayad System) according to notification ticket number (...). As for what the appellant requests regarding the convening of an appeal hearing, such a request is worthy of being disregarded, as it is the duty of the appellant to state the reasons for his appeal in the request for appeal against the decision when requesting the convening of a hearing regarding the appeal raised before the appellate committee, adhering to what is stipulated in the provisions of the law as stated in the first paragraph of Article (188) of the Judicial Procedures law, which stipulates the following: An objection to the appeal or review is made by a memorandum submitted to the court administration that issued the ruling, including a statement of the contested ruling, its number, date, the reasons on which the objection is based, the requests of the objector, their signature, dated of submitting the objection memorandum. This was confirmed by Article Ten, Paragraph One of the executive regulations for methods of objection to rulings issued by the Minister of Justice on 5/1/1445, stating that (the objection memorandum must include the reasons on which the objection is based and the requests of the objector...). Since the reasons for the decision subject to appeal are sufficient to support its ruling, it is necessary to determine that the defenses presented do not affect the outcome of the decision, which makes the appeal unsupported and necessitates its rejection. However, the appellate committee noted that the committee that issued the decision had ruled to calculate the customs fine on the importer by applying Paragraph (4) of Article (145) of the Unified Customs Law, which applies to prohibited goods. Since the imported goods are not prohibited in their nature and type, but their entry was prohibited due to non-compliance with some required specifications, as confirmed by the request from the importer to bring the shipment to the customs area for re-export, this committee determines the application of Paragraph (2) of Article (145) of the Unified Customs Law, contrary to what was decided in the first instance ruling. Therefore, this committee concludes to calculate the amount of the customs fine at twice the customs duties as will be stated in the ruling. Accordingly, the appellate committee concludes to report the following:

Decision:

- 1- The acceptance of the appeal in form, submitted by/ ..., national ID number (...), against the first instance decision number (894/2) for the year 1443 AH, issued by the 1st First Instance Customs Committee in Riyadh.
- 2- In the subject, his rejection, and the affirmation of the first instance decision regarding the conviction for customs smuggling and the confiscation fee, with the modification of the imposed fine to be twice the amount of the customs duties, making the total amount (119,618) one hundred nineteen thousand six hundred eighteen riyals, for the reasons and justifications stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-191228
Case No. PC- 2023-191228

Keywords:

Customs - Constraints - Bond Commitment - Perfume Filling Machines and Accessories - Non-compliance with Specifications - Precise Frequency - Conviction

Summary:

The importer is requesting the cancellation of the first instance decision No. (CFR-2022-3119) issued by the 1st First Instance Customs Committee in Riyadh, which convicted the importer of customs smuggling and imposed the associated penalties. The appeals committee has established that the violation related to the shipment for not passing the specified frequency test is considered a type of technical violation related to the quality, specifications, and safety of the product. This means; to uphold the first instance decision in all that it ruled.

Document:

- [Regulations for the operation of Zakat, tax, and customs committees issued by Royal Order No. \(25711\) dated 08/04/1445 AH.](#)
- Article (163), (56), (24) [The Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal against the first instance decision No. (CFR – 2022 - 3119) issued by the 1st Customs Committee in Riyadh, submitted by the owner of the establishment / ..., Civil Registration No. (...), and since the appellant was notified of the first instance decision on 20/03/2023, and he submitted the appeal against the decision on 30/03/2023, this entails accepting the appeal in form as it was submitted by a person with standing within the prescribed period for its submission as stipulated in Article (163) of the Unified Customs law.

The facts of this case are summarized by the arrival of a shipment (perfume filling machines and their accessories) through the Islamic Port of Jeddah customs under import declaration number (...). On the date



13/02/1437 AH, it was allowed under a commitment not to act until the result of the examination by the competent authority appeared, and upon examination of the sample by the laboratory, the report number (...) was received. On 25/02/1437 AH, which included non-compliance in terms of the specified frequency, the importer was notified of the result by the customs, but he did not respond. The first instance committee issued its decision to convict the importer of customs smuggling and impose the associated penalties, as stated in the text and reasons for the decision subject to appeal, which is referred to in order to avoid repetition.

Upon reviewing the objection list submitted, the appellate customs committee found that it includes a summary stating that based on Royal Order No. (30174) regarding the transfer of investigation powers in customs cases dated 02/06/1440 AH, the customs committee considers itself not competent to hear the case. Additionally, according to the laboratory report, all tests conducted on the item were passed except for the specified frequency, and thus this is not a substantial reason to consider the result non-compliant. Furthermore, the machine is specific to the factory for manufacturing perfumes and not for human consumption, and the facts of the case do not amount to a crime of customs smuggling. The request concluded with a demand to annul the decision issued by the 1st First Instance Customs Committee for lack of jurisdiction and to reclassify the case as a violation of customs procedures.

Upon reviewing the response memorandum submitted by the appellant against the customs committee, it became clear that it includes a summary stating that the case falls under the jurisdiction of the Zakat, Tax, and Customs Authority, considering that the date of the customs declaration is before 02/09/1440 AH. Additionally, the importer acted on the unapproved shipment by releasing it from the competent authority and did not review the customs to settle the commitment taken against him, thus violating Article (56) of the Unified Customs law, as the commitment is still in effect and has not been settled. According to the laboratory report indicating that the shipment does not comply with the specified frequency, the violation is considered technical, affecting the quality of the product. Accordingly, the authority has the right to prevent the entry of prohibited, restricted, or violating goods except with approval from the competent authorities as stipulated in Article (24) of the same law. Furthermore, customs smuggling crimes are intentional crimes that require the presence of both their material and moral elements, which were present in the case at hand. The memorandum concluded with a request to reject the appeal and uphold the decision of the First Instance Customs Committee in all its provisions.

After reviewing the case file and the appeal submitted by the appellant and the response of the committee regarding it, the committee found that the case is ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what has been presented to form its conviction and to rule on it in light of the reasons on which the appeal was based.

Grounds:





After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws.

Whereas the appellate customs committee, upon reviewing the case file and its attachments, has established that the shipment arrived on a date prior to Royal Order No. (30174) which mandates the transfer of investigative and public prosecution powers in customs cases to the Public Prosecution, and the coordinating report between the General Authority for Customs and the Public Prosecution, which includes the commencement of the transfer of jurisdiction starting from 2/9/1440 AH, and since the incident occurred on 13/02/1437 AH, the authority is considered to have jurisdiction to file the lawsuit. As for the appellant's argument that the violation concerning the item for not passing the specified frequency test is considered a procedural violation because the machine is designed for manufacturing perfumes and not for human use, this is rejected, given that the violation is of a technical nature related to the quality, specifications, and safety of the product. Moreover, the importer is not authorized to determine the extent to which the shipment is related to a procedural or technical violation, and it is their duty to follow up on the matter of its approval without assuming the role of a judge by deciding to act on it without regard to its approval status. Failing to fulfill this duty results in their responsibility and consequences. Therefore, the appellate customs committee concluded the following report:

Decision:

First: Acceptance of the appeal in form, from the applicant/..., commercial registration number (...), owned by/..., civil registration number (...), against the first instance Decision number (CFR – 2022 - 3119), issued by the 1st First Instance Customs Committee in Riyadh.

Second: The appeal is rejected on the merits, and the first instance Decision is upheld in all that it ruled, for the Grounds and considerations stated in this Decision.

This decision is final; according to the provisions of paragraph (Second) of Royal Order No. (25711) dated 08/04/1445 AH.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR -2024-173454
Case No. PC -2022-125696

Keywords:

Customs - Constraints - Bond Commitment - Sheets - Non-compliance with specifications - Raw material components - Conviction

Summary:

The importer is requesting the cancellation of the first instance decision No. (784) for the year 1441 AH, issued by the 1stFirst Instance Customs Committee at the Al-Bathaa customs, which convicted the importer in absentia of customs smuggling, fined them an amount equivalent to the value of the shipment and an amount equivalent to its value as a confiscation substitute, and sentenced them to six months in prison. Where it was established for the Appeals Committee that the shipment is not prohibited in its essence, but its prohibition came due to its non-compliance with specifications, as evidenced by the request from the importer to re-export it, and that the first instance Committee did not clarify the reason for the sentence of imprisonment, the implication of this is to uphold the first instance decision convicting of customs smuggling and the equivalent of confiscation, while amending the amount of the imposed customs fine to be twice the customs duties, and canceling the imprisonment penalty.

Document:

- Article (56), (163), (142) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (188), (191) of [the Judicial Procedures law issued by Royal Decree No. \(M/1\) dated 22/01/1435 AH.](#)

Facts:

This is to consider the appeal submitted by/..., national ID number (...). As the owner of the institution ..., commercial registration number (...), against the first instance Decision number (784) for the year 1441 AH issued by the 1stFirst Instance Customs Committee at the Al-Bathaa customs, which ruled as follows:

- 1- Condemnation of the importer (...) Saudi nationality under national ID number (...) Owner / Institution ..., Commercial Registration Number (...). In person with customs smuggling.
- 2- She was fined an amount equivalent to the value of the shipment subject to the violation, which consists of (419) cartons (sheets) amounting to (84,189) eighty-four thousand one hundred eighty-nine riyals. Due



to the impossibility of confiscation, the importer is required to pay an amount equivalent to its value as a substitute for confiscation, amounting to (28,063) twenty-eight thousand and sixty-three riyals, bringing the total amount demanded from the owner of the institution ... An amount of (112,252) one hundred twelve thousand two hundred fifty-two riyals.

3-Imprison her for six months from the date of execution of the decision.

Since the appellant was notified of the Decision subject to the appeal on 02/07/2020, and submitted the appeal on 27/07/2020, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established by Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment consisting of (sheets) belonging to the importer through the Al-Batha customs under import declaration number (...) dated 04/06/1435 AH, which was released based on a commitment not to dispose of it until it is approved by the competent authority. After examining the sample, a report was received under report number (...) indicating non-compliance in terms of the raw material components. The importer was notified of the result through several letters, but he did not respond. The first instance committee issued its decision as stated in its ruling, based on the fact that the importer's failure to return the shipment to customs implies his disposal of the unapproved shipment, which he committed not to dispose of until it is approved by the competent authority. This is considered a violation of Article (56) of the Unified Customs Law and is also considered customs smuggling according to Article (142) of the same law.

Upon reviewing the letter issued by the 1stFirst Instance Customs Committee in Al-Batha, which mentioned that the owner of the institution received the first instance decision No. (784) for the year 1441 AH, and is submitting an objection to the ruling of the decision and wishes to refer the case to the appellate customs committee.

A response memo was received through the automated system of the secretariat from the authority dated 02/04/2023, summarizing that the institution submitted a list containing a request for appeal, and the submitted list did not include the reasons for objection or the requests of the appellant. Based on the text of Article (188) of the Judicial Procedures law, the list is considered not properly drafted as required by law, and the memo concluded with a request to reject the appeal submitted by the institution And support for the first instance Decision in all that it ruled.

On Wednesday, March 27, 2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against Decision No. (784) for the year 1441 AH, issued by the 1stFirst Instance Customs Committee in Al-Ruqai. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a Decision in its current state after the committee was informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the Grounds on which the appeal was based and the response of the authority.



Grounds:

Since the appeal was limited to the request of the appellant to raise her appeal to the appellate committee, it is decided that this committee will review it thoroughly. Moreover, there is no blame on the party reviewing the appeal for adopting the reasons for the decision subject to the appeal, as supporting it based on its reasons indicates that they found nothing that necessitates correction or commentary, as it aligns with the correct law regarding the conviction of the appellant for customs smuggling and the confiscation fee ruled upon. Furthermore, it is established under the provisions of the Sharia litigation law in Article (191), which states that: If the Court of Appeal finds that the ruling in the cases being reviewed without a hearing is consistent in terms of its outcome with its legal principles; it upheld it, with guidance on any observations it may have that do not necessitate overturning the ruling. If it completely or partially overturns the ruling; it must rule on what has been overturned after hearing the parties' statements. The first instance decision had ruled to calculate the customs fine at three times the value of the shipment, considering it as a type of prohibited goods, while the reality of the violating goods - amounting to (28,063) riyals - is that they are not prohibited in their essence, but their prohibition arose due to non-compliance with specifications, as evidenced by the request from the importer to re-export them based on the documents. This leads to the conclusion that the customs fine should be calculated at twice the customs duties, as established by customs jurisprudence in such types of goods, as will be stated in the ruling of this decision. The appellate committee also noted that the committee issuing the decision had imposed a prison sentence of (6) months in the ruling under consideration. Therefore, the first instance committee did not clarify the reason that led it to impose the prison sentence. Since the appellate committee, based on the facts of the case and the related seizures, concluded that there is no justification for imposing a prison sentence on the owner of the appealing institution, the appellate committee concluded to report the following:

Decision:

1- Acceptance of the appeal in form from the applicant/ institution ..., commercial registration number (...), against the first instance decision number (784) for the year 1441 AH, issued by the 1st First Instance Customs Committee at the Al-Bathaa customs.

2- In the subject, he rejected it, and the ruling is as follows:

First: The affirmation of the first instance decision regarding the conviction for customs smuggling and the confiscation fee, with the amendment of the imposed customs fine to be twice the amount of the customs duties, making the total amount claimed by the importer an amount of (30,869) thirty thousand eight hundred sixty-nine riyals, for the Grounds and considerations stated in this Decision.

Second: The cancellation of the imprisonment penalty stated in paragraph (3) of the first instance decision, for the reasons and considerations mentioned in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR -2024-198593
Case No. PC -2023-198593

Keywords:

Customs - Constraints - Bond Commitment - Tablets - Non-compliance with specifications - Clearance and Crawling - Conviction

Summary:

The importer is requesting the cancellation of the decision issued by the 1st First Instance Customs Committee in Riyadh, which convicted the importer in absentia of customs smuggling, and obligated him to pay a customs fine equivalent to the value of the contraband item as a substitute for confiscation. It has been established to the Appeals Committee that the observation is substantial and affects the quality of the product, and that the importer acted in violation of the provisions of the law and before the final clearance of the shipment. This means; to uphold the first instance decision as ruled.

Document:

- Article 142 of the [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Article 163 of the [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)

Facts:

This is to consider the appeal submitted by/..., national ID number (...). As the owner of the institution..., commercial registration number (...), against the first instance Decision number (CFR-2023-108313), issued by the 1st First Instance Customs Committee in Riyadh, whose ruling states the following:

- 1-Condemnation of the importer (Institution ...) Commercial Register No. (...) In person with customs smuggling.
- 2-To impose a customs fine equivalent to the value of the violating item, an amount of (29,798) twenty nine thousand seven hundred and ninety-eight riyals.
- 3-Obligating him to pay an amount equivalent to the value of the violating item as a confiscation fee of (29,798) twenty-nine thousand, seven hundred and ninety-eight riyals, making the total amount claimed (59,596) fifty-nine thousand, five hundred ninety-six riyals.



Since the appellant was notified of the Decision subject to the appeal on 03/05/2023, and submitted the appeal on 25/05/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established by Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment consisting of (accessories) belonging to the importer through the Al-Batha customs under import declaration number (...). On the date 02/09/1436 AH, it was granted under a commitment not to act until it is approved by the competent authority, and upon presenting the sample to the laboratory; the response was received in report number (...) On the date 08/09/1436 AH, which included non-compliance in terms of clearance distances and crawling, the importer was addressed but did not respond. The first instance committee issued its decision as stated in its ruling, based on the fact that the shipment was delivered to the importer at his request for safekeeping, and that his handling of the shipment, which was not finally cleared, constitutes customs smuggling according to Article (142) of the Unified Customs Law, as the violation is technical and affects the quality of the product and consumer safety. Penalties were imposed on the importer as stated in the ruling subject to appeal.

Upon reviewing the objection list submitted by the owner of the importing institution, the customs appeal committee found that its summary mentioned that the committee did not inform the defendant of the laboratory result until after eight months. Additionally, there was no communication with the institution using the numbers registered with customs to return the shipment, thus the burden of proof lies with them. The customs office was also reviewed repeatedly to verify the result, but without response. Furthermore, the institution destroyed the entire shipment due to its prolonged stay in the warehouse, which led to its spoilage. The committee also violated the decision of the Minister of Finance No. (1830) dated 10/07/1437 AH, as the institution did not take any of the actions stipulated in the decision, given that notifying the laboratory result is a fundamental element in proving the crime of customs smuggling, which was not the case with customs notifying the institution of the laboratory result. The statement of appeal concluded with a request to accept the objection in procedures and on merits and to annul the decision issued by the 1st first instance committee.

A response memo from the authority was received through the automated system of the secretariat dated 18/07/2023, which summarized that the institution violated the commitment taken upon it and acted without notifying the customs of its clearance approval. It was also notified by customs to return the shipment through several notifications, the last of which was in 1437 AH, but it did not respond. Additionally, the institution did not review customs to settle the commitment taken upon it, which indicates its action with the non-approved shipment, violating the commitment taken upon it. It would have been more appropriate for the institution to communicate and inquire with customs instead of acting with the shipment and violating the signed commitment. This action is considered customs smuggling according to Article (142) of the Unified Customs Law. Furthermore, the claim of destroying the shipment completely contradicts the commitment taken by the institution, in which it acknowledged that customs does not



accept any documents related to the destruction process without the participation of a customs representative. Moreover, customs smuggling crimes are intentional crimes that require the existence of both the material and moral elements for their occurrence, which were present in the case at hand. The memo concluded with a request to reject the appeal submitted by the institution and to uphold the first instance decision in all that it ruled.

On Thursday, 18/01/2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against decision number (CFR-2023-108313), issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based and the response of the authority.

Grounds:

Since there is no reproach against the reviewing authority for taking the reasons of the decision subject to the appeal without adding anything whenever it sees that these reasons suffice to avoid presenting anything new, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained, and this is not affected by what the appellant mentions in his statement about the destruction of the shipment, as it was not done with the knowledge and presence of customs, and it is merely unsubstantiated claims for which no evidence has been provided in light of the established receipt of the shipment for the purpose of keeping it until the laboratory results appear and the procedures for its clearance are completed. Since the observation is essential and affects the quality of the product, and the importer acted in violation of the provisions of the law and before the shipment was finally cleared, and since the reasons for the decision subject to the appeal are sufficient to support its ruling, it is necessary to determine that the defenses presented do not affect the outcome of the decision, which makes the appeal unsupported and necessitates its rejection. Therefore, the appellate committee concluded to report the following:

Decision:

- 1- Acceptance of the appeal in form from the applicant/ institution ... Commercial, commercial registration number (...), owned by / ..., national ID number (...), against the first instance Decision number (CFR-2023-108313), issued by the second First Instance Customs Committee in Riyadh.
- 2- In the subject, his rejection and the affirmation of the first instance Decision in all that it ruled, and that is for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR -2024-201224
Case No. PC -2022-125139

Keywords:

Customs - Constraints - Bond Commitment - Hair Cream - Non-compliance with specifications - pH - Conviction

Summary:

The importer requests the cancellation of the first instance decision No. (CSR-2023-383), issued by the second First Instance Customs Committee in Riyadh, which convicted the appellant in absentia of customs smuggling, and obligated her to pay a customs fine equivalent to the value of the contraband item, as well as an amount equivalent to the value of the contraband item as a confiscation substitute. The appeals committee has established that the importer acted with the shipment in a manner that qualifies it as customs smuggling under Article (142) of the Unified Customs Law. This means; to uphold the first instance decision convicting of customs smuggling and the penalty of confiscation compensation, while amending the imposed customs fine to be double the customs duties.

Document:

- Article 142 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Paragraphs (2) and (4) of Article (145) of [the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article 163 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)

Facts:

This is to consider the appeal submitted by/ ..., national ID number (...), in his capacity as an agent for the ... institution, commercial registration number (...), under the agency number (...). issued on 29/11/1444 AH, and the law license number (...) against the first instance decision number (CSR-2023-383), issued by the 1st First Instance Customs Committee in Riyadh, ruling as follows:

1-Conviction of the defendant/ Institution ..., Commercial Registration No. (/...), present for customs smuggling.



2-Obligating it to pay a customs fine equivalent to the value of the violating item, an amount of (144,640) one hundred and forty-four thousand six hundred and forty riyals.

3- Obliging it to pay an amount equivalent to the value of the violating item as a confiscation fee of (144,640) one hundred and forty-four thousand six hundred and forty riyals.

Since the appellant was notified of the Decision subject to the appeal on 23/05/2023, and submitted the appeal on 04/06/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established by Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment (hair cream) belonging to the defendant through the customs of Jeddah Islamic Port under import declaration number (...). On 06/10/1436 AH, its total value amounted to (60,267) sixty thousand two hundred and sixty-seven riyals, and its quantity was (1220) units, which were allowed under a commitment not to dispose of them until they are approved by the competent authority, and a sample of it was presented to the laboratory, and the response was received in report number (.../...) On the date of 17/10/1436 AH, it was noted that it did not meet the specifications in terms of the pH level not matching the permissible limit, which is from 5 to 7. The importer was notified of the result through several letters, but he did not respond. The first instance committee issued its Decision as previously mentioned, condemning the importer for customs smuggling and obliging him to the associated penalties, based on the fact that the importer attempted to introduce restricted goods without the approval of the relevant authorities, which constitutes customs smuggling according to Article (142) of the Unified Customs law, and arranged for the application of penalties against the importer as stated in the text of its Decision.

Upon reviewing the objection list submitted by the representative of the appealing institution, the customs appellate committee found that its summary mentioned that the First Instance Committee asserted in the Grounds for its Decision that the sample did not comply in terms of pH level, which is a technical violation that does not affect the quality and safety of the product, and did not refer to the scientific reference to assert this. The institution was verbally informed by the same laboratory that the mechanism for testing samples that year - the year of the shipment inspection - was done using litmus paper, which cannot accurately determine the pH value. The appellant obtained a recent test report for another sample of the same product and the same quantity from the same laboratory, which showed a result that did not match that shipment, indicating a pH result of (4.45), knowing that the permissible limit ranges between 4 to 8 according to their report. The Decision of the committee under appeal referred in its Grounds to what was stated: "And where Article (145/4) of the Customs law states that if the smuggled goods are among the prohibited goods, the penalty shall be a fine not less than the value of the goods and not exceeding three times its value, and imprisonment for a period not less than six months and not exceeding three years or one of these two penalties." The committee described in its Decision the incoming goods as prohibited from entering the Kingdom, which is incorrect as they are among the goods allowed to enter and are subject to approval from the laboratory. If they were prohibited, they would not have been allowed entry under an import declaration



and would have been subjected to the normal procedures for regular shipments. The moral element for committing the crime of customs smuggling is absent, and what is attributed to the appellant is merely due to the lack of review by a government entity and does not rise to the level of the crime of customs smuggling, which is based on certainty. The list concluded with a request to accept the appeal and annul the committee's Decision and declare the institution not guilty of committing the customs smuggling crime attributed to it.

The Automated System of the Secretariat received a response from the Zakat, Tax and Customs Authority regarding the statement of appeal dated 29/08/2023, summarizing that the institution was notified by several letters from customs at the addresses registered with the authority, indicating that the shipment did not comply and that it must return the shipment according to the commitment signed by it. However, it did not respond despite granting the first instance committee a grace period to return the shipment. Additionally, the shipment was from the year 1436 AH, and during this long period, the institution did not adhere to the commitment made and did not respond to the customs letters. It would have been more appropriate for the institution to communicate with customs and respond instead of acting on the shipment. The violation mentioned in the laboratory result is considered a technical violation that directly affects the health and safety of consumers and impacts their financial resources. The elements of the crime of customs smuggling are present due to the institution's action regarding the shipment and the breach of the commitment made, as well as the introduction of goods whose entry into the country is restricted. The response memorandum concluded with a request to reject the submitted appeal and uphold the Decision subject to the appeal in all its provisions.

On Wednesday, February 21, 2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted against the first instance Decision No. (CSR-2023-383) issued by the Second First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the Appeals Committee decided that the documents presented and the contents of the case file were sufficient to form its conviction and to rule on the matter in light of the Grounds on which the appeal was based.

Grounds:

Whereas there is no reproach against the appellate authority for taking the reasons of the decision subject to the appeal without addition whenever it sees that these reasons suffice to avoid the need to present anything new, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. This is not affected by what the appellant argued to justify the importer's violation of the commitment to handle the shipment, which is loaded with the violation reported by the laboratory, as the importer is not authorized to determine the extent of the shipment's connection to a procedural or technical violation, and it is his duty to follow up on the matter of its approval without considering himself a judge by deciding to handle it



without regard to its approval or disapproval. His failure to fulfill this duty results in him bearing his responsibility and its consequences, especially since it is known to the importing trader by necessity that the customs procedure related to completing the entry procedures for the shipment into the country requires the importer to observe the general duty required by the customs law regarding the importer when dealing with the incoming shipment, which is embodied in complying with everything required by the customs law and other related regulations regarding the clearance of the shipment, which necessitates not handling it in any way until it is approved and permission is granted to handle it, which was not the case with the importer's handling of the shipment in question, which is subject to the provisions of prohibition or restriction. Thus, the act of handling it is deemed customs smuggling under the provisions of Article (142) of the Unified Customs law. Since the reasons for the decision subject to the appeal are sufficient to support its ruling, it is necessary to determine that the defenses presented do not affect the outcome of the decision, making the appeal unsupported and necessitating its rejection regarding the conviction of customs smuggling and the penalty of the confiscation substitute imposed. However, the appellate committee noted that the committee issuing the decision calculated the customs fine on the importer by applying paragraph (4) of Article (145) of the Unified Customs law, which applies to prohibited goods. Since the incoming goods are not prohibited in their type and nature, but their entry was prohibited due to non-compliance with some required specifications, which is confirmed by the request from the importer to bring the shipment to the customs area for re-export, it is determined by this committee to apply paragraph (2) of Article (145) of the Unified Customs law contrary to what was decided in the first instance ruling. Thus, this committee concludes to calculate the amount of the customs fine at twice the customs duties as will be stated in the ruling. Therefore, the customs appellate committee concluded to report the following:

Decision:

- 1- Acceptance of the appeal in form, from the applicant/ Institution ..., commercial registration number (...), against the first instance Decision number (CSR-2023-383) issued by the second First Instance Customs Committee in Riyadh.
- 2- In the subject, his rejection, and the affirmation of the first instance Decision regarding the conviction for customs smuggling and the penalty of confiscation compensation, with the amendment of the imposed customs fine to be double the Customs Duties, making the total amount claimed by the importer an amount of (159,104) one hundred fifty-nine thousand one hundred and four riyals, and this is for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR -2024-197303
Case No. AC -2022-101775

Keywords:

Customs - Constraints - Bond Commitment - Accessories - Non-compliance with specifications - Location of symbols and assembly - Conviction

Summary:

The importer requests the cancellation of the first instance decision No. (CFR-2023-101775), issued by the 1st First Instance Customs Committee in Riyadh, which convicted the importer in absentia of customs smuggling, and obligated him to pay a customs fine equivalent to the value of the contraband item, and to pay an amount equivalent to the value of the contraband item as a confiscation substitute. The appeals committee found that the argument assuming the validity of the non-receipt of customs letters to the institution's email does not exempt the importer from following up on the clearance of the shipment, considering that such follow-up represents the usual care and diligence of a trader in managing his business affairs. Consequently, this leads to the affirmation of the first instance decision in all that it ruled against the importer.

Document:

- Article 56 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Article 142 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Paragraphs (16, 17) of Article (143) of [the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraphs (2) and (4) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article 163 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)



Facts:



This is to consider the appeal submitted by/ ..., national ID number (...), owner of the ... establishment, commercial registration number (...), against the first instance Decision number (CFR-2023-101775), issued by the 1st First Instance Customs Committee in Riyadh, which ruled as follows:

1-Condemnation of the importer (Institution ...) Commercial register number (...), present at customs smuggling.

2-To impose a customs fine equivalent to the value of the violating item in the amount of (6,693) six thousand six hundred and ninety-three riyals.

3- Obliging him to pay an amount equivalent to the value of the violating item as a confiscation fee of (6,693) six thousand six hundred and ninety-three riyals, making the total amount claimed (13,386) thirteen thousand three hundred and eighty-six riyals.

Since the appellant was notified of the Decision subject to the appeal on 18/04/2023, and submitted the appeal on 21/05/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment consisting of (accessories) belonging to the importer through the Al-Batha customs under import declaration number (...). On the date 25/05/1439 AH, it was granted based on a commitment not to act until the result appears from the competent authority, and after the sample was presented by the laboratory, the response was received in report number (...) On the date 01/06/1439 AH, which included non-compliance regarding the location of symbols and composition, the importer was notified to return the shipment to the customs area, but he did not respond. The first instance committee issued its Decision as stated in its ruling, based on the fact that the failure of the importer to return the unauthorized shipment to the customs area, which he committed not to dispose of until it is approved by the competent authority, is considered a violation of Article (56) of the Unified Customs law. It is also considered customs smuggling according to Article (142) of the same law, and the committee imposed its penalties as stated in its Decision.

Upon reviewing the objection list submitted by the owner of the importing institution, the customs appeals committee found that its summary mentioned that the customs made a mistake in sending the analysis results, as all notifications sent by customs did not reach the institution's mail, nor did any call or text message arrive. This error cannot be attributed to the institution or hold it accountable for the outcome, especially since it is evident from the import activity that the institution repeatedly imports and continuously submits commitments. If customs were concerned with settling commitments or notifying about analysis results, it would only have required stopping the institution when it submitted the nearest subsequent



commitment. Furthermore, the first instance Decision imposed a fine on the institution and obligated it to pay an amount equivalent to the value of the violating item, based on Article (145/4) of the Unified Customs law. Applying this article to the incident in question does not correctly apply the provisions of the law, as the text of the article pertains to goods that are prohibited in themselves and not for another reason that is separate from their origin. The list concluded with a request not to convict the institution of the charges against it.

A response memorandum was received through the Automated System of the Secretariat from the authority dated 21/06/2023, which summarized that the commitment signed by the institution stated that the shipment should not be disposed of in any way except after notification from the authority granting its clearance from the competent authority. The institution was notified by several letters from the authority at the addresses registered with it, indicating that the shipment did not comply and that it should return the shipment according to the commitment signed by it; however, it did not respond. It would have been more appropriate for the institution to communicate and respond to the authority instead of disposing of the shipment and violating the commitment, which constitutes customs smuggling according to articles (142) and (143) with paragraphs (16-17) of the unified customs law. Based on the result of the laboratory report attached to the case file, the violation is technical due to the fraud it involves against consumers and affects their financial resources, as a result of purchasing goods that do not meet specifications. The memorandum concluded with a request to reject the appeal submitted by the institution ... And support for the first instance Decision in all that it ruled.

On Wednesday, 01/05/2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against decision number (...), issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based and the response of the authority.

Grounds:

Whereas there is no reproach against the authority reviewing the appeal for taking the reasons of the decision subject to the appeal without addition whenever it sees that these reasons suffice to avoid the need to present anything new, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained, and this is not affected by what the appellant mentions in his statement about the non-arrival of customs letters to the institution's email and that if the customs were concerned with settling the commitments or informing the importer of the analysis result, it would have only required stopping the institution when it presented the nearest subsequent commitment, which is rejected, considering that it is established from the documents attached to the case file that the importer was notified of the return of the shipment in question



to customs through several letters, the last of which was dated 08/07/1439 AH. Moreover, this defense, assuming its validity, does not exempt the importer from following up on the matter of clearing the shipment, considering that such follow-up represents the usual care and diligence of a trader in managing his business affairs. Since the reasons for the decision subject to the appeal are sufficient to support its ruling, it is necessary to determine that the defenses presented do not affect the outcome of the decision, which makes the appeal unsupported and thus must be rejected. However, the appellate committee noted that the committee issuing the decision had ruled to calculate the customs fine on the importer by applying paragraph (4) of Article (145) of the Unified Customs law, which applies to prohibited goods. Since the imported goods are not prohibited in their nature and type, but their entry was prohibited due to non-compliance with some required specifications, which is confirmed by the request from the importer to bring the shipment to the customs yard for re-export, it is determined by this committee to apply paragraph (2) of Article (145) of the Unified Customs law contrary to what was ruled in the first instance decision, which is not affected by what the appellant claims regarding the inapplicability of paragraph (4/145) of the Unified Customs law when calculating the amount of the customs fine against him, as paragraph (2/145) of the same law, which applies the fine to non-prohibited goods, has set its upper limit at the value of the violating goods, which was the case with the value of the imposed fine, and this is not altered by the error in relying on the correct paragraph for its application on the calculation of the customs fine as long as it did not exceed the maximum limit applicable under paragraph (2/145) of the law. Accordingly, the committee concluded to report the following:

Decision:

- 1- Acceptance of the appeal in form from the applicant/ institution ..., commercial registration number (...), owned by/ ..., national ID number (...), against the first instance Decision number (CFR-2023-101775), issued by the 1st First Instance Customs Committee in Riyadh.
- 2- In the subject of his rejection, the affirmation of the first instance Decision in all that it ruled regarding the importer, and that for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR -2024-192758
Case No. PC -2022-123993

Keywords:

Customs - Constraints - Bond Commitment - Perfumes - Non-compliance with specifications - Essential oil
- Conviction

Summary:

The importer is requesting the cancellation of the first instance decision No. (CFR-2022-2921), issued by the 1st First Instance Customs Committee in Riyadh, which convicted the importer in absentia of customs smuggling and imposed a customs fine equivalent to the value of the contraband item. The appeals committee has established that the imported goods are not prohibited in their nature and type, but rather that they do not comply with certain specifications, as evidenced by the importer's request to bring the shipment to the customs area for re-export. Consequently, the first instance decision convicting the importer of customs smuggling and the penalty of confiscation is upheld, with the customs fine modified to be double the customs duties.

Document:

- Article 56 of The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 (03/11/1423 AH).
- Article 142 of The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 (03/11/1423 AH).
- Paragraphs (2) and (4) of Article (145) of the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH.
- Article 163 of The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 (03/11/1423 AH).

Facts:

This is to consider the appeal submitted by/ ..., national ID number (...), in his capacity as an agent for/ ..., national ID number (...), in his capacity as the manager of the company in ..., commercial registration number



(...), under the agency number (...). On the date 05/02/1443 AH, against the first instance Decision No. (CFR-2022-2921), issued by the third First Instance Customs Committee in Riyadh, ruling as follows:

1-Condemnation of the importer (Institution ...) Commercial register number (...), present at customs smuggling.

2-Obligating him to a customs fine equivalent to the value of the violating item in the amount of (79,749.06) seventy-nine thousand seven hundred and forty-nine riyals and six halalas.

3- Obliging him to pay an amount equivalent to the value of the violating item as a confiscation fee amounting to (79,749.06) seventy-nine thousand seven hundred and forty-nine riyals and six halalas, making the total amount claimed (159,498.12) one hundred fifty thousand four hundred and ninety-eight riyals and twelve halalas.

Since the appellant was notified of the Decision subject to the appeal on 22/03/2023, and submitted the appeal on 25/04/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its execution as stipulated in Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment of (perfumes) belonging to the importer through the Islamic Port of Jeddah customs under import declaration number (...). On the date 20/05/1437 AH, it was allowed based on a commitment not to act until the result appears from the competent authority, and after presenting the sample to the laboratory, the response was received in report number (...) On the date of 20/03/2016, which included non-compliance due to the decrease in the percentage of essential oil below the permissible limit, the importer was notified of the result through several letters, but he did not respond. The First Instance Committee issued its Decision as stated in its ruling, based on the fact that the item that was re-exported, according to the defendant's statement, was not linked to the re-export declaration with the import declaration, and a conformity report was not made, which indicates that it is not the non-compliant item due to the importer's failure to communicate with customs. Additionally, the importer's failure to re-export the non-compliant shipment to the customs area implies that his actions are in violation of Article (56) of the Unified Customs law, and it is considered customs smuggling according to Article (142) of the same law, and penalties were applied against the importer as stated in the ruling.

Upon reviewing the objection list submitted by the agent of the importing company, the customs appellate committee found that its summary mentioned that the company had contacted the Director General of the General Authority for Customs on 12/06/1440 AH, requesting permission to re-export the shipment through the Wadi'ah outlet, as evidence that the company had kept the goods in its warehouses since the date of receipt in 1437 AH, and that it had not been disposed of for more than 3 years. Due to the importer's diligence, he re-exported it since the shelf life of perfume products does not exceed 5 years. Furthermore,



the reason for the error made by the importer was due to the customs not responding to him despite his correspondence with the customs administration regarding the non-linking of the re-export declaration with the import declaration number. In addition, this error does not warrant a conviction for customs smuggling. The list concluded with a request to overturn the first instance Decision and rule that the importer is not guilty of customs smuggling.

A response memo from the authority was received through the Automated System of the Secretariat dated 06/06/2023, which summarized that the commitment not to dispose of the shipment signed by the appellant, stated in its fourth paragraph: "He is fully aware that customs will not recognize any destruction or re-export operation for any shipment that has not been issued a permit for its destruction or re-export from the same customs through which it was received." Since the shipment was received through the Islamic Port of Jeddah customs, it would have been more appropriate for the appellant to return the shipment to the same outlet and not to another outlet, as well as the re-export statement number (...). On the date 14/06/1440 AH, it was not linked to the import statement, and no matching report was made. Therefore, the item that was re-exported is not the item in violation due to the importer not writing to the customs, which implies that their action with the shipment is unauthorized, which constitutes customs smuggling according to Article (142) of the Unified Customs law. The memorandum concluded with a request to reject the appeal submitted by the company ... And the affirmation of the first instance Decision in all that it ruled.

On Sunday, 20/02/2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against decision number (CFR-2022-2921), issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based and the response of the authority.

Grounds:

Whereas there is no reproach against the appellate authority for taking the reasons of the decision subject to appeal without addition whenever it sees that these reasons suffice to negate the need for any new arguments, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. The defenses presented by the appellant do not contradict the established original fact upon which its decision was based. Since the reasons for the decision subject to appeal are sufficient to support its ruling, it is necessary to state that the defenses presented do not affect the outcome of the decision, which makes the appeal unsupported and thus must be rejected. However, the appellate committee noted that the committee issuing the decision had ruled to calculate the customs fine on the importer by applying paragraph (4) of Article (145) of the



Unified Customs law, which applies to prohibited goods. Since the imported goods are not prohibited in their nature and type, but their entry was banned due to non-compliance with certain required specifications, as confirmed by the request from the importer to bring the shipment to the customs area for re-export, this committee decides to apply paragraph (2) of Article (145) of the Unified Customs law, contrary to what was ruled in the first instance decision. Consequently, this committee concludes to calculate the amount of the customs fine at twice the customs duties as will be stated in the ruling. Therefore, the committee concluded to report the following:

Decision:

- 1- Acceptance of the appeal in form from the applicant/ Company ..., Commercial Registration No. (...), against the first instance Decision No. (CFR-2022-2921), issued by the second First Instance Customs Committee in Riyadh.
- 2- In the subject of his rejection, and the affirmation of the first instance Decision regarding the conviction of the appellant for customs smuggling and the penalty of confiscation compensation, with the amendment of the imposed customs fine to be twice the customs duties, making the total amount claimed by the importer an amount of (90,116) ninety thousand one hundred and sixteen riyals, and this is for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-168153
Case No. PC-2022-156946

Keywords:

Customs - Constraints - Bond Commitment - Towels - Non-compliance with specifications - Visual Inspection - Conviction

Summary:

The importer requests the cancellation of the first instance decision No. (595/3) for the year 1443 AH, issued by the third First Instance Customs Committee in Riyadh, which convicted the importer in absentia of customs smuggling, and obligated him to pay a customs fine equivalent to the value of the unapproved item, and to pay an amount equivalent to the value of the item as a confiscation substitute, as the appeals committee found that the importer acted with the unapproved shipment by releasing it, and there was no evidence of the importer's commitment to the Bond Commitment taken regarding the shipment and reviewing the customs to consider the matter of its release. This means; to uphold the first instance decision convicting for customs smuggling and the penalty of confiscation compensation, while amending the customs fine to be double the customs duties of the violating items.

Document:

- Article 56 of The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 (03/11/1423 AH).
- Article (142) of the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH.
- Paragraphs (2) and (4) of Article (145) of the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH.
- Article (163) of the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. (M/41) dated 03/11/1423 AH.



Facts:



This is to consider the appeal submitted by/..., national ID number (...), against the first instance decision number (595/3) for the year 1443 AH, issued by the 1st First Instance Customs Committee in Riyadh, whose ruling is as follows:

1-Condemnation of the importer institution ..., commercial registration number (...), present for customs smuggling.

2-Obligating him to a customs fine of (43,056) forty-three thousand and fifty-six Saudi riyals, equivalent to the value of the item not permitted for clearance by the competent authority.

3- Obliging him to pay an amount equivalent to the value of the item as a confiscation fee of (43,056) forty-three thousand and fifty-six Saudi Riyals, bringing the total amount claimed to (86,112), eighty-six thousand and one hundred twelve Saudi Riyals.

Since the appellant was notified of the Decision subject to the appeal on 04/01/2023, and submitted the appeal against the Decision on 08/01/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its conduct according to what is stipulated in Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment (lamps) belonging to the importer through the customs of Jeddah Islamic Port, according to import declaration number (...). On the date 27/09/1435 AH, it was granted based on a commitment not to act until it is approved by the competent authority, and after examining the sample by the laboratory, the report number (...) was received. On 20/10/1435, it was noted that there was non-compliance in terms of visual inspection and determining tensile strength. The importer was contacted, but did not respond. The first instance committee issued its Decision based on the fact that the importer violated the commitment made not to act on the non-compliant shipment before obtaining the necessary clearance from the competent authority, contrary to what is stipulated in Article (56) of the Unified Customs law, which constitutes his action as customs smuggling according to Article (142) of the same law, and imposed penalties on the importer as stated in its Decision.

Upon reviewing the objection list submitted by the attorney of the appealing institution, the customs appellate committee found that its summary mentioned that the first instance decision indicated the absence of the concerned party or their representative at the hearing and that they were not notified of the hearing dates, which deprived them of the right to plead and defend before the committee. Additionally, the importer did not act on the shipment while it was in his warehouses and could have returned it to customs, thereby fulfilling the commitment made to him. The list concluded with a request not to convict the importer for having the goods in his warehouses without taking action on them.



A response memorandum from the authority was received via the automated system of the secretariat dated 09/03/2023, which summarized that the importer had been notified by the General Secretariat through the Hayad System in accordance with what was mentioned in the reasons for the first instance decision. Therefore, the importer has forfeited his right to appeal contrary to what the appellant stated. As for what was claimed by the attorney of the appellant institution regarding the presence of the goods with him, it has been established that the importer was notified through several letters to his registered addresses with the authority to return the shipment subject to the violation to customs without any response from him. This is evidence of his handling of the shipment in violation of the provisions of Article (56) of the Unified Customs Law, which constitutes an act of customs smuggling according to Article (142) of the same law. Additionally, the elements of the crime of customs smuggling are present against the importer due to his breach of the commitment taken upon him through his handling of the shipment subject to the violation and the introduction of goods whose entry into the country is restricted. The memorandum concluded with a request to reject the appeal submitted by the institution ... and to uphold the first instance decision in all its provisions.

On Monday, May 06, 2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against decision No. (595/3) for the year 1443 AH, issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in its current state after the committee was informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based and the response of the authority to it.

Grounds:

Whereas there is no reproach against the reviewing authority for taking the reasons of the decision subject to the appeal without addition whenever it sees that these reasons suffice to avoid the need to present anything new, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. This is not affected by what the appellant raises in his statement regarding the lack of notification to the institution about the hearing date, as this is merely an unsubstantiated claim, since the first instance decision explicitly confirmed its notification as stated in the facts on two occasions, with the first hearing being on Monday, 24/04/1443 AH and the second hearing on Wednesday, 04/05/1443 AH. Moreover, the validity of the conclusion reached by the 1st instance decision is not undermined by what is mentioned regarding the existence of the shipment in the institution's warehouses, as it is established from the case file that the customs had communicated with the importer to return the shipment, but he did not respond, which implies his action regarding the unapproved shipment. Additionally, there is no evidence of the importer's commitment to the Bond Commitment taken regarding the shipment and the customs review to consider



the matter of its clearance, which makes his argument in this regard based on a foundation that strengthens the apparent indication of the importer's action regarding the shipment contrary to the Bond Commitment taken regarding it. Since the reasons for the decision subject to the appeal are sufficient to support its ruling, it is necessary to determine that the defenses presented do not affect the outcome of the decision, which makes the appeal unsupported and necessitates its rejection concerning the conviction of the importer for customs smuggling. However, the appellate committee noted that the committee issuing the decision had ruled to calculate the customs fine on the importer by applying paragraph (4) of Article (145) of the Unified Customs Law, which applies to prohibited goods. Since the imported goods are not prohibited in their nature and type, but their entry was banned due to non-compliance with certain required specifications, which is confirmed by the request from the importer to bring the shipment to the customs area for re-export, this committee decides to apply paragraph (2) of Article (145) of the Unified Customs Law contrary to what was ruled by the 1st instance decision. Consequently, this committee concludes to calculate the amount of the customs fine at twice the customs duties as will be stated in the ruling. Therefore, the appellate committee concluded to report the following:

Decision:

1- Acceptance of the appeal in form from the applicant/ institution ..., commercial registration number (...), against the first instance decision number (595/3) for the year 1443 AH, issued by the 1stFirst Instance Customs Committee at the Al-Bathaa customs.

2- In the subject, his rejection, and the affirmation of the first instance decision regarding the conviction and the substitute for confiscation, with the modification of the customs fine to be double the customs duties for the violating items, making the total amount claimed from the importer an amount of (55,972) fifty-five thousand nine hundred and seventy-two riyals, for the reasons and justifications stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR -2024-184761
Case No. PC-2022-124923

Keywords:

Customs - Constraints - Bond Commitment - Bicycles - Non-compliance with specifications - Brake Test - Conviction

Summary:

The importer's request to cancel the first instance decision No. (CFR-2022-2234) issued by the 1st First Instance Customs Committee in Riyadh, which convicted the importer in absentia of customs smuggling. And where it was established for the Appeals Committee that the appellant committed the crime of customs smuggling by bringing in the shipment in violation of the prohibitions and constraints. This means; to uphold the first instance decision convicting the appellant of customs smuggling and the penalty of confiscation compensation, and to amend the amount of the customs fine to be twice the amount of the customs duties.

Document:

- Article (56) of the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. (M/41) dated 03/11/1423 AH.
- Article 142 of The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 (03/11/1423 AH).
- Article (143) of the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. (M/41) dated 03/11/1423 AH.
- Paragraphs (2) and (4) of Article (145) of the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH.
- Article 163 of The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 (03/11/1423 AH).

Facts:

This is to consider the appeal submitted by/..., national ID number (...). As the owner of the institution ..., commercial registration number (...), against the first instance Decision number (CFR-2022-2234), issued by the 1st First Instance Customs Committee in Riyadh, whose ruling states the following:

1-Conviction of the importer company ..., commercial registration number (...), in person for customs smuggling.



2- Imposing a customs fine equivalent to the value of the violating items amounting to (112,691) one hundred twelve thousand six hundred ninety-one riyals.

3- Obliging him to pay an amount equivalent to the value of the shipment as a confiscation fee of (112,691) one hundred twelve thousand six hundred ninety-one riyals, making the total amount claimed (255,382) two hundred fifty-five thousand three hundred eighty-two riyals.

Since the appellant was notified of the Decision subject to the appeal on 12/02/2023, and submitted the appeal against the Decision on 09/03/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its conduct according to what is stipulated in Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment consisting of (ornamental fish feed) belonging to the importing institution through the customs of Jeddah Islamic Port under import declaration number (...). On the date 11/04/1438 AH, it was released under a commitment not to act until the result of the competent authority appears, and after examining the samples by the laboratory, the report was received with the reports number (...). On 24/04/1438 AH, it was noted that the sample did not meet the specifications regarding the brake test. The importer was contacted, but he did not respond to the customs. The first instance committee issued its decision as stated in its ruling, based on the importer's violation of the bond commitment taken against him for his actions regarding the shipment, which contradicts what is stipulated in Article (56) of the Unified Customs Law, which constitutes his behavior as customs smuggling according to Article (142) of the Unified Customs Law, and imposed penalties on the appellant as stated in its ruling.

Upon reviewing the objection list submitted by the appellant, the appellate customs committee found that its summary mentioned the appellant stating that the committee issuing the decision subject to the appeal erred in classifying the incident by relying on Article (145/4) of the Unified Customs Law, while the item in question is (bicycles), which are restricted goods. Additionally, it made an error in applying the provisions of Articles (142) and (143) of the same law, as the institution took all legal measures to import the shipment and disclosed it, which means that the importer did not commit the crime of customs smuggling and the imposition of the fine stipulated in Article (31/6) of the executive regulations of the Unified Customs Law is not applicable. The appellant argues that the moral element, which is the criminal intent, is absent, which consequently leads to the absence of the crime of customs smuggling. Furthermore, the appellant does not accept the result shown in the laboratory report and has some remaining samples that he wishes to present, which prove the report's error. Assuming the accuracy of what was stated in the laboratory report and accepting it, what the appellant did is considered a violation of customs procedures and not customs smuggling, as the violation consists of the sample not passing the (brake test), which is a type of procedural violation that does not affect the safety and quality of the product. Moreover, customs did not inform the appellant of the violation according to the customs practices and regulations followed in such cases. The list concluded with the appellant's request to accept the appeal, annul the first instance decision subject to the



appeal, and rule that the appellant is not guilty of customs smuggling and consider the incident a violation of customs procedures.

A response memo from the authority was received via the automated system of the secretariat dated 06/06/2023, summarizing that the incoming goods are of a prohibited type due to the laboratory report indicating non-compliance with specifications. It was also communicated to the appellant that the shipment did not comply and that he must return the shipment according to the commitment made, but he did not return it completely, which indicates his handling of the shipment, constituting customs smuggling according to Article (142) of the Unified Customs Law. Furthermore, customs smuggling crimes are intentional crimes that must have both a material and moral element, which was present in the incident due to the importer's handling of the shipment and his breach of the commitment made. The memo concluded with a request to reject the appeal submitted by the appellant and to uphold the first instance decision in all its provisions.

On Thursday, July 4, 2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party regarding Decision number (CFR-2022-2234), issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a Decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the Grounds on which the appeal was based and the response of the authority to it.

Grounds:

Whereas there is no reproach against the appellate authority for taking into account the reasons for the decision subject to appeal without addition whenever it sees that these reasons suffice to avoid the need to present anything new, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. All the defenses raised by the appellant do not undermine the validity of the first instance decision and are based on the established facts upon which the first instance decision concluded its correctness regarding the appellant. This is because the customs procedure related to completing the entry procedures for the shipment into the country requires the importer to observe the general duty required by the customs law concerning the importer when dealing with the incoming shipment, which is embodied in compliance with all that the customs law and other related regulations require for the clearance of the shipment, necessitating that the importer does not act with it in any way except after it has been approved and permission has been granted to act with it. Therefore, the violation by the importer of that duty by acting with the shipment without regard to the matter of permission for its entry into the country constitutes behavior contrary to that general duty, especially since that duty is something that is known by necessity to him, which does not negate the correctness of attributing the crime of customs smuggling to him. Thus, what he claims about having complied with all the legal procedures for entering the shipment and that he



disclosed it is not consistent with his commission of what constitutes the crime of customs smuggling and the lack of the moral element in his regard concerning what he has been held accountable for is worthy of being disregarded. This confirms the correctness of what he was convicted of based on committing the crime of customs smuggling in the manner defined by the Unified Customs Law in Article (142) by entering the shipment contrary to the prohibitions and constraints that must be observed for the clearance of the shipment, which was not the case with the importer's dealings with the shipment as previously stated. However, the appellate committee noted that imposing the customs fine by the committee that issued the decision against the importer was based on what was stated in paragraph (4/145) of the Unified Customs Law, considering it as belonging to the category of prohibited goods, while what should have been applied regarding the imposition of the customs fine is to implement what was stated in paragraph (2/145) given that the violating items related to the smuggling incident are not of the category of prohibited goods in themselves, but the prohibition was imposed on them for violating the required specifications, which necessitates amending the amount of the customs fine to be twice the customs duties and calculating it along with the confiscation amount in the manner that will be summarized in the text of this decision. The appellate committee also noted a discrepancy in the total amount of the fine and the confiscation amount stated in the text of paragraph (3) of the decision, as it was recorded incorrectly by the issuing committee. Since this last observation does not affect the outcome reached by this decision after the value of the amount ruled against the appellant has changed, representing the total amount of the fine and the customs fine as previously established in the manner that will be stated in the text of this decision, the appellate committee concluded to report the following:

Decision:

- 1- Acceptance of the appeal in form submitted by / Institution ..., Commercial Registration No. (...), owned by / ..., National ID No. (...), against the first instance Decision No. (CFR-2022-2234), issued by the 1st First Instance Customs Committee in Riyadh.
- 2- In the subject of his rejection, and the affirmation of the first instance Decision regarding the conviction of the appellant for customs smuggling and the penalty of confiscation, with the modification of the customs fine amount to be equal to twice the value of the violating item, making the total amount claimed by the appellant an amount of (123,960) one hundred twenty-three thousand, nine hundred sixty riyals, for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR -2024-190117
Case No. PC-2022-157369

Keywords:

Customs - Constraints - Bond commitment - Electric lighting devices - Non-compliance with specifications - Plug and labeling - Conviction

Summary:

The importer is requesting the cancellation of the first instance decision No. (1811/1) for the year 1442 AH, issued by the 1st First Instance Customs Committee in Riyadh, which convicted the importer in absentia of customs smuggling, and obligated him to pay a customs fine equivalent to the value of the shipment that was not permitted for clearance, and to pay an amount equivalent to its value as a confiscation substitute. Where it has been established to the Appeals Committee that the principle in considering the violation of the importer of the commitment taken against him is deemed customs smuggling, and that the goods received are not prohibited in their type and nature, but rather their non-compliance with some required specifications, which is confirmed by the request from the importer to bring the shipment to the customs area for re-export, the implication of this is to uphold the first instance decision regarding the conviction of the importer for the crime of customs smuggling, with the modification of the fine amount to be double the customs duties.

Document:

- Article 56 of The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 (03/11/1423 AH).
- Paragraph (2) of (142) the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. (M/41) dated 03/11/1423 AH.
- Paragraphs (2) and (4) of Article (145) of the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. (M/41) dated 03/11/1423 AH.
- Article (163) of the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. (M/41) dated 03/11/1423 AH.



- Article (1) Paragraph (A-B) [Anti-Commercial Fraud law issued by Royal Decree No. \(M/19\) dated 23/4/1429 AH.](#)
- Article (2) of [the Anti-Commercial Fraud law issued by Royal Decree No. \(M/19\) dated 23/4/1429 AH.](#)

Facts:



This is to consider the appeal submitted by/ ..., national ID number (...), in his capacity as an agent for/ ..., national ID number (...). As the Chairman of the Board at the company ..., commercial registration number (...), under agency number (...). On 24/02/1442 AH, issued by the notary / ..., licensed by the Ministry of Justice under license number (...), against the first instance decision number (1811/1) for the year 1442 AH, issued by the 1st First Instance Customs Committee in Riyadh, whose ruling is as follows:

- 1- Condemnation of the importer/company ..., commercial registration number (...). In person with customs smuggling.
- 2- Obligating him to pay a customs fine equivalent to the value of the shipment that is not permitted to be cleared by the competent authority, an amount of (23,153) twenty-three thousand one hundred and fifty-three riyals.
- 3- Obligating him to pay an amount equivalent to its value as a confiscation fee of (23,153) twenty-three thousand one hundred and fifty-three riyals, bringing the total amount claimed to (46,306) forty-six thousand three hundred and six riyals.

Since the appellant was notified of the Decision subject to the appeal on 01/03/2023, and submitted the appeal on 21/03/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its conduct according to what is stipulated in Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment consisting of (electrical tools) belonging to the importer through the customs of Jeddah Islamic Port under import declaration number (...). On the date 27/09/1435 AH, it was granted based on a commitment not to act until it is approved by the competent authority, and after examining the sample by the laboratory, the report number (...) was received. On the date of 06/08/2014, which included non-compliance regarding the plug and the label, the first instance committee issued its decision as stated in its ruling based on the fact that the importer violated the commitment taken not to dispose of the shipment before obtaining its clearance from the competent authority, thus violating the provisions of Article (56) of the Unified Customs Law, which constitutes customs smuggling according to the provisions of Article (142) of the same law, and imposed penalties on the importer as stated in its decision.

Upon reviewing the objection list submitted by the attorney of the appealing company, the customs appellate committee found that its summary mentioned that the importer's action regarding the



unapproved shipment does not constitute customs smuggling, considering that the lack of approval is not due to a substantial reason according to established customs jurisprudence. The committee also considered the shipment as prohibited goods and imposed penalties on the importer, despite the fact that the goods are not inherently prohibited. The list concluded with a request to accept the appeal in procedures and on merits, overturn the first instance decision, and rule against the conviction of the company.

A response memo from the authority was received via the automated system of the secretariat dated 11/05/2023, which summarized that based on the laboratory result indicating non-compliance, the shipment is considered counterfeit due to its non-compliance with the specifications according to Article (1) of the Anti-Commercial Fraud law in paragraphs (A-B) and Article (2) of the same law. Additionally, the importer's violation of the commitment taken not to dispose of the shipment before obtaining clearance from the competent authority is considered customs smuggling according to Article (142) of the Unified Customs Law. Furthermore, the goods that the laboratory result indicates as non-compliant are considered prohibited goods according to the text of Article (2) of the Unified Customs Law. The memo concluded with a request to reject the appeal submitted by the company ... And support for the first instance Decision in all that it ruled.

On Monday, April 1, 2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against decision No. (1811/1) for the year 1442 AH, issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in its current state after the committee was informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based and the response of the authority to it.

Grounds:



The Authority hearing the Appeal is not obliged to adopt the grounds of the decision under appeal without adding anything new, as the reasons for upholding the decision indicate that it did not find any objections to it that merit a response beyond what is contained in those grounds. This does not affect the Appellant's argument that his disposal of the consignment before its clearance by the competent authority does not amount to the crime of customs smuggling, as this does not change the established principle that the importer's violation of the Bond Commitment given to him is considered customs smuggling in accordance with Article (142) of the Unified Customs Law. Since the reasons for the decision subject to appeal are sufficient to support its ruling, it is necessary to state that the defenses presented do not affect the outcome of the decision, which makes the appeal unsupported and thus must be rejected. However, the appellate committee noted that the committee issuing the decision had ruled to calculate the customs fine on the importer by applying paragraph (4) of Article (145) of the Unified Customs law, which applies to prohibited goods. Since the imported goods are not prohibited in their nature and type, but their entry was banned due to non-compliance with certain required specifications, as confirmed by the request from the importer to



bring the shipment to the customs area for re-export, this committee decides to apply paragraph (2) of Article (145) of the Unified Customs law, contrary to what was ruled in the first instance decision. Consequently, this committee concludes to calculate the amount of the customs fine at twice the customs duties as will be stated in the ruling. Therefore, the committee concluded to report the following:

Decision:

- 1- The acceptance of the appeal in form, submitted by/ ..., national ID number (...), against the first instance decision number (1811/1) for the year 1442 AH, issued by the 1st First Instance Customs Committee in Riyadh.
- 2- In the subject of his rejection, and the affirmation of the first instance decision regarding the conviction of the importer for the crime of customs smuggling, with the modification of the fine amount to be double the customs duties, making the total amount claimed from the importer an amount of (25,468) twenty-five thousand four hundred and sixty-eight riyals, for the reasons and justifications stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No.

CR -2024-202446

Case No.

PC-2022-123865

Keywords:

Customs - Constraints - Bond Commitment - Popcorn Machine - Non-compliance with specifications - Capacity, current, labeling, and instructions - Conviction

Summary:

The importer is requesting the cancellation of the first instance decision No. (CSR-2022-4639), issued by the second First Instance Customs Committee in Riyadh, which convicted the importer in absentia of customs smuggling, and imposed a customs fine equivalent to the value of two popcorn machines, and obligated them to pay an amount equivalent to the value of the contraband item. The appeals committee found that the appellant did not submit anything with their appeal except for a plea and an appeal for mercy to exempt them from what was decided in the first instance decision against them, without presenting anything that contradicts the established basis on which the decision was made in its reasons and wording. This means; support for the first instance Decision in all that it ruled.

Document:

- Paragraph (B) of Article (56) of the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. (M/41) dated 03/11/1423 AH.
- Article 142 of The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 (03/11/1423 AH).
- Article 163 of The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 (03/11/1423 AH).

Facts:

This is to consider the appeal submitted by / Institution ..., Commercial Registration No. (...), against the first instance Decision No. (CFR-2022-4639), issued by the 1st First Instance Customs Committee in Riyadh, which ruled as follows:



1-Conviction of the defendant/ Institution ..., Commercial Registration No. (/...), present for customs smuggling.

2- Obliging it to pay a customs fine equivalent to the value of (2) popcorn machines amounting to (3,436) three thousand four hundred and thirty-six riyals.

3- Obliging it to pay an amount equivalent to the value of the violating item, which is (2) popcorn machines, as a substitute for the confiscated amount of (3,436) three thousand four hundred and thirty-six riyals.

Since the appellant was notified of the Decision subject to the appeal on 06/06/2023, and submitted the appeal on 25/06/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established by Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment (popcorn machine) belonging to the importing institution through the King Abdulaziz Port customs under import declaration number (...).

On the date 14/01/1438 AH, it was granted based on a commitment not to act until it is approved by the competent authority, and after examining the sample by the laboratory, the report number (...) was received.

On the date 23/01/1438 AH, which included non-compliance in terms of tagging, guidelines, capacity, and current, the importer was addressed but did not respond. The first instance committee issued its decision as stated in its ruling, based on the fact that the importer violated the bond commitment taken regarding the shipment by acting on it before being permitted to do so, thus violating Article (56) of the Unified Customs Law, which constitutes customs smuggling according to Article (142) of the same law, and imposed its penalties against the appellant as stated in its decision.

Upon reviewing the objection list submitted by the appealing institution, the customs appeal committee found that its summary mentioned that the customs declaration in question was old, prior to the development of electronic reporting means. The institution dealt with a customs broker who did not inform it correctly about the summons and letters related to the customs declaration. The institution was notified of the case at one of the customs committees in Dammam, and then the case was transferred to Riyadh due to the COVID-19 pandemic. The institution did not miss any hearing attendance dates. Furthermore, in the hearing preceding the ruling, a fine of (1,000) one thousand riyals was imposed, and due to the plaintiff's request to verify the validity of the destruction documents, the ruling was postponed to the next hearing until the plaintiff confirmed the validity of these papers. The institution could not attend the ruling hearing. In addition, due to the long time that had passed since the date of the customs declaration and the sensitivity of the product in question, it was at risk of damage and breakage, as it had been moved to several warehouses and the employees responsible for storing the machines had changed. The institution retained the destroyed machines as proof of its responsiveness and compliance with the laws, maintaining its commercial reputation. The list concluded with a request to reconsider the ruling issued against the institution and to suffice with the destruction of the seven machines that had already been destroyed by the institution.

A response memorandum from the authority was received via the automated system of the secretariat dated 06/09/2023, which summarized that the customs declaration dates back to the year (1438 AH), and the



importer was notified to return the shipment that violated customs; however, he did not respond, which implies that he acted with the violating shipment and breached the bond commitment, which constitutes customs smuggling according to Article (142) of the Unified Customs Law and what Article (56) states in its paragraph (b) regarding considering the importer's action as customs smuggling. Moreover, ignorance of the law does not exempt the institution from responsibility, as the shipment was received in the name of the institution, and all commercial transactions were issued in its name. It was the one that authorized the customs broker and is responsible before customs. Therefore, the relationship between the institution and the customs broker is a contractual relationship in which the authority is not a party, and the concerned party has the right to refer to the broker or those they authorized to the competent judicial authorities. The institution's claim of its inability to appear before the first instance committee to present its defense during the judgment hearing has been proven, as the institution was duly notified by the secretariat through Hayad System; however, it did not attend, thus waiving its right to present a defense. Furthermore, the institution's lack of response to customs regarding the return of the shipment is evidence of its action with it and does not align with its claim of the sensitivity of the shipment in question, as if its claim were true, it would not have waited more than six years until the shipment was damaged, according to its claim. Additionally, the elements of the crime of customs smuggling are present in the case at hand due to the institution's action with the shipment, its breach of the commitment, and the introduction of goods whose entry into the country is restricted. The memorandum concluded with a request to reject the appeal submitted by the institution ... And support for the first instance Decision in all that it ruled.

On Thursday, June 13, 2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party regarding Decision number (CFR-2022-4639), issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a Decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the Grounds on which the appeal was based and the response of the authority to it.

Grounds:

Where the appellant seeks to have his appeal granted by relying solely on the destruction of the seven machines included in the shipment in question, without considering the remaining ones, and that the two machines that were not returned were due to their damage and breakage during their transfer over the past years from one warehouse to another, along with the change of the warehouse employees responsible for storing the machines. Their retention of the seven machines and their destruction is evidence of their compliance and adherence to the regulations. Furthermore, there is no blame on the reviewing authority for accepting the reasons for the decision under appeal without adding anything new, whenever it sees that these reasons suffice to negate the need for any new submissions. This is because its support of the decision, based on its reasons, indicates that it found no merit in the objections raised that warranted a response



beyond what those reasons contained. Since the appellant submitted with his appeal only a plea for mercy and compassion to exempt him from what the first instance decision ruled against him, without contesting the established facts upon which the decision was based in its reasons and its ruling, it is thus determined to uphold the first instance decision. Accordingly, the appellate committee concluded with the following report:

Decision:

- 1- Acceptance of the appeal in form, submitted by / Institution ..., Commercial Registration No. (...), against the first instance Decision No. (CSR-2022-4639) issued by the 1st First Instance Customs Committee in Riyadh.
- 2- In the subject, his rejection and the affirmation of the first instance Decision in all that it ruled, and that is for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR -2024-192832
Case No. PC-2022-124608

Keywords:

Customs - Constraints - Bond commitment - Lamps - Non-compliance with specifications - Electrical durability and moisture resistance - Conviction

Summary:

The importer is requesting the cancellation of the first instance decision No. (CFR-2022-2300), issued by the 1st First Instance Customs Committee in Riyadh, which convicted the importer in absentia of customs smuggling, and obligated them to pay a customs fine equivalent to the value of the contraband item, and to pay an amount equivalent to the value of the contraband item as a confiscation substitute. Where it was established for the Appeals Committee that it is evident from the documents attached to the case file that the importer was notified of the return of the shipment in question to customs, and that the defense of the statute of limitations regarding the crime of customs smuggling is rejected considering that the law has granted the customs prosecution a period of (15) years to pursue the facts related to the crime, and that the importer is not authorized to determine the extent to which the shipment is related to a procedural or technical violation, and that it is his duty to follow up on the matter of its approval. This means; the affirmation of the first instance Decision in all that it ruled.

Document:

- Article 142 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Article (163) of [the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (176) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (15) of [the rules for the work of Zakat, tax, and customs committees issued by Royal Order No. \(25711\) dated 08/04/1445 AH.](#)



Facts:

This is to consider the appeal submitted by/ ..., national ID number (...), in his capacity as an agent for/ ..., national ID number (...), based on the power of attorney number (...). On 13/03/1444 AH, issued by the electronic services of the Ministry of Justice, against the first instance Decision number (CFR-2022-2300), issued by the 1st First Instance Customs Committee in Riyadh, whose ruling is as follows:

1-Condemnation of the importer institution ..., commercial registration number (...). In person with customs smuggling.

2-To impose a customs fine equivalent to the value of the violating item in the amount of (45,291) forty-five thousand two hundred and ninety-one riyals.

3-Obligating it to pay an amount equivalent to the value of the violating item as a confiscation fee of (45,291) forty-five thousand two hundred and ninety-one riyals, making the total amount claimed (90,582) ninety thousand five hundred and eighty-two riyals.

Since the appellant was notified of the Decision subject to the appeal on 28/03/2023, and submitted the appeal on 26/04/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its execution according to what is stipulated in Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment (lamps) belonging to the importer through the customs of Jeddah Islamic Port, according to import declaration number (...). On the date 15/05/1438 AH, it was released based on a commitment not to act until it is approved by the competent authority, and upon examining the sample, the report number (...) was received. On the date of 23/02/2027, which included non-compliance in terms of tagging, guidelines, electrical durability testing, and moisture resistance, the importer was addressed but did not respond. The first instance committee issued its Decision as stated in its ruling, based on the fact that the importer did not review the customs or return the shipment to the customs area, which implies his actions. Consequently, it was decided to convict the importer of customs smuggling for his actions regarding the shipment, contrary to the commitment taken based on Article (142) of the Unified Customs law, and penalties were imposed on the importer as stated in the ruling subject to appeal.

Upon reviewing the objection list submitted by the agent of the importing institution, the appellate customs committee found that its summary mentioned that the Decision subject to appeal contains procedural defects, represented by the lack of signatures from some members on the first page of the Decision. Additionally, the Decision indicated the absence of a representative of the appellant, whereas it is correct that sessions were held to consider the case. The Decision also did not include all the facts and grounds of the case, and the appellant was unable to present her statements and defenses before the committee, which makes the committee's Decision subject to cancellation. Furthermore, the Decision was issued against the



institution ... While the institution was transformed into a company on 20/06/2022, the lawsuit was filed against a party without standing. It was also argued that the claim is time-barred since the commitment was made to the institution on 21/02/2017, and the appellant did not file the lawsuit until 25/04/2022, which is more than five years later, in violation of Article (176) of the Unified Customs law. The appellant's representative referred to the circumstances related to the loss of the shipment, which included changes in the warehouse and the theft of some goods by the institution's employees. The appellant's representative also mentioned that the importer did not receive any notification regarding the return of the shipment from customs. Additionally, it was argued that there was no criminal intent constituting the crime of customs smuggling, and that most of the observations in the laboratory results are merely procedural notes that do not rise to the level of conviction for customs smuggling. The petition concluded with a request to accept the objection in procedures and on merits, to overturn the first instance Decision subject to appeal, and to hold a hearing in person or remotely to provide further responses and clarifications.

A response memorandum from the authority was received via the Automated System of the Secretariat dated 04/06/2023, which summarized that the importer had been notified of the result through several correspondences, but he did not respond. The import declaration is prepared in the name of "Institution ...", and the commitment explicitly stated that the shipment should not be disposed of in any way until notified by customs of its clearance from the competent authority. Violating the commitment by disposing of the shipment is considered customs smuggling according to what is stipulated in Article (142) of the Unified Customs law. Additionally, the violation mentioned in the laboratory report is classified as a technical violation due to the fraud it entails against consumers. The statute of limitations for customs smuggling activities is (15) years. The memorandum concluded with a request to reject the appeal and uphold the first instance Decision in all its provisions.

The response from the importing institution was received on 30/07/2023 and did not deviate from what was presented in the statement of appeal. The response concluded with a request to accept the objection in procedures and on merits, to overturn the first instance Decision subject to the appeal, and to consider the appeal in a hearing and hold a session in person or remotely to provide further responses and clarifications. On Monday, July 8, 2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party regarding Decision (CFR-2022-2300), issued by the 1st First Instance Customs Committee in Riyadh, after the hearing was closed with the exchange of written notes between the parties to the case. This committee determines that what has been presented is sufficient based on what is stipulated in Article (15) of the Customs Committee's Rules of Procedure in order to form its conviction and make a Decision in light of the Grounds on which the appeal was based, the response of the authority to it, and the documents included in the case file.



Grounds:



Whereas, regarding the argument made by the appellant's agent about the lack of the defendant's status in relation to the importer, it is rejected, considering that what is required when verifying the existence of the defendant's status concerning the customs case is its connection to the person for whom the import declaration was prepared, as it is established through the documents that the import declaration was prepared in the name of the importing institution (Institution ...). The owner of this institution has the right to revert to any rights she sees fit against whoever has acquired the ownership of the imported institution in whole or in part. There is no blame on the reviewing authority for accepting the reasons for the decision subject to appeal without adding anything new, whenever it sees that these reasons suffice without the need to introduce anything new. This is because its support is based on its reasons, indicating that it found no merit in the objections raised against it that warrants a response beyond what those reasons contained. The customs procedure related to completing the entry of the shipment into the country requires the importer to observe the general duty imposed by the customs law regarding their dealings with the incoming shipment, which is manifested in complying with all that the customs law and other related regulations require for the clearance of the shipment. This necessitates that the importer does not act upon it in any way until it is approved and permission is granted for its handling. Therefore, the importer's violation of this duty by acting upon the shipment without regard for the permission for its entry into the country constitutes behavior contrary to that general duty, which is something that is known to them by necessity, and does not negate the validity of attributing the crime of customs smuggling to them. The claims raised regarding the lack of criminal intent and the act constituting the crime of customs smuggling should be disregarded. Furthermore, the result reached by the decision subject to appeal is not affected by the appellant's mention of the statute of limitations regarding the alleged customs smuggling crime, as this defense is rejected considering that the law has granted the customs prosecution a period of 15 years to pursue incidents related to the crime of customs smuggling, which is the case in the current lawsuit. As for the mention by the appellant's attorney that the importer did not receive any notification regarding the return of the shipment from customs, this is also rejected, as it is established from the documents attached to the case file that the importer was notified of the return of the disputed shipment to customs. Moreover, even assuming the validity of this defense, it does not exempt the importer from following up on the clearance of the shipment, as this follow-up represents the usual diligence and care of a trader in managing their business affairs. Regarding the claim that the observations in the laboratory results concerning the shipment are merely procedural observations that do not rise to the level of a conviction for customs smuggling, this is also rejected, as the importer is not authorized to determine the extent to which the shipment is related to a procedural or technical violation, and it is their duty to follow up on its approval without positioning themselves as judges by deciding to act upon it without regard for its approval status. Their failure to fulfill this duty results in their responsibility and consequences. As for the claim that the



decision subject to appeal contains a procedural defect due to the lack of signatures from some members on the first page of the decision, while this claim is based on a correct observation, the absence of signatures is merely an incidental oversight that is not significant and does not affect the validity of the decision, which can only be invalidated when it does not include the signature on the page concluding the decision that clarifies what is stated in its text. Therefore, the appellate committee concluded to report the following: it is amended as will be stated in the text of this decision, and since this observation does not affect the result reached by this decision regarding the submitted appeal, the appellate committee concluded to report the following:

Decision:

- 1- Acceptance of the appeal in form, submitted by / Institution ..., Commercial Registration No. (...), against the first instance Decision No. (CFR-2022-2300) issued by the 1st First Instance Customs Committee in Riyadh.
- 2- In the subject of his rejection, and the support of the first instance Decision in all that it ruled, for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR -2024-181735
Case No. PC-2022-123363

Keywords:

Customs - Constraints - Bond commitment - DVD player - Non-compliance with specifications - Mechanical durability and fire resistance - Conviction

Summary:

The importer is required to cancel the first instance decision No. (CFR-2022-1519), issued by the 1st First Instance Customs Committee in Riyadh, which convicted the importer in absentia of customs smuggling, and obligated him to pay a customs fine equivalent to the value of the contraband item, and to pay an amount equivalent to the value of the contraband item as a confiscation substitute. Since it has been established to the appellate committee that the laboratory report pertains only to the item (sienna 9portabledvdplayer) and not to any other items included in the shipment, the crime of customs smuggling attributed to the importer is limited to what is stated in the laboratory report, without including the rest of the shipment. The value of that contraband item not approved by the laboratory is an amount of (18,300) US dollars. Therefore, the first instance decision is upheld regarding the conviction for customs smuggling, limiting the violation to the item specified in the laboratory report, and ruling him to pay the confiscation substitute for that item and calculating the customs fine based on the value of the contraband item.

Document:

- Article (56) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (142) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)



Facts:



This is to consider the appeal submitted by/ ..., national ID number (...), in her capacity as an agent for/ ..., national ID number (...) As the owner of the institution ..., commercial registration number (...), under agency number (...). On the date 29/06/1444 AH, issued by the notary ... the notary public in the notary office in South Jeddah, against the first instance Decision number (CFR-2022-1519), issued by the 1st First Instance Customs Committee in Riyadh, whose ruling states the following:

1-Condemnation of the importer (Institution ...) Commercial register number (...), present at customs smuggling,

2-Obligating him to a customs fine equivalent to the value of the violating item, an amount of (141,750) one hundred and forty-one thousand seven hundred and fifty riyals.

3-Obligating him to pay an amount equivalent to the value of the violating item as a confiscation fee of (141,750) one hundred and forty-one thousand seven hundred and fifty riyals, making the total amount claimed an amount of (283,500) two hundred and eighty-three thousand five hundred riyals.

Since the appellant was notified of the Decision subject to the appeal on 07/02/2023, and submitted the appeal on 02/03/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its execution as stipulated in Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment (DVD player) belonging to the importer through the Islamic Port of Jeddah customs according to import declaration number (...). On the date 23/08/1432 AH, it was granted based on a commitment not to act until its approval from the competent authority, and after examining the sample by the laboratory, the report was received with report number (...). On 21/08/2011, it was noted that there was non-compliance in terms of mechanical strength and fire resistance. The importer was contacted, but did not respond. The first instance committee issued its Decision based on the fact that the importer acted on the shipment before obtaining the necessary clearance from the competent authority, thus violating the commitment made under Article (56) of the Unified Customs law, which constitutes customs smuggling according to Article (142) of the same law, and imposed penalties on the importer as stated in its Decision.

Upon reviewing the objection list submitted by the representative of the appellant institution, the customs appellate committee found that its summary mentioned that there is no letter or lawsuit from the public prosecution in accordance with the Decision to transfer the jurisdiction of investigation and prosecution in customs cases from customs to the public prosecution since the year 1440 AH. The absence of a letter to initiate the lawsuit from the prosecution deprived the importer of the opportunity for exemption from the customs fine based on the royal pardon numbered (61700) dated 01/10/1443 AH, as the case was raised before the issuance of the royal order and thus is included in the exemption. Additionally, there is no record of seizure from the customs commitments department, and the laboratory result did not appear until after



(21) days, contrary to what was stipulated in the royal decree number (M/3) dated 28/02/1423 AH, which required the result to be shown within (3-15) days. Furthermore, the case file lacks the original commitment, and the customs committee included the item (car screens) in the violation despite the fact that the laboratory did not test it. The committee also considered the violation technical and based the conviction of the importer on suspicion and conjecture, as the laboratory is the one that determines whether the violation is technical or procedural. Additionally, the laboratory report pertains to only one item of the shipment and not others. The list concluded with a request to cancel the first instance Decision in all that it ruled against the institution regarding the conviction of customs smuggling and the resulting penalties, and to dismiss the lawsuit after overturning the Decision for not being drafted in the required form and limiting the violation to the tested model without others, in case the violation is considered technical, and not to consider the item (Optima) as one of the violating items for not being subjected to testing, and to exclude the item (car screens) from the value of (DVD player) for not being tested and to present the original commitment taken from the violating institution as procedural.

A response memorandum from the authority was received through the Automated System of the Secretariat dated 11/05/2023, which summarized that the appellant filed an appeal against the first instance Decision after the objection period had expired according to Article (163) of the Unified Customs law, which necessitates the rejection of the case in form. Furthermore, the case was initiated by a written letter from the governor of the authority based on Article (150) of the Unified Customs law, dated of the customs declaration subject to the case was issued on 21/09/1432 AH, which was before the transfer of the jurisdiction of prosecution and investigation in customs cases from customs to the public prosecution according to Royal Order No. (30174) dated 02/06/1440 AH, effective from 02/09/1440 AH. Therefore, the case falls under the authority's jurisdiction. Additionally, the commitment is attached and present in the case file, and the importer violated it by acting on the shipment subject to the violation before obtaining clearance from the competent authority. He was notified by customs to return the shipment without responding, thus violating Article (56) of the Unified Customs law. According to the laboratory results indicating that the shipment did not meet Saudi specifications, the violation is considered technical as it affects the quality of the product and has negative implications for the health and safety of consumers and their financial resources. Moreover, the authority conducts testing through the laboratory on random samples from the shipment and requires the importer to refrain from acting on the shipment until it is cleared by the competent authority. Based on the laboratory results, which indicated that some samples did not pass, the importer was therefore addressed to return the shipment to customs according to the commitment taken from him, and he did not respond, thus violating Article (56) of the Unified Customs law, which constitutes his action as customs smuggling according to Article (142) of the same law. Additionally, the date of receiving the samples, the date of their fees, dated of issuing the report occurred after (14) days. Therefore, all actions taken by the authority are in accordance with the law, in addition to the presence of the elements of the crime of customs smuggling against the importer for acting on the shipment subject to the case, breaching



the commitment taken from him, and introducing goods whose entry into the country is restricted. The memorandum concluded with a request to reject the appeal submitted by the institution ... And support for the first instance Decision in all that it ruled.

On Sunday, May 5, 2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party regarding Decision number (CFR-2022-1519), issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a Decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the Grounds on which the appeal was based and the response of the authority to it.

Grounds:

And since there is no blame on the reviewing party of the appeal to take the Grounds for the Decision subject to the appeal without addition whenever it sees that these Grounds suffice to avoid presenting anything new, because in its support, based on its Grounds, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those Grounds contained, and this is not affected by what the appellant argued that the jurisdiction to initiate the lawsuit is with the Public Prosecution and not with Customs, as stated in the coordination record for transferring jurisdiction dated 11/08/1440 AH, which stipulates in its thirteenth item that: "The transfer of jurisdiction in crimes and the rules contained in this record shall commence from the date:" The work of transferring jurisdiction in the crimes and rules stated in this report begins as of the date: 02/09/1440 AH, as for the crimes that occurred before this date, they are handled by the General Authority for Customs. This was how the Authority dealt with the incident related to the shipment in question. As for the appellant's argument regarding the absence of a seizure report for the violation, it is rejected; considering that a seizure report is required to be prepared upon discovering the violation or smuggling crime when preparing the import declaration and submitting it to complete the shipment's procedures. Such an argument does not negate the established fact of the importer's action regarding the shipment by not returning the violating item after being notified by customs. As for the appellant's claim that the original commitment not to dispose of the shipment, which is not included in the case file, must be presented, it is also rejected; as such an argument does not negate the importer's knowledge that the shipment cannot be disposed of except after its approval and clearance, which is the case for imported shipments intended to be brought into the country and are subject to sampling sent to the laboratory for examination according to clearance procedures. Especially since the violation of the commitment is not the customs crime for which the importer is held accountable, as the commitment is merely a reminder to the importer that clearance has not been completed and that it is still considered to be within the customs circle. It is established from the documents that the laboratory report pertains to the item (sienna 9 portable DVD player) and not to any other items included in the shipment. Therefore, the customs smuggling crime attributed to the importer is limited to what is stated in the



laboratory report without including the rest of the shipment. It is established from the documents that the value of that violating item not approved by the laboratory is an amount of (18,300) US dollars, which necessitates calculating the amount of confiscation and customs fine based on the value of the item, as stated in the text of this Decision. The result reached by the appellate committee is not affected by the appellant's claim that there should be no conviction unless it is free from the suspicion of possibility by claiming that the violation is a procedural violation, as this is rejected. Considering that the importer is not authorized to determine the extent to which the shipment is related to a procedural or technical violation, and that it is his duty to follow up on its approval without considering himself a judge by declaring its disposal without regard to its approval or not. His failure to fulfill this duty results in him bearing his responsibility and consequences. Since the Grounds for the Decision under appeal are sufficient to support its ruling regarding the conviction of the importer for customs smuggling, it is necessary to state that the defenses presented do not affect the outcome of the Decision in this regard, with the adjustment of the amount of confiscation and customs fine as achieved. Therefore, the appellate committee concluded to report the following:

Decision:

- 1- Acceptance of the appeal in form, submitted by / Institution ..., Commercial Registration No. (...), against the first instance Decision No. (CFR-2022-1519) issued by the 1st First Instance Customs Committee in Riyadh.
- 2- In the subject of his rejection, and the affirmation of the first instance Decision regarding the conviction for customs smuggling, and limiting the violation to the item (SIENNA) (DVD PLAYED-9COLORTFTLCD9) specified in the laboratory report without regard to the rest of the shipment's contents, and ruling him to pay the confiscation fee for that item and calculating the customs fine based on the value of the violating item, the total amount claimed becomes (36,600) thirty-six thousand six hundred US dollars, for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR -2024-202354
Case No. AC -2022-102039

Keywords:

Customs - Constraints - Bond Commitment - Nail Polish - Non-compliance with specifications - Toxic Metals
- Conviction

Summary:

The request of the Zakat, Tax and Customs Authority to cancel the first instance decision No. (CTR-2023-102039), issued by the Third First Instance Customs Committee in Riyadh, which ruled not to convict the importer in person for customs smuggling and to impose a fine for violating customs procedures. And since the appellate committee has established that the shipment exceeded the permissible limit in terms of estimating toxic metals, and the importer did not prove the return of the shipment after being addressed, it can be concluded that the importer's action regarding the shipment is in violation of the commitment. This means; the annulment of the first instance decision and the conviction of the importer for customs smuggling, obliging him to pay a confiscation fee for the contraband shipment and a customs fine equivalent to the value of the shipment.

Document:

- Article (56) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (142) of [the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (30/1) of [the Executive Regulations of the Customs law issued by Ministerial Decision No. \(2748\) dated 25/11/1423 AH.](#)



Facts:

This is to consider the appeal submitted by the General Authority for Zakat and Tax against the first instance Decision No. (CTR-2023-102039), issued by the Third First Instance Customs Committee in Riyadh, which ruled as follows:

1-Non-conviction/ ..., commercial registration number (...) In person for customs smuggling, due to insufficient evidence.

2-Obliging it to pay a fine for violating customs procedures in the amount of (5,000) five thousand riyals, in accordance with Article (30/1) of the executive regulations of the unified customs law.

Since the appellant was notified of the Decision subject to the appeal on 08/06/2023, and submitted the appeal on 22/06/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment consisting of (nail polish) belonging to the importer through the customs of Jeddah Islamic Port, under import declaration number (...).

On the date 28/09/1433 AH, it was granted under a commitment not to dispose of it until it is approved by the competent authority, and upon presenting the sample to the laboratory, the response was received in report number (...) On 15/09/2012, which included its non-compliance regarding the assessment of toxic metals, the First Instance Committee issued its Decision as stated in its ruling based on the fact that the notice sent to the importer was not sent to his registered postal address on the bond commitment according to what was stated in paragraphs 1 and 4, which is an obligation of customs to inform him of the results. However, it was not proven to the First Instance Committee that he was properly notified, considering that it is an obligation between the two parties that customs must inform the result and the importer must not act until he is informed of the result. Furthermore, rulings are based on certainty and conviction, not on doubt, suspicion, and conjecture. The authority did not prove that he was properly notified of those results in a manner that is beyond doubt, which leads the committee to conclude that there is insufficient evidence to convict the defendant of customs smuggling as described in Articles (56) and (142) of the Unified Customs law, and to consider the incident a customs violation according to Article (141) of the same law and to fine him in accordance with the nature of the violation and the value of the violating item according to Article (30/1) of its executive regulations.

Upon reviewing the statement of appeal submitted by the authority, the customs appellate committee found that its summary mentioned that the obligation not to dispose of the shipment except after notifying the importer of its clearance from the competent authority is a fundamental obligation on the defendant under the first paragraph of the commitment submitted by him, attached on page nine of the case file. Therefore, even if he was not properly notified, he is obligated under the commitment taken upon him not to dispose of the shipment except after notification, and this does not negate the proof of his violation of the commitment. Additionally, the laboratory results indicated that the violation is technical, affecting the



quality of the product and posing a risk to consumer health and safety. However, the shipment consists of prohibited goods that are banned from entering the Kingdom according to Article (24) of the Customs Law. Furthermore, disposing of the cleared shipment under the commitment is considered customs smuggling according to Article (142). The list concluded with a request to accept the appeal in form, convict the defendant of customs smuggling, impose a customs fine equivalent to three times the value of the goods, and obligate her to pay an amount equivalent to the value of the goods as a confiscation substitute. The respondent was requested to respond to the appeal submitted against him on 22/06/2023, and he was given a period of (45) days, but he did not submit the required response.

On Wednesday, December 27, 2023, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against Decision No. (CTR-2023-102039), issued by the Third First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a Decision in its current state after the committee was informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the Grounds on which the appeal was based and the behavior of the importer against whom the appeal was made, who refrained from responding to the appeal submitted by the authority after being given a period of 45 days to submit his response and exercise his right to defense, and his failure to do so until the date of this session.

Grounds:

It was established that a shipment of (nail polish) belonging to the importer arrived through the Islamic Port of Jeddah customs, under import declaration number (...). On the date 28/09/1433 AH, it was granted under a commitment not to dispose of it until it is approved by the competent authority, and upon presenting the sample to the laboratory, the response was received in report number (...). On 15/09/2012, it was noted that it did not comply with the permissible limit regarding the estimation of toxic metals. Since it was decided regarding the importer to follow up on the shipment that was subjected to laboratory testing and to know any importer of the procedures for clearing shipments and what that requires from the laboratory's permission to approve it, especially since the commitment taken from the importer regarding the shipment explicitly stated the importer's acknowledgment and knowledge that it is not permissible to dispose of the shipment except after it is approved by the competent authority, and that disposing of it contrary to that is considered customs smuggling. This was the case with the importer, and this result is not affected by what the First Instance Committee mentioned in its decision about the lack of evidence that the importer was notified of the laboratory result, because assuming that this occurred does not contradict the established principle that the importer must not dispose of the shipment except after it is approved by the competent authority. Since the importer did not prove the re-export of the shipment after being addressed about it through the customs broker, this leads to the conclusion that the importer disposed of the shipment while it was loaded with the violation reported by the laboratory report, which confirmed the validity and safety



of the consumer. Therefore, it is decided that the importer's action constitutes a crime of customs smuggling according to what is stated in Article (142) of the Unified Customs law, and thus the penalties resulting from that, including a customs fine and confiscation compensation, will be imposed as will be stated in the text of this decision according to the provisions of Article (145/2) of the Unified Customs law. Accordingly, the appellate committee concluded to report the following:

Decision:

First: Acceptance of the appeal in form from the appellant / the Zakat, Tax and Customs Authority, against the first instance Decision No. (CTR-2023-102039), issued by the 1st First Instance Customs Committee in Riyadh.

Second: In the subject of his acceptance, and the annulment of the appealed first instance Decision, and the ruling as follows:

1- Condemnation of the importer/ ..., commercial registration number (...), owned by/ ..., national ID number (...), for customs smuggling.

2- He is obliged to pay a confiscation fee for the violating shipment (nail polish) in the amount of (56,612) fifty-six thousand six hundred and twelve riyals, and a customs fine equivalent to the value of the shipment in the amount of (56,612) fifty-six thousand six hundred and twelve riyals, making the total amount demanded from the importer (113,224) one hundred and thirteen thousand two hundred and twenty-four riyals, for the Grounds and justifications stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR -2023-205570
Case No. PC -2023-202671

Keywords:

Customs - Constraints - Bond Commitment - Fans - Non-compliance with specifications - Electrical resistance - Conviction

Summary:

The importer's request to cancel the first instance decision issued by the 1st customs committee in Riyadh No. (CFR-2023-202671) which ruled against accepting the request for reconsideration. Where it has been established to the appellate committee that the defenses raised in his appeal against the decision rejecting his submitted request are merely a substantive debate related to the dispute of the importer's attorney regarding notifying the importer of the laboratory result, as well as his dispute regarding the non-receipt of any letter for the purpose of returning the shipment based on the decision's result. This means; to uphold the first instance decision as ruled.

Document:

- Article (163) [The Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (200) of [the Judicial Procedures law issued by Royal Decree No. \(M/1\) dated 22/01/1435 AH.](#)
- Article (201) of [the Judicial Procedures law issued by Royal Decree No. \(M/1\) dated 22/01/1435 AH.](#)
- Article (204) of [the Judicial Procedures law issued by Royal Decree No. \(M/1\) dated 22/01/1435 AH.](#)
- Article (205) of [the Judicial Procedures law issued by Royal Decree No. \(M/1\) dated 22/01/1435 AH.](#)
- Article (206) of [the Judicial Procedures law issued by Royal Decree No. \(M/1\) dated 22/01/1435 AH.](#)

Facts:

This is to consider the appeal submitted by/ ..., national ID number (...), in his capacity as an agent for/ ..., national ID number (...). Owner of the Institution ..., Commercial Registration Number (...) According to agency number (...) dated 13/05/1442 AH issued by the Notary Public in Hafr Al-Batin, to object to the first



instance decision issued by the 1st customs committee in Riyadh No. (CFR-2023-202671) which ruled not to accept the request for reconsideration as explained in the reasons.

Since the appellant was notified of the Decision subject to the appeal on 17/08/2023, and submitted the appeal against the Decision on 12/09/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its conduct according to what is stipulated in Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment consisting of (fans, compressor charger, welding machine, cable) belonging to the importer through the Al-Batha customs under import declaration number (...). The date is 03/05/1437 AH and the value of the items disposed of amounted to (96,141) riyals, which were released based on a commitment not to dispose of them until they are approved by the competent authority, and upon examining the sample by the laboratory, the report number (...) was received. On 10/05/1437 AH and reports number (...) and the number (...) On 09/05/1437 AH in addition to reports number (...) and the number (...) and the number (...) On 08/05/1437 AH, including the non-compliance of the samples with the specifications regarding the electrical resistance of the conductor, composition and dimensions, labeling and instructions, stability and mechanical hazards, the first customs committee in Riyadh issued its decision No. (2017/1) for the year 1443 AH, convicting the importer in absentia of customs smuggling and obliging him to the associated penalties as detailed in the facts and reasons for the decision referred to in order to avoid repetition. On 06/07/2023 AD, the agency of the institution submitted a petition for reconsideration of the first instance decision, and the petition was registered with the 1st First Instance Customs Committee in Riyadh, which issued its decision No. (CFR-2023-202671) ruling not to accept the petition for reconsideration based on the fact that the decision subject to the petition was issued in absentia and that the case does not fall under any of the legal conditions that would allow for reconsideration of the case according to the provisions of articles (200) and (201) of the Sharia litigation law, and articles (204), (205), (206) of the criminal procedure law and its executive regulations.

Upon reviewing the objection list submitted by the attorney, the appellate customs committee found that its summary mentioned that the appealed decision was based on the non-application of any of the cases stipulated in Article (200) of the Sharia Litigation law, while the reality is that the judgment was issued in absentia against the importer, which is one of the cases stipulated in that article. Therefore, it is necessary to accept the defenses of the importer, which are summarized in that his client only signed the original commitment, and what is in the case file is merely a copy that his client does not recognize and shows signs of forgery in the declaration number and date in a different handwriting and unmeasured. Moreover, the plaintiff did not provide any evidence proving the importer's knowledge of the laboratory result or any evidence notifying him by any letter regarding the return of the shipment, as the burden of proof lies with them since these documents were issued by them. The list concluded with a request to accept the appeal in



procedures and on merits, to annul the decision subject to the appeal, and to rule that the importer is not guilty of customs smuggling.

On 07/11/2023, the authority submitted its response memorandum to the appeal, which included a summary stating that the Bond Commitment not to act was signed by the owner of the institution, stamped, and certified by the Ahsa Chamber of Commerce. The claim that the Bond Commitment was forged is nothing but unfounded talk that cannot be relied upon. The incident contains both the material and moral elements of the crime of customs smuggling, as the institution acted on the shipment, violated the Bond Commitment, and imported goods whose entry into the country is restricted. The memorandum concluded with a request to reject the submitted appeal and uphold the first instance decision.

On Monday, December 04, 2023, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted against the first instance Decision No. (CSR-2023-202671) issued by the Second First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the Appeals Committee decided that the documents presented and the contents of the case file were sufficient to form its conviction and to rule on the matter in light of the Grounds on which the appeal was based.

Grounds:



Since there is no reproach against the reviewing authority for taking the reasons of the decision subject to the appeal without addition whenever it sees that these reasons suffice to omit any new ones, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. This is not affected by what the appellant mentions in his statement that the first instance decision No. (2017/1) for the year 1443 AH was issued in absentia against the importer, as it is established from the documents that the decision was issued in his presence, which is confirmed by the facts of the decision that recorded his presence as a representative of the importer in the hearing held before the 1st first instance committee on 17/02/2022, where he was asked by the committee about the fate of the goods, and he requested a deadline ending on 03/03/2022, then he submitted his response memorandum, and the committee decided to close the door of pleading in preparation for issuing the decision. The defenses he raises in his appeal against the decision issued rejecting the petition submitted by him are merely substantive arguments related to the dispute of the importer's attorney regarding notifying the importer of the laboratory result and also his dispute regarding the non-receipt of any letter for the purpose of re-sending the shipment. Since the reasons for the decision subject to the appeal are sufficient to support its ruling, it is necessary to determine that the defenses presented do not affect the outcome of the decision, which makes the appeal unsupported and thus must be rejected. Accordingly, the appellate customs committee concluded to report the following:



Decision:

1- Acceptance of the appeal in form from the applicant/ institution ..., commercial registration number (...), owned by/ ..., national ID number (...), against the first instance Decision number (CFR-2023-202671), issued by the 1st First Instance Customs Committee in Riyadh.

2- In the subject, his rejection and the affirmation of the first instance Decision in all that it ruled, and that is for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No.	CR -2024-171058
Case No.	PC -2022-126229

Keywords:

Customs - Constraints - Bond Commitment - Gypsum Boards - Non-compliance with specifications - Conviction

Summary:

The importer's request to cancel the first instance decision No. (3640/1) for the year 1442 AH, issued by the 1st First Instance Customs Committee in Riyadh, which ruled not to accept the request for reconsideration. And where it was established for the appellate committee that the appellant's obtaining a letter of clearance for the shipment from the General Authority for Standards and Metrology does not contradict the basis on which the decision to reject the petition was made. This means; the affirmation of the first instance Decision in all that it ruled.

Document:

- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (200) of [the Judicial Procedures law issued by Royal Decree No. \(M/1\) dated 22/01/1435 AH.](#)
- Article (201) of [the Judicial Procedures law issued by Royal Decree No. \(M/1\) dated 22/01/1435 AH.](#)

Facts:

This is to consider the appeal submitted by/ ..., national ID number (...), in his capacity as an agent for/ ..., national ID number (...), in his capacity as the manager of the company in ..., commercial registration number (...), under the agency number (...). On the date 22/03/1439 AH, issued by the Notary Public in the northern province of Jeddah, against the first instance decision No. (3640/1) for the year 1442 AH, issued by the 1st First Instance Customs Committee in Riyadh, which ruled that the request for reconsideration regarding the appeal against the decision of the First Instance Customs Committee in Jeddah No. (721) for the year 1441 AH submitted by ... Commercial Register No. (...) Commercial Register No. (...) In case number (1548) for the year 1440 AH, as explained in the reasons.

Since the appellant was notified of the Decision subject to the appeal on 29/10/2021, and submitted the appeal on 26/11/2021, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its execution according to what is stipulated in Article (163) of the Unified Customs law.



As for the facts of the case, they are summarized by the arrival of a shipment (hotel supplies) through the customs of Jeddah Islamic Port under import declaration number (...). On the date 11/02/1437 AH, it was allowed under a commitment not to act until it is approved by the competent authority, and after presenting the sample to the laboratory, the response was received in report number (...). On the date 02/05/1437 AH, including non-compliance, the decision of the Jeddah Customs Committee No. (721) for the year 1441 AH was issued in person, convicting the company ... and obliging it to pay a customs fine and confiscation fee. On 23/03/1442 AH, the legal representative ... submitted a national ID number (...) under agency number (...), requesting a reconsideration of the decision issued by the 1st instance committee. The request included that the shipment was cleared by the General Authority for Standards and Metrology and the General Authority for Customs under total clearance number (...). On the date 11/02/1437 AH, the first instance committee issued its decision as stated in its ruling, based on the fact that the objection in the form of a petition for reconsideration targets rulings that have acquired finality and authority. Article (200) of the Procedural Law states in paragraph (b) that "if the petitioner after the ruling has documents that are decisive in the case that he could not present before the ruling," and this does not apply to what the representative of the defendant mentioned. The decision was issued in person by the 1st First Instance Customs Committee No. (721) for the year 1441 AH, and the legal representative of the company was present, according to the hearing minutes, which indicated that the company acted with the entire shipment by mistake. The letter from the General Authority for Standards and Metrology was issued on a date prior to the hearing, on 21/07/1441 AH, even after the decision was issued in person and received on 27/12/1441 AH. The defendant did not file an appeal within the legal period without any justification. After the period expired on 23/03/1442 AH, it submitted its request for a petition for reconsideration, claiming the emergence of new documents. According to what has been presented, the legal text of the article does not apply to this case, as stated in Article (201) of the Procedural Law. It is concluded that the conviction of the company ... has become final and enforceable after the expiration of the legal period for appealing the decision.

Upon reviewing the statement of appeal submitted by the company's attorney, the appellate customs committee found that its summary indicated that a release letter for the shipment had been obtained from the General Authority for Standards and Metrology and the General Administration of Customs Constraints and Tariffs. The statement of appeal concluded with a request to open the floor for pleading and to reconsider the case.

A response memorandum from the authority was received through the automated system of the secretariat dated 12/03/2023, summarizing that the request for the petition did not include any of the cases mentioned in Article (200) of the Judicial Procedures law. The memorandum concluded with a request to reject the petition submitted by the company ... In form, the authority reserves the right to provide further responses and clarifications before closing the door to the pleadings.

On Wednesday, December 20, 2023, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against decision No. (3640/1) for the year 1442 AH, issued by



the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in its current state after the committee was informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based and the response of the authority to it.

Grounds:

Since there is no reproach against the reviewing authority for taking the reasons of the decision subject to the appeal without adding anything whenever it sees that these reasons are sufficient to negate the need for any new arguments, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. The mention by the appellant in his statement of having obtained a letter of clearance for the shipment from the General Authority for Standards and Metrology, as well as the clearance of the shipment from the General Administration of Customs and Tariffs, does not contradict the basis on which the decision to reject the petition was made, as he had previously raised these defenses and they were discussed by the 1st instance committee. Since the reasons for the decision subject to the appeal are sufficient to support its ruling, it is necessary to conclude that the defenses presented do not affect the outcome of the decision, which makes the appeal unsupported and necessitates its rejection. Therefore, the committee concluded to report the following:

Decision:

1- Acceptance of the appeal in form from the applicant/ Company ..., Commercial Registration No. (...), against the first instance decision No. (3640/1) for the year 1442 AH, issued by the 1st First Instance Customs Committee in Riyadh regarding the request for reconsideration of the decision of the First Instance Customs Committee in Jeddah No. (721) for the year 1441 AH.

2- In the subject, his rejection and the affirmation of the first instance Decision in all that it ruled, and that is for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-198607
Case No. AC-2022-101101

Keywords:

Customs - Constraints - Bond Commitment - Heater - Non-compliance with specifications - Labeling and Instructions - Conviction

Summary:

The importer is requesting the cancellation of the first instance decision No. (CTR-2023-101101), issued by the Third First Instance Customs Committee in Riyadh, which ruled not to convict in person for customs smuggling, and to impose a customs fine. Where it was established for the appellate committee that the violation was linked to the importer's action with the violating shipment contrary to the commitment taken regarding it, without it rising to the level of being considered customs smuggling. Moreover, it is not necessary for the evidence relied upon in the conviction decision for smuggling or customs violation against the importer to be based on the exclusivity of each piece of evidence in every detail of the case, given that the original premise in proving those facts is that the evidence should be supportive and complement each other. This means; to uphold the first instance decision as ruled.

Document:

- Article (141) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (142) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (144) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (30/1) of [the Executive Regulations of the Customs law issued by Ministerial Decision No. \(2748\) dated 25/11/1423 AH.](#)



- Article (31/6) of [the executive regulations of the customs law issued by Ministerial Decision No. \(2748\) dated 25/11/1423 AH.](#)

Facts:



This is to consider the appeal submitted by/..., national ID number (...). As the owner/entity ..., commercial registration number (...), against the first instance Decision number (CTR-2023-101101), issued by the third First Instance Customs Committee in Riyadh, ruling as follows:

1-Non-conviction / Institution ..., Commercial Registration No. (...), present for customs smuggling.

2-Obligating it to pay a customs fine in the amount of (5,000) five thousand riyals, in accordance with Article (30/1) of the executive regulations of the unified customs law.

Since the appellant was notified of the Decision subject to the appeal on 09/05/2023, and submitted the appeal on 26/05/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its execution as stipulated in Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment (water heater) through the Al-Batha customs, according to import declaration number (...). On the date 13/09/1436 AH, it was granted under a commitment not to act until the result of the competent authority appears, and upon examining the sample, the response included in report number (.../...) was received. On the date 19/09/1436 AH, which included its non-compliance in terms of labeling and guidelines, the importer was notified of the result through several correspondences, but he did not respond. The First Instance Committee issued its Decision as stated in its ruling, based on the fact that the violation related to the shipment in question is limited to labeling and guidelines, and in this description, it is considered a procedural violation that is not substantive and does not relate to the quality and specifications of the product. Therefore, it is determined that the incident is a customs violation that does not rise to the level of being considered customs smuggling, based on what is stated in Article 141 of the Unified Customs law.

Upon reviewing the objection list submitted by the owner of the institution, the customs appeal committee found that its summary mentioned that he had authorized a customs clearance office to import goods and clear them customs-wise and bring them into the country legally according to the applicable customs regulations, provided that he supplies them with a mandate from him and all the required documents for importation, and this is what happened. However, he did not implement what was agreed upon, and therefore, it is requested to verify the validity of the commitment as it is a copy and not the original. Moreover, what the First Instance Committee relied on in its Decision to convict him of customs smuggling according to Article 142 of the Unified Customs law does not apply to the incident in question because the



office he authorized did not introduce or attempt to introduce the goods in violation of the applicable legislation. The evidence is that the goods passed through customs in a regular manner and with import data, and they were released with a commitment not to dispose of them until their release was approved by the competent authority. This action can be considered a violation punishable by law without elevating the incident to the level of describing it as a customs smuggling crime. Additionally, the Decision contradicted what was stipulated in Article 144 of the same law, and the list concluded with a request to accept the objection to the Decision under appeal in its entirety.

A response memo from the authority was received via the Automated System of the Secretariat dated 01/08/2023, which summarized that the importer had been notified to return the shipment to customs, but he did not respond, which implies that his actions regarding the shipment are contrary to the commitment made by him, especially since his actions have many negative effects on consumers. The owner of the institution claims that he agreed with the customs broker and that he did not implement what was agreed upon and imported in the name of the institution without referring to him. However, the shipment was received in the name of the institution, which is responsible before customs since the customs declaration is in its name, and the relationship between the broker and the institution is a contractual one in which the authority is not a party. The concerned party can refer to the broker or those who authorized them to the competent judicial authorities. Regarding his claim that the committee did not correctly classify the incident, the institution violated the commitment made to act regarding the shipment without notifying customs. It also did not review customs to settle the commitment, as it is still in effect and has not been settled. Moreover, customs smuggling crimes are intentional crimes that require the existence of both their material and moral elements, which were present in the incident subject to the lawsuit. The memorandum concluded with a request to reject the appeal and uphold the first instance Decision in all its provisions.

On Wednesday, December 20, 2023, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party regarding Decision (CTR-2023-101101), issued by the Third First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, as well as the authority's response to it, the committee found that the case was ready for a Decision in its current state after the committee was informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the Grounds on which the appeal was based and the authority's response to it.

Grounds:

Since there is no reproach against the reviewing authority for taking the reasons of the decision subject to the appeal without addition whenever it sees that these reasons suffice to omit any new ones, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained, considering that the appellant opposes his



conviction for customs smuggling, which is an incorrect perception of what the first instance decision concluded, which ruled that he was not convicted of customs smuggling and imposed a penalty for violating customs procedures against him as stated in the text of the first instance decision. Since the reasons for the decision subject to the appeal are sufficient to support its ruling, it is necessary to determine that the defenses presented do not affect the outcome of the decision, which makes the appeal without a supporting basis, necessitating its rejection. However, the appellate committee noted that the First Instance Committee had classified the violation among those violations to which the penalty mentioned in paragraph (30/1) of the executive regulations of the unified customs law applies and ruled to impose a penalty on the importing institution for the committed violation amounting to (5,000) five thousand riyals, while the ruling of that paragraph limited the application of the penalty to violations related to customs data that would lead to the disposal of any condition or restriction related to import or export, which was not the case in the matter under consideration, as the violation was linked to the importer's action regarding the violating shipment contrary to the commitment taken regarding it without rising to the level of being considered customs smuggling. Therefore, it is decided to amend the amount of the fine to be (1,000) one thousand riyals, in accordance with what was stipulated in Article (31/6) of the executive regulations of the unified customs law, as this is consistent with the correct application of the law to the matter under consideration as previously stated. This is not affected by what the appellant claims regarding the existence of a relationship between him and the customs broker that resulted in harm to him in terms of not executing what was agreed upon between them regarding the shipment in question, as customs is not concerned with applying the customs law regarding the relationship between the importer and the customs broker, and the appellant is free to claim from whoever he alleges has caused him harm. Moreover, the appellant's claim that the commitment is invalid and his inference that it is forged and that it is a copy and not the original does not help in proving the fact attributed to him, as it is rejected, considering that it is relied upon in criminal matters - which customs smuggling violations are among - that it is not necessary to adhere to specific methods of proof, and it is also not essential that the evidence relied upon for the conviction of customs smuggling or attributing the customs violation to the importer is based on the exclusivity of each piece of evidence in every detail of the case, considering that the original in those facts when proven is that the evidence regarding them should be supportive of each other, complementing one another, and collectively forming the conviction of the reviewing authority in the case. Thus, it is not appropriate to discuss each piece of evidence separately, isolated from the rest of the documents, evidence, and indications, but rather it becomes sufficient that the evidence and indications collectively lead to forming the conviction of that authority and completing its direction in stabilizing its belief and reassurance. This is because the punishable act is not in the act of holding the importer accountable for violating the commitment taken against him, as the act constituting the violation for which he is held accountable is embodied in bringing in the shipment without completing its clearance from the competent authority, and what supports the commitment is merely a document from the shipment papers to prepare for the commencement of customs clearance for



it, reminding the importer of complying with the general duty known to the importer by necessity not to act with the shipment except after being permitted to do so, which was not the case with the importer's dealings with the shipment. Accordingly, the appellate committee concluded to report the following:

Decision:

1- Acceptance of the appeal in form, submitted by / Institution ..., Commercial Registration No. (...), against the first instance Decision No. (CTR-2023-101101) issued by the 1st First Instance Customs Committee in Riyadh.

2- In the subject, his rejection, and the support of the first instance Decision regarding the appellant institution, with the amendment of the imposed customs fine to be in the amount of (1000) one thousand riyals, for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR -2023-170820
Case No. PC -2022-125912

Keywords:

Customs - Constraints - Bond Commitment - Electric Stoves - Non-compliance with Specifications - Labeling and Explanatory Data - Conviction

Summary:

The importer is requesting the cancellation of the first instance decision No. (CTR-2022-1675), issued by the Third First Instance Customs Committee in Riyadh, which convicted the importer in absentia of customs smuggling, imposing a customs fine equivalent to the value of the contraband item, and obliging him to pay the value of the contraband item as a confiscation substitute. The appellate committee found that the appellant's claims regarding the destruction of the shipment under customs supervision were not substantiated due to his failure to present a destruction report or any document. The meaning of this is to uphold what was decided by the 1st instance ruling against the importer for customs smuggling and to limit it to the contraband category, while amending the imposed customs fine and the confiscation fee to be equal to the value of the contraband category.

Document:

- Paragraph (4) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraph (5) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (142) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by/..., national ID number (...), in his capacity as the director - under the articles of incorporation - of the company ..., commercial registration number (...), against the first



instance Decision number (CTR-2022-1675), issued by the third First Instance Customs Committee in Riyadh, which ruled as follows:

1-Conviction of the defendant/company ..., commercial registration number (...). In person for customs smuggling according to Article 142 of the Unified Customs law.

2-Obligating it to pay a customs fine equivalent to the value of the violating item in the amount of (188,224) one hundred eighty-eight thousand two hundred twenty-four riyals, in accordance with Article 145/4 of the Unified Customs law.

3-Obligating it to pay the value of the violating item as a confiscation fee, an amount of (188,224) one hundred eighty-eight thousand two hundred twenty-four riyals, bringing the total amount to (376,448) three hundred seventy-six thousand four hundred forty-eight riyals, in accordance with Article 145/5 of the same law.

Since the appellant was notified of the Decision subject to the appeal on 02/01/2023, and submitted the appeal on 19/01/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established by Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment belonging to the company consisting of (electric stoves) through the customs of Jeddah Islamic Port under import declaration number (...). On the date 20/03/1435 AH, it was granted based on a commitment not to act until it is approved by the competent authority, and after examining the sample by the laboratory, the report number (...) was received. The date 05/04/1435 AH includes the non-compliance of samples in terms of labeling and illustrative data, high temperature, leakage current, and electrical durability at normal temperatures and abnormal operation. The importer was contacted, but he did not respond to the customs. The first instance committee issued its Decision as previously mentioned, condemning the company for customs smuggling and obliging it to the associated penalties based on the fact that the importer did not review the customs or return the shipment to the customs area, contrary to the commitment taken regarding it. This implies that his actions regarding the shipment, which was proven not to be approved for clearance according to the laboratory report containing procedural and technical violations related to the quality and specifications of the product, involve commercial fraud against the consumer, which constitutes customs smuggling according to Article (142) of the Unified Customs law.

Upon reviewing the objection list submitted by the company's director, the appellate customs committee found that its summary confirmed the destruction of the tested model number (H-703) under the supervision of customs, where the customs employee (...) attended the destruction. The representative of the agent (...) We were provided with a copy of the destruction report, and accordingly, the original commitment letter taken from the company at that time was withdrawn. However, a copy of the destruction report and the original commitment letter could not be found due to the long period, as approximately nine



years have passed since the shipment, coinciding with the change of some of the company's warehouses and the resulting transfer of documents due to the arrangements that took place in Jeddah. Additionally, the incoming shipment included electric stoves in three models, and model number (H-703) was tested but did not pass the test for some technical specifications, with a quantity of (1504) units valued at (9776) dollars, equivalent to (36660) Saudi riyals. As for the rest of the shipment, it was not tested, although it had been tested in previous data and passed several times. The appellant added that he requests to communicate with the Public Prosecution because the case is covered by the royal pardon number (61700) dated 01/10/1443 AH, according to the import statement issued on 20/03/1435 AH. The company has been importing for more than (37) years, and its record is free of customs cases up to the date of filing this lawsuit. The memorandum concluded with a request for justice for the company and the cancellation of the commitment after writing to customs and requesting the destruction report, as well as writing to the prosecution because the royal exemption includes this case.

The response of the authority to the statement of appeal was received through the Automated System of the Secretariat on 14/03/2023, summarizing that the Bond Commitment signed by the company stated that the shipment should not be disposed of in any way except after notifying the customs of its clearance by the competent authority. It was also reported that the company was notified by several letters to the addresses registered with the authority, indicating that the shipment did not comply and that it should be returned according to the Bond Commitment signed by it, but it did not respond, which indicates its disposal of the shipment, thus violating the signed Bond Commitment. The violation of the Bond Commitment by disposing of these items is considered customs smuggling according to Article (142) of the Unified Customs law. Additionally, the violation mentioned in the laboratory report is a technical violation that directly affects the health and safety of consumers and impacts their financial resources. The memorandum added that regarding the importer's payment for the destruction of the non-compliant part in the presence of customs, an inquiry was made from the relevant department at customs, and their response indicated that there was no destruction report and that the Bond Commitment is still in effect and has not been settled. As for what the appellant claimed regarding the inclusion of the case facts in the royal pardon, according to the general provisions, this pardon applies to prisoners, and the application of pardon provisions is the jurisdiction of the regions and judicial authorities. The memorandum concluded with a request to reject the submitted appeal and uphold the first instance Decision in all its provisions.

On Wednesday, November 29, 2023, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted against the first instance Decision No. (CTR-2022-1675), issued by the Third First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, as well as the authority's response to it, the Appeals Committee decided that the documents presented and the contents of the case file were sufficient to form its conviction and to rule on the matter in light of the Grounds on which the appeal was based.



Grounds:



Whereas there is no reproach against the appellate authority for adopting the Grounds for the Decision subject to appeal without addition whenever it sees that these Grounds suffice to negate the need for any new submissions, as its support is based on its Grounds indicating that it found no merit in the objections raised against it that warrants a response beyond what those Grounds contained. This is not undermined by what the appellant mentions regarding the destruction of the shipment under customs supervision, considering that he did not present a destruction report or any document that could be verified by the committee in light of the authority's confirmation that the commitment is still in effect and has not been settled, and its submission of a copy of the electronic law to clarify this, which makes the arguments presented in this regard a mere statement without evidence. As for what the appellant mentions regarding the request to communicate with the Public Prosecution in light of the inclusion of the case facts under the royal pardon issued in 1443 AH, the plaintiff is the public prosecution represented by the Zakat, Tax, and Customs Authority, not the Public Prosecution, considering that the Public Prosecution's jurisdiction to prosecute customs smuggling crimes is limited to import incidents occurring after the date of 02/09/1440 AH, which does not fall within the jurisdiction of the Public Prosecution. Therefore, it is necessary to determine that the defenses presented do not affect the outcome of the Decision that resulted in the conviction of the importer for customs smuggling. However, the appellate committee, after examining the case file, found that the item (Cooking Devices Type H-703) valued at (9,776) US dollars according to the invoices attached to the case file is the one that received substantial remarks from the laboratory, which included non-compliance of the samples in terms of labeling and explanatory data, high temperature, leakage current, and electrical durability at normal temperatures, and abnormal operation. Thus, this committee concludes to uphold the first instance Decision regarding the conviction of the importer for customs smuggling and limit it to the item reported by the laboratory without other items, and to calculate the customs fine and the confiscation fee based on its value according to the documents attached to the electronic case file as will be stated in the text of this Decision. Accordingly, the appellate committee concluded to report the following:



Decision:

- 1- Acceptance of the appeal in form from the applicant/ Company ..., Commercial Registration No. (...), against the first instance Decision No. (CTR-2022-1675), issued by the Third First Instance Customs Committee in Riyadh.
- 2- The appeal was rejected on the subject, and the first instance Decision regarding the company's conviction for customs smuggling was upheld, limiting it to the contraband category (Cooking Devices of type H-703), with a modification of the imposed customs fine and the confiscation substitute to be equal to the value of the contraband item, making the total amount claimed from the company an amount equivalent to (19,552) nineteen thousand five hundred and fifty-two US dollars, for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR -2023-230250
Case No. AC -2022-107209

Keywords:

Customs - Constraints - Bond Commitment - Converters - Non-compliance with specifications - Labeling and protection from electric shock - No conviction

Summary:

The importer is requesting the cancellation of the first instance decision No. (CTR-2023-107209), issued by the Third First Instance Customs Committee in Riyadh, which ruled not to convict in person for customs smuggling, and to impose a customs fine. Where it has been established to the appellate committee that all that the appellant raises does not contradict the established principle of its jurisdiction over the shipments prepared in the name of the importer and its connection to the violation related to the shipment, and that customs have no concern in the relationship that binds the customs broker with the importer when applying the customs law, whether the incident involves a suspicion of customs smuggling or a violation of customs procedures. This means; the affirmation of the first instance Decision in all that it ruled.

Document:

- Article (141) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (154) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (157) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (158) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraph (6) of Article (31) of [the Executive Regulations of the Customs law issued by Ministerial Resolution No. \(2748\) dated 25/11/1423 AH.](#)



Facts:



This is to consider the appeal submitted by (...), national ID number (...), in his capacity as the owner of the institution (...), commercial registration number (...), against the first instance Decision number (CTR-2023-107209), issued by the 1st First Instance Customs Committee in Riyadh, which ruled as follows:

1-Non-conviction/ ..., commercial registration number (...) In person for customs smuggling, due to insufficient evidence.

2-Obligating it to pay a customs fine in the amount of (1,000) one thousand riyals, in accordance with Article (31/6) of the executive regulations of the unified customs law.

Since the appellant was notified of the Decision subject to the appeal on 11/12/2023, and submitted the appeal on 06/01/2024, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment consisting of (accessories) belonging to the importer through the Al-Batha customs under import declaration number (...). On the date 08/03/1435 AH, it was granted based on a commitment not to act until it is approved by the competent authority, and after examining the sample by the laboratory, the report number (...) was received. On the date of 30/01/2014, which included non-compliance in terms of tagging and protection from electric shock, the importer was notified of the result through several correspondences, but he did not respond. The first instance committee issued its decision as stated in its ruling based on the fact that the attached bond in the case file lacks the number and date of the import declaration, which is the essential document upon which the case relied, making it impossible to assert that the bond pertains to the declaration in question. Consequently, the first instance committee concluded that the incident constitutes a customs violation in accordance with Article (141) of the Unified Customs Law and fined the defendant in proportion to the nature of the violation and the value of the contraband item according to Article (31/6) of the executive regulations of the same law.

Upon reviewing the objection list submitted by the owner of the importing institution, the customs appeal committee found that its summary mentioned that the bond commitment did not include any content referring to the shipment in question, which could facilitate the customs broker in taking a copy of it and attaching it to the documents in the import declaration. Furthermore, the institution does not acknowledge this commitment, it was not issued by them, and they did not import the goods. Additionally, the commitment must be the original for each import declaration, and a copy of the commitment cannot be attached to more than one declaration. Customs cannot accept a commitment that does not include any information about the imported goods. Based on Article (154) of the Unified Customs Law, the



responsibility lies with customs as they failed to perform their duties and did not take the correct measures to verify the validity of the commitment. Moreover, the elements of the alleged crime against the institution were not present due to the lack of evidence proving its obligation to temporarily release the shipment based on a commitment taken from it. Furthermore, the legal characterization of the incident as a principal actor is incorrect, as the bond commitment is merely a copy of a commitment stamped with the institution's seal and certified by the chamber of commerce, and it does not include the details of the shipment in question. Additionally, the owner of the institution did not commit to customs not to dispose of the shipment, nor did she know what the shipment was that was released to complete its procedures, especially since the commitment form prepared by the authority pertains to a single shipment and cannot be used for multiple shipments. The institution cannot bear responsibility for goods that exploited its name with incorrect documents and may have been subjected to fraud by the customs broker, who is responsible for those actions according to Article (157) of the Unified Customs Law. Based on Article (191) of the same law, the bond commitment present in the case file is considered a fundamental defect that cannot be corrected. The list concluded with a request to accept the appeal in procedures and on merits, to overturn the first instance decision, and to cancel the fine imposed on the institution.

A response memo from the authority was received via the automated system of the secretariat dated 29/02/2024, summarizing that the authority reaffirms its adherence to the final decision in its ruling, both in terms of reasons and the verdict, which is consistent with the requirements of the regulations and legislation in force in the Kingdom. The correspondence was addressed to the institution, which is responsible before customs since the customs data was registered in its name. All customs and commercial transactions were conducted in the name of the institution, with the signature and seal of its owner, as per the commitment not to act certified by the Chamber of Commerce in Al-Ahsa, as stipulated in the institution's data. Based on Article (158) of the Unified Customs Law, the institution is legally responsible, in addition to having appointed the customs broker of its own free will and being able to seek recourse against whoever caused it harm before the competent authorities. Moreover, customs smuggling crimes are intentional crimes that require the existence of both the material and moral elements for their establishment, which were present in the case at hand. The memo concluded with a request to reject the submitted appeal and uphold the first instance decision in all its provisions.

On Wednesday, 22/05/2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against decision number (CTR-2023-107209), issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based and the response of the authority.



Grounds:



Since there is no blame on the reviewing party for taking the reasons of the decision subject to appeal without addition whenever it sees that these reasons suffice to avoid presenting anything new, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. This is not affected by what the appellant mentioned in its appeal statement regarding its exposure to fraud and deception by the customs broker, and that the commitment was for one time and for one shipment according to the conditions mentioned at customs, and that the existing commitments could be mere copies and not originals, considering that the customs clearance office can take a copy of it. All that the appellant raises does not contradict the established principle of its jurisdiction over the shipments prepared in the name of the institution and its connection to the violation related to the shipment. Customs has no concern in the relationship that binds the customs broker with the importer when applying the customs law, whether the incident involves a suspicion of customs smuggling or a violation of customs procedures according to the provisions of the Unified Customs Law and its executive regulations. The importer is responsible for claiming from whoever alleges that he has been harmed as a result, which leads to the conclusion that the defenses presented do not affect the outcome of the decision, making the appeal unsupported and thus must be rejected. Accordingly, the committee concluded to report the following:

Decision:

- 1- Acceptance of the appeal in form from the applicant/ institution ..., commercial registration number (...), owned by/ ..., national ID number (...), against the first instance Decision number (CTR-2023-107209), issued by the third First Instance Customs Committee in Riyadh.
- 2- In the subject of his rejection, and the support of the first instance Decision in all that it ruled, for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR -2024-174980
Case No. PC-2022-120813

Keywords:

Customs - Constraints - Bond Commitment - Key - Non-compliance with specifications - Labeling and dimensions - Conviction

Summary:

The importer is required to cancel the first instance decision No. (CFR-2022-1256), issued by the 1st First Instance Customs Committee in Riyadh, which convicted the importer in absentia of customs smuggling, and obligated him to pay a fine equivalent to the value of the items, and obligated him to pay an amount equivalent to the value of the contraband items as a confiscation substitute, and obligated him to pay a fine for violating customs procedures. And where it was established for the appellate committee that the item (electrical connections) is what the technical observation related to the non-compliance of the item with the required specification, and that the value of the item through the samples taken according to what is proven by the documents amounted to (59,768) riyals. This means; upholding the first instance decision regarding the conviction of the importer for customs smuggling, limited to the item (electrical connections), and calculating the penalty for confiscation and customs fine at its value, and considering the importer's actions with the items (electrical switches and sockets) as a violation of customs procedures.

Document:

- Article (142) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraph (2) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraph (5) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)



- Article (191) of [the Judicial Procedures law issued by Royal Decree No. \(M/1\) dated 22/01/1435 AH.](#)
- Paragraph (6) of Article (31) of [the Executive Regulations of the Customs law issued by Ministerial Resolution No. \(2748\) dated 25/11/1423 AH.](#)

Facts:



This is to consider the appeal submitted by / Institution ..., Commercial Registration No. (...), against the first instance Decision No. (CFR-2022-1256) issued by the 1st First Instance Customs Committee in Riyadh, whose ruling is as follows:

- 1-Condemnation of the importer / Institution ..., Commercial Registration Number (...). In person with customs smuggling.
- 2-To impose a financial penalty equivalent to the value of the violating items in the amount of (88,098) eighty-eight thousand and ninety-eight riyals.
- 3-Obligating him to pay an amount equivalent to the value of the violating items as a confiscation fee of (88,098) eighty-eight thousand and ninety-eight riyals.
- 4-He is obliged to pay a fine for violating customs procedures in the amount of (500) five hundred riyals, according to Article (31/6) of the Unified Customs law for items that are procedurally non-compliant, making the total amount claimed (176,696) one hundred seventy-six thousand six hundred ninety-six riyals.

Since the appellant was notified of the Decision subject to the appeal on 23/01/2023, and submitted the appeal on 02/02/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established by Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment consisting of (a key, plugs, and electrical connections) belonging to the importing institution through the Al-Batha customs under import declaration number (...). On the date 02/06/1436 AH, it was released under a commitment not to act until the result of the competent authority appears, and after examining the samples by the laboratory, the report was received with the reports number (...). and the number (...) and the number (...) and the number (...) and the number (...) and the number (...). The date 03/07/1436 AH includes the non-compliance of the samples in terms of labeling, dimensions, characteristics, composition, flexible cable, and cross-sectional area. The importer was addressed, but he did not respond. The first instance committee issued its Decision as stated in its ruling, based on the fact that the incident falls under the category of technical customs violations that directly affect the safety and health of the consumer, in addition to the importer's violation of the bond commitment taken against him regarding the handling of the shipment in question, which constitutes his behavior as customs smuggling according to Article (142) of the Unified Customs law, and imposed penalties on the importer as stated in its ruling.



Upon reviewing the objection list submitted by the appellant, the appellate customs committee noted that its summary mentioned that the appellant is appealing the Decision issued against the institution, as he was unable to attend the session in which the Decision subject to the appeal was issued due to communication and internet cases. Furthermore, the shipment in question is still present, and he has not taken any action regarding it, and he is willing to destroy it in coordination with the authority.

A response memorandum from the authority was received through the Automated System of the Secretariat on 02/04/2023, summarizing that the appellant was notified by the General Secretariat of the Committees in accordance with the notification methods outlined in the rules of operation of the customs Committees. This was included in the Grounds for the Decision subject to appeal. Furthermore, customs smuggling crimes are intentional crimes that must have both the material and moral elements for their occurrence, which were present in the case under consideration due to the importer's actions regarding the shipment in question and his violation of the commitment taken upon him. The authority concluded its memorandum by requesting the rejection of the appeal submitted by the appellant and the affirmation of the first instance Decision in all its provisions.

On Tuesday, June 25, 2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against Decision No. (CFR-2022-1256) issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the concerned party, and after reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a Decision in its current state after the committee was informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in its current state.

Grounds:

Since there is no blame on the reviewing authority for the appeal to accept the conclusion reached regarding the importer by convicting him of customs smuggling and violations of customs procedures as stated in its ruling, given that the appellant did not provide with his appeal any evidence to support his claim of not having acted with respect to the items in question contrary to the established basis for his conviction of customs smuggling and the violations attributed to him, however, the committee noted that the decision was incorrect in not specifying and limiting the conviction for customs smuggling to the items for which the importer was convicted based on his actions with them, which were loaded with technical observations, and not separating the other items for which the importer's actions were considered as such, which were loaded with those observations as a violation of customs procedures. Since Article (191) of the Law of Judicial Procedures states: "If the Court of Appeal finds that the ruling in the cases being reviewed without a hearing is consistent in terms of its result with its legal principles; it shall uphold it, with guidance on any observations it may have that do not necessitate the annulment of the ruling, and if it annuls the ruling wholly or partially; it must rule on what has been annulled after hearing the parties' statements." It has been



established through the case documents that the item (electrical connectors) was the subject of the technical observation regarding its non-compliance with the required specification due to (the flexible cable and cross-sectional area) as detailed in the laboratory report regarding that item. It has also been established through the documents that the value of the item based on the samples taken as evidenced by the documents amounted to (59,768) riyals, which necessitates limiting the conviction of the importer for customs smuggling to this item from the shipment and imposing a penalty of confiscation and customs fine for violating the restriction related to the shipment that was not approved by the competent authority, thus ensuring the validity of attributing the crime of customs smuggling to him as stated in Article (142) of the Unified Customs Law and imposing the penalties resulting from that according to what is included in Article (145/2 and 5) of the same law, as will be detailed in the total amount claimed from the importer accordingly in the ruling of the appeal decision. It has also been established through the documents that the other items that were subject to testing (electric switches and plugs made in China) were limited to the laboratory's observation regarding the absence of data (labeling, instructions, shape, dimensions, characteristics, and composition) as required by the required specification. The customs appeal court has ruled that such observations are of a procedural nature that do not rise to the level of the importer's actions with the item while being loaded with them, thus constituting a violation of customs procedures, which necessitates imposing a financial penalty on him as stipulated in Article (31/6) of the Executive Regulations of the Unified Customs Law, at a rate of (500) riyals for each of the two violating items. Therefore, the appellate committee concluded to report the following:

Decision:

1- Acceptance of the appeal in form from its presenter / Institution ..., commercial registration number (...), for its owner / ..., against the first instance Decision number (CFR-2022-1256) issued by the 1st First Instance Customs Committee in Riyadh, for the Grounds and considerations stated in this Decision.

2- In the subject, he rejected it, and upheld the first instance Decision regarding the conviction of the importer for customs smuggling, limiting it to the item (electrical connections) and calculating the penalty for confiscation and the customs fine at its value, making the total amount claimed by the appellant for his conviction for the crime of customs smuggling an amount of (119,536) one hundred nineteen thousand five hundred thirty-six riyals, for the Grounds and considerations stated in this Decision.

3-Considering the importer's action regarding the two items (electrical switches and plugs made in China) as a violation of customs procedures and imposing a financial penalty of (500) riyals for each item, the total amount demanded from the importer for the violation related to each item amounts to (1,000) one thousand riyals.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2023-178385
Case No. PC-2022-117285

Keywords:

Customs - Constraints - Bond Commitment - Various Foodstuffs - Non-compliance with Specifications - Expiration - Conviction

Summary:

The importer is requesting the cancellation of the first instance decision No. (CTR-2022-1887), issued by the Third First Instance Customs Committee in Riyadh, which convicted the importer in absentia of customs smuggling, and obligated them to pay a customs fine equivalent to the value of the contraband items, and to pay the value of the contraband items as a substitute for confiscation. Where it was established for the appellate committee that the appellant did not provide evidence of its destruction under the supervision of the competent customs, and that the wording of the first instance decision did not specify the value ruled. This means; to uphold the first instance decision in all that it ruled, while specifying the amount of the customs fine and the confiscation fee from the text of the first instance decision.

Document:

- Article (142) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (144) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraph (4) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraph (5) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:



This is to consider the appeal submitted by/..., national ID number (...). As an attorney for / Company ..., commercial registration number (...), under agency number (...). On the date 27/11/1443 AH, against the first instance Decision No. (CTR-2022-1887), issued by the third First Instance Customs Committee in Riyadh, ruling as follows:

- 1- Condemnation of the importer/company ..., commercial registration number (...). In person for customs smuggling according to Article 142 of the Unified Customs law.
- 2- To impose a customs fine equivalent to the value of the violating items, in accordance with Article (145/4) of the same law.
- 3- Obliging it to pay the value of the violating items as a confiscation fee, in accordance with Article (145/5) of the same law.

Since the appellant was notified of the Decision subject to the appeal on 19/01/2023, and submitted the appeal against the Decision on 15/02/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its conduct according to what is stipulated in Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment consisting of (peanuts) belonging to the importer through the King Abdulaziz Port customs under import declaration number (...). dated 15/11/1435 AH and number (...) and the number (...) dated 19/11/1435 AH, and the number (...) dated 16/12/1436 AH, and the number (...). On the date 25/11/1435 AH, it was granted under a commitment not to act until it is approved by the competent authority, and upon presenting the sample to the laboratory; the response was received in report number (...) On 02/02/1436 AH, and report number (...) On 12/03/1436 AH, and report number (...) On 12/05/1436 AH, and report number (...) and the number (...) On 25/06/1436 AH, it was stated that it did not comply in terms of expiration date, due to the presence of promotional phrases, the existence of dual expiration dates, and because one of the products bore a name in English, as well as health claims and a heart monitoring logo with specific warnings for adults. Additionally, some products were damaged and spoiled, containing poppy seeds, which are narcotic and harmful to health, and there was no clarification of the source of the emulsifier (monoglycerides and diglycerides). The natural properties of the product had changed, and there was no expiration and production date on the original product label. Furthermore, one of the products did not include the name and code of the color added to the product, and the word "cannabis" was included in the product name and ingredients on the Arabic data label, which is a narcotic herb, while the correct ingredient is what is written in English and translated as "maple syrup." The product bore a trademark that suggests to the consumer fitness, slimness, and weight loss. The production and expiration data and warnings regarding added sweeteners were present on an easily removable label, and there was no attachment of the organic product certificate. The importer was notified of the result through several letters, but he did not respond. The first



instance committee issued its decision as stated, based on the fact that the item (various food products) included many violations affecting the consumer, and that the importer's actions before the test results appeared had direct consequences on the health and safety of the consumer and involved commercial fraud. This is considered a violation of the bond commitment, committing the crime of customs smuggling according to Article (142) of the Unified Customs Law and subject to the penalties specified in Article (145) of the same law.

Upon reviewing the objection list submitted by the attorney of the importing company, the customs appellate committee found that its summary indicated that the shipments mentioned in the case facts had their inspection results issued after a long period (3-6 months), which leads to damage to food products and other goods. To avoid this damage, these materials were destroyed, and therefore there is no basis for ruling on the crime of customs smuggling referred to in Article (144) due to the lack of criminal intent. Additionally, the delay in adjudicating the cases for nearly nine years has caused harm to my client. The appeal concluded with a request to annul the decision issued by the 1st instance committee and to rule again in favor of dismissing the case.

A response memo from the authority was received via the automated system on 13/04/2023, summarizing that any destruction operation not involving a customs representative is not considered valid. The company was notified through several letters from the authority at the addresses registered with them, indicating that the shipment did not comply and that it must return the shipment according to the commitment signed by them, but they did not respond. It would have been more appropriate for the company to communicate and respond to the authority instead of acting on the shipment and violating the signed commitment, which means that the company's action regarding the shipment without approval from the competent authority constitutes customs smuggling according to Article (142) of the Unified Customs Law, and also constitutes a violation of the Anti-Commercial Fraud law. Based on the laboratory results in the mentioned reports, some products are damaged and spoiled, containing narcotic and harmful substances to health. Accordingly, the violation is technical and directly affects the safety and health of the consumer. The memo concluded with a request to reject the appeal and uphold the first instance decision in all its provisions.

On Wednesday, 20/12/2023, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against decision number (CTR-2022-1887), issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based and the response of the authority.



Grounds:



Whereas there is no reproach against the appellate authority for taking the reasons of the decision subject to the appeal without addition whenever it sees that these reasons suffice to avoid the need to present anything new, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. This is not affected by what the appellant mentions in its statement, claiming that the shipment has been destroyed, as the appellant did not provide evidence of its destruction under the supervision of the competent customs authority, which makes this statement a mere unsubstantiated claim that cannot be relied upon, especially since the commitment taken from the importing company regarding the shipments prepared for each import declaration included a warning against handling the shipment in any way without notifying customs, which was not the case with the importing company's dealings with the shipments for which the import declarations in question were made. And whereas the appellate committee noted that the text of the first instance decision did not specify the amount ruled in paragraphs (2) and (3), and it became clear from what the customs mentioned in the statement of the lawsuit that the value of the items included in the shipments of violations is an amount of (36,332) thirty-six thousand three hundred and thirty-two riyals, and whereas it was established during the consideration of the case before the first instance committee and upon filing the appeal that the importing company did not dispute the value of the violating shipments, but its objection was based solely on what it claims to be the correctness of its actions in destroying the violating shipments as previously investigated, which leads the appellate committee to calculate the value of the customs fine and the equivalent of confiscation based on that as will be stated in the text of this decision. Therefore, the committee concluded to report the following:

Decision:

- 1- Acceptance of the appeal in form, submitted by / Institution ..., Commercial Registration No. (...), against the first instance Decision No. (CTR-2022-1887) issued by the 1st First Instance Customs Committee in Riyadh.
- 2- In the subject of his rejection, and the affirmation of the first instance decision in all that it ruled, with the determination of the amount of the customs fine and the confiscation fee in paragraphs (2) and (3) of the text of the first instance decision, the total amount claimed by the company is an amount of (72,664) seventy-two thousand six hundred and sixty-four riyals, and this is for the reasons and considerations stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No.

CR -2024-183596

Case No.

PC-2022-140149

Keywords:

Customs - Constraints - Bond Commitment - Shrimp - Non-compliance with specifications - *Vibrio gino litex* and para hemolytics bacteria - Conviction

Summary:

The importer's request to cancel the first instance decision (2264/1) for the year (1443 AH) issued by the 1st First Instance Customs Committee in Riyadh, which convicted him in absentia of customs smuggling and imposed a customs fine and required him to pay an amount equivalent to the value of the shipment as a confiscation substitute. Where it has been established to the appellate committee that the appellant's claims regarding the lack of material and moral elements for the validity of his conviction for the crime of customs smuggling are worthy of disregard. The implication of this is the affirmation of the first instance decision in all that it ruled against the appellant.

Document:

- Article (142) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraph (4) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by/ Foundation ... National ID number (...), in his capacity as an attorney for the director of the company ... / ..., national ID number (...), by virtue of the agency issued by the notary office in North Riyadh with number (...). On the date 17/07/1444 AH, against the first instance decision No. (2264/1) for the year (1443 AH) issued by the 1st First Instance Customs Committee in Riyadh, which ruled as follows:



1-Conviction of the importer company ..., commercial registration number (...), in person for customs smuggling.

2-Obligating him to a customs fine amounting to (772,239) seven hundred seventy-two thousand two hundred thirty-nine riyals, equivalent to three times the value of the goods not permitted for clearance by the competent authority.

3- Obliging him to pay an amount equivalent to the value of the shipment as a confiscation fee of (257,413) two hundred fifty-seven thousand four hundred thirteen riyals, making the total amount claimed an amount of (1,029,652) one million twenty-nine thousand six hundred fifty-two riyals.

Since the appellant was notified of the Decision subject to the appeal on 26/02/2023, and submitted the appeal against the Decision on 07/03/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its conduct according to what is stipulated in Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment consisting of (peanuts) belonging to the importer through the King Abdulaziz Port customs under import declaration number (...). On the date 07/08/1438 AH, it was allowed under a commitment not to act until the result of the competent authority appeared, and after examining the sample by the General Authority for Food and Drug, the response was received in letter number (...) On the date 20/03/1436 AH, which included the non-compliance of the sample with specifications due to the presence of *Vibrio gino litex* and *Parahemolyticus* bacteria, the first instance committee issued its decision as stated in its ruling, based on the fact that the actions taken by the importer regarding re-export did not include the entire shipment, which leads to the conclusion that his actions were contrary to the bond commitment taken regarding the incoming shipment. This behavior of not re-exporting the entire shipment constitutes a situation where the missing part, when re-exported, is considered as customs smuggling according to Article (142) of the Unified Customs Law, and it imposed penalties against the appellant as stated in its ruling.

Upon reviewing the objection list submitted by the company's director's attorney, the appellate customs committee found that its summary mentioned that the company did not dispose of the shipment - as stated by the committee that issued the decision subject to appeal - but rather re-exported it under the issued statement number (...). On the date 19/09/1436 AH, the burden of proof regarding the company's action concerning the shipment in question lies with the plaintiff, and the aforementioned export statement fulfills the entire quantity. The company's representative also argues that the elements of the crime of customs smuggling, which consist of the act and the criminal intent, are not present, as it has not been proven that the company acted with intent or bad faith, evidenced by the fact that it re-exported the shipment in question. The company's representative mentions that the committee that issued the decision under appeal relied on Article (145/4) of the Unified Customs Law, despite the fact that the imported goods are not of the



type of prohibited goods. The memorandum concludes with a request for the appellant to accept the appeal, annul the first instance decision under appeal, and rule that the appellant is not guilty of customs smuggling.

A response memorandum from the authority was received through the automated system of the secretariat dated 03/05/2023, which summarized that what the attorney of the importing company mentioned regarding the importer not disposing of the goods is incorrect, considering that the importer acknowledged before the first instance committee when asked about the fate of the shipment that he re-exported the shipment. Regarding the shortage, a problem occurred, and a report was prepared, and the company has no evidence of that. The attorney of the company stating that there is no shortage in the goods after re-exporting them is also incorrect, given the contradiction between what he states and what he acknowledged before the first instance committee that issued the decision regarding the problem that led to the shortage of goods, which was confirmed by the committee that there was a shortage in the goods through the documents and invoices attached to the case file. Furthermore, the importer was notified of the non-compliance of the shipment and that he must return the shipment according to the commitment taken from him; however, he did not return it completely, which indicates his disposal of part of the shipment, and this is considered customs smuggling according to Article (142) of the Unified Customs Law. Additionally, customs smuggling crimes are intentional crimes that must have both the material and moral elements, which were present in the incident with the importer disposing of part of the shipment and breaching the commitment taken from him. The memorandum concluded with a request to reject the appeal submitted by the appellant and to uphold the first instance decision in all its provisions.

A response was received through the automated system of the secretariat from the attorney of the importing company dated 08/05/2023, which summarized that the company insists on its claim that the entire shipment has been re-exported and that the important factor is the result reached by the report prepared by the Customs Authority, which is attached to the case file, indicating that the shipment is compliant and no notes were recorded. The importing company has corresponded with customs in a letter addressed to the General Director of Customs, which is attached to the case file, stating that the items are present and that the company is awaiting a response from customs in preparation for returning the items to the customs area and re-exporting them. The response concluded with a request for the appellant to accept the appeal, cancel the first instance decision subject to the appeal, and rule that the appellant is not guilty of customs smuggling.

On Thursday, July 04, 2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against decision No. (2264/1) for the year 1443 AH, issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in its current state after the committee was informed of the facts of the case and the sufficiency of what was presented to form its



conviction and rule on it in light of the reasons on which the appeal was based and the response of the authority to it.

Grounds:



Whereas there is no reproach against the appellate authority for taking into account the reasons for the decision subject to appeal without adding anything whenever it sees that these reasons are sufficient to negate the need for any new evidence, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained, as the appellant did not provide with his appeal anything that contradicts the established original ruling that was decided in its reasons and its text. Moreover, the appellant's claim of not having acted upon the missing part of the shipment and that he has no interest in that action, and that the burden of proving that deficiency lies with the plaintiff, in addition to the lack of the elements of the crime of customs smuggling, is rejected considering that the customs procedure related to completing the entry procedures of the shipment into the country requires the importer to observe the general duty required by the customs law regarding the importer when dealing with the incoming shipment, which is embodied in complying with all that the customs law and other related regulations require for the clearance of the shipment, thus necessitating not to act upon it in any form until it is approved and permission is granted to act upon it. Therefore, the violation by the importer of that duty by acting upon the missing part of the shipment without regard to the matter of permission for its entry into the country constitutes a behavior contrary to that general duty, especially since that duty is something that is necessarily known to him, which does not negate the correctness of attributing the crime of customs smuggling to him. Thus, what he claims regarding the lack of material and moral elements for the validity of his conviction for the crime of customs smuggling is worthy of being disregarded. Furthermore, the validity of what the first instance decision concluded is not undermined by questioning the non-acceptance of what the authority stated regarding the existence of a deficiency in the quantity of the shipment that constitutes the crime of customs smuggling, as it is established from the documents that the report regarding the existence of the deficiency in the shipment was prepared upon its re-export and that deficiency was recorded in the data of that report. Therefore, what the appellant claims regarding questioning the content of that report is, in reality, nothing but a dispute and contention against the authority's power to deduce and understand the reality of the case and what the authority is convinced of in evaluating the evidence presented to it and its acquisition as it is in the documents, and its conviction in assessing the evidence and the authority's power to derive its belief and extract the image of the incident as it has been imprinted in its mind, which it is independent in without any interference. Moreover, since the appellant did not provide with his appeal anything that negates the apparent indication of that report except for repeating the questioning of its content, which must be disregarded, and also what the appellant mentions regarding the error of the committee that issued the decision when calculating the penalty by considering the type of goods as prohibited goods, while the reality



contradicts what he claims that the goods are originally permissible and that the prohibited ones regarding the contested matter are those that are inherently forbidden or contain narcotic substances or alcohol. This is rejected considering that the shipment in the form it arrived is prohibited from entry due to its harm to the consumer's health and the safety of its consumption, as it is one of the food products that harm the consumer when used and consumed in the manner it was tested. Therefore, since the matter is as mentioned, it is necessary to determine that the defenses presented do not affect the outcome of the decision, which makes the appeal without any supporting basis, necessitating its rejection. Accordingly, the appellate committee concluded the following:

Decision:

- 1- Acceptance of the appeal in form, submitted by / Institution ..., Commercial Registration No. (...), against the first instance Decision No. (2264/1) 1443 H issued by the 1st First Instance Customs Committee in Riyadh.
- 2- In the subject, it rejected him and upheld the first instance Decision in all that it ruled against the appellant, for the Grounds and justifications stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-225050
Case No. AC-2022-112417

Keywords:

Customs - Constraints - Bond Commitment - Akkawi Cheese - Non-compliance with specifications - Coliform bacteria and Escherichia coli bacteria - Conviction

Summary:

The importer requests the cancellation of the first instance decision, first instance decision number (CFR – 2023 - 112417), issued by the 1st First Instance Customs Committee in Riyadh, which convicted the importer in absentia of customs smuggling, and obligated him to pay a customs fine equivalent to the value of the contraband item, and obligated him to pay an amount equivalent to the value of the contraband item as a confiscation substitute. Where it has been established to the appellate committee that the importer did not provide evidence to support and prove his claim regarding the destruction of the shipment, and since the contraband item is exempt from customs duties according to the agreement to facilitate and develop trade exchange among Arab countries. This means; upholding the first instance decision in all that was ruled against the importer.

Document:

- Article (24) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (142) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraph (3) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraph (4) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraph (3/5) of Article (15) of [the Executive Regulations of the Litigation law before the Board of Grievances issued by Decision No. 127 dated 26/12/1435 AH](#)



Facts:



This is to consider the appeal submitted by/..., national ID number (...). As an agent for/..., national ID number (...). Owner of the institution ..., commercial registration number (...), by virtue of the agency number (...). On 11/03/1445 AH, issued by the electronic services of the Ministry of Justice, against the first instance Decision number (CFR-2023-112417), issued by the 1st First Instance Customs Committee in Riyadh, whose ruling is as follows:

1-Condemnation of the importer (Institution ...) Commercial Register No. (...) For its owner/ ... National ID number (...), present at customs smuggling.

2-Obligating him to a customs fine equivalent to the value of the violating item, an amount of (141,562) one hundred and forty-one thousand five hundred and sixty-two riyals.

3-Obligating him to pay an amount equivalent to the value of the violating item as a confiscation fee of (141,562) one hundred and forty-one thousand five hundred and sixty-two riyals, making the total amount claimed an amount of (283,124) two hundred and eighty-three thousand one hundred twenty four riyals.

Since the appellant was notified of the Decision subject to the appeal on 12/09/2023, and submitted the appeal against the Decision on 12/10/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its conduct according to what is stipulated in Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment (hair cream) belonging to the defendant through the customs of Jeddah Islamic Port under import declaration number (...). On the date 22/02/1436 AH, it was allowed under a commitment not to act until it is approved by the competent authority, and after examining the sample by the General Authority for Food and Drug, the response was received in letter number (...). On 20/03/1436 AH, it was noted that there was a non-compliance due to the presence of coliform bacteria and Escherichia coli bacteria. The importer was contacted to return the shipment to the customs area, but he did not respond. The first instance committee issued its decision as stated in its ruling, based on the fact that the importer did not return the violating shipment to the customs area, which implies his handling of it. His handling of the shipment that was not finally cleared is considered customs smuggling under Article 142 of the Unified Customs Law, and penalties were imposed on the importer as stated in the ruling subject to appeal.

Upon reviewing the objection list submitted by the attorney of the owner of the importing institution, the customs appellate committee found that its summary mentioned that the shipment in question was destroyed in the municipality's range and with the knowledge of customs, in the presence of a representative from the municipality and a representative from customs in 2015, after the attorney obtained permission from customs. The attorney was not provided with a copy of the destruction report as it is an official report and, by its nature, is solely under the control of the administrative authority. It is established in administrative judiciary that similar documents require the administrative authority to present them in



accordance with Article (15/3/5) of the executive regulations of the litigation law before the Board of Grievances. The long duration of (9) years to file the lawsuit and the authority's failure to deny the destruction, along with its requests for extensions to present the report, indicate an acknowledgment of its existence. Additionally, the attorney reviewed the municipality to request a copy of the report based on the transaction registered under number (...). The first instance committee was required to wait for the notification or to directly contact the municipality to provide it with the destruction report, as it is a fundamental document in the case. However, the circuit did not do that and ruled directly based on suspicion, doubt, inference, and guesswork without stating the reason for its disregard of the fundamental evidence, in violation of the established law and rules. Furthermore, the goods subject to the case are not considered prohibited in themselves and do not fall under paragraph (4) of Article (145), as they are not prohibited and are allowed for import and export. They are among the goods exempt from customs duties according to the "Facilitation and Development of Trade Exchange between Arab Countries" agreement. Therefore, it is necessary to apply paragraph (3) of Article (145) of the Unified Customs Law, which confirms the error of the current decision from all aspects, necessitating its cancellation. The regulation concluded with a request to accept the appeal, cancel the first instance decision, and rule again to dismiss the plaintiff's claim, and as a precaution, to contact the Jeddah Secretariat to provide the committee with a copy of the destruction report subject to the case.

A response memo from the authority was received through the automated system on 09/11/2023, summarizing that the submitted appeal is inadmissible due to the expiration of the statutory period, and that the shipment has not been destroyed based on the failure of the appellant to provide evidence supporting their claim, which confirms the invalidity of their argument. Additionally, the violations related to the item in question are considered technical violations that affect the quality of the product, and the authority has the right to prevent the entry of prohibited and non-compliant goods based on Article (24) of the Unified Customs Law. The memorandum concluded with a request to dismiss the appeal on the grounds of the expiration of the statutory period, and alternatively, to rule against the appeal and uphold the first instance decision.

The response from the importing institution was received on 19/11/2023, summarizing a repetition of the defenses presented in the appeal statement, and that the authority's claim that the shipment consists of prohibited goods is incorrect, considering that the shipment is not prohibited and was imported and brought into the Kingdom in a lawful manner, in addition to being exempt goods. Furthermore, the prohibited goods were listed in the customs procedures guide for prohibited items as an exhaustive list, and the item in question was not among them. The statement concluded with a request to annul the first instance decision and to rule again in favor of the defendant's claim, and as a precaution, to address the Jeddah Governorate's secretariat to provide the committee with a copy of the destruction report related to the case.



On Tuesday, February 20, 2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party regarding Decision (CFR – 2023 - 112417), issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a Decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the Grounds on which the appeal was based and the response of the authority to it.

Grounds:

Whereas there is no reproach against the appellate authority for taking the reasons of the decision subject to the appeal without addition whenever it sees that these reasons suffice to avoid the need to present anything new, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained, and this is not affected by what the representative of the importing institution argued that the shipment in question was destroyed under the destruction report and under the supervision and permission of customs, as he did not present what supports and proves his claim, especially with the denial of appellee regarding the destruction of the shipment and his inability to provide evidence, in addition to what he argued that the destruction report is an official report and by its nature is solely under the control of the administrative authority, which is rejected, considering that what has been established in customs practice regarding destruction reports issued by customs is that the signature of the importer is taken and a copy is delivered to him. Since the reasons for the decision subject to the appeal are sufficient to support its ruling, it is necessary to determine that the defenses presented do not affect the outcome of the decision, which makes the appeal without a supporting basis, thus necessitating its rejection. However, the committee noted the first instance circuit's deviation from correctness in its ruling imposing the penalty stated in paragraph (4) of Article (145) of the Unified Customs Law, as the violating item is exempt from customs duties according to the Agreement on the Facilitation and Development of Trade Exchange among Arab States; thus, it is decided by this committee to amend the basis for imposing the customs fine contrary to what was stated in the basis of the first instance decision subject to the appeal by calculating it based on paragraph (4/145) of the Unified Customs Law, and ruling to obligate the importer to a customs fine equivalent to the value of the violating shipment according to paragraph (3) of Article (145) of the same law, considering it as goods originally exempt from customs duties as will be stated in the ruling. Accordingly, the appellate committee concluded to report the following:



Decision:

1- Acceptance of the appeal in form, submitted by / Institution ..., Commercial Registration No. (...), against the first instance Decision No. (CFR - 2023 - 112417), issued by the 1st First Instance Customs Committee in Riyadh.

2- In the subject of his rejection, the affirmation of the first instance Decision in all that it ruled regarding the importer, and that for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR -2024-171114
Case No. PC -2022-127176

Keywords:

Customs - constraints - bond commitment - cosmetics - non-compliance with specifications - failure to review the concerned party in the laboratory - conviction

Summary:

The importer's request to cancel the first instance decision to revoke the first instance decision No. (CFR-2022-2395), issued by the 1st First Instance Customs Committee in Riyadh, which convicted the importer in absentia of customs smuggling, and obliged him to pay a fine for violating customs procedures. And where it was established for the appellate committee that the importer was notified by the customs authority through the letter issued by the General Director of Jeddah Islamic Port Customs with the number (15902/35) dated 02/02/1434 AH, which included the commitment taken from him not to dispose of the shipment before obtaining permission for its clearance, which was not the case for the importer in his dealings with the importer. This means; to uphold the first instance decision in all that it ruled, while specifying the amount of the customs fine and the confiscation fee from the text of the first instance decision.

Document:

- Paragraph (2) of Article (30) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraph (6) of Article (31) of [the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraph (4) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraph (2) of Article (30) of [the Executive Regulations of the Customs law issued by Ministerial Resolution No. \(2748\) dated 25/11/1423 AH.](#)



- Paragraph (6) of Article (31) of [the Executive Regulations of the Customs law issued by Ministerial Resolution No. \(2748\) dated 25/11/1423 AH.](#)

Facts:



This is to consider the appeal submitted by / Institution ..., Commercial Registration No. (...), against the first instance Decision No. (CFR-2022-2395) issued by the 1st First Instance Customs Committee in Riyadh, whose ruling is as follows:

1-Not condemning the importing institution ... Commercial register number (...) In person with customs smuggling.

2-Obligating the importer to a fine for violating customs procedures amounting to (5000) riyals in accordance with Article (31/6) of the Unified Customs law.

Since the appellant was notified of the Decision subject to the appeal on 03/01/2023, and submitted the appeal on 24/01/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established by Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment consisting of (cosmetics) belonging to the importer through the customs of Jeddah Islamic Port according to the import declaration (...). On 24/07/1428 AH, it was allowed under a commitment not to act until it is approved by the competent authority, and upon referring the sample to the laboratory, the report number (...) was received. On 28/08/1428 AH, it was stated that the concerned party did not review the laboratory, and the importer was contacted by customs to return the shipment to the customs area, but he did not respond. The first instance committee issued its Decision as stated in its ruling, based on the fact that the importer's violation by acting on the shipment does not rise to classify it as a customs smuggling crime in light of the result presented in the laboratory report, which led the first instance committee to consider the incident a violation of customs procedures according to the provisions of Article (30/2) of the Unified Customs law.

Upon reviewing the objection list submitted by the owner of the institution, the appellate customs committee found that its summary mentioned that he had not received any notification regarding any case concerning the institution. He requests to be provided with the contact numbers that the authority had notified him about regarding this case, as well as the name of the customs broker who handled the clearance of the goods under import declaration number (...). On 24/07/1428 AH, confirming that he had authorized the customs broker licensed by customs, and thus the importer did not commit any violation that would warrant a fine, and that the broker did not inform him of what happened and that he received his goods as usual.

On 14/03/2023, the authority submitted its response memorandum through the Automated System for the Secretariat to respond to the appeal, summarizing that the institution was notified by several letters from



customs at the addresses registered with the authority, indicating that the shipment did not comply and that it should be returned according to the commitment taken from it; however, it did not respond. Additionally, the importer did not communicate with customs, and it would have been more appropriate for him to contact customs and inquire about the shipment instead of acting on it and violating the commitment he signed. Furthermore, the institution is responsible for the actions of the customs broker since it delegated him of its own free will and can seek recourse against whoever caused it harm before the competent authority. The memorandum concluded with a request to reject the submitted appeal and uphold the first instance Decision in all that it ruled.

On Sunday, February 4, 2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party regarding Decision number (CFR-2022-2395), issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the submitted appeal, the Appeals Committee decided that the case was ready for adjudication in its current state after the committee was informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the Grounds on which the appeal was based and the response of the authority regarding it.

Grounds:

Whereas there is no reproach against the appellate authority for taking the reasons of the decision subject to the appeal without adding anything whenever it sees that these reasons suffice to avoid the need to present anything new, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. The claims made by the appellant regarding defenses that do not contradict the established fact through the documents that included the notification from the customs authority based on the letter issued by the Director General of Jeddah Islamic Port Customs numbered (15902/35) dated 02/02/1434 AH addressed to the importer, as well as the commitment taken from the importer included in the case file stating that the importer should not act on the shipment before obtaining permission for its clearance, which was not the case for the importer in dealing with the importer. Furthermore, customs has no concern when applying the customs law regarding the relationship between the importer and the customs clearance agent as long as the shipment documents were prepared in the name of the importing institution, and the importer is responsible for claiming from whoever alleges harm due to it. Since the reasons for the decision subject to the appeal are sufficient to support its ruling, it is necessary to state that the defenses presented do not affect the outcome of the decision regarding the established customs violation attributed to the importer, which makes the appeal unsupported and thus must be rejected. However, the appellate committee noted that the First Instance Committee had classified the violation among those that fall under the penalty stated in paragraph (30/2) of the executive regulations of the unified customs law in its enumeration of reasons, yet it ruled to impose a penalty on the importing institution for the committed violation amounting to (5,000)



five thousand riyals based on what was stated in the text of its decision relying on Article (31/6) of the unified customs law. Since it was established from the facts of the case that the violation related to the laboratory report was due to the merchant's failure to review the laboratory without stating the non-clearance of the shipment, and since the importer's action regarding the shipment without completing the laboratory review, considering that the laboratory had not yet declared the shipment as unapproved, this results in considering the importer's action as constituting a violation of customs procedures. Therefore, it is decided to amend the penalty amount to be (1,000) one thousand riyals, in accordance with what was stipulated in Article (31/6) of the executive regulations of the unified customs law, as this is consistent with the correct application of the law to the case under consideration, contrary to what was ruled by the 1st Instance Committee that issued the decision and its inconsistency in attributing the determination of the penalty between Article (30/2) of the executive regulations of the unified customs law and Article (31/6) of the unified customs law as previously established. Accordingly, the appellate committee concluded to report the following:

Decision:

- 1- Acceptance of the appeal in form from the applicant/ institution ..., commercial registration number (...), owned by ... , against the first instance Decision number (CFR-2022-2395), issued by the 1st First Instance Customs Committee in Riyadh.
- 2- In the subject of his rejection, and the support of the first instance Decision regarding the non-conviction of the importer for customs smuggling, and imposing a penalty of a customs violation fine on him with a modification to be in the amount of (1000) one thousand riyals, for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No.

CR -2024-168154

Case No.

PC-2022-156947

Keywords:

Customs - Constraints - Bond Commitment - Ready-made Clothes - Non-compliance with specifications - pH and tensile strength - Conviction

Summary:

The importer is requesting the cancellation of the first instance decision No. (653/3) for the year 1443 AH, issued by the Third First Instance Customs Committee in Riyadh, which convicted the importer in absentia of customs smuggling, and obligated him to pay a customs fine and to pay an amount equivalent to the value of the item as a confiscation substitute. And since it has been established to the appellate committee that the customs had contacted the importer to return the shipment, he did not respond, which implies his action with the unauthorized shipment. This means; to uphold the first instance decision regarding the conviction and the substitute for confiscation.

Document:

- Article 56 of the [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Article (142) from [The Unified Customs Law for the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraph (2) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraph (4) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)



Facts:



This is to consider the appeal submitted by/..., national ID number (...), against the first instance decision number (653/3) for the year 1443 AH, issued by the 1st First Instance Customs Committee in Riyadh, whose ruling is as follows:

1-Condemnation of the importer institution ..., commercial registration number (...), present for customs smuggling.

2-To impose a customs fine of (130,780) one hundred thirty thousand seven hundred eighty Saudi riyals, equivalent to the value of the item not permitted for clearance by the competent authority.

3-Obligating him to pay an amount equivalent to the value of the item as a confiscation fee of (130,780) one hundred thirty thousand seven hundred eighty Saudi Riyals, bringing the total amount claimed to (261,560), two hundred sixty-one thousand five hundred sixty Saudi Riyals.

Since the appellant was notified of the Decision subject to the appeal on 03/01/2023, and submitted the appeal on 08/01/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established by Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment (lamps) belonging to the importer through the customs of Jeddah Islamic Port, according to import declaration number (...). On the date 26/01/1434 AH, it was granted based on a commitment not to act until it is approved by the competent authority, and after examining the sample by the laboratory, the report number (...) was received. On 09/02/1434, it was noted that there was non-compliance in terms of determining the pH level and tensile strength. The importer was contacted, but did not respond. The first instance committee issued its Decision based on the fact that the importer violated the commitment made not to act on the non-compliant shipment before obtaining the necessary clearance from the competent authority, contrary to what is stipulated in Article (56) of the Unified Customs law, which constitutes his action as customs smuggling according to Article (142) of the same law, and imposed penalties on the importer as stated in its Decision.

Upon reviewing the objection list submitted by the attorney of the appealing institution, the customs appellate committee found that its summary mentioned that the first instance decision indicated the absence of the concerned party or their representative at the hearing and that they were not notified of the hearing dates, which deprived them of the right to plead and defend before the committee. Additionally, the importer did not act on the shipment while it was in his warehouses and could have returned it to customs, thereby fulfilling the commitment made to him. The list concluded with a request not to convict the importer for having the goods in his warehouses without taking action on them.

A response memorandum from the authority was received through the automated system of the secretariat dated 06/03/2023, which summarized that regarding the claim made by the attorney of the appealing



institution about the presence of the goods with him, it has been established that the importer was notified through several letters sent to his registered addresses with the authority to return the shipment subject to the violation to customs without any response from him. This is evidence of his handling of the shipment in violation of the provisions of Article (56) of the Unified Customs Law, which constitutes his actions as committing the crime of customs smuggling according to Article (142) of the same law. Additionally, the elements of the crime of customs smuggling are present against the importer due to his breach of the commitment taken upon him through his handling of the shipment subject to the violation and the introduction of goods whose entry into the country is restricted. The memorandum concluded with a request to reject the appeal submitted by the institution ... And support for the first instance Decision in all that it ruled.

On Monday, May 6, 2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against decision No. (653/3) for the year 1443 AH, issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in its current state after the committee was informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based and the response of the authority to it.

Grounds:

Whereas there is no reproach against the appellate authority for taking the reasons of the decision subject to the appeal without addition whenever it sees that these reasons suffice to omit any new ones, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. Moreover, the appellant's claim in his statement regarding the institution not being notified of the hearing date is merely a vague assertion, as the first instance decision explicitly confirmed its notification as stated in the facts on two occasions: the first hearing was on Tuesday, corresponding to 25/04/1443 AH, and the second hearing was on Sunday, corresponding to 08/05/1443 AH. Additionally, the validity of the first instance decision's conclusion is not undermined by what is mentioned regarding the existence of the shipment in the institution's warehouses, as it is established from the case file that the customs had communicated with the importer to return the shipment, but he did not respond, which implies his action regarding the shipment was not authorized for clearance. Furthermore, there is no evidence of the importer's commitment to the Bond Commitment taken regarding the shipment and the customs review to consider the matter of its clearance, which makes his argument in this regard based on a foundation that is strengthened by the apparent actions of the importer regarding the shipment contrary to the Bond Commitment taken regarding it. Since the reasons for the decision subject to the appeal are sufficient to support its ruling, it is necessary to state that the defenses presented do not affect the outcome of the decision, which makes the appeal unsupported and necessitates its rejection concerning the conviction of the importer for customs smuggling. However, the appellate



committee noted that the committee issuing the decision had ruled to calculate the customs fine on the importer by applying paragraph (4) of Article (145) of the Unified Customs Law, which applies to prohibited goods. Since the imported goods are not prohibited in their nature and type, but their entry was prohibited due to non-compliance with some required specifications, which is confirmed by the request from the importer to bring the shipment to the customs area for re-export, this committee decides to apply paragraph (2) of Article (145) of the Unified Customs Law contrary to what was ruled by the 1st instance decision. Consequently, this committee concludes to calculate the amount of the customs fine at twice the customs duties as will be stated in the ruling. Therefore, the committee concluded to report the following:

Decision:

- 1- Acceptance of the appeal in form from the applicant/ institution ..., commercial registration number (...), against the first instance decision number (653/3) for the year 1443 AH, issued by the 1stFirst Instance Customs Committee at the Al-Bathaa customs.
- 2- In the subject, his rejection, and the affirmation of the first instance decision regarding the conviction and the substitute for confiscation, with the modification of the customs fine to be double the customs duties of the violating items, making the total amount claimed from the importer an amount of (143,858) one hundred and forty-three thousand eight hundred and fifty-eight riyals, for the reasons and justifications stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-168330
Case No. PC-2022-120692

Keywords:

Customs - Constraints - Bond Commitment - Fabrics - Non-compliance with specifications - Color fastness
- Conviction

Summary:

The importer is requesting the cancellation of the first instance decision No. (CTR-2022-1601), issued by the Third First Instance Customs Committee in Riyadh, which ruled in person on customs smuggling and imposed a customs fine equivalent to the value of the violating item and required the value of the violating item as a confiscation substitute. The appellate committee has established, based on the documents, that the imported goods included a violation related to the color not being stable for washing, which is one of the violations resulting from the importer's actions regarding the shipment before being granted clearance, considering that action as customs smuggling. Consequently, this means upholding the first instance decision regarding the conviction of the importer for customs smuggling and the penalty for the confiscation substitute imposed, while amending the amount of the customs fine imposed.

Document:

- Article 56 of the [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Article (142) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraph (2) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraph (4) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraph (5) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)



- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (188) of [the Judicial Procedures law issued by Royal Decree No. \(M/1\) dated 22/01/1435 AH.](#)

Facts:



This is to consider the appeal submitted by (...), national ID number (...), in his capacity as the owner of the institution (...), commercial registration number (...), against the first instance Decision number (CTR-2022-1601), issued by the 1st First Instance Customs Committee in Riyadh, which ruled as follows:

- 1- Condemnation/ Institution ..., Commercial Registration Number (...) In person with customs smuggling.
- 2-Obligating it to pay a customs fine equivalent to the value of the violating item in the amount of (25,736) twenty-five thousand seven hundred thirty-six riyals, in accordance with Article (145/4) of the Unified Customs law.
- 3-Obligating it to pay the value of the violating item as a confiscation fee in the amount of (25,736) twenty-five thousand seven hundred and thirty-six riyals, according to Article (145/5) of the same law, bringing the total amount to (51,472) fifty-one thousand four hundred and seventy-two riyals.

Since the appellant was notified of the Decision subject to the appeal on 15/12/2022, and submitted the appeal on 10/01/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment consisting of (fabrics) belonging to the institution ..., commercial registration number (...), through the Al-Batha customs under import declaration number (...). On the date 25/11/1438 AH, it was released under a commitment not to act until the result of the competent authority appears, and after examining the samples by the laboratory, the report was received with the reports number (...). On 28/08/2017, it was noted that the sample did not match in terms of color fastness to washing, and the importer was contacted but did not respond. The first instance committee issued its decision as stated in its ruling, based on the fact that the importer's failure to return the shipment that was not authorized for clearance, which he committed to the customs not to dispose of until it was approved by the competent authority, is a violation of Article (56) of the Unified Customs Law. It is also considered customs smuggling according to Article (142) of the same law, and its penalties were imposed as stated in its decision.

Upon reviewing the objection list submitted by the appellant, which includes his challenge to all paragraphs of the first instance decision issued by the Third Customs Committee in Riyadh, No. (CTR-2022-1601) for the year (1444 AH).



A response memo was received through the automated system of the secretariat from the authority dated 09/03/2023, which summarized that the appellant submitted a list that included a request for appeal, but it did not include the reasons for the objection or the requests of the appellant. Article (188) of the Judicial Procedures law indicated that the appeal request list should include the reasons for the appeal as well as the requests of the appellant. Therefore, it was not drafted in the required legal form. The authority's memo concluded with a request to reject the appeal submitted by the appellant and to uphold the first instance decision in all its provisions.

On Tuesday, June 4, 2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party regarding Decision No. (CTR-2022-1601), issued by the 1st First Instance Customs Committee at the Al-Batha Customs. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a Decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in its current condition.

Grounds:

Whereas the appeal request states that the decision was issued against the importer imposing a fine, and that he is appealing the first instance decision in all its paragraphs and requests the referral of the appeal to the appellate customs committee, and whereas the third paragraph of Article Two of the executive regulations issued in the year 1440 AH for appeal procedures - which applies the provisions of its texts regarding similar appeal requests - states that: If the appellant does not specify the type of appeal request; whether it is a hearing or a review, it will be considered as a review. Therefore, the appellate committee decides to consider the appeal request through review, and since there is no blame on the reviewing party for taking the reasons of the decision subject to the appeal without adding anything new whenever it sees that these reasons are sufficient to negate the need for any new submissions, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. Upon reviewing the decision, the appellate committee found no need for correction or commentary after it was established through the documents that the incoming shipment included a violation related to the lack of color stability for the washing, which is one of the violations that result from the importer's actions regarding the shipment before permission for its clearance, considering that action as customs smuggling according to Article (142) of the Customs Law. However, the appellate committee concluded to impose a customs fine on the importer based on what was stated in paragraph (2/145) of the unified Customs Law, contrary to what was decided by the 1st instance decision by calculating the customs fine based on what was stated in paragraph (4/145), considering that the violating items related to the smuggling incident are not of the type of prohibited goods in themselves, but the prohibition was imposed on them for violating the required specifications, which necessitates amending the amount of the customs fine and calculating the confiscation amount as will be detailed in the



text of this decision. Since the reasons for the decision subject to the appeal are sufficient to support its ruling, it is necessary to determine that the defenses presented do not affect the outcome of the decision, which makes the appeal unsupported and thus must be rejected. Therefore, the appellate committee concluded to report the following:

Decision:

1-Acceptance of the appeal in form, submitted by / Institution ..., Commercial Registration No. (...), against the first instance Decision No. (CTR-2022-1601) issued by the 1st First Instance Customs Committee in Riyadh.

2-In the subject of his rejection, and the affirmation of the first instance decision regarding the conviction of the importer for customs smuggling and the penalty of the confiscation substitute, with the amendment of the amount of the imposed customs fine to be twice the Customs Duties, making the total amount claimed from the importer an amount of (28,309) twenty-eight thousand, three hundred and nine riyals, for the reasons and justifications stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR -2024-181040
Case No. PC -2022-123415

Keywords:

Customs - Constraints - Bond Commitment - Brake Fabric - Non-compliance with specifications - Absence of asbestos in the sample - Conviction

Summary:

The importer is requesting the cancellation of the first instance decision No. (CFR-2022-2244), issued by the 1st First Instance Customs Committee in Riyadh, which convicted the importer in absentia of customs smuggling, and obligated him to pay a customs fine equivalent to the value of the contraband item and to pay an amount equivalent to the value of the item as a confiscation substitute, and to pay a fine for violating customs procedures. Where it was established for the appellate committee that the appellant introduced the shipment in violation of the prohibitions and constraints that must be observed in order to clear the shipment. This means; the affirmation of the first instance Decision in all that it ruled.

Document:

- Article 56 of the [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Article (140) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (142) of [the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by/..., national ID number (...). As an agent for / ..., national ID number (...), as the owner of the ... institution, commercial registration number (...), under agency number



(...). The date 07/08/1444 AH issued by the electronic services at the Ministry of Justice, against the first instance Decision number (CFR-2022-2244), issued by the 1st First Instance Customs Committee in Riyadh, ruling as follows:

1-Condemnation of the importer institution ..., commercial registration number (...), present for customs smuggling.

2-To impose a customs fine equivalent to the value of the technically violating item in the amount of (18,381) eighteen thousand three hundred and eighty-one riyals.

3- Obliging him to pay an amount equivalent to the value of the item as a confiscation fee, amounting to (18,381) eighteen thousand three hundred and eighty-one riyals.

4-To impose a fine for violating customs procedures in the amount of (1000) one thousand riyals according to Article (31/6) for items that are procedurally non-compliant, making the total amount claimed (37,762) thirty-seven thousand, seven hundred sixty-two riyals.

Since the appellant was notified of the Decision subject to the appeal on 13/02/2023, and submitted the appeal on 28/02/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment consisting of (brake cloth - air filter) belonging to the importer through the customs of King Abdulaziz Port under import declaration number (...). On the date 05/07/1434 AH, it was allowed under a commitment not to act until it is approved by the competent authority, and after presenting the sample to the Ministry of Commerce and Industry, a response was received in letter number (...). On the date of 21/08/1434 AH, it was noted that the brake fabric type did not comply due to the trader's failure to provide a certified certificate from the manufacturer proving that the sample was free of asbestos. It was also observed that there was no country of origin on the sample, and the two types of air filters did not comply due to the trader's failure to provide a certified compliance certificate. The importer was contacted, but he did not respond. The first instance committee issued its Decision as stated in its ruling, based on the fact that the importer did not return the unapproved shipment to the customs area, which he committed not to dispose of until the laboratory results appeared, which implies that his actions were in violation of Article (56) of the Unified Customs law, and it is considered customs smuggling according to Article (142) of the same law. Since the results of the sample analysis proved non-compliance for technical Grounds regarding the brake type and for procedural Grounds regarding the air filter type, the first instance committee concluded to apply Article (140) of the same law and arranged for the application of penalties against the importer as stated in its Decision.

Upon reviewing the objection list submitted by the agent of the owner of the importing institution, the customs appellate committee found that its summary mentioned that the committee issuing the Decision overlooked proving the notification to the concerned party, whether by the laboratory result or by notifying



the importer to re-export the shipment. Additionally, the customs broker's relationship with the importer is limited to the customs area, and he has no connection to judicial matters, nor is there any legal authorization for him or anyone else in the case. Furthermore, the case file lacks evidence proving that the importer was notified of the laboratory result dated of notification, which negates the argument against him for committing the crime of customs smuggling and leads to uncertainty regarding the existence of the criminal intent required for criminal liability according to Article (144) of the Unified Customs law. There is also a judicial precedent based on the Decision of the customs appellate committee in Dammam No. (231) issued on case No. (4501) for the thirty-fourth judicial year. Moreover, the shipment has been in the country for nearly (6) years since its entry, and this delay in notifying the importer is inconsistent with commercial practice, which relies on the turnover of goods to benefit from the financial cycle. Based on the letter from His Excellency the Minister of Finance No. (1830) dated 10/07/1437 AH, it is necessary to overturn the Decision under appeal. Additionally, the shipment in question is not among the prohibited goods, and the circumstances leading to conviction are not related to consumer safety when using the imported item, as evidenced by the laboratory result indicating that the trader did not review the laboratory and fulfill the requirements. The memorandum concluded with a request to accept the appeal in form, overturn the first instance Decision, and rule for acquittal.

A response memorandum from the authority was received via the Automated System of the Secretariat dated 08/05/2023, summarizing that the importer violated the commitment taken upon him and acted with the shipment without being notified by the customs of its clearance. He was also notified to return the shipment through several notifications, the last of which was in the year 1434 AH, but he did not respond, nor did the importer review the customs throughout this period, which indicates his negligence and disregard, and his handling of the shipment that was not cleared, thus violating the commitment taken upon him. It is noted that the commitment is still in effect and has not been settled. Additionally, the laboratory report included that the items did not comply due to the trader's failure to provide an accredited conformity certificate and a certificate from the manufacturer, which are technical violations that affect the quality of the product as it is one of the mechanical products used in vehicles, causing significant harm to consumer safety and negatively impacting their financial resources by purchasing non-compliant goods. Moreover, customs smuggling crimes are intentional crimes that require the existence of both the material and moral elements for their occurrence, which were present in the case at hand. The memorandum concluded with a request to reject the appeal submitted by the institution ... And the affirmation of the first instance Decision in all that it ruled, while the authority reserves the right to provide further responses and clarifications before the closure of the hearing.

On Wednesday, 13/03/2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against decision number (CFR-2022-2244), issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the



appellant, the committee found that the case was ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based and the response of the authority.

Grounds:



Whereas there is no reproach against the reviewing authority for taking the reasons of the decision subject to the appeal without addition whenever it sees that these reasons suffice to avoid the need to present anything new, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained, and this is not undermined by what the appellant raises in his statement regarding the lack of evidence of his notification. It is established from the case file that the customs authority communicated with the importer to return the violating items through several correspondences, the last of which was on 25/12/1434 AH. Moreover, what is being argued does not contradict the established principle that the release of the shipment was a temporary release until the procedures for its inspection were completed. The customs procedure related to completing the entry of the shipment into the country requires the importer to observe the general duty imposed by the customs law regarding his dealings with the incoming shipment, which is embodied in compliance with all that the customs law and other related regulations require for the clearance of the shipment, necessitating that he does not act with it in any way until it is approved and he is permitted to act with it. Therefore, the violation by the importer of this duty by acting with the shipment without regard to the matter of permission for its entry into the country constitutes behavior contrary to that general duty, which is presumed to be known to him as a matter of necessity, and does not negate the validity of attributing the crime of customs smuggling to him. Thus, what he claims regarding the lack of intent on his part is rightly disregarded, confirming the validity of attributing the crime of customs smuggling to him as it is defined in the unified customs law in Article (142) by introducing the shipment contrary to the prohibitions and constraints that must be observed for the clearance of the shipment concerning the item (brake cloth). The decision subject to the appeal also ruled against the defendant regarding the other item related to the violation, considering it a customs procedure violation (air filter), as the importer's dealings with the two items did not achieve compliance with the general duty imposed by the customs law on him as previously established. Since the reasons for the decision subject to the appeal are sufficient to support its ruling, it is necessary to determine that the defenses presented do not affect the outcome of the decision, making the appeal unsupported and thus must be rejected. Accordingly, the committee concluded to report the following:



Decision:

1- Acceptance of the appeal in form from the applicant/ institution ..., commercial registration number (...), owned by/ ..., national ID number (...), against the first instance Decision number (CFR-2022-2244), issued by the 1st First Instance Customs Committee in Riyadh.

2- In the subject, his rejection and the affirmation of the first instance Decision in all that it ruled, and that is for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR -2024-193970
Case No. PC -2022-26420

Keywords:

Customs - Constraints - Bond Commitment - Chilled Fish - Non-compliance with specifications - Absence of cholera - No conviction

Summary:

The importer is required to cancel the first instance decision No. (CSR-2022-3082), issued by the second First Instance Customs Committee in Riyadh, which convicted the importer in absentia of customs smuggling and obligated them to pay a customs fine equivalent to the value of the contraband item and to pay an amount equivalent to the value of the contraband item as a confiscation substitute. And where it was established for the appellate committee according to the laboratory report related to the shipment in question that it did not include anything that definitively proves the invalidity of the shipment for consumption or that it contained a violation related to its consumption safety, but rather it was limited to merely not attaching a certificate of absence of cholera among the shipment attachments, and that the matter of the importer's violation in dealing with the shipment related to the laboratory's observation constitutes a violation of customs procedures that does not rise to the level of being considered customs smuggling. This means; the annulment of the first instance decision in all that it ruled against the appellant and considering the importer's action with the shipment as constituting a customs violation and imposing a customs fine.

Document:

- Article (56) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (142) of [the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (144) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (154) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)



- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (153) of [the Code of Criminal Procedure issued by Royal Decree No. \(M/2\) dated 22/01/1435 AH.](#)
- Paragraph (6) of Article (31) of [the Executive Regulations of the Customs law issued by Ministerial Decision No. \(2748\) dated 25/11/1423 AH.](#)

Facts:



This is to consider the appeal submitted by/ ..., national ID number (...), in his capacity as an agent for/ ..., national ID number (...), in his capacity as the director of the company in ... Company, commercial registration number (...). This is according to agency number (...) dated 17/07/1444 AH, issued by the notary public in North Riyadh, against the first instance Decision number (CSR-2022-3082), issued by the second First Instance Customs Committee in Riyadh, ruling as follows:

- 1-Conviction of the defendant/company ..., commercial registration number (...), present for customs smuggling.
- 2-Obligating it to pay a customs fine equivalent to the value of the violating item (chilled fish) in the amount of (4,962) four thousand nine hundred sixty-two riyals.
- 3- Obliging it to pay an amount equivalent to the value of the violating item as a confiscation fee amounting to (4,962) four thousand nine hundred and sixty-two riyals.

Since the appellant was notified of the Decision subject to the appeal on 27/04/2023, and submitted the appeal on 30/04/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the prescribed period for its execution as stipulated in Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment consisting of (chilled fish) belonging to the importer through the customs of Jeddah Islamic Port according to import declaration number (...). On the date 26/07/1432 AH, its total value amounted to (4,962) four thousand nine hundred and sixty-two riyals, and its quantity was (6) six units, which were released under a commitment not to dispose of them until they are approved by the competent authority. After the sample was examined by the Food and Drug Authority, the response was received in letter number (...) On 09/08/1432 AH, stating that the items did not conform to the specifications due to the lack of a cholera-free certificate. The importer was notified of the result by several letters, but he did not respond. The first instance committee issued its decision as stated in the operative part of the decision on the basis that the failure to return the violating items to the Customs despite their lack of clearance from the laboratory violates the provisions of Article (56) of the Unified Customs Law. The disposal of these items in this state is considered customs smuggling



in accordance with Article (142) of the same law, and the penalties are applied as stipulated in the operative part of its Decision.

Upon reviewing the objection list submitted by the agent of the importing company, the customs appeal committee found that its summary mentioned that the Decision subject to objection is contrary to the provisions of Article 3 of the Evidence law in its first and second paragraphs. Furthermore, there is a significant difference between the existence of the certificate and its absence, as the company possesses a certificate titled (Health Quarantine No. ... On the date of 27/06/2011, the same day the customs declaration was issued, in addition to the lack of elements for applying the crime of customs smuggling in the case subject to objection, it is clearly evident beyond any doubt that the company did not intentionally violate the law regarding customs smuggling as indicated by the text of Article (154) of the Unified Customs law, nor did it violate Article (142) of the same law, as the goods were introduced through the port in accordance with the legislation, disclosed all their contents, and paid the fees determined by the customs administration. Furthermore, the criminal intent required in Article (144) of the Unified Customs law for establishing criminal liability in the crime of smuggling is absent in this incident, as the company re-exported the goods under the export declaration number (...). On the date 26/07/1432 AH, the goods are not among the prohibited materials, and the regulation concluded with a request to cancel the first instance Decision and a ruling of not guilty for the appellant regarding the accusation of customs smuggling.

A response memo was received through the Automated System of the Secretariat from the authority dated 04/06/2023, which summarized that the representative of the appealing company attended the session of the First Instance Committee at the headquarters of the General Secretariat and acknowledged the actions of his client regarding the shipment, and that his acknowledgment is conclusive evidence. Furthermore, the commitment signed by the company stated that the shipment should not be handled in any way except after notification from the authority approving its clearance from the competent authority. Therefore, the company's handling of the shipment constitutes a violation of the signed commitment. It would have been more appropriate for the company to communicate and respond to the authority instead of handling the shipment and violating the commitment, which constitutes smuggling according to Article (142) of the Unified Customs law. Based on the letter from the Food and Drug Authority, the violation is technical and affects the safety and health of consumers and impacts their financial resources due to the purchase of non-compliant goods. Additionally, customs smuggling crimes are intentional crimes that require both the material and moral elements to be present, which were available in the case at hand. The memo concluded with a request to reject the appeal submitted by the company ... And the affirmation of the first instance Decision in all that it ruled.

On Wednesday, April 24, 2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party regarding Decision number (CSR-2022-3082), issued by the Second First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted



by the appellant, the committee found that the case was ready for a Decision in its current state after the committee was informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the Grounds on which the appeal was based and the response of the authority.

Grounds:



Whereas it is established in the rules of litigation that the proper application of the law is an obligation on the authority examining the case, and it shall rule on its own without the need for a request from the parties, thus the authority examining the case has broad discretion in assessing the facts and giving them the appropriate description and correct classification without being bound by the classification of the prosecution or its opponent, in light of what it is convinced of and the state of the evidence and the inferences drawn from it, relying on it and taking it as a basis for its ruling as long as the documents related to it within the case file do not contradict what has been inferred and established in its conviction and belief to resolve the dispute, and that its inference is sound, reasonable, and leads to the result it has reached, which is consistent with what is stated in Article (153) of the Criminal Procedure law, which stipulates that "the court is not bound by the description contained in the indictment and must give the act the description it deserves, even if it contradicts the description contained in the indictment..."; and whereas it has been established according to the laboratory report attached to the case file related to the shipment in question that it did not include anything that definitively proves the invalidity of the shipment for consumption or that it contains a violation related to the safety of its consumption, but rather it was limited to merely not attaching a certificate of absence of cholera among the attachments of the shipment; and whereas the matter of conviction for customs smuggling must be based on credible evidence and strong inferences to ensure the validity of attributing the crime of smuggling to the importer; and whereas the observation made in the laboratory report was not sufficient to base the conviction on the importer's handling of the shipment as valid for attributing the crime of customs smuggling to him, but rather the most that can be said is that the importer's violation in handling the shipment related to the laboratory's observation constitutes a violation of customs procedures that does not rise to the level of being considered customs smuggling, contrary to what was decided in the first instance ruling against the importer, which leads the appellate committee to consider the importer's handling of the shipment as constituting a customs violation and imposing a customs fine of (1,000) one thousand riyals in accordance with what is stipulated in paragraph (6/31) of the executive regulations of the unified customs law. Therefore, the appellate committee concluded to report the following:



Decision:

- 1- Acceptance of the appeal in form from the applicant/ Company ..., Commercial Registration No. (...), against the first instance Decision No. (CSR-2022-3082), issued by the second First Instance Customs Committee in Riyadh.
- 2- In the matter of its acceptance, and the annulment of the first instance Decision in all that it ruled against the appellant, and this is for the Grounds and considerations stated in this Decision.
- 3- Considering the importer's action regarding the shipment as a customs violation and imposing a customs fine of (1,000) one thousand riyals, for the reasons and circumstances stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR -2024-191893
Case No. PC-2022-127214

Keywords:

Customs - Constraints - Bond Commitment - Ornamental Fish Feed - Non-compliance with specifications - Indication of origin - Conviction

Summary:

The importer is requesting the cancellation of the first instance decision No. (CFR-2022-2401) issued by the 1st First Instance Customs Committee in Riyadh, which convicted the importer in absentia of customs smuggling, and obligated him to pay a customs fine equivalent to the value of the contraband item, and to pay an amount equivalent to the value of the contraband item as a confiscation substitute. Where it was established for the appellate committee that the act contrary to the importer was to introduce the shipment without confirming the data of the expiration date and the indication of the origin of the goods. This means; to uphold the first instance decision regarding the conviction of the importer for customs smuggling and the penalty of the confiscation substitute, while amending the amount of the customs fine imposed to be twice the amount of the customs duties.

Document:

- Article (25) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (142) of [the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraph (2) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraph (4) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)



- Article (20) of [the rules for the work of Zakat, tax, and customs committees issued by Royal Order No. \(25711\) dated 08/04/1445 AH.](#)
- Article (21) of [the rules for the work of Zakat, tax, and customs committees issued by Royal Order No. \(25711\) dated 08/04/1445 AH.](#)

Facts:



This is to consider the appeal submitted by / Institution ..., Commercial Registration No. (...), against the first instance Decision No. (CFR-2022-2401) issued by the 1st First Instance Customs Committee in Riyadh, whose ruling is as follows:

1-Condemnation of the importer institution ..., commercial registration number (...). In person with customs smuggling.

2-To impose a customs fine equivalent to the value of the violating item, an amount of (20,768) twenty thousand seven hundred and sixty-eight riyals.

3-Obligating him to pay an amount equivalent to the value of the violating item as a confiscation fee of (20,768) twenty thousand seven hundred and sixty-eight riyals, making the total amount claimed (41,536) forty-one thousand five hundred and thirty-six riyals.

Since the appellant was notified of the Decision subject to the appeal on 12/03/2023, and submitted the appeal against the Decision on 10/04/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its execution as stipulated in Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment consisting of (ornamental fish feed) belonging to the importing institution through the customs of Jeddah Islamic Port under import declaration number (...). On the date 11/07/1430 AH, the shipment was allowed under a commitment not to act until a label indicating the expiration date was affixed to the packages, establishing the country of origin and notifying the nearest customs office. The importer was contacted, but he did not respond. The first instance committee issued its Decision as stated in its ruling, based on the fact that the written commitment taken from the importer is limited to establishing the country of origin, and that importing ambiguous goods that do not carry a fixed country of origin violates what is stipulated in Article (25) of the Unified Customs law. The importer's action regarding the shipment is considered customs smuggling according to Article (142) of the Unified Customs law, and penalties were imposed on the appellant as stated in the ruling of its Decision.

Upon reviewing the objection list submitted by the appellant, the appellate customs committee found that its summary mentioned the appellant's claim of not being notified of the new date, as the previous session coincided with an official holiday by royal decree, and the session was postponed as a result. Additionally,



the Decision subject to the appeal did not take into account the memorandum submitted by the appellant. The appellant argues that the shipment was cleared, and attached is proof of that. Furthermore, the authority did not provide in its claim any evidence that the sample was non-compliant. The appellant states that it is incorrect to say that he did not review customs, despite the presence of attached documents from the authority proving the review. The appellant also mentions that the incoming shipment is specifically for their private project and is not for commercial purposes. The memorandum concluded with the appellant's request for acceptance in form and the annulment of the Decision subject to the appeal.

A response memorandum was received through the Automated System of the Secretariat from the authority dated 30/05/2023, which summarized that the appellant was notified that he must return the shipment according to the commitment taken upon him - which is still valid and has not been settled - but he did not respond, thus violating the bond commitment taken upon him, which constitutes customs smuggling according to Article (142) of the Unified Customs law. Moreover, customs smuggling crimes are intentional crimes that must have both the material and moral elements, which were present in the case under consideration as the importer acted with the shipment in question. The memorandum concluded with a request to reject the appeal submitted by the appellant and to uphold the first instance Decision in all its provisions.

On Tuesday, 02/07/2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against Decision number (CFR-2022-2401) issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a Decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the Grounds on which the appeal was based and the response of the authority to it.

Grounds:

Whereas the appellant's claim of not being notified of the session date for the case before the First Instance Committee is refuted, considering that it is established through the narration of the facts of the first instance decision that he was duly notified of three sessions held to consider the case, which means that the decision was issued against him in his presence due to the validity of that notification in accordance with what is stipulated in Articles (12, 20) of the Customs Committees' Working Rules. Therefore, the appellant's claim of not being notified of the session date should be disregarded. Moreover, there is no blame on the appellate authority for adopting the reasons for the decision subject to the appeal without adding anything new, whenever it sees that these reasons suffice to negate the need for any new information, as its support is based on its reasons, indicating that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. The appellant did not present anything to support his appeal that contradicts the established basis on which the first instance decision was built in its reasons and



its ruling. Since the reasons for the decision subject to the appeal are sufficient to support its ruling, it is necessary to determine that the defenses presented do not affect the outcome of the decision, which means that the appeal is without supporting evidence and must be rejected. This conclusion is not affected by what the appellant mentions in the attached documents in the case that the incoming shipment is specific to their private project and is not for commercial purposes, as this is refuted considering that the essence of preventing the entry of materials and restricting their clearance is not related to whether they are introduced into the commercial transaction or not. Especially since the act for which the appellant is held accountable does not cease merely by assuming the proof of personal use of the incoming goods and not trading with them, as the violation is related to the breach of the required specifications in establishing the incoming goods regarding the validity date and indicating the country of origin, which was not the case with the shipment in question. However, the appellate committee noted that the committee issuing the decision had imposed the customs fine on the importer by applying paragraph (4) of Article (145) of the Unified Customs law, which applies to prohibited goods. Since the incoming goods are not prohibited in their nature and type, but the violation occurred due to the entry of the shipment without establishing the validity date and the indication of origin for the incoming goods after it was temporarily cleared based on the commitment taken from him to complete that procedure by the customs, which was not proven to have been carried out by the importer. Therefore, this committee decides to apply paragraph (2) of Article (145) of the Unified Customs law contrary to what was decided by the 1st instance decision, leading this committee to calculate the amount of the customs fine at twice the customs duties as will be stated in the ruling. Accordingly, the appellate committee concluded to report the following:

Decision:

- 1- Acceptance of the appeal in form, submitted by / Institution ..., Commercial Registration No. (...), against the first instance Decision No. (CFR-2022-2401) issued by the 1st First Instance Customs Committee in Riyadh.
- 2- In the subject of his rejection, and the affirmation of the first instance decision regarding the conviction of the importer for customs smuggling and the penalty of the confiscation substitute, with the amendment of the amount of the imposed customs fine to be twice the Customs Duties, making the total amount claimed from the importer an amount of (22,844) twenty-two thousand eight hundred and forty-four riyals, for the reasons and justifications stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR -2024-227795
Case No. AC-2022-103205

Keywords:

Customs - Constraints - Bond Commitment - Bulb - Compliance Check - Heads of Rules and Labeling - Conviction

Summary:

The importer is required to cancel the first instance decision No. (CFR-2023-103205), issued by the 1st First Instance Customs Committee in Riyadh, which convicted the importer in absentia of customs smuggling, and obligated him to pay a customs fine equivalent to the value of the contraband item, and to pay an amount equivalent to the value of the contraband item as a confiscation substitute, and to pay a fine for violating customs procedures. Where it has been established for the appellate committee that the customs procedure related to the completion of the entry of the shipment into the country requires the importer to take into account the general duty required by the customs law when dealing with the shipment. This means; and the affirmation of the first instance Decision in all that it ruled.

Document:

- Article (158) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraph (6) of Article (31) of [the Executive Regulations of the Customs law issued by Ministerial Resolution No. \(2748\) dated 25/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by/..., national ID number (...). As the owner of the institution ..., commercial registration number (...), against the first instance Decision number (CFR-2023-103205), issued by the 1st First Instance Customs Committee in Riyadh, whose ruling states the following:



1- Condemnation of the importer (Institution ...) Commercial register number (...), present at customs smuggling.

2- Imposing a customs fine equivalent to the value of the item that is technically non-compliant, amounting to (9,516) nine thousand five hundred and sixteen riyals.

3- Obliging him to pay an amount equivalent to the value of the violating item as a confiscation fee of (9,516) nine thousand five hundred and sixteen riyals.

4- He is obliged to pay a fine for violating customs procedures in the amount of (1000) one thousand riyals according to Article (31/6) of the executive regulations of the Unified Customs Law for items that are procedurally non-compliant, making the amount claimed a total of (20,032) twenty thousand and thirty-two riyals.

Since the appellant was notified of the Decision subject to the appeal on 11/12/2023, and submitted the appeal against the Decision on 12/12/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its conduct according to what is stipulated in Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment (tea) through the Al-Batha customs according to import declaration number (...). On the date 14/07/1435 AH corresponding to 14/05/2014 AD, it was allowed under a commitment not to act until the result of the competent authority appears, and upon presenting the sample to the laboratory, the response was received in report number (...) The date 08/06/2014 AD includes non-compliance regarding the heads of the rules, and report number (...) On 24/05/2014, it was noted that there was a non-compliance regarding the tagging, and the importer was addressed by the customs through several letters, but he did not respond. The first instance committee issued its decision as stated in its ruling based on the lack of response from the importer to the customs and his failure to return the non-compliant item, which implies his handling of the incoming shipment contrary to the commitment made to him after the results of the sample examination showed technical and other procedural violations, which led the first instance committee to report the penalties as stated in its decision.

Upon reviewing the objection list submitted by the owner of the importing institution, the customs appeals committee found that its summary mentioned that the bond commitment in dispute did not include any content referring to the shipment, which could facilitate the customs broker in taking a copy and attaching it to the documents as it is a copy and not an original. Furthermore, he was not aware of the bond commitment taken on the shipment, which was not issued by the appealing institution, and therefore he challenges the validity of the commitment due to the ease of manipulation. The customs authority has neglected its duty due to its failure to exercise the necessary care to verify the validity of the commitment. Additionally, the customs did not provide evidence of the importer receiving the goods or acting upon them, and the presumption is his innocence from the crime, considering that judgments are based on certainty



and conviction, not on suspicion and possibility. The list concluded with a request to accept the appeal in procedures and on merits, to overturn the decision subject to the appeal, and to cancel the fine imposed on the appealing institution.

A response memorandum from the authority was received through the automated system of the secretariat dated 12/02/2024, which summarized that the shipment was received in the name of the appealing institution and that it is responsible before customs since the data was registered in the name of the institution, as stated in Article (158) of the Unified Customs Law. The owners of the goods, employers, and carriers of the goods shall be responsible for the actions of their employees and all workers for their benefit regarding the fees and taxes collected by the customs department, as well as the fines and confiscations stipulated in this "law" and resulting from those actions. According to the text of the article, the institution is lawfully responsible, especially since the institution is the one that appointed the customs broker of its own free will, and it can seek recourse against whoever caused it harm before the competent authority. Therefore, the authority requests the esteemed committee to reject the appeal and uphold the first instance decision in all that it ruled.

On Sunday, 28/07/2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against Decision number (CFR-2023-103205) issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a Decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the Grounds on which the appeal was based and the response of the authority to it.

Grounds:

Since there is no reproach against the reviewing authority for taking the reasons of the decision subject to appeal without adding anything whenever it sees that these reasons are sufficient to negate the need for any new arguments, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained, which contradicts the established principle upon which the decision was built in its reasons and its ruling. The defenses presented by the appellant do not affect the outcome reached by the 1st instance decision subject to appeal, considering that the customs procedure related to completing the entry of the shipment into the country requires the importer to observe the general duty imposed by the customs law regarding the importer when dealing with the incoming shipment, which is embodied in complying with all that the customs law and other related regulations require for the clearance of the shipment, necessitating that the importer does not act with it in any way until it is approved and permission is granted for him to act with it. Therefore, the importer's violation of this duty by acting with the shipment without regard to the matter of permission for its entry into the country constitutes a behavior contrary to that general duty, which is also



something that is necessarily known to him, which does not negate the validity of attributing the crime of smuggling and the established violation against him. Since the reasons for the decision subject to appeal are sufficient to support its ruling, it is necessary to determine that the defenses presented do not affect the outcome of the decision, making the appeal unsupported and thus must be rejected. Therefore, the appellate committee concluded to report the following:

Decision:

Acceptance of the appeal in form submitted by / Institution ..., Commercial Registration No. (...), owned by / ..., National ID No. (...), against the first instance Decision No. (CFR-2023-103205), issued by the 1st First Instance Customs Committee in Riyadh.

In the subject of his rejection, and the support of the first instance Decision in all that it ruled, for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR -2024-167910
Case No. PC-2022-119542

Keywords:

Customs - Constraints - Bond Commitment - Car Spare Parts - Non-compliance with specifications - Certificate of conformity is incorrect - Conviction

Summary:

The importer is required to cancel the first instance decision No. (CFR-2022-1260), issued by the 1st First Instance Customs Committee in Riyadh, which convicted him in absentia of customs smuggling and imposed a customs fine equivalent to the value of the violating item, and obligated him to pay an amount equivalent to the value of the violating item as a confiscation substitute. It has been established to the appellate committee that the committee decided to proceed with the case, and the phrase (the case is not accepted in form) is a material error in the way the minutes were recorded, that the fee due for the imported item is (5%), considering that the violation was related to the failure to prove the shipment's compliance with the specifications through a document that proves that reliability of compliance in the manner that the act for which the importer was held accountable was investigated. The meaning of this; and the affirmation of the first instance decision regarding the conviction and the ruling for the confiscation compensation, with the amendment of the amount of the customs fine imposed to be twice the amount of the customs duties.

Document:

- Article 127 of the [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Article (142) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraph (11) Article (143) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraph (2) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)



- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:



This is to consider the appeal submitted by/..., national ID number (...). As an attorney for ..., national ID number (...), owner of the institution ... Commercial Registration No. (...), pursuant to the agency issued by the Ministry of Justice No. (...), against the first instance Decision No. (CFR-2022-1260), issued by the 1st First Instance Customs Committee in Riyadh, ruling as follows:

- 1- Condemnation of the importer / Institution ..., Commercial Registration Number (...). In person with customs smuggling.
- 2- Obliging him to pay a customs fine equivalent to the value of the violating item in the amount of (139,335) one hundred thirty-nine thousand, three hundred thirty-five riyals.
- 3- Obliging him to pay an amount equivalent to the value of the violating item as a confiscation fee of (139,335) one hundred thirty-nine thousand, three hundred thirty-five riyals, making the total amount claimed (278,670) two hundred and seventy-eight thousand, six hundred and seventy riyals.

Since the appellant was notified of the Decision subject to the appeal on 27/12/2022, and submitted the appeal on 05/01/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment consisting of (car spare parts) belonging to the institution ... Commercial registration number (...), through the customs of Jeddah Islamic Port under import declaration number (...). On the date 11/03/1440 AH, where the conformity certificate number (...) was suspected. On the date 02/03/1440 AH by the Targeting Center of the General Authority of Customs, after communicating with the relevant authority (the company ...). Regarding the validity of the certificate, their statement indicated that the aforementioned certificate was not issued by them and that it is not valid. The first instance committee issued its decision as stated in its ruling, based on the fact that presenting a false matching certificate for the purpose of clearing the incoming shipment is considered customs smuggling according to Article (142) and Article (143/11) of the Unified Customs Law.

Upon reviewing the objection list submitted by the appellant, the appellate customs committee found that its summary mentioned that the ruling subject to the appeal, as recorded in the hearing minutes dated 04/08/1444 AH, stated that the lawsuit was not accepted in form due to being filed by someone without standing. This made the ruling contradictory to what was recorded in the minutes of the first instance committee hearing when it issued the ruling subject to the appeal, which results in the loss of the institution's legal right to present its substantive defenses had the lawsuit been considered and not ruled upon in the hearing that pronounced the rejection of the lawsuit in form. Additionally, the conformity



certificate in question was first instantaneously accepted by customs upon its submission and before the release of the shipment. How could the institution discover the truth of that certificate while it is acting in good faith, with limited means and lacking any verification tools? Furthermore, customs did not verify the certificate until (18) eighteen months had passed since the release of the shipment, whereas customs could have verified the validity of the certificate before the release. The case documents did not include any evidence proving the institution's knowledge of the invalidity of the certificate before submitting it to customs, which negates the moral element of the crime of customs smuggling represented by the institution's knowledge of the truth of the certificate before submitting it to customs. Additionally, the first instance ruling lacks evidence indicating that the shipment does not comply with the specifications. It is known that the invalidity of the certificate – assuming that is true – does not reflect the reality of the goods and their compliance. The ruling in the crime of customs smuggling, considering that the goods are non-compliant, requires the existence of conclusive evidence proving that. It has also been established from the behavior of the company issuing the certificate that it lacks credibility in more than one case, as it indicated in its letter to customs the invalidity of some certificates and then confirmed to some importers the validity of those certificates. This is what happened with the institution submitting the appeal in case number (PC-2022-119543) pending before the same committee. The list concluded with the appellant's request to accept the appeal and overturn the first instance ruling in all its provisions.

A response memorandum from the authority was received through the automated system of the secretariat dated 02/03/2023, which summarized that the introduction of prohibited goods and the submission of fabricated or false documents with the intent to clear the shipment is considered customs smuggling according to articles (142) and (143/11) of the Unified Customs Law. Regarding the appellant's attorney's claim that the certificate in question was accepted by customs and was not acted upon until after (18) eighteen months had passed since the clearance of the shipment, it is noted that according to article (127) of the Unified Customs Law, that article guarantees the right of the administration's employees to review documents, records, correspondence, commercial contracts, and any type of documents related to customs operations directly or indirectly and to seize them in case of a violation. Customs has the right to hold violators accountable whenever a violation is detected. As for the appellant's attorney's claim that his client was unaware of the validity of the certificate in question, in addition to the absence of any evidence in the case files proving her knowledge of the invalidity of the certificate in question, the fact is that the import declaration number (271302) dated 11/03/1440 AH was prepared in the name of the importer and the customs broker / ..., and the conformity certificate submitted for the clearance of the shipment was related to what the importer intended to bring into the country based on it through the broker who submitted to customs a conformity certificate that turned out to be incorrect. The authority's memorandum concluded with its request to reject the appeal submitted and to uphold the first instance decision in all its provisions.



On Tuesday, June 4, 2024, the Customs Appeals Committee in Riyadh held its hearing to consider the appeal submitted by the institution ... regarding decision number (CFR-2022-1260), issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based and the response of the authority to it.

Grounds:

Whereas there is no reproach against the reviewing authority for taking the reasons of the decision subject to the appeal without addition whenever it sees that these reasons suffice to omit any new ones, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. This is not affected by what the appellant's representative mentions among the reasons for his appeal, claiming that the minutes of the hearing hearing included the committee's conclusion of not accepting the case in form, and that this would have deprived the importer of the opportunity to defend after the committee's decision to convict him following the examination of the case's subject by the committee and issuing the conviction decision. It is established from the case file that the committee decided to proceed with the case after the defendant's representative requested to be given time to submit a defense memorandum in the hearing held on 03/10/2022, and that the committee decided to deliberate on the case filed on 13/10/2022 after it was established that the defendant or his representative was not present. What was stated in the minutes of the hearing prepared on 02/11/2022 confirms the committee's intention to rule on the subject of the case in the manner concluded in its decision after that minutes confirmed the proceedings in the case. Therefore, the phrase (not accepting the case in form) is a material error in the way the minutes were recorded, and what confirms this is what is established in judicial practice that the essence of what the reviewing authority concludes is what is proven by the decision or ruling issued by it, which includes the names of the parties, the subject of the case, the requests, the defense, the reasons for the ruling, and the signatures of those who participated in the review of the case. Accordingly, the ruling document in its current state is the only evidence of its existence in the manner it was issued based on the reasons it was established upon, which makes what the appellant argues in this regard worthy of being disregarded. As for the issue concerning the penalty of the customs fine imposed, it is necessary to refer to the regulatory document in the penalty report without merely mentioning the penalty itself in the ruling. Considering that the appellate committee noted after reviewing the documents that the due fee for the imported item is (5%), it is decided by this committee to apply paragraph (2) of Article (145) of the Unified Customs Law, given that the violation was linked to the failure to prove the shipment's compliance with the specifications through a document that proves that reliability of compliance as was the case with the act for which the importer was held accountable. This committee concluded to calculate the amount of the customs fine at twice the Customs Duties as will be



stated in the ruling. Since the reasons for the decision subject to the appeal are sufficient to support its ruling, it is necessary to determine that the defenses presented do not affect the outcome of the decision, which makes the appeal unsupported and thus must be rejected. Therefore, the appellate committee concluded to report the following:

Decision:

- 1- Acceptance of the appeal in form, submitted by / Institution ..., Commercial Registration No. (...), against the first instance Decision No. (CFR-2022-1260) issued by the 1st First Instance Customs Committee in Riyadh.
- 2- In the subject of his rejection, and the support of the first instance decision regarding the conviction and the ruling of the confiscation compensation, with the amendment of the amount of the customs fine imposed to be twice the Customs Duties, the total amount claimed by the importer amounts to (153,268) one hundred fifty-three thousand two hundred sixty-eight riyals, for the reasons and justifications stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR -2024-225059
Case No. AC -2022-107868

Keywords:

Customs - Constraints - Bond Commitment - Frames - Non-compliance with specifications - Penetration
Energy of the Frame - Conviction

Summary:

The importer is requesting the cancellation of the first instance decision No. (CFR-2023-107868), issued by the 1st First Instance Customs Committee in Riyadh, which convicted the importer in absentia of customs smuggling, and imposed a customs fine equivalent to the value of the contraband item, and required him to pay an amount equivalent to the value of the contraband item as a confiscation substitute. And where it has been established to the appellate committee that customs have no concern when applying the customs law regarding the clearance of shipments in relation to the importer and the customs broker, as long as those shipments have been organized under the import declaration in the name of the importer, and that the incoming goods are not prohibited in their type and nature, but rather the prohibition of their entry is due to their non-compliance with certain required specifications. This means; to uphold the first instance decision regarding the conviction for customs smuggling and the confiscation fee, while amending the imposed customs fine to be twice the value of the customs duties.

Document:

- Article (141) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (142) of [the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (144) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraph (2) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraph (4) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)



Facts:



This is to consider the appeal submitted by (...), national ID number (...), in his capacity as the owner of the institution (...), commercial registration number (...), against the first instance Decision number (CFR-2023-107868), issued by the 1st First Instance Customs Committee in Riyadh, which ruled as follows:

1-Condemnation of the importer (Institution ...) Commercial Register No. (...) Her owner ... is of Saudi nationality, national ID number (...) In person with customs smuggling.

2-Obligating him to a customs fine equivalent to the value of the violating item in the amount of (168,903) One hundred and sixty-eight thousand nine hundred and three riyals.

3-Obligating him to pay an amount equivalent to the value of the violating item as a confiscation fee of (168,903) one hundred sixty-eight thousand nine hundred three riyals, making the total amount claimed (337,806) three hundred thirty-seven thousand eight hundred six riyals.

Since the appellant was notified of the Decision subject to the appeal on 04/10/2023, and submitted the appeal against the Decision on 13/10/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its conduct according to what is stipulated in Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment consisting of (accessories) belonging to the importer through the Al-Batha customs under import declaration number (...). On the date 07/05/1435 AH, it was granted based on a commitment not to act until it is approved by the competent authority, and after examining the sample by the laboratory, the report number (...) was received. On 16/03/2014, it was found that the penetration power of the frame did not comply with the required value in the GSO 647 specification, clause 2.4, and Table 1 for the Strength Test. The importer was notified of the result through several letters, but he did not respond. The first instance committee issued its decision based on the fact that the importer did not return the unapproved shipment, which he committed not to dispose of, to the customs area, which implies his handling of it. The importer's handling of the shipment that was not finally cleared is considered customs smuggling according to Article (142) of the Unified Customs Law. Upon reviewing the objection list submitted by the owner of the importing institution, the customs appellate committee found that its summary mentioned that a customs clearance office was authorized to import the goods and clear them customs-wise after being provided with all the required documents for import. However, this office did not execute what was agreed upon; it acted without consulting the owner of the institution and imported multiple times without the owner's knowledge. The committee that issued the decision condemned the institution for customs smuggling, relying on Article (142) of the Unified Customs law, which does not apply to the case at hand. This is because the office that was authorized did not introduce or attempt to introduce the goods in violation of the applicable regulations, as evidenced by the goods passing through legally and with import data, and they were released based on a commitment not to act. Therefore, the handling of the goods in this case does not rise to the level of being described as



customs smuggling but rather constitutes a violation according to Article (141) of the Unified Customs law. Additionally, there was no criminal intent on the part of the institution and its owner, as it was not proven to the First Instance Committee that he was an actor, partner, intervenor, instigator, or possessor, as stated in Article (144) of the Unified Customs law, which the committee relied upon in condemning the institution. The list concluded with a request to accept the appeal in substance and to challenge the contested decision in its entirety.

A response memo from the authority was received through the automated system of the secretariat dated 19/11/2023, summarizing that the relationship between the institution and the customs broker is a contractual one, and the appellant has the right to claim any damages incurred before the competent judicial authorities. Furthermore, the customs authorization issued by the institution to the customs broker included carrying out all customs procedures regarding the shipment in question. Accordingly, the responsibility lies with the institution, especially since the institution acknowledged in its objection that it was the one that provided the customs broker with all the documents for import to complete the customs procedures. Additionally, the actions taken by the institution constitute a clear violation of the law due to its failure to respond to customs to return the temporarily released shipment despite the commitment signed by it, which constitutes customs smuggling according to Article (142) of the Unified Customs Law. Moreover, the date of the declaration dates back to the year 1435 AH, and the institution did not pay attention to the extent of its negligence and shortcomings over these years but continued to ignore customs letters. It would have been more appropriate for it to communicate with customs and respond instead of acting on the shipment and breaching the commitment made. Furthermore, the shipment is considered to be materials that have a direct connection with the consumer as they affect his health and financial resources due to the purchase of goods that do not meet the approved specifications and standards. In addition, customs smuggling crimes are among the intentional crimes that require the existence of both the material and moral elements, which were present in the case at hand. The memo concluded with a request to reject the appeal submitted by the institution and to uphold the first instance decision in all that it ruled. On Thursday, February 8, 2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against Decision No. (CFR-2023-107868) issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a Decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the Grounds on which the appeal was based and the response of the authority to it.

Grounds:

Whereas there is no reproach against the authority reviewing the appeal for taking the reasons of the decision subject to the appeal without addition whenever it sees that these reasons suffice to avoid presenting anything new, because in its support, based on its reasons, it implies that it did not find in the



objections raised against it anything that deserves a response beyond what those reasons contained. This is not diminished by what the owner of the importing institution claims, that it has delegated the customs clearance office to complete the procedures for the shipment subject to the lawsuit, and it did not fulfill what was agreed upon by importing the goods without its knowledge. Customs has no concern when applying the customs law regarding the clearance of shipments in relation to the relationship between the importer and the customs broker, as long as those shipments have been organized in the import declaration in the name of the importer, whether this resulted in a smuggling incident related to the violating shipment or the shipment was linked to a violation of customs procedures when the importer violated the commitment taken regarding it and dealt with the shipment that was not cleared by the competent authority. The appellant is entitled to seek recourse against anyone who claims to have suffered damage by exploiting what it claims to be a delegation that exceeds what was agreed upon with the customs clearance office. Whereas the handling of the shipment that was cleared under a commitment not to act until it is approved by the competent authority is considered customs smuggling according to Article (142) of the Unified Customs Law, which leads to the affirmation of the first instance decision regarding the appellant. However, the appellate committee noted that the committee issuing the decision had ruled to calculate the customs fine on the importer by applying paragraph (4) of Article (145) of the Unified Customs Law, which applies to prohibited goods. Since the imported goods are not prohibited in their nature and type, but their entry was prohibited due to non-compliance with some required specifications, which is confirmed by the request from the importer to bring the shipment to the customs area for re-export, this committee decides to apply paragraph (2) of Article (145) of the Unified Customs Law contrary to what was ruled in the first instance decision. Thus, this committee concludes to calculate the amount of the customs fine at twice the customs duties as will be stated in the ruling. Accordingly, the committee concludes to report the following:

Decision:

- 1- Acceptance of the appeal in form from the applicant/ institution ..., commercial registration number (...), owned by/ ..., national ID number (...), against the first instance Decision number (CFR-2023-107868), issued by the 1st First Instance Customs Committee in Riyadh.
- 2- In the subject, his rejection, and the affirmation of the first instance Decision regarding the conviction for customs smuggling and the penalty of confiscation compensation, with the amendment of the imposed customs fine to be double the Customs Duties, making the total amount claimed by the importer an amount of (185,793) one hundred eighty-five thousand, seven hundred ninety-three riyals, and this is for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR -2024-202066
Case No. AC -2022-106193

Keywords:

Customs - Constraints - Bond commitment - Peanut - Non-compliance with specifications - Failure to record the country of origin, weight, and production and expiration dates in Arabic - Conviction

Summary:

The importer is requesting the cancellation of the first instance decision No. (CTR-2023-106193), issued by the Third First Instance Customs Committee in Riyadh, which convicted the importer in absentia of customs smuggling, and obligated them to pay a customs fine equivalent to the value of the violating items, and to pay the value of the violating items as a confiscation substitute. The Appeals Committee has confirmed the laboratory report's jurisdiction regarding samples of the violating item (peanuts with multiple flavors), which makes the attribution of the customs smuggling crime against the importer specific to that item and determines how to calculate the customs penalty based on its value. The imported goods are not prohibited in their type and nature; rather, their entry was prohibited due to non-compliance with certain required specifications. Therefore, the first instance decision regarding the conviction for customs smuggling and the confiscation substitute is upheld, with a modification of the imposed customs fine.

Document:

- Paragraph (B) of Article (56) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (142) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraph (2) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraph (4) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraph (5) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)



- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:



This is to consider the appeal submitted by/ ..., national ID number (...), in his capacity as an agent for/ ..., national ID number (...), in her capacity as the owner of the institution ..., commercial registration number (...), under the agency number (...). On the date 29/08/1444 AH, against the first instance Decision No. (CTR-2023-106193), issued by the third First Instance Customs Committee in Riyadh, ruling as follows:

- 1- Condemnation/ Institution ..., Commercial Registration Number (...) In person with customs smuggling.
- 2- To impose a customs fine equivalent to the value of the violating items, in accordance with Article (145/4) of the same law.
- 3- Obliging it to pay the value of the violating items as a confiscation fee, in accordance with Article (145/5) of the same law.

Since the appellant was notified of the Decision subject to the appeal on 23/05/2023, and submitted the appeal on 18/06/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established by Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment consisting of (peanuts) belonging to the importer through the King Abdulaziz Port customs under import declaration number (...). On the date 29/09/1436 AH, it was allowed under a commitment not to act until it is approved by the competent authority, and after examining the sample by the General Authority for Food and Drug, the response was received in letter number (...) On the date 12/12/1436 AH, it was noted that there was non-compliance with specifications regarding the recording of the country of origin, net weight, and production and expiration dates in Arabic, and the names of the flavors corresponding to nature were not specified. The label "Halal" was recorded without providing proof of its validity, and promotional and health and nutritional slogans were noted. The importer was notified of the result through several letters, but he did not respond. The First Instance Committee issued its Decision based on the attached laboratory results in the case file, which indicate that the shipment contains technical violations related to the quality, specifications, and safety of the product, affecting the health and safety of the consumer and involving commercial fraud. The claim made by the importer's agent that the goods were not disposed of and remained in the warehouses until their expiration and were destroyed by the municipality is merely a statement aimed at evading the accusations against him. Furthermore, the importer's act of disposing of the violating shipment, contrary to the bond commitment taken from him, constitutes customs smuggling according to Article (142) of the Unified Customs law, and penalties were applied against the importer as stated in the Decision.



Upon reviewing the objection list submitted by the agent of the owner of the importing institution, the customs appellate committee found that its summary mentioned that the institution had no intention of disposing of the goods in any way. The goods were kept in the warehouse until they could be destroyed, as the regulations stipulate that the order for destruction must come from the customs director general in accordance with Article (56/b) of the Unified Customs law. Additionally, the fourth clause of the bond commitment explicitly stated that the goods must first be requested by the customs department for their return. Due to the COVID-19 pandemic, the expiration of the goods in question, the accumulation of other goods on top of each other, and the inability to dispose of them, the institution decided to resort to the General Administration of Environmental Health of the municipality to destroy the goods. It was also attached evidence that the goods were not sold to consumers, thus endangering their lives, but rather the institution incurred huge losses due to storing those goods for several years. The list concluded with a request to overturn the first instance Decision and rule that the institution is not guilty of customs smuggling and exempt it from the consequences of such a conviction.

A response memo from the authority was received via the Automated System of the Secretariat dated 23/08/2023, which summarized that the institution was notified by several letters from customs at the addresses registered with the authority, indicating non-compliance by the authority and that it should return the shipment according to the commitment signed by it, but it did not respond. Additionally, the shipment was from the year 1436 AH, and during this long period, the institution did not adhere to the commitment made. It would have been more appropriate for the institution to communicate with customs and respond instead of acting on the shipment. The violation of the commitment by acting on these non-compliant items constitutes customs smuggling according to Article (142) of the Unified Customs Law. Furthermore, upon reviewing the document submitted by the institution, it was found that the customs representative did not attend the destruction process. The commitment included the obligation for the contractor to have a customs representative present during the destruction of the shipment, and any destruction process in which a customs representative does not participate is not recognized. Moreover, customs smuggling crimes are intentional crimes that require both the material and moral elements to be present, which were available in the case at hand. The memo concluded with a request to reject the appeal submitted by the institution and to uphold the first instance Decision in all its provisions.

On Monday, February 12, 2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against Decision number (CTR-2023-106145), issued by the Third First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a Decision in its current state after the committee was informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the Grounds on which the appeal was based and the response of the authority.



Grounds:



The appellate committee has determined that the evidence presented by the parties to the case and the documents included in its file are sufficient to decide on the subject of the submitted appeal. Furthermore, there is no reproach against the reviewing party for relying on the Grounds for the Decision under appeal without adding anything new, as long as it finds that these Grounds are sufficient to negate the need for any new submissions. This is because its support is based on its Grounds, indicating that it did not find in the objections raised anything that warrants a response beyond what those Grounds included. Since the Grounds for the Decision under appeal are sufficient to support its ruling, it must be concluded that the defenses presented do not affect the outcome of the Decision, which renders the appeal unsupported and necessitates its rejection. The appellant's claims regarding the Decision, asserting that the destruction of the shipment in question occurred after the goods had piled up in his warehouses and coincided with the events of the COVID-19 pandemic, which forced him into the destruction process carried out by a governmental entity, do not diminish his responsibility, according to his claims. This is because there was a long time between the arrival of the shipment and the laboratory results concerning it, and the occurrence of the pandemic (COVID-19) that the importer claims was the reason for his action of destruction without notifying customs, which does not confirm the importer's diligence in fulfilling the commitment before the alleged circumstances occurred. Furthermore, there is no evidence proving that the destruction was related to the shipment in question, which is not altered by the claimant's assertion that it was done under the supervision of a governmental entity, given the lack of notification to customs of the importer's desire to destroy the shipment in question by another entity, contrary to the commitment taken regarding the shipment in question. It was established from the documents that the laboratory report was concerned with samples of the prohibited type included in the shipment (peanuts with multiple flavors), and it was also established from the documents that the total value amounted to (8,616) riyals, which makes the attribution of the crime of customs smuggling against the importer specific to that type and determines how to calculate the customs penalty based on its value as will be stated in the text of this Decision. However, the appellate committee noted that the committee issuing the Decision had ruled to calculate the customs fine on the importer by applying paragraph (4) of Article (145) of the Unified Customs law, which applies to prohibited goods. Since the incoming goods are not prohibited in their nature and type, but their entry was banned due to non-compliance with certain required specifications, this results in treating them when imposing the customs penalty regarding their importation after proving the smuggling crime related to them as previously stated, according to what was ruled by paragraph (2) of Article (145) of the Unified Customs law, contrary to what was ruled by the 1st instance Decision, as will be stated in the text of this Decision. Therefore, the appellate committee concluded that the appellant's defenses do not alter the validity of the Decision under appeal, which means that the appellant's appeal is based on an incorrect basis and must be rejected concerning the conviction of customs smuggling and the penalty of the confiscation substitute ruled, with



the adjustment of the customs fine amount according to what has been achieved. Accordingly, the appellate committee concluded to report the following:

Decision:

1 - The acceptance of the appeal in form submitted by / Institution ..., commercial registration number (...), owned by / ..., national ID number (...), against the first instance Decision number (CTR-2023-106145), issued by the third First Instance Customs Committee in Riyadh.

2- In the subject, his rejection and the affirmation of the first instance decision regarding the conviction for customs smuggling and the confiscation fee, with the amendment of the customs fine ruled in paragraph (2) of the first instance decision to be double the customs duties of the violating items, making the total amount claimed from the importer an amount of (9,477) nine thousand four hundred and seventy-seven riyals, and this is for the reasons and considerations stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR -2024-186768
Case No. PC-2022-127170

Keywords:

Customs - Constraints - Bond commitment - Soy sauce - Non-compliance with specifications - Sample not technically valid - Conviction

Summary:

The importer is requesting the cancellation of the first instance decision No. (CFR-2022-2394) issued by the 1st First Instance Customs Committee in Riyadh, which convicted him in absentia of customs smuggling, and obligated him to pay a customs fine equivalent to the value of the contraband item, and to pay an amount equivalent to the value of the contraband item as a confiscation substitute. Where it was established for the appellate committee that the customs procedure related to the completion of the entry of the shipment into the country requires the importer to take into account the general duty imposed by the customs law on the importer when dealing with the shipment, as it is evident from the documents attached to the case file that the importer was notified of the return of the shipment in question to customs. Moreover, the contraband item related to the smuggling incident is not of the type of goods prohibited per se, but the prohibition was imposed due to its violation of the required specifications specifically. The implication of this; and the affirmation of the first instance decision regarding the conviction of the appellant for customs smuggling and the penalty of confiscation, with the amendment of the amount of the customs fine to be twice the customs duties.

Document:

- Article (56) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (142) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraph (2) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraph (4) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)



- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:



This is to consider the appeal submitted by/... , national ID number (...), in his capacity as an attorney for the owner of the institution ... / ... National ID number (...) under agency number (...) On 27/11/1443 AH, against the first instance Decision No. (CFR-2022-2394), issued by the Third First Instance Customs Committee in Riyadh, which ruled as follows:

1-Condemnation of the importer/ institution ... Commercial, commercial registration number: (...), in person for customs smuggling.

2-To impose a customs fine equivalent to the value of the violating item, an amount of (60,896) sixty thousand, eight hundred ninety-six riyals.

3-Obligating him to pay an amount equivalent to the value of the violating item as a confiscation fee of (60,896) sixty thousand eight hundred and ninety-six riyals, making the total amount claimed (121,792) one hundred and twenty-one thousand seven hundred and ninety-two riyals.

Since the appellant was notified of the Decision subject to the appeal on 14/02/2023, and submitted the appeal against the Decision on 13/03/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its conduct according to what is stipulated in Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment consisting of (ornamental fish feed) belonging to the importing institution through the customs of Jeddah Islamic Port under import declaration number (...). On the date 01/06/1431 AH, it was allowed under a commitment not to act until the result of the competent authority appeared, and after examining the sample by the General Authority for Food and Drug, the response was received in letter number (...) On the date 23/09/1431 AH, it was stated that based on the letter from the Director of King Faisal Specialist Hospital dated 01/09/2010, we hope it will not be released. The importer was contacted, but he did not respond. The first instance committee issued its decision as stated in its ruling, based on the violation by the importer of the bond commitment taken against him regarding the shipment, which contradicts what is stipulated in Article (56) of the Unified Customs Law, which constitutes his behavior as customs smuggling according to Article (142) of the Unified Customs Law, and imposed penalties on the appellant as stated in its ruling.

Upon reviewing the objection list submitted by the appellant, the appellate customs committee found that its summary mentioned that the appellant, the prosecution party, erred by exceeding the legal period for withdrawing the sample and receiving it from the laboratory and notifying the importer. It is established that the report issued by the General Authority for Food and Drug was dated 23/09/1431 AH, and the



seizure report was prepared on 26/03/1437 AH. The importer was also not notified of the sample's unsuitability either technically or analytically, nor was he informed to review the relevant authority despite the presence of contact numbers and details for the importer. The appellant argues that there was no criminal intent for the crime of customs smuggling as he destroyed the shipment due to his inability to return it to its source without providing a legal result attached to it indicating its non-compliance with specifications, and to avoid a fine from the municipality and the Food and Drug Authority due to the imminent expiration of the imported goods. The appellant states that the condition mentioned in the Bond Commitment not to dispose of the shipment without organizing for the case of delayed test results is a corrupt condition if it is associated with a duration of more than (10) years. The burden of proof regarding the unsuitability of the imported goods lies with the laboratory and customs, and the institution should not be considered guilty of smuggling merely for violating the Bond Commitment. The list concluded with the appellant's request to accept the appeal in form and to annul the first instance decision subject to the appeal.

A response memorandum from the authority was received via the automated system of the secretariat dated 20/07/2023, summarizing that the date of the import declaration is 01/06/1431 AH, the date the laboratory received the analyses is 03/06/1431 AH, dated of issuing the result is 18/06/1431 AH. This procedure is in accordance with the correct law. It is noted that the delay in issuing the report is due to the trader not reviewing the food control laboratory according to the report of the Food and Drug Authority No. (...). The importer was also notified to return the shipment according to the commitment taken from him, but he did not respond, which indicates his handling of the shipment, and this is considered customs smuggling according to Article (142) of the Unified Customs Law. Moreover, customs smuggling crimes are intentional crimes that must have both the material and moral elements, which were present in the incident with the importer handling part of the shipment and breaching the commitment taken from him. The memorandum concluded with a request to reject the appeal submitted by the appellant and to uphold the first instance decision in all its provisions.

On Thursday, 04/07/2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against Decision number (CFR-2022-2394) issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a Decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the Grounds on which the appeal was based and the response of the authority to it.

Grounds:

Since there is no reproach against the appellate authority for taking the reasons of the decision subject to the appeal without adding anything whenever it sees that these reasons suffice to avoid presenting anything new, because in its support, based on its reasons, it indicates that it did not find in the objections raised



against it anything that deserves a response beyond what those reasons contained. All the defenses raised by the appellant do not undermine the validity of the first instance decision and do not undermine the established basis on which the first instance decision concluded its correctness regarding the appellant. This is because the customs procedure related to completing the entry procedures for the shipment into the country requires the importer to observe the general duty required by the customs law regarding the importer when dealing with the incoming shipment, which is embodied in complying with all that the customs law and other related regulations require for the clearance of the shipment, which necessitates not acting upon it in any way until it is approved and permission is granted to act upon it. Therefore, the violation by the importer of that duty by acting upon the shipment without regard to the matter of permission for its entry into the country constitutes a behavior contrary to that general duty, especially since that duty is something that is known by necessity to him, which does not negate the correctness of attributing the crime of customs smuggling to him. Thus, what he claims regarding the lack of intent on his part is worthy of being disregarded. As for what he claimed to deny responsibility, stating that there was no text in the Bond Commitment regulating the duration of delay in the appearance of the sample examination result, but only mentioned not acting, this is a corrupt condition if it extends for many years. This is rejected considering that this defense does not negate the established original act of the importer acting upon the violating shipment after it was proven that it was not cleared. It is established from the documents attached to the case file that the importer was notified to return the shipment in question to customs. Moreover, that defense, assuming its validity, does not exempt the importer from following up on the matter of clearing the shipment, considering that such follow-up represents the usual care and diligence of the trader in following up on his trade affairs, especially since such a defense does not negate the importer's knowledge that the shipment cannot be acted upon except after it is approved and cleared, which is the case for imported shipments that are intended to be brought into the country and are subject to sampling procedures sent to the laboratory for examination according to clearance procedures. Especially since the violation of the Bond Commitment is not the customs crime for which the importer is held accountable, as the Bond Commitment is merely a warning and reminder to the importer that the clearance has not been completed and that it is still considered to be within the customs circle. Therefore, what the importer claims to deny his responsibility for acting upon the shipment, given the aforementioned circumstances, is worthy of being disregarded. This confirms the correctness of attributing the crime of customs smuggling to him in the manner specified by the Unified Customs Law in Article (142) by introducing the shipment contrary to the prohibitions and constraints that must be observed for the clearance of the shipment, which was not the case with the importer's dealings with the shipment as previously stated. However, the appellate committee noted that imposing the customs fine by the committee issuing the decision against the importer was based on what was stated in paragraph (4/145) of the Unified Customs Law, considering it to be of the same kind as prohibited goods, while what should have been applied regarding the imposition of the customs fine is to implement what was stated in paragraph (2/145) considering that the violating item related to the



smuggling incident is not of the same kind as prohibited goods per se, but the prohibition was imposed due to its violation of the required specifications, especially since this is reinforced by the presumption of the customs' demand - through what is established in the documents - for the importer to return the shipment to customs in preparation for its re-export. Since the matter is as mentioned, this necessitates amending the amount of the customs fine to be twice the customs duties and calculating it along with the confiscation amount in the manner that will be stated in the text of this decision. Therefore, the appellate committee concluded to report the following:

Decision:

Acceptance of the appeal in form submitted by / Institution ..., Commercial Registration No. (...), owned by / ..., National ID No. (...), against the first instance Decision No. (CFR-2022-2394), issued by the 1st First Instance Customs Committee in Riyadh.

In the subject of his rejection, and the affirmation of the first instance decision regarding the conviction of the importer for customs smuggling and the penalty of the confiscation substitute, with the amendment of the amount of the imposed customs fine to be twice the Customs Duties, making the total amount claimed from the importer an amount of (66,985) sixty six thousand, nine hundred eighty-five riyals, for the reasons and justifications stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR -2024-189211
Case No. PC -2022-123995

Keywords:

Customs - Constraints - Bond Commitment - Urinary Tract Device - Non-compliance with specifications - Non-compliance of the shipment with the requirements of the General Authority for Food and Drug - Conviction

Summary:

The importer is requesting the cancellation of the first instance decision No. (CFR-2022-1229), issued by the 1st First Instance Customs Committee in Riyadh, which convicted the importer of customs evasion in person, and imposed a customs fine equivalent to the value of the contraband item, and required him to pay an amount equivalent to the value of the contraband item as a confiscation substitute. Where it was established for the appellate committee that the objection regarding the non-receipt of notifications related to the shipment issued by the authority does not affect the outcome reached by the decision, it is evident from the documents that the customs communicated with the importer to close the customs declaration subject to the lawsuit without any response from him. Furthermore, the observations mentioned in the laboratory report were limited to the item received from (Canada), which determines that the customs fine should be calculated based on the value of that item. Additionally, the imported goods are not prohibited in their nature and type; rather, their entry was prohibited due to not being authorized by the competent authority. This means; to uphold the first instance decision regarding the conviction for customs smuggling, while amending the amount of the confiscation fee and the customs fine imposed.

Document:

- Article (142) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraph (2) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraph (4) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)



- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:



This is to consider the appeal submitted by/ ..., national ID number (...), in his capacity as an agent for the ... institution, commercial registration number (...), under the agency number (...). issued on 23/08/1444 AH, and the law license number (...) against the first instance decision number (CFR-2022-1229), issued by the 1st First Instance Customs Committee in Riyadh, ruling as follows:

1-Conviction of the importer company ..., commercial registration number (...), in person for customs smuggling.

2-He is obliged to pay a customs fine equivalent to the value of the violating item, an amount of (329,820) three hundred twenty-nine thousand eight hundred twenty riyals.

3-Obligating him to pay an amount equivalent to the value of the violating item as a confiscation fee of (329,820) three hundred twenty-nine thousand eight hundred twenty riyals, making the total amount claimed (659,640) six hundred fifty-nine thousand six hundred forty riyals.

Since the appellant was notified of the Decision subject to the appeal on 16/02/2023, and submitted the appeal on 18/03/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established by Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment (urinary tract device and its accessories) through the customs of King Abdulaziz International Airport under import declaration number (...). On the date 03/07/1437 AH, it was granted under a commitment not to act until the result of the competent authority appears, and after examining the sample by the Food and Drug Authority, the response was received in report number (...) The date 16/01/1438 AH includes the non-compliance of the shipment with the requirements of the General Authority for Food and Drug, and a request for non-clearance. The first instance committee issued its decision as previously mentioned, convicting the importer of customs smuggling and obliging him to the associated penalties as detailed in the facts and reasons of the first instance decision, which are referred to in order to avoid repetition.

Upon reviewing the objection list submitted by the appellant, the appellate customs committee found that its summary mentioned that the decision of the committee overseeing the case concluded that the appellant had committed customs smuggling without any evidence other than the fact that it did not review the customs or return the shipment to the customs yard during the past period. Furthermore, the appellant did not receive notifications from the respondent, which contradicts the principle that a conviction for a crime cannot be based solely on inference. Additionally, the letter from the Food and Drug Authority is not accepted as an official document because it is not signed. The appellant is also ready to complete the



procedures for closing the customs declaration and to pay the guarantee immediately. The list concluded with a request to overturn the decision based on the grounds of the objection and to reconsider it again, accepting the objection procedurally and in substance, and originally dismissing the case against the respondent for its invalidity, and in the alternative, ruling to return the shipment to the respondent.

The automated system of the secretariat received a response from the Zakat, Tax and Customs Authority regarding the statement of appeal dated 08/05/2023, summarizing that the commitment signed by the company stated that it would not dispose of the shipment in any way except after notification from the authority granting its clearance from the competent authority. The company was notified by several letters from the authority at the addresses registered with it, indicating that the shipment did not comply and that it had to return the shipment, but it did not respond. Customs smuggling crimes are intentional crimes that require both the material and moral elements to be present, which were present in the case at hand, as the company disposed of the shipment and violated the commitment made to it by introducing goods whose entry into the country is restricted. The response memorandum concluded with a request to reject the appeal submitted by the company and to uphold the first instance decision in all its provisions.

On Monday, February 26, 2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted against the first instance decision No. (CFR-2022-1229) for the year 1439 AH, issued by the 1st First Instance Customs Committee at the Al-Batha Customs. After reviewing the case file and the appeal submitted by the appellant, the Appeals Committee decided that the documents presented and included in the case file were sufficient to form its conviction and to rule on the matter in light of the reasons on which the appeal was based and the response of the authority regarding it.

Grounds:

After reviewing the case file and the documents it contained, and considering the defenses presented by the parties, it is established from the documents according to the customs letter - the authority - issued on 14/07/1441 AH, that the importer was contacted to complete the procedures for closing the customs declaration. Since the importer did not return the shipment, this is evidence of his handling of it; which constitutes one of the forms of customs smuggling. It is evident to this committee that the first instance decision's conclusion of guilt for customs smuggling is correct, and this is not undermined by what the appeal petition raised, claiming that the conviction for customs smuggling against the company was not based on conclusive evidence and verified proofs, and that it cannot be built on suspicion and inference. Such a defense is rejected, considering that the customs transaction related to completing the procedures for bringing the shipment into the country requires the importer to observe the general duty required by the customs law regarding the importer when dealing with the incoming shipment, which is embodied in complying with all that the customs law and other related regulations require for the clearance of the shipment, necessitating not to handle it in any way until it is approved and permission is granted to handle



it. Therefore, the importer's violation of this duty by handling the shipment without regard to the permission for its entry into the country constitutes behavior contrary to that general duty, especially since this duty is something he is necessarily aware of, which does not negate the validity of attributing the crime of customs smuggling to him. This confirms the correctness of his conviction for the crime of customs smuggling as defined by the Unified Customs Law in Article (142) by bringing in the shipment contrary to the prohibitions and constraints that must be observed for the clearance of the shipment, which was not the case with the importer's handling of the shipment as previously stated. Moreover, the claim that the company did not receive the notifications related to the shipment issued by the authority does not affect the outcome of the decision, as it is established from the documents that customs contacted the importer to close the customs declaration in question without any response from him, which confirms his non-compliance with the general duty imposed on the importer not to handle the shipment except after it is approved by the competent authority. This is not affected by assuming acceptance of what the appellant also argues regarding the disregard for the letter from the Food and Drug Authority as an official document because it is unsigned, as such a defense does not affect the realization of the importer's non-compliance with closing the customs declaration related to the shipment in question after it was not approved by the competent authority. Therefore, it is necessary to state that the defenses presented do not affect the outcome of the decision, making the appeal unsupported and necessitating its rejection. However, the observations mentioned in the laboratory report were limited to the item imported from (Canada) valued at (236,473) riyals according to the documents, which necessitates calculating the customs fine based on the value of that item and the attribution of the customs smuggling crime to the importer concerning this item of the shipment and not others. The appellate committee also noted that the committee issuing the decision had ruled to calculate the customs fine on the importer by applying paragraph (4) of Article (145) of the Unified Customs Law, which applies to prohibited goods. Since the imported goods are not prohibited in their nature and type, but their entry was prohibited due to not being approved by the competent authority, which is confirmed by the importer's request to close the customs declaration in question, this committee concludes that paragraph (2) of Article (145) of the Unified Customs Law should be applied contrary to what the first instance decision ruled. Thus, this committee concludes to calculate the customs fine at twice the customs duties as will be stated in the ruling. Accordingly, the customs appellate committee concluded to report the following:



Decision:

1- Acceptance of the appeal in form from the applicant/ Company ..., Commercial Registration No. (...), against the first instance Decision No. (CFR-2022-1229), issued by the second First Instance Customs Committee in Riyadh.

2- In the subject, his rejection, and the affirmation of the first instance decision regarding the conviction for customs smuggling, with the amendment of the penalty amount for confiscation compensation and the imposed customs fine to be double the customs duties, making the total amount claimed by the importer an amount of (260,120) two hundred sixty thousand one hundred and twenty riyals, and this is for the reasons and considerations stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No.

CR -2023-92758

Case No.

PC -2022-140377

Keywords:

Customs - Constraints - Bond Commitment - Clothing - Non-compliance with specifications - Non-compliance of samples with specifications - Conviction

Summary:

The importer is requesting the cancellation of the first instance decision No. (273) for the year 1437 AH issued by the 1st First Instance Customs Committee at the Al-Batha customs, which convicted the importer of customs evasion in person, and obligated him to a fine equivalent to twice the customs duties due on the violating item, and obligated him to pay an amount equivalent to its value as a confiscation substitute. Where it has been established for the appellate committee that customs have no concern when applying the customs law regarding the clearance of shipments in relation to the importer and their attorney, as long as those shipments have been organized with an import declaration in the name of the importer, whether this resulted in a smuggling incident or the shipment was linked to a violation of customs procedures. The appellant's claim that the commitment to the shipment is not relevant due to the absence of data on it does not hold, considering that customs documents complement each other. This means; upholding the first instance decision regarding the conviction of the importer for customs smuggling, limiting it to the item ("Indian fabric"), and obliging the importer to pay a customs fine equivalent to twice the customs duties due for that item, as well as a confiscation fine equal to the value of the smuggled item, and considering the importer's actions with the four items as constituting a violation of customs procedures.

Document:

- Paragraph (A) of Article (56) of [the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (142) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)



- Article (153) of [the Code of Criminal Procedure issued by Royal Decree No. \(M/2\) dated 22/01/1435 AH.](#)

Facts:



This is to consider the appeal submitted by/ ..., a Saudi national, national ID number (...). As the owner of the institution ..., commercial registration number (...), against the first instance Decision number (273) for the year 1437 AH issued by the 1stFirst Instance Customs Committee at the Al-Bathaa customs, which ruled as follows:

First: Condemnation of the importer/ institution ..., commercial registration number (...), owned by ... , civil registration number (...), present for the crime of customs smuggling.

Second: He is fined an amount equivalent to twice the customs duties due on the violating item, which amounts to (5353) cartons (clothes) as detailed in the facts and Grounds, an amount of (13,110) thirteen thousand one hundred and ten riyals. Due to the impossibility of confiscation, the importer is required to pay an amount equivalent to its value as a substitute for confiscation, amounting to (89,298) eighty-nine thousand two hundred and ninety-eight riyals, making the total amount claimed by the owner of the establishment (102,408) one hundred and two thousand four hundred and eight riyals.

Whereas regarding the appeal submitted by the owner of the institution against the Decision, it has been established in customs judiciary that the absence of the date of notification of the appellant of the Decision results in considering the date of his notification of the Decision as the date of his appeal submission, which leads to the acceptance of the appeal in form for being submitted within the legal period as stipulated by the provisions of Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment of assorted clothing belonging to the defendant through the Al-Batha customs under import declaration number (...). dated 04/11/1434 AH and the import statement number (...) dated 20/11/1434 AH, and the import statement number (...) On 07/11/1434 AH, it was allowed under a commitment not to act until it is approved by the competent authority, and after examining the sample by the specialized laboratory, the reports numbered (...) and numbered (...) were received. On the date 26/11/1434 AH, as well as report number (...), and number (...), on 19/12/1434 AH, in addition to reports number (...) and the number (...) Paper number (...) and number (...) And the number (...), on 03/12/1434 AH, the reports included that the samples did not meet the specifications. Customs communicated with the importer to return the entire shipment to the customs yards according to the commitment signed by him to take the necessary measures to re-export it to its source, but he did not respond. Accordingly, the first instance committee issued its Decision as mentioned above based on the importer's action regarding the unapproved shipment, which was released contrary to the commitment taken not to dispose of it until it was approved by the competent authority, which constitutes customs smuggling according to Article (142) of the Unified Customs law.



Upon reviewing the objection list submitted by the owner of the institution, the appellate customs committee found that its summary mentioned that the owner of the institution had authorized the named individual/..., and under that authorization, a commercial registration was obtained by the agent, and the shipments subject to the case were imported without the knowledge of the principal, who only discovered this matter when summoned by the customs committee at the Al-Batha customs. The principal then canceled the commercial registration on 17/04/1437 AH. Furthermore, the appellant was not aware that the customs committee had issued its Decision in absentia, convicting him and imposing a fine, and that Decision became effective without considering the defenses and responses of the importer. It is also argued that the attached bond commitment is merely a copy of a commitment stamped with the institution's seal and certified by the chamber of commerce, and not the original, and it did not include the shipment data relevant to the case as the fields pertaining to the shipment (import declaration number - its date - type of shipment) were not filled in, which confirms that it was signed empty of most of the essential data. Accordingly, the importer did not commit to the customs not to dispose of the shipments in question, and the claim of committing a customs smuggling crime requires the existence of a complete data bond commitment for the shipment being disposed of, and if it is not available, there is no crime. He added that based on the principle of not harming the appellant, the suspension of his services by the General Authority of Customs resulted in severe damages to the appellant. The appellant concluded his list by requesting the acceptance of the appeal in form, the annulment of the first instance Decision issued in absentia, the ruling of not convicting the importer for the non-existence of the crime against him, in addition to the ruling to suspend the Decision of the General Authority of Customs No. (71466) dated 18/05/1440 AH regarding the suspension of his services to avoid further harm.

The response of the authority to the appeal submitted was received through the Automated System of the Secretariat on 14/08/2023, summarizing that paragraph (A) of Article 56 of the Unified Customs law states that the customs department has the right to analyze goods with the relevant authorities to verify the type of goods or their specifications or compliance with what is permitted by laws and regulations. The result showed non-compliance in terms of labeling and instructions, and thus entry into the country is prohibited. Furthermore, the shipment was released upon providing a commitment not to dispose of it in any way until the laboratory result appears, and since the result showed non-compliance and the institution did not comply with returning the shipment to the customs area as stipulated in the commitment taken from it, it is determined that the authority has the right to prevent the entry of prohibited, violating, or restricted goods except with approval issued by the relevant authorities in the state. Additionally, violating the commitment to dispose of the items is considered customs smuggling according to Article (142) of the Unified Customs law. Moreover, customs smuggling crimes are intentional crimes that must have both the material and moral elements for their occurrence, which were present in the case at hand, as the institution acted with the shipment and breached the commitment taken from it and introduced goods whose entry into the country is restricted. The appellant also issued a legal power of attorney for the person named / ... He argues



that he is unaware of the agent's actions in opening commercial records and importing goods in the name of the institution, as once the agency is issued, the principal is fully responsible for what has been done through it, and what the agent does is binding on the principal. Moreover, the date of the cancellation of the commercial record came after the import process, and therefore all that was imported previously is recorded in the commercial register, and its owner bears responsibility for that. The memorandum concluded with a request to reject the submitted appeal and uphold the first instance Decision in all its provisions.

On Wednesday, November 29, 2023, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the owner of the institution against decision No. (273) for the year 1437 AH, issued by the 1st First Instance Customs Committee at the Al-Batha Customs. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in its current state after the committee was informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based.

Grounds:

Whereas, regarding what the appellant mentions in his statement about the issuance of the decision against him in absentia, it is rejected considering that it is established from the narration of the facts of the first instance decision that the owner of the institution was present before the First Instance Committee and responded to what was conducted and investigated in the case before it, which makes this defense not based on a correct foundation from reality. It is established in the rules of litigation that applying the law correctly is an obligation on the authority examining the case, and it should do so on its own without the need for a request from the parties. Therefore, the authority examining the case has broad discretion in assessing the facts and giving them the appropriate description and correct classification without being bound by the classification of the prosecution or its opponent, in light of what it is convinced of and the state of the evidence and the inferences drawn from it, relying on it and taking it as a basis for its ruling, as long as the documents related to it within the case file do not contradict what has been inferred and established in its conviction and belief to resolve the dispute, and that its inference is sound, reasonable, and leads to the result it reached. This is consistent with what Article (153) of the Criminal Procedure law states, which stipulates that "the court is not bound by the description contained in the indictment and must give the act the description it deserves, even if it contradicts the description contained in the indictment...". It is established from the documents that the types mentioned in the laboratory reports regarding the type ("Indian fabric") included in the import data related to it, summarized in the laboratory report directed to customs, which listed the violating items and dated 18/10/2013, detailed that this type did not pass the specification of pH compliance, which is one of the technical violations affecting it, resulting in considering the importer's action regarding this type as constituting the crime of customs smuggling and imposing a customs fine amounting to twice the due fees, in addition to the confiscation fee for that type, which is valued according to the documents at (5,918) five thousand nine hundred and eighteen riyals. As for the



other types included in the first instance decision for which the importer was held accountable for violating the required specifications, after the appellate committee examined the case documents, it found only the summary of the aforementioned laboratory report, which proved that only four types did not pass the required specifications - aside from what was previously established regarding the type ("Indian fabric") - and the violation was due to the absence of the explanatory data card and washing instructions, which makes the importer's action regarding them not rise to the level of customs smuggling, and they are burdened with those observations mentioned in the laboratory report regarding them. Therefore, it is necessary to impose a penalty for violating customs procedures amounting to (1,000) one thousand riyals for each of those four types mentioned in the summary of the laboratory report, which are (ready-made clothes "China" - women's clothes "China" - socks "China" - girls' clothes "China"). Since the matter is as mentioned, the uncertainty about the existence of evidence from the laboratory regarding their non-approval, considering the absence of the case documents regarding the remaining types included in the first instance decision, confirms their inclusion of violations with certainty, thus leading to the conclusion of the absence of certainty regarding their non-approval. The response of the authority to the appeal statement was general without clarifying the laboratory report and explaining the documents related to it concerning the types for which no laboratory report was found, as mentioned in the first instance decision. Therefore, it is determined by the appellate committee that the importer cannot be held accountable for acting on a confirmed basis that would establish the crime of customs smuggling and the validity of attributing it to the appellant. This result reached by the appellate committee regarding the submitted appeal is not affected by the claim that the agent of the appellant exploited the agency granted to him in importing shipments without his knowledge, as customs has no concern when applying the customs law regarding the relationship between the importer and his agent, as long as those shipments have been organized in the import declaration in the name of the importer, whether this resulted in a smuggling incident related to the violating shipment or the shipment was linked to a violation of customs procedures when the importer violated the commitment taken regarding it and acted on the shipment that was not cleared by the competent authority. The appellant is free to seek recourse against whoever claims to have suffered damage from the exploitation of what he claims to be an agency that was exploited by the one who caused him harm. Moreover, this result is not affected by the appellant's claim that the commitment taken regarding the shipment is merely a copy and not the original, and that the shipment details were not recorded in that commitment, as such a defense is rejected and does not negate the responsibility of the one who prepared the import declaration in his name, considering the contradiction in the appellant's defenses, which sometimes deny his jurisdiction over the shipment, while in this defense, he does not deny his jurisdiction over the shipment but disputes the commitment taken regarding it and its connection to the shipment in question. Additionally, what he mentions about the lack of connection of the commitment to the shipment due to the absence of data on it does not hold, considering that customs documents complement each other, and it is established from the documents that the laboratory reports, sampling, and preparation of the



import declaration are related to the items in violation. It is also known by necessity to those dealing with customs that any shipment received is subject to inspection and testing, and it is not permissible for the importer to act on it except after being notified by customs of its approval, which was not the case with the shipment, as confirmed by the letters that came with the customs correspondence to the importer to return the violating items, which the importer did not comply with. As for the appellant's request to compel customs to lift the suspension issued by the authority regarding the suspension of his services as he claims, it should be disregarded considering the appellate committee's lack of jurisdiction over it after it was established to the appellate committee, as previously investigated, that the importer was held accountable for his conduct, which resulted in the imposition of customs fines regarding the shipments for which import declarations were prepared in his name. Accordingly, the committee concluded to report the following:

Decision:

- 1- Acceptance of the appeal in form from the applicant/ ..., National ID number (...) As the owner/institution ..., commercial registration number (...), against the first instance Decision number (273) for the year 1437 AH, issued by the 1stFirst Instance Customs Committee in Al-Batha.
- 2- In the subject of his rejection, and the affirmation of the first instance Decision regarding the conviction of the importer for customs smuggling, limited to the item ("Indian fabric"), and obliging the importer to pay a customs fine equivalent to twice the customs duties due on that item, and a confiscation fine equal to the value of the smuggled item, the total amount claimed from the importer for his conviction of customs smuggling amounts to (6,509) six thousand five hundred and nine riyals, and this is for the Grounds and considerations stated in this Decision.
- 3- Considering the importer's actions regarding the four items (ready-made clothing "China" – women's clothing "China" – socks "China" – girls' clothing "China") as constituting a violation of customs procedures, resulting in a fine of (1,000) one thousand riyals for each item, making the total amount demanded (4,000) four thousand riyals, for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR -2024-190986
Case No. PC-2022-124135

Keywords:

Customs - Constraints - Bond Commitment - Tea - Non-compliance with specifications - Unfit for human consumption - Conviction

Summary:

The importer is required to cancel the first instance decision No. (CFR-2022-2310), issued by the 1st First Instance Customs Committee in Riyadh, which ruled in person on customs smuggling, and to impose a customs fine equivalent to three times the value of the violating item, and to obligate him to pay an amount equivalent to the value of the violating item as a confiscation fee. Where the appellate committee established the connection of the shipment in question after it was approved by the laboratory due to the unsuitability of its samples for human consumption, and that the importer should be cautious when dealing with shipments consumed by the public in their food by not acting except after ensuring their approval, and that the imposition of the customs fine by the committee issuing the decision against the importer was based on what was stated in paragraph (4/145) of the Unified Customs Law without stating the reason for applying the maximum penalty. The result is to uphold the first instance decision regarding the conviction of the appellant for customs smuggling and the penalty of confiscation, with the modification of the customs fine to be equal to twice the value of the violating item.

Document:

- Article (142) of [the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraph (2) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraph (4) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)



Facts:



This is to consider the appeal submitted by/..., national ID number (...). As an agent for/..., national ID number (...). As the company's director at ... And partners under agency number (...) On 24/04/1444 AH issued by the notary/ ... Licensed by the Ministry of Justice with license number (..) against the first instance Decision number (CFR-2022-2310), issued by the 1st First Instance Customs Committee in Riyadh, whose ruling states the following:

- 1- Condemnation of the importer/company ..., commercial registration number (...). In person with customs smuggling.
- 2- He is obliged to pay a customs fine equivalent to three times the value of the violating item, an amount of (1,091,829) one million and ninety-one thousand eight hundred and twenty-nine riyals.
- 3- Obliging him to pay an amount equivalent to the value of the violating item as a confiscation fee of (363,943) three hundred sixty-three thousand nine hundred and forty-three riyals, making the total amount claimed an amount of (1,455,772) one million four hundred fifty-five thousand seven hundred and seventy-two riyals.

Since the appellant was notified of the Decision subject to the appeal on 01/03/2023, and submitted the appeal on 27/03/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its conduct according to what is stipulated in Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment (tea) through the Al-Batha customs according to import declaration number (...). On the date 05/09/1431 AH, it was allowed under a commitment not to act until the result of the competent authority appears, and after examining the sample from the General Authority for Food and Drug, the response was received in letter number (...) The date 19/09/1431 AH indicates that the sample is not suitable for human consumption, and the importer was contacted but did not respond. The first instance committee issued its Decision as stated in its ruling based on the fact that the importer did not review the customs to return the violating shipment, which implies his actions regarding it. The violation mentioned in the laboratory report is considered a technical violation that affects the quality of the product and the safety of the consumer, which led to the conviction of the importer for customs smuggling due to his actions with the shipment contrary to the commitment taken from him based on Article (142) of the Unified Customs law, and the imposition of penalties on the importer as stated in the ruling subject to appeal.

The appellate customs committee, upon reviewing the objection list submitted by the attorney of the importing company, found that its summary mentioned that the company has been following customs instructions and regulations since its establishment to maintain its reputation. Consequently, an import



declaration was submitted along with the invoice and all required documents, and the goods were released under a non-disposal condition until the laboratory results appeared. This is in accordance with the instructions contained in the customs law and its executive regulations. The report indicated that the non-release was due to the "unsuitability of the sample for human consumption," and the plaintiff did not provide any evidence clarifying its unsuitability for human consumption, especially since the tea is from the factory ... In the United Arab Emirates, and not from the local market, to assume that it is a counterfeit of the original product, which the producing company subjects to quality standards and ensures its compliance with specifications and standards that safeguard human safety. Additionally, it has been reported to its client that during the same period, there were numerous shipments of the same products from the same supplier factory, applying the same procedures for manufacturing and packaging, and there were no remarks on them, which led to their clearance. Therefore, it is expected that the reason for the sample rejection is not related to the safety of the product and may be due to procedural reasons for not clearing it from the laboratory. Consequently, its client attempted to contact the Food and Drug Authority to find out the reason for the sample rejection, but due to the long time since the date of the shipment, which exceeded (11) years, it was difficult to obtain any information regarding the shipment. Therefore, the importing company requires communication with the Food and Drug Authority to verify this. Furthermore, the factory producing the incoming shipment is the factory "...". In the United Arab Emirates, "Jebel Ali" is one of the most famous and important factories, known for its commitment to applying international specifications and standards in its production. Additionally, the company argues that the elements of the crime constituting the customs smuggling offense are absent, thus negating the charge of customs smuggling attributed to it. The regulation concluded with a request to cancel the Decision under appeal and to declare the company not guilty of the customs smuggling crime attributed to it.

A response memo from the authority was received via the Automated System of the Secretariat dated 28/05/2023, summarizing that the importer had been notified several times to return the shipment to customs, but he did not respond, which implies his actions regarding it. Additionally, according to the laboratory report, the shipment is considered unfit for human consumption and constitutes technical violations that affect the quality of the product and consumer safety since it involves food materials. Furthermore, the importer's actions regarding the shipment, contrary to the commitment taken regarding it, are considered customs smuggling under Article (142) of the Unified Customs law due to his failure to comply with customs instructions and regulations, as the commitment is still in effect and has not been settled. The memo concluded with a request to reject the appeal and uphold the first instance Decision in all its provisions.

The response from the importing company was received on 18/06/2023 and did not deviate from what was presented in the statement of appeal. The response concluded with a request to accept the appeal, annul the contested Decision, and declare the company not guilty of the alleged customs smuggling offense.



On Thursday, July 4, 2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against the first instance Decision No. (CFR-2022-2310), issued by the 1st Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a Decision in its current state after the committee was informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the Grounds on which the appeal was based and the response of the authority to it.

Grounds:

Whereas there is no reproach against the reviewing authority for taking the reasons of the decision subject to appeal without addition whenever it sees that these reasons suffice to avoid the need for any new arguments, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. This is not affected by what the appellant claims that the importing company imports from a well-known company for the quality standards of its products and that the importing company has previously imported other quantities that were approved without issue, as such a claim does not negate the reality of the shipment in question being related to its approval from the laboratory due to the unsuitability of its samples for human consumption. The importer should have been cautious when dealing with shipments consumed by the public, not acting until ensuring their approval and not releasing them for commercial circulation, which was not the case with the importer's handling of the shipment in question. However, the appellate committee noted that the imposition of the customs fine by the committee issuing the decision against the importer was based on what was stated in paragraph (4/145) of the unified customs law without clarifying the reason for taking the maximum penalty as stipulated in this article and in light of what was stated in the subject matter. Therefore, this committee decides to amend the amount of the customs fine to be twice the value of the violating item and to calculate it along with the amount of the confiscation compensation as will be detailed in the text of this decision. Since the reasons for the decision subject to appeal are sufficient to support its ruling, it is necessary to determine that the defenses presented do not affect the outcome of the decision, which makes the appeal unsupported and necessitates its rejection. Accordingly, the appellate committee concluded to report the following



Decision:

- 1- Acceptance of the appeal in form, submitted by / Company, commercial registration number (...), against the first instance decision number (CFR-2022-2310), issued by the 1st First Instance Customs Committee in Riyadh.
- 2- In the subject of his rejection, and the affirmation of the first instance Decision regarding the conviction of the appellant for customs smuggling and the penalty of confiscation, with the modification of the customs fine amount to be equal to twice the value of the violating item, making the total amount claimed by the appellant an amount of (1,091,829) one million and ninety-one thousand eight hundred and twenty-nine riyals, for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-226002
Case No. AC-2022-105374

Keywords:

Customs - Constraints - Bond Commitment - Food Mixers - Non-compliance with specifications - Income and current capacity and visual inspection - Conviction

Summary:

The request of the Zakat, Tax and Customs Authority to cancel the decision of the 1st firstFirst Instance Customs Committee No. (CFR-2023-105374), which ruled not to convict the importer of customs smuggling and to impose a fine for violating customs procedures. Where it has been established to the appellate committee that the violation reported by the laboratory has been considered among the substantial violations that affect the health and safety of the consumer and the safety of using the product in question. This means; to annul the first instance decision in all that it ruled.

Document:

- Article (153) of [the Code of Criminal Procedure issued by Royal Decree No. \(M/2\) dated 22/01/1435 AH.](#)
- Article (142) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by the General Authority for Zakat and Tax, against the first instance decision No. (...), issued by the 1st First Instance Customs Committee in Riyadh, which ruled as follows:

- 1- Not condemning the importer (...) Institution (...), commercial registration number (...), present at customs smuggling.
- 2- He is obliged to pay a fine for violating customs procedures amounting to (500) five hundred riyals in accordance with Article 31/6 of the executive regulations of the unified customs law.

Since the appellant was notified of the decision subject to the appeal on .../.../... and submitted the appeal on .../....., this entails the acceptance of the appeal in form as it was submitted by a person with standing



within the time frame established by Article (163) of the Unified Customs law. As for the facts of the case, they are summarized by the arrival of a shipment consisting of (food mills and mixers) belonging to the importer through the customs of Jeddah Islamic Port under import declaration number (...). dated .../.../... I was granted permission based on a commitment not to act until it is approved by the competent authority, and after examining the sample, the report number (...) was received. dated .../.../... The inclusion of non-compliance in terms of income capacity, current, and visual inspection has been notified to the importer, but he did not respond. The first instance committee issued its Decision as stated in its ruling, based on the fact that the incident falls under the category of procedural customs violations that do not directly affect the safety and health of the consumer, and do not rise to the level of customs smuggling crimes. Rather, it falls under the category of customs violations mentioned in Article (141) of the Unified Customs law, with penalties specified in Articles (30,31) of the Executive Regulations of the Unified Customs law. Upon reviewing the statement of appeal submitted by the authority, the appellate customs committee found that its summary mentioned that the violation was technical and affected the quality of the product according to what was stated in inspection report number (...). The sample did not pass the income and current capacity test, and the shipment consists of prohibited goods that are not allowed to enter the Kingdom according to Article (24) of the Unified Customs law. Furthermore, the handling of the shipment released under a commitment is considered a violation and customs smuggling according to Article (142) of the same law. The appeal statement concluded with a request to accept the appeal in form and to convict the institution ... For customs smuggling and obliging it to pay a customs fine equivalent to three times the value of the goods and obliging it to pay an amount equivalent to the value of the goods as a confiscation fee. Upon reviewing the response submitted by the institution on .../.../... Regarding the submitted appeal, it has been noted that its summary mentioned that there is no letter to initiate a lawsuit or a lawsuit filed by the Public Prosecution under Ministerial Decision No. (34) which includes the transfer of the jurisdiction of the General Authority of Customs to the Public Prosecution and Investigation Authority. The lawsuit was initiated by the Zakat, Tax and Customs Authority, which means that the case was raised by someone without standing, which is contrary to Article (76) of the Law of Judicial Procedures. Furthermore, the contraband shipment is the shipment of electric knives according to report No. (...), while the electric kettle passed inspection. Additionally, the shipment has been around for about (14) years from the date of import, and the disposal of the shipment does not violate the provisions of Articles (24) and (56) of the Unified Customs Law, nor is it considered customs smuggling according to Article (142) of the same law, as the violation is procedural and not technical as stated in the laboratory result, and it was disposed of due to the customs not informing the institution of the result. The memorandum concluded with a request to dismiss the lawsuit and uphold the first instance Decision in all its provisions. On Thursday, .../.../... the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the authority against decision number (...), issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the authority, the committee found that the case was ready for a



decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based.

Grounds:



It is established in the rules of litigation that the proper application of the law is an obligation on the authority examining the case, and it must be done on its own initiative without the need for a request from the parties. Consequently, the authority examining the case has broad discretion in assessing the facts and giving them the appropriate description and correct classification without being bound by the classification of the prosecution or its opponent, in light of what it is convinced of and the state of the evidence and the inferences drawn from it, relying on it and using it as a basis for its ruling, as long as the documents related to it within the case file do not contradict what has been inferred and what its conviction and belief have settled on to resolve the dispute, and that its inference is sound, reasonable, and leads to the result it has reached. This is in accordance with what is stated in Article (153) of the Criminal Procedure law, which stipulates that "the court is not bound by the description contained in the indictment and must give the act the description it deserves, even if it contradicts the description in the indictment..." Furthermore, according to what is stated in report number (...) dated .../.../... For the category (electric knife) that includes non-compliance in terms of input power, current, and visual inspection, and since this violation mentioned in the laboratory report has been considered one of the substantial violations that affect the health and safety of the consumer and the safety of using the imported product, it follows that the importer's action regarding this category, burdened with this violation, constitutes a customs smuggling according to Article (142) of the Unified Customs law. This is not affected by what the defendant mentions about the lack of authority for the authority to initiate the customs case as stated in his objection in this regard, considering that the facts of the case were before the Public Prosecution's jurisdiction to file the customs case, which was determined as being competent for shipments received after the date of transferring the prosecution's jurisdiction to it, specified on .../.../... . Moreover, this result reached by the appellate committee is not affected by the importer's claim that a long time has passed since the violation and that the customs did not inform him of the result, as it is established from the case documents that the customs communicated with the importer to return the item included in the shipment after it was inspected and deemed not permissible. Furthermore, such a claim does not align with the usual conduct of a trader who does not act on the shipment contrary to the commitment taken regarding it except after reviewing the customs and knowing what has been done regarding its clearance, which was not the case with the importer's dealings with the violating item. Since the matter is as mentioned, the appellate committee concluded to report the importer's conviction of customs smuggling, limiting it to the item (electric knife) valued at (3,024) three thousand and twenty-four riyals, obliging him to pay the equivalent of the confiscation and a customs fine equal to the value of that item as will be stated in the ruling. Accordingly, the committee concluded to report the following:



Decision:

First: Acceptance of the appeal in form from the appellant / the Zakat, Tax and Customs Authority, against the first instance Decision No. (CFR-2023-105374), issued by the 1st First Instance Customs Committee in Riyadh.

Second: In the subject of his acceptance, and the annulment of the first instance Decision in all that it ruled, and the ruling is as follows:

- 1- Condemnation of the importer institution ..., commercial registration number (...). Smuggling.
- 2- Obliging him to pay an amount as compensation for the confiscation of the violating item (electric knife) along with imposing a customs fine equivalent to the value of the violating item, making the total amount demanded an amount of (6,048) six thousand and forty-eight riyals, for the reasons and considerations stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-171423
Case No. PC-2022-125534

Keywords:

Customs - Constraints - Bond Commitment - Bulbs - Non-compliance with specifications - Lamp power and luminous flux - Conviction

Summary:

The importer is requesting the cancellation of the first instance decision No. (703) for the year 1440 AH, which convicted the importer of customs smuggling and obligated him to pay a customs fine and a confiscation fee. Where it has been established for the appellate committee that customs have no concern when applying the customs law regarding the clearance of shipments in relation to the importer and the customs broker, as long as those shipments have been organized with an import declaration in the name of the importer. This means; the affirmation of the first instance Decision in all that it ruled.

Document:

- Article (142) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraphs 2 and 4 of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by/ ..., national ID number (...), in his capacity as an agent for/ ..., national ID number (...). Owner of the institution ..., commercial registration number (...), based on agency number (...). dated .../.../... issued by the second notary in Al-Ahsa, against the first instance decision number (...) For the year ..., issued by the 1stFirst Instance Customs Committee at the Al-Bathaa Customs, ruling as follows:

1- Condemnation of the importer (...) According to national ID number (...) in .../.../... Its source is Al-Ahsa, the owner of the institution (...) Commercial Register No. (...) in .../.../... Riyadh issued - in person - for customs smuggling.



2 - He was fined an amount equivalent to the value of the shipment subject to the violation, which is (788) cartons (of bulbs), an amount of (58738) fifty-eight thousand seven hundred and thirty-eight riyals. Due to the impossibility of confiscation, the importer is required to pay an amount equivalent to its value as a substitute for confiscation, amounting to (58738) fifty-eight thousand seven hundred and thirty-eight riyals, making the total amount claimed by the owner of the institution (...) An amount of (117476) one hundred seventeen thousand four hundred seventy-six riyals.

Since the appellant was notified of the decision subject to the appeal on .../.../... and submitted the appeal on .../....., this entails the acceptance of the appeal in form as it was submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment consisting of (accessories) belonging to the importer through the Al-Batha customs under import declaration number (...). dated .../.../... On the date .../.../... AH, it was granted based on a commitment not to act until it is approved by the competent authority, and after examining the sample by the laboratory, the report number (...) was received. The non-compliance regarding the lamp's capacity and luminous flux has been included, and the importer was notified of the result through several letters, but he did not respond. The first instance committee issued its decision as stated in its ruling, based on the fact that the importer did not return the shipment that was temporarily cleared in exchange for a commitment that ensures it would not be disposed of, which constitutes a customs restriction that must be fulfilled. This makes his handling of the shipment a violation of Article (56) of the Unified Customs Law, and it is also considered customs smuggling according to Article (142) of the same law. The committee has imposed its penalties as stated in its decision. Upon reviewing the objection list submitted by the attorney of the owner of the importing institution, the customs appeal committee found that its summary mentioned that the defendant was unaware of the import process, as his attorney, named / ..., had manipulated and deceived him by requesting the issuance of a power of attorney in his favor for the purpose of registering the defendant in one of the companies interested in achieving the Saudization standard in employment. After the power of attorney was issued, the attorney exploited the legal power of attorney and exceeded its limits by opening a commercial institution in his name, and the defendant was unaware of the existence of that institution. He filed a lawsuit against the attorney, which is still pending before the General Court in Al-Ahsa, to compel him to pay the fines resulting from the import activities, including the shipment subject to the lawsuit. The first instance committee issued its decision without inquiring about the customs clearance attorney who signed all the papers and documents related to the import of the shipment and the extent of the defendant's connection to that process, in accordance with Article (110) of the Unified Customs Law. The power of attorney was also devoid of any authorization or mandate related to importation or bringing goods from abroad, which indicates its lack of a clause for import and export and the authorization for customs clearance, yet the customs accepted that authorization. Therefore, all the procedures taken by the customs committee against the defendant are invalid, as is its



decision that concluded with a conviction for customs smuggling and fines. Additionally, it was stated in the decision subject to objection that what the legal attorney of the owner of the institution mentions is nothing but an unsubstantiated claim, which is incorrect, as the legal attorney provided evidence that he filed the lawsuit after becoming aware of the illegal act committed by the aforementioned attorney regarding importation and breach of trust. The customs committee was obliged to communicate with the General Court in Al-Ahsa and verify the lawsuit before issuing the decision or suspending the consideration of the lawsuit until the subject of the lawsuit pending before the General Court is resolved. The list concluded with a request to release the defendant and compel the named ... to pay the fines resulting from the actions he took for his own account. A response memo from the authority was received through the Automated System of the secretariat dated .../.../... It included a summary that based on Article (163) of the Unified Customs Law, the plaintiff has exceeded the legal period for objecting to the decision issued against him by a long time, as the ruling was pronounced on .../.../... The importer has filed an appeal dated .../.../... Any time more than thirty days from the date of the ruling, it is clear that the period has expired and the decision has become final and enforceable. Moreover, ignorance of the law does not exempt one from responsibility. The shipment was addressed to the institution, which is responsible before customs since the customs declaration is in its name, as evidenced by the certificate of origin issued from the free zone in Jebel Ali and the tax invoice, which shows that all commercial transactions and customs procedures are issued in the name of the institution. It is the one that authorized the customs broker under the authorization attached to the case file and certified by the chamber of commerce. Additionally, the relationship between the institution and the broker is contractual, and the authority is not a party to it. The concerned party has the right to refer to the broker or those they authorized to the competent judicial authorities. The memorandum concluded with a request to reject the submitted appeal and uphold the first instance decision in all its provisions. On Tuesday, corresponding to .../.../... , the Customs Appeals Committee in Riyadh held its hearing to consider the appeal submitted by the concerned party against decision number (...). For the year ... Issued by the 1stFirst Instance Customs Committee at the Al-Bathaa Customs, and after reviewing the case file and the appeal submitted by the appellant, the committee found that the case is ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what has been presented to form its conviction and to rule on it in light of the reasons on which the appeal was based and the response of the committee.

Grounds:

Whereas there is no reproach against the appellate authority for taking the reasons of the decision subject to the appeal without adding anything whenever it sees that these reasons suffice to negate the need for any new arguments, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. This is not affected by what the representative of the appellant institution raises in his statement, that his client is



unaware of the import process or the existence of the institution, and that he had appointed someone to register it in one of the companies, but he exploited the legal agency and exceeded its limits by opening commercial records in his name. The customs have no concern when applying the customs law regarding the clearance of shipments in relation to the importer and the customs broker, as long as those shipments have been organized in the import declaration in the name of the importer, whether this resulted in a smuggling incident related to the violating shipment or the shipment was linked to a violation of customs procedures when the importer violated the commitment taken regarding it and dealt with the shipment that was not cleared by the competent authority. The appellant is entitled to seek recourse against anyone who claims to have suffered damage by exploiting what he claims to be a mandate that exceeds what was agreed upon with the customs clearance office. Whereas dealing with the shipment that was cleared under a commitment not to act until it is approved by the competent authority is considered customs smuggling according to Article (142) of the Unified Customs Law, which leads to the affirmation of the first instance decision regarding the institution's conviction for customs smuggling and the penalty of confiscation. However, the appellate committee noted that the committee issuing the decision had calculated the customs fine on the importer by applying paragraph (4) of Article (145) of the Unified Customs Law, which applies to prohibited goods. Since the imported goods are not prohibited in their nature and type, but their entry was banned due to non-compliance with some required specifications, which is confirmed by the request from the importer to bring the shipment to the customs area for re-export, this committee decides to apply paragraph (2) of Article (145) of the Unified Customs Law contrary to what was decided in the first instance decision. Since this observation does not change the outcome reached by this decision regarding the conviction for customs smuggling and the penalty of confiscation and the amount of the customs fine imposed, considering the ceiling of the customs fine imposed does not exceed what was stipulated in paragraph (2/145) of the same law, which is to be applied regarding the imposition of the penalty on the appellant, the appellate committee concluded to report the following:

Decision:

- 1- The acceptance of the appeal in form from its presenter (...), commercial registration number (...), owned by..., national ID number (...), against the first instance decision number (...). For the year ... Issued by the 1stFirst Instance Customs Committee at the Al-Bathaa Customs.
 - 2- In the subject, his rejection and the affirmation of the first instance Decision in all that it ruled, and that is for the Grounds and considerations stated in this Decision.
- May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR -2023-205584
Case No. PC-2023-202742

Keywords:

Customs - Constraints - Bond Commitment - Ready-made Clothes - Non-compliance with specifications - Explosive strength of the material - Conviction

Summary:

The importer's request to cancel the decision of the 1st firstInstance Customs Committee No. (CFR-2023-202742), which convicted the importer of customs smuggling. Where it has been established to the appellate committee that the defenses raised by the appellant against the decision rejecting the petition submitted by him are nothing but a substantive debate related to the dispute of the importer's attorney regarding notifying the importer of the laboratory result. This means; the affirmation of the first instance Decision in all that it ruled.

Document:

- Article (163) from [The Unified Customs Law for the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (200) of [the Judicial Procedures law issued by Royal Decree No. \(M/1\) dated 22/01/1435 AH.](#)
- Article (201) of [the Judicial Procedures law issued by Royal Decree No. \(M/1\) dated 22/01/1435 AH.](#)
- Article (204) of [the Code of Criminal Procedure issued by Royal Decree No. \(M/2\) dated 22/01/1435 AH.](#)
- Article (205) of [the Code of Criminal Procedure issued by Royal Decree No. \(M/2\) dated 22/01/1435 AH.](#)
- Article (206) of [the Code of Criminal Procedure issued by Royal Decree No. \(M/2\) dated 22/01/1435 AH.](#)

Facts:

This is to consider the appeal submitted by/ ..., national ID number (...), in his capacity as an agent for/ ..., national ID number (...). Owner of the Institution (...), Commercial Registration Number (...) According to agency number (...) dated .../.../... issued by the notary office in Hafr Al-Batin, to contest the first instance decision issued by the 1st First Instance Customs Committee in Riyadh number (...). The judge rejected the request for reconsideration for the reasons stated. Since the appellant was notified of the decision subject



to the appeal on .../.../... and submitted the appeal on .../....., this entails the acceptance of the appeal in form as it was submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment consisting of (accessories) belonging to the importer through the Al-Batha customs under import declaration number (...). dated .../.../... The value of the items disposed of amounted to (27,162) riyals, and it was allowed based on a commitment not to dispose of them until they are approved by the competent authority. After examining the sample by the laboratory, the report number (...) was received. dated .../.../... Including non-compliance with specifications regarding the determination of the explosive strength of the material, the First Instance Customs Committee in Riyadh issued its decision No. (...) For the year ... By condemning the importer in person for customs smuggling and obliging him to the associated penalties as detailed in the facts and reasons for the decision referred to in order to avoid repetition, and on the date .../.../... The owner's attorney submitted a petition for reconsideration of the first instance decision, and the petition was registered with the 1st First Instance Customs Committee in Riyadh, which issued its decision number (...). The judge ruled not to accept the request for reconsideration based on the lack of any of the legal conditions under which the case can be reconsidered in accordance with the provisions of Articles (200) and (201) of the Judicial Procedures law, and Articles (204), (205), (206) of the Criminal Procedure law and their executive regulations. Upon reviewing the objection list submitted by the attorney, the appellate customs committee found that its summary mentioned that the appealed decision was based on the non-application of any of the cases stipulated in Article (200) of the Sharia Litigation law, while the reality is that the judgment was issued in absentia against the importer, which is one of the cases stipulated in that article. Therefore, it is necessary to accept the defenses of the importer, which are summarized in that his client only signed the original commitment, and what is in the case file is merely a copy that his client does not recognize and shows signs of forgery in the declaration number and date in a different handwriting and unmeasured. Moreover, the plaintiff did not provide any evidence proving the importer's knowledge of the laboratory result or any evidence notifying him by any letter regarding the return of the shipment, as the burden of proof lies with them since these documents were issued by them. The list concluded with a request to accept the appeal in procedures and on merits, to annul the decision subject to the appeal, and to rule that the importer is not guilty of customs smuggling. On Wednesday, .../.../..., the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted against the first instance Decision No. (CSR-2023-383) issued by the Second First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the Appeals Committee decided that the documents presented and the contents of the case file were sufficient to form its conviction and to rule on the matter in light of the Grounds on which the appeal was based.



Grounds:



Since there is no reproach on the reviewing authority for accepting the Grounds for the Decision subject to appeal without adding anything whenever it sees that these Grounds are sufficient to negate the need to present anything new, because in its support, based on its Grounds, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those Grounds contained, and this is not diminished by what the appellant mentions in his list regarding the exploitation of the called/ ... For the year ... In absentia, a decision was issued against the importer, as it is established from the documents that the decision was issued in his presence, which is confirmed by the facts of the decision that recorded his attendance (...) As an attorney for the importer in the hearing held before the 1st first instance committee on .../.../... Where he was asked by the committee about the fate of the goods, he requested a deadline ending on .../.../... Then he submitted his response memorandum, and the committee decided to close the door to the debate in preparation for issuing the decision. The defenses he raises in his appeal against the decision rejecting his submitted request are nothing but a substantive argument related to the dispute of the importer's attorney regarding notifying the importer of the laboratory result, as well as his dispute regarding the non-receipt of any letter for the purpose of returning the shipment. Since the reasons for the decision under appeal are sufficient to support its ruling, it is necessary to state that the defenses presented do not affect the outcome of the decision, which makes the appeal unsupported and thus must be rejected. Accordingly, the customs appeals committee concluded to report the following:

Decision:

- 1- 1- Acceptance of the appeal in form from the applicant/ institution ..., commercial registration number (...), owned by/ ..., national ID number (...), against the first instance Decision number (...), issued by the 1st First Instance Customs Committee in Riyadh.
- 2- In the subject of his rejection, and the support of the first instance Decision in all that it ruled, for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR -2023-171055
Case No. PC-2022-123628

Keywords:

Customs - Constraints - Bond Commitment - Towels and Comforter - Non-compliance with specifications - Tensile strength - Conviction

Summary:

The importer is requesting the cancellation of the first instance decision No. (1944/1) for the year 1441 AH, issued by the 1st First Instance Customs Committee, which convicted the importer of customs smuggling and imposed a customs fine and confiscation compensation. And where it was established for the appellate committee that the importer did not comply with returning the shipment to the customs area in a timely manner after the request to return the shipment was made following the customs' communication to him immediately after receiving the laboratory results and confirming the importer's failure to return the shipment. This means; to uphold the first instance decision in what it ruled and to amend paragraph (2).

Document:

- Paragraphs (2) and (4) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by/ Foundation ... National ID number (...) as the director of the company (...), commercial registration number (...), against the first instance decision number (...). For the year ..., issued by the 1st First Instance Customs Committee in Riyadh, the ruling states the following:

- 1-Conviction of the importer company ..., commercial registration number (...), in person for customs smuggling.
- 2- Obliging the company to pay a customs fine equivalent to the value of the violating items, an amount of (30,190) thirty thousand one hundred and ninety riyals.
- 3- Obliging the company to pay an amount equivalent to the value of the violated items that were disposed of and not approved for clearance by the competent authority, as a confiscation fee amounting to (30,190) thirty thousand one hundred and ninety riyals, bringing the total amount claimed from the company to (60,380) sixty thousand three hundred and eighty riyals.



Since the appellant was notified of the decision subject to the appeal on .../.../... and submitted the appeal on .../....., this entails the acceptance of the appeal in form as it was submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment (towels and blankets) belonging to the company through the Riyadh customs dry port under import declaration number (...). On the date .../.../... AH, it was granted based on a commitment not to act until it is approved by the competent authority, and after examining the sample by the laboratory, the report number (...) was received. dated .../.../... The inclusion of non-compliance of items such as towels, quilts, and blankets with the tensile strength specification, the measurement of the dimensions of the piece, and the visual inspection. The first instance committee issued its decision as stated in its ruling based on the fact that the importer did not adhere to what he committed to before the committee regarding the return of the violating shipment to the customs area, which implies that the company's action of bringing in the non-approved shipment violated the bond commitment taken against it, which constitutes a customs smuggling incident under Article 142 of the Unified Customs Law and is subject to the associated penalties. Upon reviewing the objection list submitted by the appellant, the appellate customs committee found that its summary mentioned that the shipment is still present and has not been disposed of, and that he is ready to return it to the customs area. A response memo from the authority was received through the Automated System of the secretariat dated .../.../... It included a summary that the importing company was notified that the shipment did not comply and was to be returned to the customs area, but it did not respond, indicating its handling of the shipment, thereby violating the signed bond commitment. The company's attorney claimed that the shipment was in his warehouses and that he was ready to bring it to the relevant authority; however, the company's representative had previously committed before the first customs committee that issued the ruling to bring the non-compliant shipment and did not comply with that, which shows the company's procrastination and handling of the shipment. The memorandum concluded with a request to reject the appeal and uphold the first instance decision in all its provisions. On Wednesday, corresponding to .../.../.. The Customs Appeals Committee in Riyadh held its hearing to consider the appeal submitted by the concerned party regarding decision number (...) For the year ..., issued by the 1st First Instance Customs Committee in Riyadh, and after reviewing the case file and the appeal submitted by the appellant and the response of the committee regarding it, the committee found that the case is ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what has been presented to form its conviction and to rule on it.

Grounds:

Since there is no reproach against the reviewing authority for taking the reasons of the decision subject to appeal without adding anything whenever it sees that these reasons suffice to avoid presenting anything new, because in its support, based on its reasons, it indicates that it did not find in the objections raised



against it anything that deserves a response beyond what those reasons contained. This is not affected by what the appellant mentioned in his appeal statement that the shipment is still with him and has not been disposed of, and he requests permission to return it to the customs area, as what he raises is unacceptable; because he did not commit to returning the shipment to the customs area in a timely manner after the request for its return was made following the customs communication with him immediately after receiving the laboratory result and confirming that the importer did not return the shipment. Moreover, he did not provide evidence of his return of the shipment in question after the first instance committee granted him time to do so before issuing its decision that is being appealed against, which makes his claim of having the shipment a mere unsubstantiated assertion that he has not proven, especially considering the long duration of this shipment's stay with the importer according to the import statement from the date .../.../... . This constitutes a significant indication of the importer's actions regarding the contraband shipment, which leads to the conclusion that the defenses presented do not affect the outcome of the decision, making the appeal unsupported and thus must be rejected. However, the appellate committee noted that the committee issuing the decision had calculated the customs fine on the importer by applying paragraph (4) of Article (145) of the Unified Customs Law, which applies to prohibited goods. Since the imported goods are not prohibited in their nature and type, but their entry was banned due to non-compliance with certain required specifications, as confirmed by the importer's request to bring the shipment to the customs area for re-export, this committee decides to apply paragraph (2) of Article (145) of the Unified Customs Law, contrary to what was decided in the first instance ruling. Consequently, this committee concludes to calculate the customs fine at twice the customs duties as will be stated in the ruling, and thus the appellate committee concluded with the following report:

Decision:

1- Accepting the appeal in form, submitted by/ Company ..., Commercial Registration No. (...), against the first instance decision No. (...). For the year ..., issued by the 1st First Instance Customs Committee in Riyadh.

2- In the subject, his rejection, and the affirmation of the first instance decision in all that was ruled regarding the conviction for customs smuggling and the penalty of confiscation compensation, with the amendment of the imposed customs fine to be twice the fees, making the total amount claimed by the appellant an amount of (39,247) thirty-nine thousand two hundred and forty-seven riyals, and this is for the reasons and considerations stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR -2024-192717
Case No. AC-2022-103833

Keywords:

Customs - Constraints - Bond Commitment - Soaps - Non-compliance with specifications - Moisture content and volatile materials - Conviction

Summary:

The importer's request to cancel the decision of the 1st firstFirst Instance Customs Committee No. (CFR-2023-103833), which condemned the importer for customs smuggling and imposed a customs fine and confiscation fee. And since it has been established to the appellate committee that the importer did not provide evidence of his payment, what he raises is an unfounded statement that does not contradict what is established in the documents. This means; to uphold the first instance decision as ruled and to amend the imposed customs fine.

Document:

- Paragraphs (2) and (4) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by/..., national ID number (...). As the owner of the institution..., commercial registration number (...), against the first instance Decision number (CFR-2023-103833), issued by the 1st First Instance Customs Committee in Riyadh, whose ruling states the following:

- 1-Condemnation of the importer (Institution ...) Commercial register number (...), present at customs smuggling.
- 2-Obligating him to a customs fine equivalent to the value of the violating item in the amount of (82,533) eighty-two thousand five hundred thirty-three riyals.
- 3- Obliging him to pay an amount equivalent to the value of the violating item as a confiscation fee amounting to (82,533) eighty-two thousand five hundred thirty-three riyals, making the total amount claimed (165,066) one hundred sixty-five thousand and sixty-six riyals.



Since the appellant was notified of the Decision subject to the appeal on 06/04/2023, and submitted the appeal on 25/04/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the prescribed period for its execution as stipulated in Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment of "soaps" belonging to the institution through the customs of Jeddah Islamic Port under import declaration number (129816) dated 16/07/1436 AH, which was released based on a commitment not to dispose of it until it is approved by the competent authority, and after examining the sample by the laboratory, the report number (...) was received. On the date of 27/05/2015, it was noted that the sample did not meet the specifications regarding the assessment of moisture content and volatile materials. The importer was contacted by customs to return the shipment to the customs area, but he did not respond. The first instance committee issued its decision based on the importer's actions regarding the shipment despite it not being approved by the competent authority, which constitutes customs smuggling according to Article (142) of the Unified Customs Law.

Upon reviewing the objection list submitted by the owner of the institution, the appellate customs committee found that its summary mentioned that the first instance committee based its penalty report on paragraph (4) of Article (145) of the Unified Customs Law concerning prohibited goods, which is incorrect, as the subject matter of the case is soap for external use and is not considered a prohibited material. It was necessary to apply paragraph (2) of Article (145) instead, taking into account the determination of the fine in proportion to the actual danger posed by the violation. Additionally, based on the laboratory results, the item reported is what was referred to by the operational number... It is soap with olive oil, and its quantity according to the original invoice is 500 pieces at a price of 4219 riyals, which shows that the first instance decision calculated the full value of the item mentioned in the customs declaration when estimating the penalties stated in the decision, contrary to paragraph (2) of Article (27) which stipulates that the value of the goods must be proven by presenting all original invoices and documents that prove their value according to the principles outlined in Article (26). The appellant confirmed that he attended all hearings held before the first instance committee that he was notified of, but there was no one present at those meetings, and he has a copy of the last hearing to prove that. He also has no intention of committing the crime of smuggling or deliberately concealing goods, as the item in question relates to soap that is not subject to any import ban, and customs duties were paid legally. He added that he was not notified of the laboratory analysis results or contacted until 9 years after the date of import by the 1st instance committee. The statement concluded with a request to accept the appeal and reconsider the ruling issued in this case and to give the opportunity to reveal the true facts and present appropriate evidence.

A response memo from the authority was received through the automated system of the secretariat dated 06/06/2023, which summarized that according to Article (2) of the Unified Customs Law, goods that are found by the laboratory to be non-compliant are considered prohibited goods. Additionally, customs



smuggling crimes are intentional crimes that require the presence of both the material and moral elements, which are present in the incident at hand, as the institution acted on the shipment and violated the commitment made, introducing goods that are restricted from entering the country. The memo concluded with a request to reject the appeal and uphold the first instance decision in all its provisions.

On Wednesday, 31/01/2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against decision number (CFR-2023-103833), issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based and the response of the authority.

Grounds:

Whereas there is no reproach against the authority reviewing the appeal for taking the reasons of the decision subject to the appeal without addition whenever it sees that these reasons suffice to avoid presenting anything new, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. Moreover, the claim made by the appellant in his statement regarding the non-receipt of notifications from the authority does not affect this, as it is established from the documents that there is a letter No. 1614/35 issued by the General Director of the Jeddah Islamic Port Customs addressed to the importer, stating the unsuitability of the sample and requesting its immediate return to the customs yards according to the commitment. Furthermore, it was necessary for the institution to review the customs and verify the fate of the shipment, especially since it was aware of the existence of that commitment signed by it. As for the appellant's claim that the value of the violating item included in the shipment is 500 pieces at a price of 4219 riyals according to the original invoice, this is rejected, considering that the importer did not provide evidence of his claim, making what he raises an unsubstantiated statement that does not contradict the established documents that the sample examined through the sample withdrawal document relates to the item whose value was (82,533) riyals according to the declaration document and the request for preparation and inspection. Since the reasons for the decision subject to the appeal are sufficient to support its ruling, it is necessary to determine that the defenses presented do not affect the outcome of the decision, which makes the appeal unsupported and thus must be rejected. However, the appellate committee noted that the committee issuing the decision calculated the customs fine on the importer by applying paragraph (4) of Article (145) of the Unified Customs Law, which applies to prohibited goods. Since the goods received are not prohibited in their nature and type, but their entry was prohibited due to non-compliance with some required specifications, which is confirmed by the request from the importer to bring the shipment to the customs yard for re-export, this committee decides to apply paragraph (2) of Article (145) of the Unified Customs Law contrary to what was decided in the first instance ruling. Thus, this committee concludes to



calculate the amount of the customs fine at twice the customs duties as will be stated in the ruling, and accordingly, the committee concludes to report the following.

Decision:

1- Acceptance of the appeal in form from the applicant/ institution ..., commercial registration number (...), owned by/ ..., national ID number (...), against the first instance Decision number (CFR-2023-103833), issued by the 1st First Instance Customs Committee in Riyadh.

2- In the subject of his rejection, and the affirmation of the first instance Decision regarding the conviction of the appellant for customs smuggling and the penalty of confiscation compensation, with the amendment of the imposed customs fine to be twice the customs duties, making the total amount claimed by the importer an amount of (93,262) ninety-three thousand, two hundred sixty-two riyals, and this is for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No.

CR -2024-179441

Case No.

PC-2022-124029

The keys:

Customs - Constraints - Bond Commitment - Tablet Devices - Non-compliance with specifications - Crawl distances, clearance, and electrical durability - Conviction

Summary:

The importer requests the cancellation of the decision of the Third First Instance Customs Committee No. (CTR-2022-1965), which convicted the importer of customs smuggling and imposed a customs fine and confiscation compensation. And where it was established for the appellate committee that the importer's violation by acting with the shipment without regard to the order of permission for its entry into the country, while it was loaded with the observations made in the laboratory report, constituted behavior contrary to that general duty. This means; to uphold the first instance decision in what it ruled and to amend paragraph (2).

Document:

- Article (142) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraphs (3) and (4) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (175) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by/ ..., national ID number (...), in his capacity as an agent for/ ..., national ID number (...). As the owner of the institution ..., commercial registration number (...), under agency number (...). On the date .../.../... AH, against the first instance Decision No. (...), issued by the third First Instance Customs Committee in Riyadh, ruling as follows:

- 1- Condemnation/ Institution ..., Commercial Registration Number (...) In person with customs smuggling.



- 2- To impose a customs fine equivalent to the value of the violating item, in accordance with Article (145/4) of the Unified Customs law.
- 3- Obliging it to pay the value of the violating item as a confiscation fee, in accordance with Article (145/5) of the same law.

Since the appellant was notified of the decision subject to the appeal on .../.../... and submitted the appeal on .../....., this entails the acceptance of the appeal in form as it was submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment consisting of (tablet devices) belonging to the importer through the King Abdulaziz International Airport customs under import declaration number (...). dated .../.../... I was granted permission based on a commitment not to act until it is approved by the competent authority, and after examining the sample, the report number (...) was received. dated .../.../... which includes non-compliance in terms of crawl distances, clearance, and electrical durability. The importer was notified of the result through several letters, but he did not respond. The first instance committee issued its decision as stated in its ruling, based on the fact that the importer's absence from the second hearing and the failure to provide the required documents confirms his handling of the shipment in question. Since the imported item contains technical violations related to the quality, specifications, and safety of the product and involves commercial fraud, the importer's handling of the shipment is contrary to the registered bond commitment regarding the shipment, which constitutes customs smuggling according to Article (142) of the Unified Customs Law, leading to the application of penalties accordingly as stated in its decision. Upon reviewing the objection list submitted by the attorney of the director of the importing institution, the customs appellate committee found that its summary mentioned that the institution did not commit any of the acts referred to in Articles (142) and (143) of the Unified Customs Law. Therefore, the clearance of goods under the bond commitment is a legitimate act carried out with the approval of customs and cannot be treated as if it were someone actually committing the smuggling crime stipulated by the law. Additionally, the conditional criminal intent required for the commission of the smuggling crime is absent in this case, considering the lack of both the material and moral elements of the smuggling crime against the importing institution. Furthermore, the importing institution did not receive a letter from customs regarding the return of the goods, and the letter claimed to have been sent on the date .../.../... requesting the return of the goods for not meeting specifications is only known to the importing institution through the lawsuit, and there is no evidence that the institution received the letter before the date of this lawsuit in the year (1444 AH). The lack of notification is considered a negligence on the part of customs and not a violation by the institution. In addition, the institution argues for the expiration of the customs claim based on Article (175) of the Unified Customs Law. Moreover, the goods subject to customs clearance are unknown to the institution due to changes in management and the succession of owners from the date of clearance until now. It is practically impossible for the institution to bear the



consequences of customs' delay and negligence in this claim. The list concluded with a request to annul the first instance decision and rule for the institution's innocence and release it from the case. A response memo from the authority was received through the Automated System of the secretariat dated .../.../. The summary included that the institution was notified by several letters from customs at the addresses registered with the authority, indicating that the shipment did not comply and that it should be returned according to the commitment signed by it; however, it did not respond. Additionally, the shipment was from the year 1437 AH, and during this period, the institution did not adhere to the commitment made and did not respond to the customs letters. It would have been more appropriate for the institution to communicate and respond to customs instead of acting on the shipment. Its violation of this commitment constitutes customs smuggling according to Article (142) of the Unified Customs Law, and it also involves commercial fraud according to Articles (1) and (2/1/A) of the Anti-Commercial Fraud Law. Based on the laboratory results attached to the case file, the violation is technical and directly affects the health and safety of consumers and impacts their financial resources due to purchasing goods that do not meet the specifications and regulatory standards. According to Article (176) of the Sharia Litigation Law, the authority has the right to pursue those involved in customs smuggling for a period of fifteen (15) years. The memorandum concluded with a request to reject the appeal submitted by the institution ... And the affirmation of the first instance Decision in all that it ruled.

On Thursday, .../.../... the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against decision number (...), issued by the Second First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in its current state after the committee was informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based and the response of the authority.

Grounds:

Whereas, regarding the necessity of applying what the law states about the statute of limitations concerning the incident that led to the conviction of the importing institution for customs smuggling, considering that more than (12) years have passed in light of what Article (175) of the Customs Law states, which indicates that the administration has the right to destroy records, receipts, and data after five years from the end of customs procedures based on what is claimed to confirm the payment of ownership changes in the company, this is rejected considering that this analogy is not valid and there is no legitimate justification for applying it in light of the explicit text that grants customs the right to pursue smuggling activities and similar actions for a period of (15) years from the date of committing the crime, which is how customs dealt with the incident under consideration. And since there is no blame on the appellate authority for adopting the reasons for the decision under appeal without adding anything new whenever it sees that these reasons suffice without the need to present anything new, because its support is based on its reasons, indicating that



it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. The appellant's claim that the importing company did not commit any acts defined by the law as smuggling and that the material and moral elements were not fulfilled in what the importing company did to establish the integrity of the smuggling crime against it is rejected, as such a defense is dismissed considering that the customs treatment related to completing the procedures for bringing the shipment into the country requires the importer to observe the general duty imposed by the customs law regarding the importer when dealing with the incoming shipment, which is embodied in complying with all that the customs law and other related regulations require for the clearance of the shipment, which necessitates not acting upon it in any way except after it has been approved and permitted for such action. Therefore, the importer's violation of this duty by acting upon the shipment without regard to the permission for its entry into the country after it has been confirmed that he acted upon it while it was loaded with the observations made in the laboratory report constitutes a behavior contrary to that general duty, especially since this duty is something that is necessarily known to him, which does not negate the validity of attributing the customs smuggling crime to him. Thus, what he claims by stating that the importing institution did not commit any act constituting the crime of smuggling and that he did not have the intent is not worthy of consideration, which confirms the validity of his conviction for the crime of customs smuggling against him as defined by the unified Customs Law in Article (142) for bringing the shipment in violation of the prohibitions and constraints that must be observed for the clearance of the shipment, which was not the case with the importer's dealings with the shipment as previously stated. Furthermore, the claim regarding the non-receipt of notifications for the return of goods from customs to the importing institution is rejected, as it is established through the documents that customs communicated with the importing institution to return the shipment. Moreover, such a claim, assuming its validity, does not affect the basis on which the importing institution was convicted of customs smuggling because it does not contradict the established fact of the importer's action regarding the shipment in violation of the commitment taken regarding it, which was the case with the importer's dealings with the shipment in question. However, the appellate committee noted that the committee issuing the decision calculated the customs fine on the importer by applying paragraph (4) of Article (145) of the unified Customs Law, which applies to prohibited goods. Since the incoming goods are not prohibited in their nature and type, but their entry was prohibited due to non-compliance with some required specifications, as confirmed by the request from the importer to bring the shipment to the customs area for re-export, and since it was originally among the goods exempt from fees related to the conviction for smuggling associated with the facts of those goods, this committee must apply paragraph (3) of Article (145) of the unified Customs Law contrary to what was decided in the first instance ruling and calculate the customs fine imposed on the importing institution and estimate it at (10%) of the value of the goods, as will be stated in the text of this decision among the total amount claimed by the appellant as a penalty for confiscation and the customs fine imposed on him. Therefore, the appellate customs committee concluded to report the following:



Decision:

- 1- Acceptance of the appeal in form from the applicant/ institution ..., commercial registration number (...), owned by/ ..., national ID number (...), against the first instance Decision number (CTR-2023-118745), issued by the third First Instance Customs Committee in Riyadh.
- 2- In the subject of his rejection, and the support of the first instance decision regarding the conviction and the substitute for confiscation, with the amendment of the amount of the customs fine imposed to be (10%) of the value of the shipment, making the total amount (397,373) three hundred and ninety-seven thousand three hundred and seventy-three riyals, and this is for the reasons and considerations stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-227068
Case No. AC-2022-109195

The keys:

Customs - Constraints - Bond commitment - Shoes - Non-compliance with specifications - Bend resistance and wear resistance - Conviction

Summary:

The importer's request to cancel the decision of the 1st First Instance Customs Committee No. (CFR-2023-109195), which convicted the importer of customs smuggling and imposed a customs fine and confiscation compensation. Where it was established for the appellate committee that the importer's violation of that duty by acting with the shipment without regard to the matter of permission for its entry into the country constituted behavior contrary to that duty. This means; to uphold the first instance decision in what it ruled and to amend paragraph (2).

Document:

- Paragraphs (2) and (4) of Article (145/2) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by (...), national ID number (...). As the attorney of (...), national ID number (...), owner of the appealing institution, by virtue of agency number (...). dated .../.../... issued by the electronic services of the Ministry of Justice, against the first instance Decision number (CFR-2023-105374), issued by the 1st First Instance Customs Committee in Riyadh, whose ruling is as follows:

- 1- Condemnation of the importer (...) Commercial Register No. (...) For its owner (...), national ID number (...). In person with customs smuggling.
- 2- He is obliged to pay a customs fine equivalent to the value of the violating item, an amount of (59,787.57) fifty-nine thousand seven hundred eighty-seven riyals and fifty-seven halalas.
- 3- Obliging him to pay an amount equivalent to the value of the violating item as a confiscation fee amounting to (59,787.57) fifty-nine thousand seven hundred and eighty-seven riyals and fifty-seven



halalas, making the total amount claimed (119,575.14) one hundred nineteen thousand five hundred and seventy-five riyals and fourteen halalas.

Since the appellant was notified of the decision subject to the appeal on .../.../... and submitted the appeal on .../....., this entails the acceptance of the appeal in form as it was submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment (tea) through the Al-Batha customs according to import declaration number (...). On the date .../.../... AH, it was granted based on a commitment not to act until the result of the competent authority appears, and upon examining the sample, the report number (...) was received. dated .../.../... which includes non-compliance in terms of bending resistance and wear resistance. The importer was addressed, but he did not respond. The first instance committee issued its decision as stated in its ruling, based on the fact that the importer did not return the shipment to the customs area, which implies that his actions were contrary to the provisions of Article (56) of the Unified Customs Law. This is also considered customs smuggling according to what is stated in Article (142) of the same law, which led to the conviction of the importer for customs smuggling, and the imposition of penalties on the importer as stated in the ruling subject to appeal. Upon reviewing the objection list submitted by the attorney of the appellant institution, the customs appellate committee found that its summary mentioned that his client was unable to attend the hearing due to not being personally notified of the case against him and the hearing dates. It was noted that the institution's record had been canceled since the date .../.../... and that the attached list did not include the case data and the customs declaration number under which the shipment was sent to his client, as it lacked addresses and identity or commercial registration. Therefore, the case was not drafted in the manner prescribed by the law, and the first instance decision was based on convicting his client of customs smuggling and penalizing her with a customs fine and confiscation fee based on Articles (142-145) of the Unified Customs Law; this was due to her violation of the bond commitment not to dispose of the shipment in question, which the laboratory declared to be non-compliant with specifications, and for not responding by returning it to the customs area as stated in the case. Upon reviewing the case file, it became clear that the attached bond was merely a copy of a bond stamped with the institution's seal and not the original, and it was not certified by the Chamber of Commerce, as it is customary for the bond to carry the Chamber of Commerce's certification. The bond did not include the shipment data in question, as the fields pertaining to the shipment (such as import declaration number, date, type of shipment) were not filled out, confirming that it was signed empty of most essential data, which facilitated the customs broker in importing goods by exploiting the authorization. Therefore, the institution did not commit to the customs not to dispose of this shipment, and a bond that did not include any data about the shipment in question cannot be accepted. Furthermore, his client was unaware of what the shipment was, especially since the bond, authorization, and analysis agency form prepared by the Customs Authority pertain to a single shipment and cannot be used for multiple shipments.



Additionally, the bond, authorization, and analysis agency attached to the case file were involved in more than 20 cases, some of which are still pending before the customs committee with the same number, date, and time of certification by the Chamber of Commerce, along with the complete authorization, bond, and analysis agency. This confirms that the customs broker exploited the use of the authorization, analysis agency, and bond without justification. Therefore, his client cannot be convicted of customs smuggling due to insufficient evidence against her, which necessitates the annulment of the first instance decision and a ruling of non-conviction. The list concluded with a request to accept the appeal in form and to dismiss the case for not being drafted in the required legal manner, and as a precaution, to annul the first instance decision in what it ruled and to rule against the conviction of the institution. A response memo from the authority was received through the Automated System of the secretariat dated .../.../... It included a summary that the importer was addressed to return the shipment to the customs area, but he did not respond. The shipment was received in the name of the institution, which is responsible before customs since the customs declaration was organized in its name. It can refer back to whoever caused it harm before the competent authorities. The memorandum concluded with a request to reject the appeal and uphold the first instance decision in all that it ruled. On Sunday, .../.../..., the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against decision number (...), issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based and the response of the authority.

Grounds:

Whereas there is no reproach against the appellate authority for taking the reasons of the decision subject to the appeal without addition whenever it sees that these reasons suffice to avoid the need to present anything new, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. This is not affected by what the appellant presented in terms of defenses that do not affect the outcome reached by the decision subject to the appeal, considering that the customs procedure related to completing the entry procedures for the shipment into the country requires the importer to observe the general duty required by the customs law regarding the importer when dealing with the incoming shipment, which is embodied in complying with everything required by the customs law and other related regulations regarding the clearance of the shipment, which necessitates not handling it in any way until it is approved and permission is granted to handle it. Thus, the importer's violation of this duty by handling the shipment without regard to the permission for its entry into the country constitutes a behavior contrary to that general duty, which is also known by necessity to him, thus not negating the validity of attributing the crime of customs smuggling to him. Furthermore, what he mentions about not being related to the shipment and that the customs



clearance office is the one that knows about these shipments, customs has no concern with the relationship that binds the customs clearance attorney with the importer when applying the customs law, and the importer is responsible for claiming damages from those he alleges have harmed him. Since the reasons for the decision subject to the appeal are sufficient to support its ruling, it is necessary to determine that the defenses presented do not affect the outcome of the decision, making the appeal unsupported and necessitating its rejection regarding the conviction of the importer for customs smuggling and the penalty of the confiscation substitute imposed. However, the appellate committee noted that the committee issuing the decision calculated the customs fine on the importer by applying paragraph (4) of Article (145) of the Unified Customs Law, which applies to prohibited goods. Since the incoming goods are not prohibited in their type and nature, but their entry was prohibited due to non-compliance with some required specifications, which is confirmed by the request from the importer to bring the shipment to the customs area for re-export, it is determined by this committee to apply paragraph (2) of Article (145) of the Unified Customs Law contrary to what was decided in the first instance ruling. Thus, this committee concludes to calculate the amount of the customs fine at twice the customs duties as will be stated in the ruling. Therefore, the customs appellate committee concluded to report the following:

Decision:

- 1- Acceptance of the appeal in form submitted by (...), commercial registration number (...), owned by (...), national ID number (...), against the first instance Decision number (CFR-2023-105374), issued by the second First Instance Customs Committee in Riyadh.
- 2- In the subject of his rejection, and the affirmation of the first instance Decision regarding the conviction of the appellant for customs smuggling and the penalty of confiscation compensation, with the amendment of the imposed customs fine to be twice the customs duties, making the total amount claimed by the importer an amount of (65,766) sixty-five thousand, seven hundred sixty-six riyals, and this is for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR -2024-168244
Case No. 2022-152218-PC

Keywords:

Customs - Constraints - Bond Commitment - Shoes - Non-compliance with specifications - Tear resistance - Conviction

Summary:

The importer is requesting the cancellation of the first instance decision No. (165/3) for the year 1442 AH, issued by the third First Instance Customs Committee, which convicted the importer of customs smuggling and imposed a customs fine and confiscation compensation. And where the appellate committee established that the importer neglected his original obligation not to dispose of the shipment for which the commitment was taken except after it passed the clearance, after the laboratory result showed that the violation was technical and affected the quality and safety of the product. This means; to uphold the first instance decision in what it ruled and to amend paragraph (2).

Document:

- Paragraphs (2) and (4) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by / ..., national ID number (...), in his capacity as the owner of the ... establishment, commercial registration number (...), against the first instance decision No. (165/3) for the year 1442 AH, issued by the 1st First Instance Customs Committee at the Al-Bathaa customs, which ruled as follows:

- 1- Condemnation of the company (...) Number (...) in absentia for smuggling.
- 2- Obliging it to a customs fine equivalent to the value of the violating item in the amount of (55,631) fifty-five thousand six hundred and thirty-one riyals.
- 3- Obliging it to pay an amount equivalent to the value of the violating item and the disposed amount as a confiscation substitute of (55,631) fifty-five thousand six hundred and thirty-one riyals, making the



total amounts claimed from the company an amount of (111,262) one hundred and eleven thousand two hundred and sixty-two riyals.

Since the appellant was notified of the decision subject to the appeal on .../.../... and submitted the appeal on .../....., this entails the acceptance of the appeal in form as it was submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment consisting of (shoes) belonging to the importer through the Al-Batha customs under import declaration number (...) dated .../.../..., which was allowed under a commitment not to dispose of it until it is approved by the competent authority. After the sample was examined by the laboratory, the report number (...) dated .../.../... was received, indicating non-compliance due to tear resistance. The first instance committee issued its decision as stated in its ruling, based on the fact that the legal representative of the company did not adhere to the commitment made before the committee to return the non-compliant item to customs, which confirms his disposal of it. The shipment was temporarily delivered to the importer at his request to keep it in his warehouse until the test results appeared, in exchange for his commitment not to dispose of it in any way according to the provisions of articles (56) and (24) of the Unified Customs Law. Therefore, his failure to return the shipment after it was confirmed that it was not approved by the laboratory and informing him of that constitutes customs smuggling according to article (142) of the Unified Customs Law. Upon reviewing the objection list submitted by the owner of the importing institution, the customs appeal committee found that its summary mentioned that the shipment has a certificate of conformity to specifications approved by the Saudi Standards, Metrology and Quality Organization. It also noted that the observation is simple, as the shoes in question are traditional and not sports shoes, which would resist tearing, especially for heavy-duty work. This does not affect consumer safety to warrant an increased fine. Additionally, the decision was made in absentia, and there was no notification to attend the hearing. The statement of appeal concluded with a request to cancel the fine, close the commitment, hear the statements in person, and appeal the decision both in terms of substance and form. A response memorandum from the authority was received through the automated system of the secretariat dated .../.../... which summarized that the attorney of the institution claimed that there was no actual harm and that the violation was minor. The authority referred the samples to the laboratory to verify their compliance with the specifications, and the result showed non-compliance. Therefore, their entry into the country is prohibited according to the provisions of the law. Since the importer violated the commitment made and acted on the shipment without being notified by customs of its clearance, and the company did not comply with returning the shipment to the customs area, this means it violated the commitment registered with the authority. Additionally, acting on the shipment that was not cleared is considered customs smuggling according to Article (142) of the Unified Customs Law, and fines were calculated according to Article (145) of the same law. Moreover, customs smuggling crimes are intentional crimes that require the existence of both the material and moral elements, which were present



in the case at hand. The memorandum concluded with a request to reject the appeal submitted by the company ..., and to uphold the first instance decision in all its provisions. On Wednesday, 27/12/2023, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against decision No. (165/3) for the year 1442 AH, issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in its current state after the committee was informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based and the response of the authority to it.

Grounds:

Whereas there is no reproach against the appellate authority for taking the reasons of the decision subject to the appeal without addition whenever it sees that these reasons suffice to avoid presenting anything new, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. The appellant's claim in its statement that the observation made in the laboratory report constitutes a minor violation does not detract from this, as it is unacceptable for the importer to judge what constitutes a minor or substantial violation while ignoring its original obligation not to act with the shipment subject to the commitment except after it has passed clearance, especially after the laboratory result showed that the violation is technical and affects the quality and safety of the product. This situation causes harm to the consumer, negatively affecting their financial resources by purchasing a product that does not meet specifications and standards. Furthermore, what is mentioned in the appeal does not negate the established fact of its action with the shipment contrary to the commitment taken regarding it except after it is approved by the laboratory, which was not the case with the importer's dealings with the shipment. Since the reasons for the decision subject to the appeal are sufficient to support its ruling, it is necessary to determine that the defenses presented do not affect the outcome of the decision, making the appeal unsupported and thus must be rejected. However, the appellate committee noted that the committee issuing the decision had ruled to calculate the customs fine on the importer by applying paragraph (4) of Article (145) of the Unified Customs Law, which applies to prohibited goods. Since the imported goods are not prohibited by their nature and type, but their entry was prohibited due to non-compliance with some required specifications, which is confirmed by the importer's request to bring the shipment to the customs area for re-export, this committee decides to apply paragraph (2) of Article (145) of the Unified Customs Law contrary to what was ruled in the first instance decision. Consequently, this committee concludes to calculate the amount of the customs fine at twice the customs duties as will be stated in the ruling. Therefore, the committee concludes to report the following:



Decision:

- 1- Acceptance of the appeal in form from the applicant/ Company (...), Commercial Registration No. (...), owned by (...) National ID number (...), against the first instance Decision number (165/3) for the year 1442 AH, issued by the Third First Instance Customs Committee in Riyadh.
- 2- In the subject, his rejection and the affirmation of the first instance decision regarding the conviction of the importer for customs smuggling and the imposed confiscation compensation, with the amendment of the customs fine to be twice the duties, making the total amount claimed from the importer an amount of (61,194) sixty-one thousand one hundred and ninety-four riyals, and that for the reasons and considerations stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR -2024-191465
Case No. PC-2023-191465

The keys:

Customs - Constraints - Bond commitment - Ceiling lamp - Non-compliance with specifications - Insulation resistance - Conviction

Summary:

The importer's request to cancel the decision of the Third First Instance Customs Committee regarding decision number (CTR – 2023 -389), which condemned the importer for customs smuggling and imposed the associated penalties. And where it was established for the Appeals Committee that the defenses presented by the appellant do not affect the outcome reached by the decision subject to appeal. This means; the affirmation of the first instance Decision in all that it ruled.

Document:

- Article (142) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal against the first instance decision number (...) issued by the Third First Instance Customs Committee in Riyadh, submitted by the institution (...), commercial registration number (...). Since the appellant was notified of the first instance Decision on .../.../... and submitted the appeal on .../....., this entails the acceptance of the appeal in form for being submitted by a person with standing within the prescribed period for its submission as stipulated in Article (163) of the Unified Customs Law.

As for the facts of this case, they are summarized by the arrival of a shipment (electric heater) through the customs of Jeddah Islamic Port under import declaration number (...). On the date .../.../..., I was granted permission based on a commitment not to act until the results of the examination by the competent authority appeared, and upon examining the sample by the laboratory, the report number (...) was received. On .../.../... AH, which included non-compliance in terms of the specified frequency, the importer was



notified of the result by the customs, but he did not respond. The first instance committee issued its decision to convict the importer of customs smuggling and impose the associated penalties, as stated in the text and reasons for the decision subject to appeal, which is referred to in order to avoid repetition. Upon reviewing the objection list submitted, the appellate customs committee found that it included a summary stating that the specified hearings for considering the case were attended; however, there was a technical malfunction in attaching the documents. The appellant requests to refer to the recorded hearing and prove their compliance with the committee, and the shipment has been returned and destroyed by customs. Upon reviewing the response memorandum submitted by appellee, the customs appellate committee found that it included a summary stating that the institution had been notified at the addresses registered with the authority that the shipment did not comply with the specifications and that it should return it according to the commitment made regarding it. However, it did not respond, which indicates its handling of the shipment, and that handling the shipment contrary to the commitment constitutes customs smuggling under Article (142) of the Unified Customs Law. Furthermore, the appellant's claim of destroying the shipment lacks evidence due to the absence of any destruction report. It concluded with a request to reject the appeal and uphold the first instance decision in all its provisions. After reviewing the case file and the appeal submitted by the appellant and the response of the committee regarding it, the committee found that the case is ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what has been presented to form its conviction and to rule on it in light of the reasons on which the appeal was based.

Grounds:

After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated .../.../... , and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (...) dated .../.../... and the relevant systems and regulations. Since there is no reproach against the reviewing authority for taking the Grounds of the Decision subject to the appeal without adding anything whenever it sees that these Grounds are sufficient to negate the need for any new arguments, because in its support, based on its Grounds, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those Grounds contained. And since the Grounds for the Decision subject to the appeal are sufficient to support its ruling, it is necessary to state that the defenses presented do not affect the outcome of the Decision, which makes the appeal without any supporting basis, thus necessitating its rejection. Therefore, the appellate committee concluded to report the following:



Decision:

First: Acceptance of the appeal in form, from the applicant/ Institution ..., commercial registration number (...), against the first instance Decision number (...) issued by the second First Instance Customs Committee in Riyadh.

Second: The appeal is rejected on the merits, and the first instance Decision is upheld in all that it ruled, for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR -2024-171061
Case No. PC-2022-125009

Keywords:

Customs - Constraints - Bond commitment - Dettol soap - Non-compliance with specifications - Insoluble materials - Conviction

Summary:

The importer's request to cancel decision No. (5) for the year 1442 AH, issued by the 1stFirst Instance Customs Committee, which convicted the importer of customs smuggling and obligated him to pay a customs fine and confiscation compensation. Where it has been established to the appellate committee that the importer's claim of the small quantity and its deficiency was not of his own volition, it cannot be accepted. This means; to uphold the first instance decision in what it ruled and to amend paragraph (2).

Document:

- Paragraphs (3) and (4) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by/ ..., national ID number (...), in his capacity as an agent for/ ..., national ID number (...). As the company director at (...) company, commercial registration number (...), under agency number (...). On the date .../.../... issued by the notary (...) licensed by the Ministry of Justice under license number (...), against the first instance decision number (...). For the year ..., issued by the 1stFirst Instance Customs Committee in the case of Ammar, the ruling states the following:

- 1-Condemnation of the company (...) Smuggling.
- 2-Obligating it to a customs fine equivalent to three times the value of the violating shipment, an amount of (11,850) eleven thousand eight hundred and fifty riyals.
- 3- Obliging it to pay an amount equivalent to the value of the shipment as a confiscation fee of (3,950) three thousand nine hundred and fifty riyals, bringing the total fine to an amount of (15,800) fifteen thousand eight hundred riyals.

Where the appellant was notified of the decision subject to the appeal on .../.../... and filed the appeal against the decision on .../.../... According to its registration with customs under number (...), this entails fulfilling the conditions for its acceptance as stipulated in Article (163) of the Unified Customs Law.



As for the facts of the case, they are summarized by the arrival of a shipment (clothes) belonging to the importer through the Al-Batha customs according to import declaration number (...). dated .../.../... I was granted permission based on a commitment not to act until it is approved by the competent authority, and after examining the sample, the report number (...) was received. Dated .../.../... includes non-compliance, (as it was found from the estimation of insoluble materials in ethanol that its value is 9.11% where Saudi standard specification No. (493) and Gulf specification No. (1786) state that its value should not exceed 2.0%, and from the estimation of insoluble materials in water, it was found that its value is 10.54% where Saudi standard specification No. (493) and Gulf specification No. (1786) state that its value should not exceed (0.5%), and the importer was addressed but did not respond, and the first instance committee issued its decision as stated in its text based on the fact that the importer did not adhere to the commitment taken upon him when he acted with the shipment before obtaining its clearance from the competent authority, thus violating Article (56) of the Unified Customs Law, which constitutes customs smuggling according to the provisions of Article (142) of the same law, and imposed penalties on the importer as stated in the text of its decision. Upon reviewing the objection list submitted by the appellant company's representative, the customs appeals committee found that its summary mentioned that the importer had not disposed of the goods subject to seizure at all, based on official documents, and the goods were returned according to the number received from customs. Additionally, the shortage in the number of cartons is not due to the importer; it is possible that they were received incomplete, which is something that cannot be avoided. Furthermore, the good faith of the importer is evident through his act of returning the goods to customs and the absence of any criminal intent on his part, as there is no evidence that the importer intentionally violated the regulations, and the shortage in the number of received cartons does not prove his bad faith at all. Therefore, the conditions for criminal intent stated in Article (144) of the Unified Customs Law do not apply to him. The list concluded with a request to cancel the decision of the first instance committee and dismiss the case for the reasons mentioned. A response memo from the authority was received through the automated system of the secretariat dated .../.../... which summarized that during the inspection of the shipment intended for re-export, it was found that it did not match the number of the packing declaration attached to the goods received in the import declaration with the number (...). The presence of a shortage of (79) cartons indicates that the importer has acted with this part of the shipment in violation of the bond commitment taken against him. Therefore, his action is considered customs smuggling according to Article (142) of the Unified Customs Law. His action also falls under the provisions of Article One of the Anti-Commercial Fraud law in paragraphs (A-B), and Article Two in paragraphs (1-2) of the same law. Based on the laboratory results, the violation is considered technical due to the fraud it entails against consumers. Furthermore, the argument presented by the appellant's attorney that the shortage in the shipment is due to the possibility of receiving it incomplete is unreasonable; the negligence and shortcoming in this regard are the responsibility of the importer. Additionally, the elements of the crime of customs smuggling are present against the importer due to his action of handling the shipment before obtaining clearance and



breaching the commitment taken against him, as well as introducing goods whose entry into the country is restricted. The memorandum concluded with a request to reject the appeal submitted by the company ... And support for the first instance Decision in all that it ruled. On Thursday, corresponding to .../.../... , the Customs Appeals Committee in Riyadh held its hearing to consider the appeal submitted by the concerned party against decision number (...) For the year ..., issued by the 1st First Instance Customs Committee in the case of Ammar, and after reviewing the case file and the appeal submitted by the appellant, the committee found that the case is ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what has been presented to form its conviction and to rule on it in light of the reasons on which the appeal was based and the response of the committee regarding it.

Grounds:



Whereas there is no reproach against the reviewing authority for taking the reasons of the decision subject to appeal without adding anything whenever it sees that these reasons are sufficient to dispense with any new submissions, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. And whereas the reasons presented do not negate the established basis upon which the first instance decision of conviction was made, and the appellant did not provide with his appeal any evidence to support his claim that the shipment was not acted upon and that it was held based on official documents. Moreover, his claim that the material and moral elements for the validity of attributing the crime of customs smuggling are not present is refuted; because the established principle is that the reviewing authority has the right to deduce from the facts of the case what is sufficient to rely on to reach the conclusion it arrived at in its decision, as long as its deduction is reasonable and does not contradict the facts or what is established in the documents after it was proven that the quantity requested by the importer to be returned was deficient and that his claim of the insignificance of the quantity and that the deficiency was not by his will cannot be accepted; because the facts of the case have proven that the quantity was (79) cartons and that does not negate the importer's disregard for the obligations arising from the general duty; considering that the customs procedure related to completing the procedures for bringing the shipment into the country requires the importer to observe the general duty required by the customs law in relation to the importer when dealing with the incoming shipment, which is embodied in complying with all that the customs law and other related regulations require for the clearance of the shipment, which necessitates not acting upon it in any form until it is approved and permission is granted to act upon it. Therefore, the importer's violation of that duty by acting upon the shipment without regard to the matter of permission for its entry into the country constitutes a behavior contrary to that general duty which is necessarily known to him, which does not negate the validity of attributing the crime of customs smuggling to him after the committee that issued the decision scrutinized the facts of the case and was well-informed about them and relied on credible evidence and indications to reach its conclusions without arbitrary inference and without conflicting with what is



reasonable and acceptable in sound reasoning. The decision detailed the actions and materials constituting the material element of the crime of customs smuggling, which is generally represented in non-compliance with the obligations and duties established under the customs law for dealing with goods in customs areas for bringing goods into or out of the country. And since the reasons for the decision subject to appeal are sufficient to support its ruling, it is necessary to determine that the defenses presented do not affect the outcome of the decision, which makes the appeal unsupported and necessitates its rejection. Thus, the appellate committee concludes to uphold the first instance decision regarding the conviction for customs smuggling and the penalty of the confiscation substitute imposed. However, the appellate committee noted that the committee that issued the decision had ruled to calculate the customs fine on the importer by applying paragraph (4) of Article (145) of the Unified Customs Law, which applies to prohibited goods. Since the incoming goods are not prohibited in their nature and type, but their entry was prohibited due to non-compliance with some required specifications, which is confirmed by the request from the importer to bring the shipment to the customs area for re-export. Therefore, this committee decides to amend the reference to paragraph (3) of Article (145) of the Unified Customs Law, contrary to what was ruled in the first instance decision, considering that the goods were originally exempt from customs duties. By applying the provisions of return as stated in the first instance decision, the amount of the customs fine will be twice its value, making the total (11,850) riyals. Since such a note does not affect the outcome of this decision in upholding the first instance decision regarding the conviction for customs smuggling and the penalty of the confiscation substitute and the amount of the customs fine imposed after correction based on paragraph (3) of Article (145) of the Unified Customs Law as previously mentioned. The appellate committee also noted the material error in the total amount of the customs fine imposed and the confiscation substitute, which differed in writing from the amount stated in paragraph (3) of the first instance decision. Since such a note does not affect the outcome of this decision regarding the conviction for customs smuggling and the penalties resulting from it, including confiscation and the customs fine that has been corrected as previously mentioned, and what will be the case of the wording of this decision, the appellate committee concluded to report the following:

Decision:

- 1-Acceptance of the appeal in form, submitted by the company (...), commercial registration number (...), against the first instance decision number (...). For the year..., issued by the 1stFirst Instance Customs Committee in the case of Ammar.
- 2- In the subject of his rejection, and the affirmation of the first instance decision regarding the conviction for customs smuggling and the confiscation fee and the customs fine imposed, the total amount claimed by the appellant is (11,850) eleven thousand eight hundred and fifty riyals, for the reasons and considerations stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No.	CR -2024-198724
Case No.	PC-2022-140671

The keys:

Customs - Constraints - Bond Commitment - Boneless Beef - Non-compliance with specifications - E. coli - Conviction

Summary:

The importer's request to cancel the first instance decision No. (2300) for the year 1443 AH, issued by the 1st First Instance Customs Committee, which convicted the importer of customs smuggling and imposed a customs fine and confiscation compensation. Where it has been established to the appellate committee that the reasons for the decision subject to appeal are sufficient to support its ruling, it is necessary to state that the defenses presented do not affect the outcome of the decision. This means; the affirmation of the first instance Decision in all that it ruled.

Document:

- Article (142) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by/ ..., national ID number (...), in his capacity as an agent for/ ..., national ID number (...). As the company director at Company ..., commercial registration number (...), under agency number (...). dated .../.../... issued by the notary ... the notary public in the notary office in North Jeddah, against the first instance decision number (...). For the year ..., issued by the 1st First Instance Customs Committee in Riyadh, the ruling states the following:

- 1- Condemnation of the importer (...) Branch of the company ..., commercial registration number (...), present at customs smuggling.
- 2-Obligating him to a customs fine amounting to (1,165,794) one million one hundred sixty-five thousand seven hundred ninety-four riyals, equivalent to three times the value of the goods not permitted for clearance by the competent authority.



3- Obliging him to pay an amount equivalent to the value of the shipment as a confiscation fee of (388,598) three hundred eighty-eight thousand five hundred ninety-eight riyals, making the total amount claimed (1,554,392) one million five hundred fifty-four thousand three hundred ninety-two riyals.

Since the appellant was notified of the decision subject to the appeal on .../.../... and submitted the appeal on .../....., this entails the acceptance of the appeal in form as it was submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law. As for the facts of the case, they are summarized by the arrival of a shipment (DVD player) belonging to the importer through the Islamic Port of Jeddah customs according to import declaration number (...). On the date .../.../..., it was granted based on a commitment not to act until it is approved by the competent authority, and after examining the sample by the Food and Drug Authority, the response was received in letter number (...) On .../.../..., it was noted that there was non-compliance in terms of mechanical strength and fire resistance. The importer was contacted, but did not respond. The first instance committee issued its Decision based on the fact that the importer acted on the shipment before obtaining the necessary clearance from the competent authority, thus violating the commitment made under Article (56) of the Unified Customs law, which constitutes customs smuggling according to Article (142) of the same law, and imposed penalties on the importer as stated in its Decision. Upon reviewing the objection list submitted by the attorney of the appealing company, the customs appellate committee found that its summary mentioned that according to the letter from the Food and Drug Authority, the samples are considered valid except that there is a violation of specification number (...), contrary to the analysis result issued by the Islamic Port Customs of Jeddah. The letter from the Food and Drug Authority did not state that the samples are unfit for human consumption, and the notice issued by the General Director of the Islamic Port Customs of Jeddah indicates that the samples are unfit, while the analysis result stated that there is a violation but did not declare the shipment unfit. This is because the Food and Drug Authority - as the competent authority - ruled that the sample is fit for human consumption but is in violation, and the observation in the analysis result indicated the presence of a non-harmful microbe. If it were harmful to public health, the Food and Drug Authority would have ruled the shipment unfit rather than just in violation. Additionally, the importer was not notified by customs of the violation within the legally specified period, and the importer has certificates indicating the samples' validity. Furthermore, boneless beef is subject to the customs item exempt from fees, and the shipment in question is included in the exemption according to the instructions communicated to customs by the General Director of Customs, which aimed to resolve traders' cases regarding commitments not to dispose of all periods occurring in the year 1438 AH and before. The list concluded with a request not to convict the importer and to apply what was mentioned in the instructions of His Excellency the General Director of Customs regarding commitments not to dispose of. A response memorandum was received through the automated system from the authority dated .../.../... which summarized that the importer had been notified by several letters from customs at the addresses registered with the authority, indicating that the shipment is non-compliant and that he must return it to customs, and he did not respond to this notice,



thus violating the commitment taken upon him not to dispose of the shipment before obtaining clearance from the competent authority, which constitutes customs smuggling according to the provisions of Article (142) of the Unified Customs Law. Moreover, the product is subject to the provisions of Article One in its paragraphs (A-B) of the Anti-Commercial Fraud Law and Article Two in its paragraph (A/1) of the same law. Additionally, according to the laboratory result indicating non-compliance, the violation is considered technical due to its impact on the health and safety of consumers and its effect on their resources as a result of purchasing non-compliant goods. Furthermore, the elements of the crime of customs smuggling have been established against the importer due to his disposal of the shipment before obtaining clearance, violating the commitment taken upon him and introducing materials whose entry into the country is restricted. Moreover, the incident is considered customs smuggling, and there is no jurisdiction for the appeal in this case. The memorandum concluded with a request to reject the appeal submitted by ... Branch ... And support for the first instance Decision in all that it ruled. On Wednesday, .../.../..., the Customs Appeals Committee in Riyadh held its hearing to consider the appeal submitted by the concerned party against decision No. (...) For the year ..., issued by the 1st First Instance Customs Committee in Riyadh, and after reviewing the case file and the appeal submitted by the appellant, the committee found that the case is ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what has been presented to form its conviction and to rule on it in light of the reasons on which the appeal was based and the response of the committee regarding it.

Grounds:



Whereas there is no reproach against the appellate authority for taking the reasons of the decision subject to the appeal without addition whenever it sees that these reasons suffice to avoid the need to present anything new, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. This is not affected by what the appellant argued to justify the importer's violation of the commitment to handle the shipment, which is loaded with the violation reported by the laboratory, as the importer is not authorized to determine the extent of the shipment's connection to a procedural or technical violation, and it is his duty to follow up on the matter of its approval without considering himself a judge by deciding to handle it without regard to its approval or disapproval. His failure to fulfill this duty results in him bearing his responsibility and its consequences, especially since it is known to the importing trader by necessity that the customs procedure related to completing the entry procedures for the shipment into the country requires the importer to observe the general duty required by the customs law regarding the importer when dealing with the incoming shipment, which is embodied in complying with everything required by the customs law and other related regulations regarding the clearance of the shipment, which necessitates not handling it in any way until it is approved and permission is granted to handle it, which was not the case with the importer's handling of the shipment in question, which is subject to the provisions of prohibition or



restriction. Thus, the act of handling it is deemed customs smuggling under the provisions of Article (142) of the Unified Customs law. As for what the appellant argues regarding the absence of an explicit text in the laboratory report stating the shipment's unsuitability for human consumption, this is rejected; it is assumed that the trader should be diligent in following up on the shipment and ensuring its clearance because it relates to human safety and health, and it is not appropriate for the trader to deal with it lightly and without concern by claiming that the laboratory report indicated that the shipment was in violation, and that his conclusion that this implies there is nothing preventing its handling contradicts what is required to complete the customs procedure according to the general duty on the trader when bringing goods into the country as previously established. Since the reasons for the decision subject to the appeal are sufficient to support its ruling, it is necessary to determine that the defenses presented do not affect the outcome of the decision, making the appeal unsupported and necessitating its rejection regarding the conviction of customs smuggling and the penalty of the confiscation substitute imposed. Therefore, the appellate committee concluded to report the following:

Decision:

- 1- Acceptance of the appeal in form, submitted by/ ... Branch of the company ..., commercial registration number (...), against the first instance decision number (...). For the year ..., issued by the 1st First Instance Customs Committee in Riyadh.
- 2- In the subject of his rejection, and the support of the first instance Decision in all that it ruled, for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No.

CR -2024-173407

Case No.

PC-2022-156984

Keywords:

Customs - Constraints - Bond Commitment - Fabrics - Non-compliance with specifications - Formaldehyde content - Conviction

Summary:

The importer's request to cancel the first instance decision No. (1332/3) for the year 1443 AH, issued by the third First Instance Customs Committee, which convicted the importer of customs smuggling and obliged him to pay a customs fine and a confiscation fee. And where it was established for the appellate committee that the importer's violation of that duty by acting with the shipment without regard to the matter of permission for its entry into the country constituted behavior contrary to that general duty. This means; to uphold the first instance decision in what it ruled and to amend paragraph (2).

Document:

- Article (142) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraphs 2 and 4 of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by/ Foundation ... National ID number (...), as an attorney for/..., national ID number (...). As the company's director at the company ..., commercial registration number (...), under agency number (...). On the date .../.../... issued by the notary/..., licensed by the Ministry of Justice under license number (...), against the first instance decision number (...). For the year ..., issued by the 1st First Instance Customs Committee in Riyadh, the ruling states the following:

1-Condemnation of the importer/company ..., commercial registration number (...). In person with customs smuggling.



2-To impose a customs fine of (216,878) two hundred sixteen thousand eight hundred seventy-eight riyals, equivalent to the value of the item not authorized for clearance by the competent authority.

3- Obliging him to pay an amount equivalent to the value of the item as a confiscation fee of (216,878) two hundred sixteen thousand eight hundred seventy-eight riyals, making the total amount claimed (433,756) four hundred thirty-three thousand seven hundred fifty-six Saudi riyals.

Since the appellant was notified of the decision subject to the appeal on .../.../... and submitted the appeal on .../....., this entails the acceptance of the appeal in form as it was submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment (hotel supplies) through the customs of Jeddah Islamic Port under import declaration number (...). On the date .../.../... AH, it was granted based on a commitment not to act until the result of the competent authority appears, and upon examining the sample, the report number (...) was received. dated .../.../... which includes non-compliance regarding the assessment of the formaldehyde percentage, and the importer was addressed but did not respond. The first instance committee issued its decision as stated in its ruling, based on the fact that the violation mentioned in the laboratory report is considered a technical observation. Consequently, the committee decided to convict the importer of customs smuggling for acting with the shipment contrary to the commitment taken regarding it, based on what is stipulated in Article (142) of the Unified Customs Law, and imposed penalties on the importer as stated in the decision subject to appeal. Upon reviewing the objection list submitted by the attorney of the appellant institution, the customs appeals committee found that its summary mentioned that the committee issuing the decision did not allow its client to attend the hearings to present her defenses, nor was she properly notified of the lawsuit by the General Secretariat of the Customs Committees, which violates Article (11) of the Rules of Procedure of the Customs Committees. Furthermore, the plaintiff violated Article (6) of the Rules of Procedure of the Committees by not properly drafting the lawsuit. Additionally, the importing institution has been importing the type of fabric in question for a long time without any cases, and therefore requests a re-examination of the fabric at its own expense. Moreover, considering the violation as a type of technical violations does not justify classifying the incident as customs smuggling unless certain criteria are met that would allow for the criminal description to be applied. Furthermore, the commitment not to dispose of the goods is a routine procedure because customs procedures cannot continue without its signature. The shipment was released under a commitment not to dispose of it, and thus it was released according to the procedures followed, and there was no introduction of goods by concealing them or failing to present them to the customs department, which does not align with the description of customs smuggling in this incident, especially since the description of the crime of customs smuggling is absent in this case due to the lack of the elements constituting the crime of customs smuggling. The list concluded with a request to accept the appeal and overturn the decision issued by the third First Instance Customs Committee. A response memo from the authority was received through the



Automated System of the secretariat dated .../.../... It included a summary that the importer has been notified to return the shipment in question due to its non-compliance with Saudi specifications regarding the estimated percentage of formaldehyde, which is a technical violation that affects product quality and is prohibited from entering the country. However, he did not respond, which implies that his actions were contrary to the commitment he made regarding it, especially since the actions involve many negative effects on consumer safety. The argument made by the appellant's attorney that signing the commitment is a routine procedure is an acknowledgment that he violated the commitment by acting with the unauthorized shipment without clearance from the competent authority. He also did not review the customs to fulfill the commitment, as it is still in effect and has not been settled. Moreover, customs smuggling crimes are intentional crimes that require the presence of both their material and moral elements, which were present in the case at hand. The memorandum concluded with a request to reject the appeal and uphold the first instance decision in all its rulings. On Tuesday, ... the Customs Appeals Committee in Riyadh held its hearing to consider the appeal submitted by the concerned party against the decision (...). For the year ... The decision issued by the Third First Instance Customs Committee in Riyadh, and after reviewing the case file and the appeal submitted by the appellant, the committee found that the case is ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what has been presented to form its conviction and to rule on it in light of the reasons on which the appeal was based and the response of the committee regarding it.

Grounds:



Whereas there is no reproach against the authority reviewing the appeal for taking the reasons of the decision subject to the appeal without addition whenever it sees that these reasons suffice to dispense with any new arguments, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. This is not diminished by what the appellant argued that describing the violation as technical is incorrect since there were no specific criteria in the incident to describe a violation as such, considering that the importer is not authorized to determine the extent of the shipment's connection to a procedural or technical violation and that it is his duty to follow up on the matter of its clearance without positioning himself as a judge by deciding to act on it without regard to its clearance or not. His failure to fulfill that duty results in him bearing his responsibility and its consequences. As for what the appellant raises regarding the claim that the shipment was released under a commitment not to act, and thus it was released according to the procedures followed, and there was no introduction of goods by concealing them or not directing them to the customs department, which does not align with the description of customs smuggling of the incident, this is rejected; because the established principle is that the authority reviewing the subject of the case has the right to deduce from its facts what is sufficient to rely on to reach the conclusion it arrived at in its decision as long as its deduction is sound and does not contradict the facts or what is established in the documents. It is



evident that the committee issuing the decision has scrutinized the facts of the case and is well aware of them, relying on credible evidence and indications to reach its conclusions without arbitrary inference and without conflicting with what is reasonable and acceptable in sound consideration. The decision detailed the actions and materials constituting the material element of the crime of customs smuggling, which is generally represented in non-compliance with the obligations and duties established under the customs law for dealing with goods in customs areas for entering or exiting goods from the country. Regarding what the appellant mentioned that the criminal intent is not present with the importer since he did not intend when requesting the temporary release of the shipment to dispose of it, this is also rejected; considering that the principle regarding proving intent is a matter of substance that the authority reviewing the case independently assesses as long as its approach to achieving that is sound and leads to the circumstances of the incident and the indications therein, and does not contradict it. What that authority has established from manifestations and signs is sufficient in itself to reveal that intent without the need to discuss it independently to testify to the existence of that intent, especially since the intent in the crime of customs smuggling is of a specific type considering that the customs transaction related to completing the procedures for bringing the shipment into the country requires the importer to observe the general duty required by the customs law regarding the importer when dealing with the incoming shipment, which is embodied in complying with everything required by the customs law and other related regulations regarding the release of the shipment, which necessitates not acting on it in any form until it is cleared and permission is granted to act on it. Therefore, the importer's violation of that duty by acting on the shipment without regard to the matter of permission for its entry into the country constitutes behavior contrary to that general duty, which is also something that is necessarily known to him, which does not negate the validity of attributing the crime of customs smuggling to him. Thus, what he claims regarding the lack of intent on his part is rightly disregarded, confirming the validity of attributing the crime of customs smuggling to him as defined by the Unified Customs Law in Article (142) by bringing the shipment in violation of the prohibitions and constraints that must be observed for the release of the shipment, which was not the case with the importer's dealings with the shipment as previously stated. Since the reasons for the decision subject to the appeal are sufficient to support its ruling, it must be established that the defenses presented do not affect the outcome of the decision, making the appeal unsupported and thus must be rejected. However, the appellate committee noted that the committee issuing the decision had ruled to calculate the customs fine on the importer by applying paragraph (4) of Article (145) of the Unified Customs Law, which applies to prohibited goods. Since the imported goods are not prohibited in their nature and type, but their entry was prohibited due to non-compliance with certain required specifications, which is confirmed by the request from the importer to bring the shipment to the customs area for re-export, it is determined by this committee to apply paragraph (2) of Article (145) of the Unified Customs Law contrary to what was ruled in the first instance decision. Thus, this committee concludes to calculate the amount of the customs fine at



twice the customs duties as will be stated in the ruling. Therefore, the appellate committee concludes to report the following:

Decision:

- 1- Acceptance of the appeal in form, submitted by/ Company ..., Commercial Registration No. (...), against the first instance decision No. (...). For the year ..., issued by the Third First Instance Customs Committee in Riyadh.
- 2- In the subject of his rejection, and the support of the first instance decision regarding the conviction and the confiscation substitute, with the amendment of the customs fine to become twice the amount of the customs duties, the total amount claimed by the importer is (238,565) two hundred thirty-eight thousand five hundred sixty-five Saudi Riyals, for the reasons and considerations stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-202617

Case No. PC-2022-126107

Keywords:

Customs - constraints - bond commitment - in the middle with this extra - non-compliance with specifications - the presence of aflatoxin - conviction

Summary:

The importer's request to cancel the decision of the 1st First Instance Customs Committee No. (CSR-2022-1570), which convicted the importer of customs smuggling and obligated him to pay a customs fine and a confiscation fee. Where it has been established for the appellate committee that the essence of the appeal is merely a request for clemency and compassion to exempt the importer from the fines imposed by the 1st instance decision, or part of them, due to the special circumstances mentioned that make it difficult for him to pay the fines, and since such a request falls outside the jurisdiction of the customs committees. This means; the affirmation of the first instance Decision in all that it ruled.

Document:

- Article (188) of [the Judicial Procedures law issued by Royal Decree No. \(M/1\) dated 22/01/1435 AH.](#)
- Article (142) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by / ..., commercial registration number (...), for its owner / ..., national ID number (...), against the first instance decision number (CSR-2022-1570), issued by the second First Instance Customs Committee in Riyadh, which ruled as follows:

Conviction of the defendant) ... (, commercial registration number (...), present for customs smuggling.



Obliging it to pay a customs fine equivalent to the value of the violating item in the amount of (6,770) six thousand seven hundred and seventy riyals.

Obligating it to pay an amount equivalent to the value of the violating item as a confiscation fee of (6,770) six thousand seven hundred and seventy riyals.

Since the appellant was notified of the Decision subject to the appeal on 18/06/2023, and submitted the appeal on 05/07/2023, this entails the acceptance of the appeal in form as it was submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment (Ben Wast with Hal Extra, Ben Al-Hosna without Hal) through the customs of Jeddah Islamic Port under import declaration number (...). On the date 16/04/1437 AH, it was granted under a commitment not to act until the result of the competent authority appears, and after examining the sample by the Food and Drug Authority, the response was received in report number (...) On the date 06/07/1437 AH, which included non-compliance regarding the presence of aflatoxin, the importer was notified of the result through several letters, but he did not respond. The first instance committee issued its Decision as stated in its ruling based on the fact that the importer did not review the customs to return the shipment after the report from the competent authority showed that the sample did not comply. Consequently, the importer was found guilty of customs smuggling for his actions regarding the shipment, contrary to the commitment taken based on Article (142) of the Unified Customs law, and penalties were imposed on the importer as stated in the ruling subject to appeal. Upon reviewing the objection list submitted, the appellate customs committee found that its summary was a request from the appellant to reconsider the Decision and reduce the amount by dropping one of the two items or as the committee sees fit. The list also included a plea and an appeal, as the appellant is suffering from difficult financial circumstances. A response memorandum from the authority was received via the Automated System of the Secretariat dated 27/09/2023, which summarized that the violation is considered a technical violation that affects the safety and quality of the product, and that the request of the concerned party regarding the amount of the fine is unfounded, as it violates the provisions of Article (142) of the Unified Customs law, and that the appeal submitted did not include what was referred to in Article (188) of the Sharia Litigation law, and that the incident meets the material and moral elements for the commission of a customs smuggling crime. The memorandum concluded with a request to reject the appeal and uphold the first instance Decision in all its provisions. On Tuesday, July 16, 2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against Decision number (CSR-2022-1570), issued by the Second First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a Decision in its current state after the committee was informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the Grounds on which the appeal was based and the response of the authority.



Grounds:



Since there is no reproach against the authority reviewing the appeal for taking the reasons of the decision subject to the appeal without addition whenever it sees that these reasons suffice to avoid presenting anything new, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. The essence of the appeal was merely a request for clemency and compassion to exempt the importer from the fines imposed by the 1st instance decision or part of it due to the special circumstances mentioned that make paying the fines difficult for him. Since such a request falls outside the jurisdiction of the customs committees, it is necessary to determine that the defenses presented do not affect the outcome of the decision, which makes the appeal unsupported and necessitates its rejection. Therefore, the appellate committee concluded to report the following:

Decision:

1- The appeal is accepted in form from the applicant (...), commercial registration number (...), owned by (...), national ID number (...), against the first instance Decision number (CSR-2022-1570), issued by the second First Instance Customs Committee in Riyadh.

2- In the subject, it rejected him and upheld the first instance Decision in all that it ruled against the appellant, for the Grounds and justifications stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-179180
Case No. PC-2023-179180

Keywords:

Customs - Constraints - Bond Commitment - Black Tea - Non-compliance with specifications - Presence of coliform bacteria - Conviction

Summary:

The importer's request to cancel the decision of the second First Instance Customs Committee No. (CSR-2022-670), which convicted the importer of customs smuggling. And where it was established for the appellate committee that the importer had introduced a food product whose result was reported by laboratory report number (...) On the date 28/07/1436 AH, it was reported that it does not comply due to the presence of bacteria at a level higher than the maximum permissible limits according to the statement of the Food and Drug Authority, and because the customs had contacted the importer several times about the necessity of returning the shipment and there was no response according to the attachments of the case file. This means; the affirmation of the first instance Decision in all that it ruled.

Document:

- Article (142) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal against the first instance Decision No. (CSR-2022-670) issued by the Second First Instance Customs Committee in Riyadh, submitted by the agent (...), with civil registration number (...), under agency number (...). Since the appellant was notified of the first instance Decision on 05/02/2023, and submitted the appeal against the Decision on 20/02/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the prescribed period for its submission as stipulated in Article (163) of the Unified Customs law.

As for the facts of this case, they are summarized by the arrival of a shipment (black tea) through the customs of Jeddah Islamic Port under import declaration number (...). On the date 10/07/1436 AH, it was granted



based on a commitment not to act until the result of the examination by the competent authority appears, and upon examining the sample by the laboratory, the report number (...) was received. On 28/07/1436 AH, it was reported that there was a non-compliance due to the presence of coliform bacteria at a rate of 1300 cells/gram, which is higher than the maximum allowable limits in the microbiological standards for tea M.Q.S 1998/1016, which states that coliform bacteria should not exceed 100 cells/gram. The importer was notified of the result by customs, but he did not respond. The first instance committee issued its Decision to convict the importer of customs smuggling and to impose the associated penalties, as stated in the text and Grounds for the Decision subject to appeal, which is referred to in order to avoid repetition. Upon reviewing the objection list submitted, the appellate customs committee found that it included a summary stating that the committee considered the entire shipment to be in violation, while the shipment consists of two bills of lading, each containing (750) packages. It was noted that only one container was tested and not the other, and that the shipment is still with the institution and is in the process of being destroyed by the Jeddah Islamic Port customs. Furthermore, there is no letter to initiate the lawsuit from the Public Prosecution, which contradicts the Cabinet's Decision to transfer the jurisdiction of investigation and prosecution in customs cases to the Public Prosecution. The absence of a letter to initiate the lawsuit from the Public Prosecution has forfeited the opportunity for exemption from the customs fine. Additionally, the shipment has been pending for (8) years, and the first instance Decision subject to appeal was issued in absentia against the institution. The appeal concluded with a request to annul the first instance Decision in all its provisions. Upon reviewing the response memorandum submitted by the appellant against the customs committee, it became clear that it included a summary stating that the shipment was non-compliant and that the importer was notified of its non-compliance for the return of the shipment according to the commitment signed by him, but he did not respond. As for the appellant's argument regarding the lack of jurisdiction of the authority, it is incorrect considering the date of the customs declaration, which means that the jurisdiction is established for the authority. Regarding his argument about the passage of eight years, the law grants the authority the right to pursue violators of customs smuggling for a period of (15) years for prescription. The memorandum concluded with a request to reject the appeal and uphold the first instance Decision in all its provisions. Upon reviewing the appellant's comments on the response memorandum submitted by the appellee, the customs appellate committee found that it included a summary confirming the insistence on what was presented in the appeal statement, and it concluded with a request to dismiss the case for not being drafted in the required legal form. After reviewing the case file and the appeal submitted by the appellant and the response of the committee regarding it, the committee found that the case is ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what has been presented to form its conviction and to rule on it in light of the reasons on which the appeal was based.



Grounds:



After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws. And whereas the appellate customs committee, upon reviewing the case file and its attachments, and whereas the importer has introduced a food product whose result was reported under laboratory report number (...). On the date 28/07/1436 AH, it was reported that it does not comply due to the presence of bacteria at a level higher than the maximum permissible limits according to the statement of the Food and Drug Authority. Since the customs had contacted the importer several times regarding the necessity to return the shipment and there was no response according to the attachments of the case file, it has been established that he committed the crime of customs smuggling based on Article (142) of the Unified Customs Law, which states that: Smuggling is the introduction or attempt to introduce goods into the country or to export them, or attempt to export them in violation of the applicable legislation, without paying the customs taxes "fees" either wholly or partially, or contrary to the prohibitions or constraints contained in this law "law" and other regulations and laws. This is not affected by what the importer raised regarding the shipment being received in two containers and one was examined without the other, as the two containers are related to the same commodity and the same customs declaration. It is also not affected by what he raised about still retaining the shipment and being in the process of destroying it, as it would have been more appropriate for the importer to respond to customs in a timely manner and return the shipment according to the commitment taken regarding it. As for his claim that the authority is not competent to initiate the lawsuit, it is rejected, considering that the date of the customs declaration precedes the transfer of jurisdiction, so the authority has jurisdiction. Regarding the issuance of the judgment in absentia, the first instance committee proved that he was notified twice to attend the hearings and did not attend, which leads to the conclusion that the decision is considered to have been issued in his presence. Since the reasons for the decision subject to appeal are sufficient to support its ruling, it is necessary to determine that the defenses presented do not affect the outcome of the decision, making the appeal without a supporting basis, thus it must be rejected. Accordingly, the appellate customs committee concluded to report the following:

Decision:

First: Acceptance of the appeal in form, from the applicant/..., commercial registration number (...), owned by (...), civil registration number (...), against the first instance Decision number (CSR-2022-670), issued by the second First Instance Customs Committee in Riyadh.

Second: The appeal is rejected on the merits, and the first instance Decision is upheld in all that it ruled, for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-202065

Case No. AC-2022-106145

Keywords:

Customs - Constraints - Bond Commitment - Various Foodstuffs - Non-compliance with specifications - Presence of an unauthorized color - Conviction

Summary:

The importer requests the cancellation of the decision of the third First Instance Customs Committee No. (CTR-2023-106145), which convicted the importer of customs smuggling and imposed a customs fine and confiscation compensation. Where it has been established to the appellate committee that the reasons for the decision subject to appeal are sufficient to support its ruling, it is necessary to state that the defenses presented do not affect the outcome of the decision. This means; the affirmation of the first instance Decision in all that it ruled.

Document:

- Paragraphs 2 and 4 of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by/ ..., national ID number (...), in his capacity as an agent for/ ..., national ID number (...), in her capacity as the owner of the institution ..., commercial registration number (...), under the agency number (...). On 29/08/1444 AH, against the first instance Decision number (CTR-2023-106145) The decision issued by the Third First Instance Customs Committee in Riyadh, ruling as follows:

Condemnation/ Institution ..., Commercial Registration Number (...) In person with customs smuggling.

To impose a customs fine equivalent to the value of the violating items, in accordance with Article (145/4) of the same law.



Obliging it to pay the value of the violating items as a confiscation fee, in accordance with Article (145/5) of the same law.

Since the appellant was notified of the Decision subject to the appeal on 23/05/2023, and submitted the appeal on 18/06/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established by Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment consisting of (peanuts) belonging to the importer through the King Abdulaziz Port customs under import declaration number (...). On the date 12/08/1436 AH, it was allowed under a commitment not to act until it is approved by the competent authority, and after examining the sample by the General Authority for Food and Drug, the response was received in letter number (...). On the date 26/10/1436 AH, it was noted that the product did not meet specifications due to containing an artificial color that is not allowed to be added except for cherries, and it did not specify the names and nature of the flavors, as well as the name or international code for the added natural color. Additionally, there were promotional phrases indicating that the product is a compensatory drink when engaging in activities, along with a sports logo of the National Basketball Association. The names and nature of the added flavors were not specified, and the data was not recorded in Arabic, containing artificial sweeteners without specifying their type or international number, as well as the storage temperature. Furthermore, it did not comply with the presence of an expiration date that was not engraved and was concealed by the Arabic data label. There was also no production and expiration date observed on the packaging, and the word "pork" was found among one of the company's promotional products, along with a discrepancy in net weight. The ingredients of the cheese and the names of the added ingredients were not clarified, and the name of the added natural flavor was not specified, with the product name recorded incorrectly in Arabic. The ingredients of the cheese, the enzyme used, its source, and the name of the artificial flavor were not clarified, and the product name was recorded incorrectly in Arabic. The importer was notified of the results through several letters, but he did not respond. The first instance committee issued its decision based on the attached laboratory results in the case file, which showed that the shipment contained technical violations related to the quality, specifications, and safety of the product, affecting the health and safety of the consumer and involving commercial fraud. The claim made by the importer's attorney that the goods were not disposed of and remained in the warehouses until their expiration and were destroyed by the municipality is merely a statement aimed at evading the accusations against him. Moreover, the importer's act of disposing of the violating shipment, contrary to the bond commitment taken against him, constitutes customs smuggling according to Article (142) of the Unified Customs Law. Upon reviewing the objection list submitted by the agent of the owner of the importing institution, the customs appellate committee found that its summary mentioned that the institution had no intention of disposing of the goods in any way. The goods were kept in the warehouse until they could be destroyed, as the regulations stipulate that the order for destruction must come from the customs director



general in accordance with Article (56/b) of the Unified Customs law. Additionally, the fourth clause of the bond commitment explicitly stated that the goods must first be requested by the customs department for their return. Due to the COVID-19 pandemic, the expiration of the goods in question, the accumulation of other goods on top of each other, and the inability to dispose of them, the institution decided to resort to the General Administration of Environmental Health of the municipality to destroy the goods. It was also attached evidence that the goods were not sold to consumers, thus endangering their lives, but rather the institution incurred huge losses due to storing those goods for several years. The list concluded with a request to overturn the first instance Decision and rule that the institution is not guilty of customs smuggling and exempt it from the consequences of such a conviction. A response memo from the authority was received via the Automated System of the Secretariat dated 21/08/2023, which summarized that the institution was notified by several letters from customs at the addresses registered with the authority, indicating non-compliance by the authority and that it should return the shipment according to the commitment signed by it, but it did not respond. Additionally, the shipment was from the year 1436 AH, and during this long period, the institution did not adhere to the commitment made. It would have been more appropriate for the institution to communicate with customs and respond instead of acting on the shipment. The violation of the commitment by acting on these non-compliant items constitutes customs smuggling according to Article (142) of the Unified Customs Law. Furthermore, upon reviewing the document submitted by the institution, it was found that the customs representative did not attend the destruction process. The commitment included the obligation for the contractor to have a customs representative present during the destruction of the shipment, and any destruction process in which a customs representative does not participate is not recognized. Moreover, customs smuggling crimes are intentional crimes that require both the material and moral elements to be present, which were available in the case at hand. The memo concluded with a request to reject the appeal submitted by the institution and to uphold the first instance Decision in all its provisions. On Monday, February 12, 2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against Decision number (CTR-2023-106145), issued by the Third First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a Decision in its current state after the committee was informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the Grounds on which the appeal was based and the response of the authority.

Grounds:

The appellate committee has determined that the evidence presented by the parties to the case and the documents included in its file are sufficient to decide on the subject of the submitted appeal. Furthermore, there is no reproach against the reviewing party for relying on the Grounds for the Decision under appeal without adding anything new, as long as it finds that these Grounds are sufficient to negate the need for any



new submissions. This is because its support is based on its Grounds, indicating that it did not find in the objections raised anything that warrants a response beyond what those Grounds included. Since the Grounds for the Decision under appeal are sufficient to support its ruling, it must be concluded that the defenses presented do not affect the outcome of the Decision, which renders the appeal unsupported and necessitates its rejection. The appellant's claims regarding the Decision, asserting that the destruction of the shipment in question occurred after the goods had piled up in his warehouses and coincided with the events of the COVID-19 pandemic, which forced him into the destruction process carried out by a governmental entity, do not diminish his responsibility, according to his claims. This is because there was a long time between the arrival of the shipment and the laboratory results concerning it, and the occurrence of the pandemic (COVID-19) that the importer claims was the reason for his action of destruction without notifying customs, which does not confirm the importer's diligence in fulfilling the commitment before the alleged circumstances occurred. Furthermore, there is no evidence proving that the destruction was related to the shipment in question, which is not altered by the claimant's assertion that it was done under the supervision of a governmental entity, given the lack of notification to customs of the importer's desire to destroy the shipment in question by another entity, contrary to the commitment taken regarding the shipment in question. It was established from the documents that the laboratory report was concerned with samples of the prohibited type included in the shipment (peanuts with multiple flavors), and it was also established from the documents that the total value amounted to (9,772) riyals, which makes the attribution of the crime of customs smuggling against the importer specific to that type and determines how to calculate the customs penalty based on its value as will be stated in the text of this Decision. However, the appellate committee noted that the committee issuing the Decision had ruled to calculate the customs fine on the importer by applying paragraph (4) of Article (145) of the Unified Customs law, which applies to prohibited goods. Since the incoming goods are not prohibited in their nature and type, but their entry was banned due to non-compliance with certain required specifications, this results in treating them when imposing the customs penalty regarding their importation after proving the smuggling crime related to them as previously stated, according to what was ruled by paragraph (2) of Article (145) of the Unified Customs law, contrary to what was ruled by the 1st instance Decision, as will be stated in the text of this Decision. Therefore, the appellate committee concluded that the appellant's defenses do not alter the validity of the Decision under appeal, which means that the appellant's appeal is based on an incorrect basis and must be rejected concerning the conviction of customs smuggling and the penalty of the confiscation substitute ruled, with the adjustment of the customs fine amount according to what has been achieved. Accordingly, the appellate committee concluded to report the following:



Decision:

1 - The acceptance of the appeal in form submitted by / Institution ..., commercial registration number (...), owned by / ..., national ID number (...), against the first instance Decision number (CTR-2023-106145), issued by the third First Instance Customs Committee in Riyadh.

2- In the subject, his rejection and the affirmation of the first instance decision regarding the conviction for customs smuggling and the confiscation fee, with the amendment of the customs fine ruled in paragraph (2) of the first instance decision to be double the customs duties of the violating items, making the total amount claimed from the importer an amount of (11,726) Eleven thousand seven hundred and twenty-six riyals, and this is for the reasons and considerations stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR- 2024-202693
Case No. PC-2022-118745

Keywords:

Customs - constraints - bond commitment - lighting bulbs - non-compliance with specifications - labeling of rated power - non-conviction

Summary:

The importer's request to cancel the decision of the Third First Instance Customs Committee No. (CTR-2023-118745), which convicted the importer of customs smuggling and imposed a customs fine and confiscation fee. The appellate committee established through the laboratory test results that the sample (lighting bulbs) did not pass the examination due to non-compliance with specifications regarding the labeling of rated power, which is one of the procedural non-essential observations that do not affect the health and safety of consumers. This means; to uphold the first instance decision in what it ruled and to amend paragraph (2).

Document:

- Article (30/1) of [the Executive Regulations of the Customs law issued by Ministerial Decision No. \(2748\) dated 25/11/1423 AH.](#)
- Article (31/6) of [the executive regulations of the customs law issued by Ministerial Decision No. \(2748\) dated 25/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by/ ..., national ID number (...), in his capacity as an agent for/ ..., national ID number (...). Owner of the institution ..., commercial registration number (...), based on agency number (...). On 18/06/2023, against the first instance Decision No. (CTR-2023-118745), issued by the Third First Instance Customs Committee in Riyadh, which ruled as follows:

- 1- Non-conviction of the institution ..., commercial registration number (...). In person with customs smuggling.
- 2- To impose a customs fine in the amount of (5,000) five thousand riyals, in accordance with Article 30/1 of the Executive Regulations of the Unified Customs law.



Since the appellant was notified of the Decision subject to the appeal on 19/06/2023, and submitted the appeal against the Decision on 06/07/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its conduct according to what is stipulated in Article (163) of the Unified Customs law. As for the facts of the case, they are summarized by the arrival of a shipment consisting of (lighting bulbs) through the customs of Jeddah Islamic Port under import declaration number (...). Date 10/05/1433 AH, it was granted based on a commitment not to act until the result of the competent authority appears, and upon examining the sample, the report number (...) was received. On the date 01/06/1433 AH, which included non-compliance regarding the labeling of the rated capacity, the First Instance Committee issued its Decision as stated in its ruling, based on what the sample inspection results showed regarding its non-compliance with the specifications concerning the labeling of the rated capacity, considering that this observation is procedural and does not rise to the level of considering the importer's action with the shipment as customs smuggling, which led the First Instance Committee to classify the incident as a customs violation according to Article (141) of the Unified Customs law. Upon reviewing the objection list submitted by the agent of the institution's owner, the customs appellate committee found that its summary mentioned that his client and others had made a power of attorney for the person named/ ... The one who opened the institution... without her knowledge, as she only learned about it after receiving a message indicating the existence of a financial fine (customs smuggling) for more than sixty lawsuits filed against her. Additionally, the agency does not have the right to import or export, and the agent violated the terms of the agency, and his client is unaware of this institution or its activities; rather, the agent exploited the agency for his personal benefit. The report added that upon reviewing the case file, it is clear that it is devoid of the original documents supporting the customs claim, which are (the original customs declaration - the original commitment - the original laboratory report), in addition to being devoid of a list to initiate the lawsuit. Furthermore, the violation mentioned in the inspection result is procedural and does not rise to the level of conviction for the crime of customs smuggling because the laboratory examination showed non-compliance for two Grounds: the first relates to the labeling, and the second relates to the guiding preamble, which are procedural cases that do not lead to a conviction for customs smuggling. The report added that the owner of the institution filed a lawsuit against the agent in the General Court in Jeddah. The report concluded with a request to accept the objection, reconsider the case, and annul the first instance Decision being contested, and as a precaution, to consider the incident a violation of formal procedures and to rule that the institution is not guilty of customs smuggling. The response from the authority was received through the Automated System of the Secretariat on 11/02/2024, summarizing that the shipment was received in the name of the plaintiff institution and that it is responsible before customs as the customs declaration number (...) On the date 10/05/1433 AH, it was prepared in the name of the institution, and all customs and commercial transactions were conducted in the name of the institution with the signature and seal of its owner as a commitment not to dispose of it. This makes it clear that all customs and commercial transactions submitted to the authority are certified



documents signed by the institution, and it is not the authority's responsibility to verify the validity of the official documents presented to it. Additionally, all documents are attached to the case file with the General Secretariat of the Zakat, Tax, and Customs Committees, and the concerned party can request the documents from the Secretariat. The memorandum added that based on the laboratory results, the violation involves commercial fraud and affects the quality of the product and the safety of consumers, and thus is considered prohibited goods. The authority concluded its response by requesting the rejection of the submitted appeal. On Monday, February 12, 2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party regarding Decision number (CTR-2023-118745), issued by the Third First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a Decision in its current state after the committee was informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the Grounds on which the appeal was based and the response of the authority.

Grounds:

Since there is no reproach on the reviewing authority for accepting the Grounds for the Decision subject to appeal without adding anything whenever it sees that these Grounds are sufficient to negate the need to present anything new, because in its support, based on its Grounds, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those Grounds contained, and this is not diminished by what the appellant mentions in his list regarding the exploitation of the called/ ... For the agency granted to him by the owner of the institution, and that she was not aware of the institution's activities, and that he exceeded the limits of his agency by carrying out the import process without it being stated in the agency, as such a payment does not negate the established principle of organizing the shipment papers in the name of the owner of the institution. Moreover, customs have no concern when applying the customs law regarding the relationship between the importer and his agent, whether this results in the importer being convicted of customs smuggling or merely a customs violation that does not rise to the level of a smuggling crime. The importer is responsible for claiming from anyone who alleges harm due to him. Additionally, the first instance Decision's integrity is not undermined by the appellant's claim that the case file is devoid of a list to initiate it and also lacks supporting documents for the claim, relying instead on photocopied and non-original documents. This is because it is established through the examination of the case papers that there is a list to initiate it, including all the data of the shipment in question, supported by its attachments according to the number issued in the customs register with the number (...). On 11/05/1436 AH, the appellant's claim regarding the absence of documents proving the accusation and reliance on photocopied and non-original documents does not accept the report attributing the violation to the importer as claimed. This is rejected, as it is established in criminal matters—of which customs smuggling violations are a part—that proof does not have to adhere to specific methods. It is also not



necessary for the evidence relied upon in the conviction for smuggling or the attributed violation against the importer to be based on the exclusivity of each piece of evidence regarding every detail of the case. The original principle in proving such facts is that the evidence should be supportive of one another, collectively forming the conviction of the adjudicating body. Therefore, it is not appropriate to discuss each piece of evidence in isolation from the other documents, evidence, and indications. What is relied upon is the sufficiency of the evidence and indications as a whole leading to the formation of that body's conviction and its assurance in what it has reached. This was the case with the shipment in question organized in the name of the importer, and the laboratory report's jurisdiction was established through the documents. It is also unacceptable for the appellant to position themselves as a judge in determining what constitutes a procedural violation or not, without considering the general obligation embodied in the requirement for the importer to refrain from acting on incoming shipments until they are approved by the competent authority, which was not the case with the importer's dealings with the shipment. Moreover, the assessment of the nature of the violation is within the purview of the committee reviewing the case after it has comprehensively understood it and established its conviction regarding its Decision. Since it was established through the laboratory examination results that the sample (lighting bulbs) did not pass the inspection due to non-compliance with specifications regarding the labeling of rated power, which are procedural non-essential observations that do not affect the health and safety of consumers, it is determined that the importer's action regarding the shipment, which was loaded with that observation, constitutes a customs violation that results in a customs fine of (1000) riyals. This is considering that the appellate committee noted that the First Instance Committee had classified the violation among those subject to the penalty stated in paragraph (30/1) of the executive regulations of the unified customs law and ruled to impose a penalty on the importing entity for the committed violation amounting to (5,000) five thousand riyals, while the ruling of that paragraph limited the application of the penalty to violations related to customs data that would lead to the removal of any condition or restriction related to import or export, which was not the case with the incident under consideration, as the violation was linked to the importer's action regarding the violating shipment contrary to the commitment taken regarding it, without rising to the level of customs smuggling. Since the matter is as stated, it is determined to amend the fine amount to (1000) one thousand riyals, in accordance with what is stipulated in Article (31/6) of the executive regulations of the unified customs law, as this aligns with the correct application of the law to the incident under consideration as previously stated. Accordingly, the committee concluded to report the following:



Decision:

- 1- Acceptance of the appeal in form from the applicant/ institution ..., commercial registration number (...), owned by/ ..., national ID number (...), against the first instance Decision number (CTR-2023-118745), issued by the third First Instance Customs Committee in Riyadh.
- 2- In the subject, his rejection and the affirmation of the first instance Decision in all that it ruled, with the amendment of the amount of the customs violation fine to be (1000) one thousand riyals, and that for the Grounds and considerations stated in this Decision.



The Customs Appeals Committee in Riyadh

Decision No. CFR-2023-103323
Case No. AC-2022-103323

Keywords:

Customs - Constraints - Bond Commitment - Bulbs - Non-compliance with specifications - Luminous flux, labeling, and heating - Conviction

Summary:

The Public Prosecution demands the 1st First Instance Customs Committee to convict the importer of customs smuggling. And where it was established for the first instance committee that the failure to return the violating items to customs, despite correspondence to the address stated in the documents and the Bond Commitment, confirms his handling of these items that were not finally cleared. This means; convicting the importer and obliging him to pay a customs fine and confiscating the seized items subject to the lawsuit.

Document:

- Article (24) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (56) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (140) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (142) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (145/5) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

The facts of this case are summarized in that the Zakat, Tax and Customs Authority filed its lawsuit and the requests contained therein against the importer (...) Commercial register number (...), and its list of claims in case number (...). The summary for the year 1439 AH is as follows: A shipment of (lamps) belonging to the



defendant arrived via the Al-Batha customs under import declaration number (...). On the date 09/03/1435 AH, I was granted permission with a commitment not to act until the results appear from the competent authority, and after presenting the sample to the laboratory, the report number (...) was received. On 04/04/1435 AH, it included non-compliance in terms of luminous flux, and he was addressed to resend to the customs area, but he did not respond to the customs. Accordingly, the committee held its hearing on Wednesday, December 20, 2023, and upon calling the parties to the case, ... attended, national ID number (...). As a representative of the (Zakat, Tax and Customs Authority) under the authorization issued by the Legal Affairs and Compliance Agency of the Authority numbered (...). On the date 19/03/1445 AH, the defendant or their representative did not attend despite being notified, thus missing the opportunity to defend themselves, and therefore the committee decided to rule on the case.

Grounds:



The committee, upon reviewing the papers and documents included in the case file, including the pleadings made in its hearings, found that the committee did not return those violating items to customs despite correspondence to the address stated in the documents and the Bond Commitment. This confirms his handling of these items, which were not finally cleared but were handed over to the importer at his request for storage in his warehouses, in exchange for his commitment not to dispose of them in any form before customs review and approval for their clearance and handling. Thus, it has been established to the committee, beyond any doubt, that he violated the provisions of Articles (24 and 56) of the Unified Customs Law, according to the provisions of Article (142) of the Customs law, which states that "customs smuggling is the introduction or attempted introduction of goods into the country or their exit or attempted exit in violation of the applicable legislation without paying customs duties in whole or in part or contrary to the provisions of prohibition or restriction in this law and other regulations." Additionally, the importer violated the restriction by disposing of goods that had not been approved for clearance by the relevant laboratory, thus violating the written Bond Commitment taken from him and signed by him, which does not permit him to dispose of the shipment in any form without the knowledge, approval, and supervision of the relevant customs authority. Violating this is considered customs smuggling. Since the results of the sample analysis proved that some samples did not comply for technical reasons and others for procedural reasons, the committee decided, in accordance with Article (140) of the Unified Customs Law, which states that "when multiple violations occur, a fine is due for each violation separately, and the harsher fine suffices if the violations are interconnected in a way that does not allow for fragmentation." Based on the decisions issued by the appellate committee in Riyadh, numbered (142124), (142131), and (142147) for the year 2022, that paragraph (2/145) of the Unified Customs Law, which states that "the penalty shall be a fine of not less than twice the customs duties due and not exceeding the value of the goods, and imprisonment for a period of not less than one month and not exceeding one year or one of these two penalties," is applicable in cases of Bond Commitment not to dispose of the shipment until the laboratory results appear, as the incoming



shipment is not prohibited in itself, in its type, and nature, but the prohibition arose due to its non-compliance with some required specifications. This confirms the request from the importer to bring the shipment to the customs area for re-export. The maximum penalty was applied due to the seriousness of the shipment on consumer health and safety, as stated in Article (145/5) of the Customs law, which states that "the goods subject to the violation shall be confiscated or a judgment shall be made equivalent to their value when they are not seized, and due to the impossibility of confiscation, it is required to rule an amount equivalent to their value."

Decision:

- 1- Condemnation of the importer (...) Commercial Register No. (...) ... for its owner, national ID number (...), present at customs smuggling.
- 2-To impose a customs fine equivalent to the value of the violating item in the amount of (45,696) Forty-six thousand six hundred and ninety-six riyals.
- 3- Obliging him to pay an amount equivalent to the value of the technically non-compliant item as a confiscation fee of (45,696) forty-five thousand six hundred and ninety-six riyals.
- 4- To impose a fine for violating customs procedures in the amount of (1000) one thousand riyals in accordance with Article (31/6) of the executive regulations of the Unified Customs Law for the procedurally violating item, making the total amount claimed (92,392) ninety-two thousand three hundred and ninety-two riyals.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

(The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.)



The Customs Appeals Committee in Riyadh

Decision No. CFR-2023-126334
Case No. PC-2022-126334

Keywords:

Customs - Constraints - Bond Commitment - Foodstuffs - Non-compliance with specifications - Color (123)
- Conviction

Summary:

The Public Prosecution demands the 1st First Instance Customs Committee in Riyadh to hold the importer accountable for customs smuggling. And where it was established for the first instance committee that the failure of the importer to review the customs or return the shipment to the customs area during the past period implies his action with the shipment that has not been permitted for clearance, which he committed to the customs not to act upon until the laboratory result appears. This means; convicting the importer and obliging him to pay a customs fine and confiscating the seized items subject to the lawsuit.

Document:

- Article (56) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (142) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (145/2) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (145/5) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

The facts of this case are summarized in that the Zakat, Tax and Customs Authority filed its lawsuit and the requests contained therein against the importer (...) Commercial registration number (...), and the summary of its lawsuit in case number (1350) for the year 1440 AH included the following: A shipment (food items)



belonging to the defendant arrived via the Islamic Port of Jeddah customs under import declaration number (...). On the date 12/09/1430 AH, it was allowed under a commitment not to act until the result of the competent authority appears, and after examining the sample from the General Authority for Food and Drug, the response was received in letter number (...) The date 22/10/1430 AH includes non-compliance due to the presence of color (123), and he was addressed to resend the shipment to the customs area, but he did not respond to the customs. Accordingly, the committee held its hearing on Thursday, 24/08/2023, and upon calling the parties to the case, ... attended, in his capacity as a representative of the Zakat, Tax, and Customs Authority based on the authorization issued by the Legal Affairs and Compliance Agency of the Authority under number (52740) dated 15/10/1443 AH, and the defendant or his representative did not attend despite being notified. After reviewing the case documents and presenting them to the plaintiff's representative and asking him to determine the value of the violating item, he responded: We request a deadline to provide information for the next hearing. The committee decided to postpone the hearing. On Tuesday, December 19, 2023, the committee held its hearing, and upon calling the parties to the case, (...) attended, in her capacity as a representative of the Zakat, Tax, and Customs Authority under the authorization issued by the Legal Affairs and Compliance Agency of the Authority numbered (...). On the date 19/03/1445 AH, the defendant or their representative did not attend despite being notified, thus missing the opportunity to defend themselves. Therefore, the committee decided to rule on the case based on the documents available to it.

Grounds:



On the merits, upon the committee's review of the documents and papers included in the case file, it became clear to the committee that the importer did not review the customs or return the shipment to the customs area during the past period, which implies that he acted with the shipment that was not permitted for clearance, which he committed to the customs not to act upon until the laboratory results appeared. However, it was handed over to the importer at his request to store it in his warehouses. His action regarding the shipment that was not finally cleared is considered a violation of Article (56) of the Unified Customs Law, and the action regarding the goods that were not permitted for clearance is considered customs smuggling according to what is stated in Article (142) of the Unified Customs Law. Smuggling is the act of introducing or attempting to introduce goods into the country or removing or attempting to remove them in violation of the applicable legislation without paying customs duties (fees) in whole or in part, or contrary to the provisions of prohibition or restriction in this law (law) and other regulations and laws. Based on the decisions issued by the Appeals Committee in Riyadh, numbered (142124), (142131), and (142147) for the year 2022, paragraph (2/145) of the Unified Customs Law states that "the penalty shall be a fine of not less than twice the customs duty due, and not exceeding the value of the goods, and imprisonment for a period of not less than one month and not exceeding one year, or one of these two penalties" shall be applicable in cases of commitment not to dispose of the shipment until the laboratory result appears, as the incoming



shipment is not prohibited in itself, in its type, and nature, but the prohibition arose due to its non-compliance with some required specifications. This confirms the request from the importer to bring the shipment to the customs area for re-export. The maximum penalty was applied due to the danger of the product to the health and safety of the consumer. Paragraph (5) of Article (145) of the Unified Customs Law states: "Confiscation of the goods subject to the violation or ruling equivalent to their value if not seized." Accordingly, the committee, after study and deliberation, unanimously decided as follows

Decision:

- 1- Condemnation of the importer (...) Commercial register number (...), present at customs smuggling.
- 2-To impose a customs fine equivalent to the value of the violating item in the amount of (2,870.25) two thousand eight hundred seventy riyals and twenty-five halalas.
- 3- Obliging him to pay an amount equivalent to the value of the violating item as a confiscation fee of (2,870.25) two thousand eight hundred seventy riyals and twenty-five halalas, making the total amount demanded (5,740.5) five thousand seven hundred forty riyals and fifty halalas.

A decision that can be appealed within thirty days from the date it is communicated to the concerned parties.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

(The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.)



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-225062
Case No. PC-2023-225062

Keywords:

Customs - Constraints - Bond Commitment - Fabric - Non-compliance with specifications - pH - Color fastness to washing - Conviction

Summary:

The importer requests the cancellation of the decision of the second First Instance Customs Committee in Riyadh No. (CSR-2023-108949), which convicted the importer of customs smuggling. And where it has been established to the Appeals Committee that the violations mentioned in the laboratory report are considered technical violations that affect the health and safety of the consumer and impact their financial resources due to the purchase of goods that do not meet the specifications. This means; to uphold the first instance decision regarding the amendment of the imposed customs fine.

Document:

- [Zakat, Tax and Customs Committees Regulations issued by Royal Decree No. \(25711\) dated 08/04/1445 AH.](#)
- Paragraphs 2 and 4 of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal against the first instance Decision No. (CSR-2023-108949) issued by the 1st Customs Committee in Riyadh, submitted by the agent/..., Civil Registration No. (...), under Agency No. (...), and since the appellant was notified of the first instance Decision on 17/09/2023, and submitted the appeal against the Decision on 13/10/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the prescribed period for its submission as stipulated in Article (163) of the Unified Customs law.

As for the facts of this case, they are summarized by the arrival of a shipment (tires) through the Al-Batha customs under import declaration number (...). On the date 27/07/1435 AH, it was granted based on a commitment not to act until the result of the competent authority appears, and upon examining the sample,



the report number (...) was received. The date 05/06/2016, which includes non-compliance regarding lead in the paint, and the importer was addressed by customs to return the shipment, but he did not respond. The first instance committee issued its Decision to convict the importer of customs smuggling and impose the associated penalties as stated in the ruling and Grounds for the Decision subject to appeal, which is referred to in order to avoid repetition. Upon reviewing the appeal submitted by the owner of the institution, the customs appellate committee found that it includes a summary indicating that she had authorized a clearance office to import the goods and clear them customs-wise, and to bring them into the country legally according to the applicable customs regulations, provided that she supplies it with a mandate from her and all the required documents for import. This indeed took place; however, this office did not implement what was agreed upon, as it acted without consulting her and imported goods multiple times without the knowledge of the institution's owner. It became clear that it exploited the opportunity of the authorization and the commitment not to act, and repeatedly photographed the commitment and the analysis agency several times. Therefore, it is requested to verify the date of the Ministry of Commerce's approval dated of the import declaration. Upon reviewing the response memorandum submitted by the authority, the appellate customs committee found that it includes a summary stating that all customs and commercial documents and transactions received by the authority in the name, signature, and seal of the appealing institution are accompanied by a certified commitment not to act from the chamber of commerce and a certificate of origin, which clearly shows that all customs procedures are issued in the name of the institution. Article (158) of the Unified Customs Law stipulates that: The owners of the goods, employers, and carriers of the goods shall be responsible for the actions of their employees and all workers for their benefit regarding the fees and taxes collected by the customs department, as well as the fines and confiscations stipulated in this law (law) resulting from those actions. Article (144) of the same law also stipulates that: The criminal liability in the crime of smuggling requires the intent... and since the relationship between the institution and the customs broker is a contractual one that the authority has no relation to, any affected party has the right to claim against the other by proving the damage or exploitation as claimed by the appellant, and what has been done constitutes a clear violation of the law by acting on the contraband shipment subject to the lawsuit, and this act is considered customs smuggling according to what is stated in Article (142) of the Customs Law, and it concluded its memorandum by requesting the rejection of the appeal submitted and the affirmation of the first instance decision. After reviewing the case file and the appeal submitted by the appellant and the response of the committee regarding it, the committee found that the case is ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what has been presented to form its conviction and to rule on it in light of the reasons on which the appeal was based.



Grounds:



After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws. Whereas the violations mentioned in the laboratory report are considered technical violations that affect the health and safety of the consumer and impact their financial resources due to the purchase of goods that do not comply with specifications. Since the first instance decision concluded to convict the importer based on this, and since there is no reproach against the appellate authority for taking the reasons of the decision subject to appeal without addition whenever it sees that these reasons suffice to negate the need for any new arguments, and since the reasons for the decision subject to appeal are sufficient to support its ruling, it is necessary to state that the defenses presented do not affect the outcome of the decision, which makes the appeal unsupported and thus must be rejected. However, the appellate committee noted that the committee issuing the decision had ruled to calculate the customs fine on the importer by applying paragraph (4) of Article (145) of the Unified Customs Law, which applies to prohibited goods. Since the imported goods are not prohibited in their nature and type, but their entry was banned due to non-compliance with certain required specifications, as confirmed by the request from the importer to bring the shipment to the customs area for re-export, this committee decides to apply paragraph (2) of Article (145) of the Unified Customs Law, contrary to what was ruled in the first instance decision. Consequently, this committee concludes to calculate the amount of the customs fine at twice the customs duties as will be stated in the ruling. Therefore, the appellate committee concluded to report the following:

Decision:

First: Acceptance of the appeal in form, from its presenter (...), commercial registration number (...), owned by (...), national ID number (...), against the first instance Decision number (CSR-2023-108949) issued by the 1st First Instance Customs Committee in Riyadh.

Second: The appeal is rejected on the subject, and the first instance decision regarding the conviction for customs smuggling and the confiscation fee is upheld, with the customs fine imposed being modified to be twice the amount of the customs duties, making the total amount claimed by the importer an amount of (43,924) Forty-three thousand nine hundred and twenty-four riyals, for the reasons and considerations stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-227597
Case No. PC-2023-227597

Keywords:

Customs - Constraints - bond commitment - Food products - Non-compliance with specifications - Product contamination with plastic pieces - No conviction

Summary:

The importer's request to cancel the decision of the 1st First Instance Customs Committee No. (CFR-2023-103760), which convicted the importer of customs smuggling. And where it was established for the Appeals Committee that the laboratory report was presented as a possibility and did not definitively conclude that the shipment in question was unfit for human consumption, which does not establish certainty of the violation of the shipment in question. This means; canceling the first instance decision and obliging him to pay a fine for violating customs procedures.

Document:

- Article (153) of [the Code of Criminal Procedure issued by Royal Decree No. \(M/2\) dated 22/01/1435 AH.](#)
- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (31/6) of [the executive regulations of the customs law issued by Ministerial Decision No. \(2748\) dated 25/11/1423 AH.](#)

Facts:

This is to consider the appeal against the first instance decision number (CFR-2023-103760) issued by the Third First Instance Customs Committee in Riyadh, submitted by the attorney/ ... Civil registry number (...), under the agency number (...).

As for the facts of this case, they are summarized by the arrival of a shipment (electric heater) through the customs of Jeddah Islamic Port under import declaration number (...). On the date 27/05/1437 AH, it was granted under a commitment not to act until the result of the competent authority appears, and after



examining the sample by the Food and Drug Authority, the response was received in report number (...) On 18/06/1437 AH, which included non-compliance regarding the potential contamination of the product with plastic pieces that may pose a risk to the consumer according to the warning announced on the website of the General Authority for Food and Drug, the importer was addressed by the customs with the result, but he did not respond. The first instance committee issued its Decision to convict the importer of customs smuggling and impose the associated penalties, as stated in the text and Grounds for the Decision subject to appeal, which is referred to in order to avoid repetition. Upon reviewing the objection list submitted, the appellate customs committee found that it included a summary indicating that the administration did not allow the appellant to access the report of the General Authority for Food and Drug until after the judgment session had concluded, and that the appellant company coordinated with the General Authority for Food and Drug in a voluntary withdrawal of some products from the Saudi market that bore the same operation number as the shipment included in the import statement (...) and they were indeed destroyed by the company (...) It was indeed destroyed by the company (...) This proves the absence of criminal intent in the incident subject to the lawsuit, and the reason for the non-compliance of the item in question is due to (the possibility of contamination with plastic pieces) according to the report of the General Authority for Food and Drug Administration. It is clear from the wording in the aforementioned report that the analyses conducted by the authority on the goods did not show any violations or non-compliance, and that the inclusion of the term (possibility) in the report indicates doubt in its content, and that "if evidence is subject to doubt, the inference is invalid." It concluded with a request to cancel the Decision subject to the appeal and to rule again on the inadmissibility of the lawsuit in form due to lack of jurisdiction, and for the Grounds presented. Upon reviewing the response memorandum submitted by appellee, the customs appellate committee found that it included a summary stating that the violation occurred starting from the temporary clearance of the shipment according to the bond commitment signed by the company, which, by signing, fully commits to not disposing of the shipment except after obtaining permission from the competent authority for its final clearance, which the importing company did not do. As for the appellant's argument regarding the invalidity of the report from the General Authority for Food and Drug Administration, it is incorrect, as the laboratory results clearly and explicitly indicated that the product did not comply. Furthermore, no goods can be destroyed without customs supervision according to Article (56), paragraph (c) of the Unified Customs law. Additionally, the importer committed a clear violation of the law by not responding to customs when contacted to return the shipment in question, as it involves materials that have a direct connection with the consumer and affect their health and financial resources. The memorandum concluded with a request to reject the appeal and uphold the first instance Decision in all its provisions. Upon reviewing the appellant's comments on what was stated in the response memorandum submitted by the appellee, it became clear that it included a summary that repeated what was presented in the appeal statement. It concluded with a request to hold a hearing - in person or remotely - to explain the company's position before the committee, and to annul the Decision subject to the appeal and rule again on the



inadmissibility of the case in form due to lack of jurisdiction, and for the Grounds presented. After reviewing the case file and the appeal submitted by the appellant and the response of the committee regarding it, the committee found that the case is ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what has been presented to form its conviction and to rule on it in light of the reasons on which the appeal was based.

Grounds:



After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws. Since the appellant was notified of the first instance Decision on 13/11/2023, and submitted the appeal on 07/12/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law. It is established in the rules of litigation that the proper application of the law is an obligation on the authority examining the case, and it must be done on its own initiative without the need for a request from the parties. Consequently, the authority examining the case has broad discretion in assessing the facts and giving them the appropriate description and correct classification without being bound by the classification of the prosecution or its opponent, in light of what it is convinced of and the state of the evidence and the inferences drawn from it, relying on it and using it as a basis for its ruling, as long as the documents related to it within the case file do not contradict what has been inferred and what its conviction and belief have settled on to resolve the dispute, and that its inference is sound, reasonable, and leads to the result it has reached. This is in accordance with what is stated in Article (153) of the Criminal Procedure law, which stipulates that "the court is not bound by the description contained in the indictment and must give the act the description it deserves, even if it contradicts the description in the indictment..." Furthermore, according to what is stated in report number (...) The court is not bound by the description in the lawsuit and must give the act the description it deserves, even if it contradicts the description in the lawsuit... It has been established in customs jurisprudence that a conviction against the importer is not proven unless the reasons for not allowing its clearance are verified, and this verification must be certain and definitive, not based on doubt and possibility. It is established that the laboratory report was presented as a possibility and did not definitively state that the shipment in question is unfit for human consumption, which does not establish certainty of the violation of the shipment in question. The appellant has submitted evidence of the destruction of the items subject to "possibility" of violation by virtue of the company's letter (...) The issuance dated 10/02/2020, and that the authority did not dispute the validity of its destruction of the contraband item, but rather disputed its consideration in light of the absence of a customs representative, which collectively indicates the absence of criminal intent on the part of the importer. Therefore, it is decided to accept the appeal in procedures and on merits, to annul the first instance Decision subject to the appeal,



and to rule again not to convict the appealing company of customs smuggling. However, since the importer violated the commitment taken upon them and acted with the shipment without notifying customs, it is determined that the importer's action constitutes a violation governed by Article (31/6) of the Executive Regulations of the Unified Customs law, and a financial penalty of (1000) one thousand riyals is imposed in accordance with what that article stipulates. Accordingly, the committee concluded to report the following:

Decision:

First: Acceptance of the appeal in form, from the applicant (...), commercial registration number (...), against the first instance Decision number (CFR-2023-103760), issued by the 1st First Instance Customs Committee in Riyadh.

Second: In the matter of canceling the first instance decision, and ruling not to convict the importer of the crime of customs smuggling, and obliging him to pay a fine for violating customs procedures amounting to (1000) one thousand riyals according to Article (6/31) of the executive regulations of the unified customs law, for the reasons and considerations stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-230841
Case No. PC-2024-230841

Keywords:

Customs - Constraints - Bond commitment - Current choke - Non-compliance with specifications - Circuit power factor - Conviction

Summary:

The importer's request to cancel the decision of the 1st First Instance Customs Committee No. (CFR-2023-126358), which convicted the importer of customs smuggling. And where it was established for the appellate committee that the importer's claim of lack of criminal intent for smuggling is not valid in light of his knowledge that the shipment was subject to a commitment not to dispose of it before its approval. This means; to uphold the first instance decision in all that it ruled.

Document:

- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal against Decision number (CFR-2023-126358) issued by the 1st First Instance Customs Committee in Riyadh, submitted by (...), National ID number (...). Holder of the attorney's license number (...), in his capacity as the legal representative of the company under the power of attorney number (...). Issued on 01/05/1445 AH.

As for the facts of this case, they are summarized by the arrival of a shipment (current choker) through the customs of Jeddah Islamic Port under import declaration number (...). On 06/06/1434 AH, a permit was issued based on a commitment not to act until the result of the competent authority appeared. After examining the sample by the laboratory, the report indicated non-compliance regarding the capacity factor of the circuit. The importer was addressed by customs to return the shipment, but he did not respond. The first instance committee issued its Decision convicting the importer of customs smuggling and imposing the associated penalties, as stated in the text and Grounds of the first instance Decision subject to appeal, which is referred to in order to avoid repetition.



Upon reviewing the statement of appeal submitted, the appellate customs committee found that it includes a summary stating that the capacity mentioned in the laboratory report results from a reading of the electrical frequency (50 Hz), which gives the result reached in the laboratory report, and a reading of the electrical frequency (60 Hz), which gives the result permitted for use within the Kingdom of Saudi Arabia, also mentioned in the laboratory report. Since the final product is required to meet the specifications of the electrical frequency (50 Hz) - and this facility has been previously submitted - and the committee did not respond to what the appellant requested in writing to the relevant authorities to inquire about the technical difference that separates the case, it also argues that it did not commit customs smuggling from the outset, as when it imported the electrical choke, it submitted the import invoice indicating that the electrical frequency is 50 Hz. Regarding the committee's request for a customs declaration clarifying the export of the imported item, the appellant argues that the item, when imported alone, is a single piece, and when exported, it is part of a composite product that is a main component in the final product according to the technical guide. Therefore, exporting the customs declaration under the name of lamps is correct, compliant, and matches the export of the imported materials, proving that there was no smuggling or violation of customs regulations. It also argues that the conformity of the customs declaration, the attached invoices, and the contract between the defendant and the work constitutes conclusive evidence that the import was for the purpose of manufacturing and exporting outside the Kingdom, which indicates the absence of criminal intent on the part of the appellant. Therefore, it requests the cancellation of the Decision subject to the appeal and the ruling to dismiss the plaintiff's claim. Upon reviewing the response memorandum submitted by the authority, the customs appellate committee found that it includes a summary indicating that the result of the inspection report - attached to the case file - showed non-compliance regarding the power factor of the circuit, which constitutes technical violations that affect the quality of the product and cause negative effects on consumers, adversely impacting their financial resources due to purchasing a product that does not meet specifications. According to Article (142) of the Customs Law and paragraph (17) of Article (143) of the same law, the handling of the released shipment with a commitment not to dispose of it is one of the forms of customs smuggling. Therefore, the authority requests the rejection of the appeal and the affirmation of the first instance Decision in all its provisions. After reviewing the case file and the appeal submitted by the appellant and the response of the committee regarding it, the committee found that the case is ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what has been presented to form its conviction and to rule on it in light of the reasons on which the appeal was based.



Grounds:

After reviewing the unified customs law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the zakat, tax, and customs committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the relevant regulations and laws. Since the appellant was notified of the first instance Decision on 21/12/2023, and filed the appeal against the Decision on 21/01/2024, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period set for its execution as stipulated in Article (163) of the Unified Customs law. Since there is no reproach against the authority reviewing the appeal for taking the reasons of the decision subject to the appeal without addition whenever it sees that these reasons suffice to omit any new ones, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. This is not affected by what the appellant argued, that its action regarding the shipment subject to the commitment was for the purpose of export outside the Kingdom, considering that the delivery of the shipment to the importer temporarily for safekeeping until it is approved by the competent authority does not constitute a clearance for it, but rather it was released in exchange for a commitment from him not to dispose of it. Therefore, the act concerning the disputed item and the violation of the commitment signed by him constitutes customs smuggling. Moreover, the importer's claim of the absence of criminal intent for smuggling does not hold in light of his knowledge that the shipment was subject to a commitment not to dispose of it before its approval. Since the reasons for the decision subject to the appeal are sufficient to support its ruling, it is necessary to state that the defenses presented do not affect the outcome of the decision, which makes the appeal unsupported and thus must be rejected. Accordingly, the customs appellate committee concluded to report the following:

Decision:

First: Acceptance of the appeal in form, from the applicant/ ..., commercial registration number (...), against the first instance Decision number (CFR-2023-126358) issued by the 1st First Instance Customs Committee in Riyadh.

Second: The appeal is rejected on the merits, and the first instance decision is upheld in all that it ruled, for the reasons and considerations stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-230135
Case No. PC-2024-230135

Keywords:

Customs - Constraints - Bond commitment - Electrical tools - Non-compliance with specifications - Connection terminals - Conviction

Summary:

The importer's request to cancel the decision of the 1st First Instance Customs Committee No. (CFR-2023-104564), which convicted the importer of customs smuggling. And since it has been established to the appellate committee that the reasons for the decision subject to appeal are sufficient to support its ruling, it is necessary to state that the defenses presented do not affect the outcome of the decision. This means; to uphold the first instance decision in what it ruled and to amend the imposed customs fine.

Document:

- [Zakat, Tax and Customs Committees Regulations issued by Royal Decree No. \(25711\) dated 08/04/1445 AH.](#)
- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraph (1/A) of Article (176) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal against the first instance Decision number (CFR-2023-104564) issued by the 1st First Instance Customs Committee in Riyadh, submitted by the agent (...), civil registration number (...), under agency number (...).

As for the facts of this case, they are summarized by the arrival of a shipment (electric heater) through the customs of Jeddah Islamic Port under import declaration number (...). On the date 27/09/1431 AH, it was allowed under a commitment not to act until the result of the examination by the competent authority appeared, and upon examining the sample by the laboratory, the report number (...) was received. On



16/02/2010, it was noted that there was non-compliance regarding the connection terminals, plug dimensions, fuses, socket dimensions, socket installation, switches, locks, creepage and clearance distances, ratings, shapes and sizes, and temperature rise. The importer was addressed with the result by the customs, but he did not respond. The first instance committee issued its decision to convict the importer of customs smuggling and impose the associated penalties, as stated in the text and reasons for the decision subject to appeal, which is referred to in order to avoid repetition. Upon reviewing the objection list submitted, the appellate customs committee found that it included a summary stating that the commitment in question is not producing its legal effects due to its expiration, and it cannot be invoked. It also argues against the validity of the document in question and the illegitimacy of the result, stating that the laboratory result is procedural and not substantive. Furthermore, the written commitment is devoid of the essential data related to the case, and the criminal intent is not present. The evidence of good faith is her signing of the written commitment and her obligation to return the shipment within the legally specified period. It also argues against the plaintiff's right to claim due to the statute of limitations, as the shipment was received on 27/09/1431 AH, the laboratory examination report was issued on 13/03/1432 AH, and the case was filed with the First Instance Customs Committee in Riyadh on 28/03/2022 AD, which is more than 13 years after the violation occurred, exceeding the period stipulated in paragraph (A/2) of Article (176) of the Unified Customs Law. The appeal concludes with a request to accept the appeal, annul the first instance decision, and rule again in favor of not convicting the importing entity and releasing it from this case. And I request the response from the appellee on 07/01/2024 and enabling her to exercise her right to respond for a period of (45) days without submitting the required answer, and based on paragraph (1) of Article (35) of the rules of operation of the Zakat, Tax, and Customs Committees, the committee decided to rule on the case in light of the documents available to it. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based.

Grounds:

After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws. Since the appellant was notified of the first instance Decision on 13/12/2023, and submitted the appeal against the Decision on 03/01/2024, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its conduct as stipulated in Article (163) of the Unified Customs law. Whereas there is no reproach against the reviewing authority for taking the reasons of the decision subject to appeal without addition whenever it sees in these reasons what



suffices to omit any new submissions, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. This is not affected by what the appellant argued that the commitment subject to the lawsuit is not producing its legal effects due to the expiration of its validity and that it cannot be invoked, as this is rejected, considering that in criminal matters - which include violations and crimes of smuggling - it is not required that the evidence be confined to certain methods, nor is it necessary that the evidence relied upon in the conviction of smuggling be based on the exclusivity of each piece of evidence in every detail of the case, given that the original principle in proving those facts is that the evidence regarding them should be supportive of one another, collectively forming the conviction of the reviewing authority in the case. Therefore, it is not appropriate to discuss each piece of evidence in isolation from the other documents, evidence, and indications, but rather it suffices that the evidence and indications as a whole lead to forming the conviction of that authority and completing its direction in stabilizing its belief and reassurance. This is because the punishable act is not in the act of holding the importer accountable for violating the commitment taken against him, as the act constituting the crime of smuggling is embodied in introducing or attempting to introduce the shipment without completing its clearance from the competent authority. The commitment is merely a document from the shipment papers to prepare for the commencement of its customs clearance, reminding the importer of the general duty known to the importer by necessity not to act with the shipment except after being permitted to do so. As for what it argued regarding the lack of criminal intent in light of its knowledge that the shipment was subject to the commitment not to act with it before its approval, and regarding what the appellant argued about the expiration of the lawsuit due to the passage of more than five years since the violation occurred, this is rejected, considering that the period of limitation for smuggling and similar acts is fifteen years according to paragraph (1/a) of Article (176) of the Unified Customs Law. And since upon reviewing the date of the customs declaration (27/09/1431 AH) dated of the lawsuit registration as apparent in the Hayad System on 28/03/2022 AD corresponding to (25/08/1443 AH), it is clear that the limitation period does not apply to the incident subject to the lawsuit. And since the reasons for the decision subject to appeal are sufficient to support its ruling, it is necessary to determine that the defenses presented do not affect the outcome of the decision, which makes the appeal without a supporting basis, necessitating its rejection concerning the conviction of customs smuggling and the penalty of confiscation compensation, with the amendment of the amount of the customs fine imposed to be twice the customs duties of the violating item. Accordingly, the committee concluded to report the following:



Decision:

First: Acceptance of the appeal in form, from the applicant/ ..., commercial registration number (...), against the first instance Decision number (CFR-2023-104564) issued by the 1st First Instance Customs Committee in Riyadh.

Second: He rejected the subject and upheld the first instance decision regarding the conviction and the confiscation, while amending the imposed customs fine to be twice the amount of the customs duties for the violating item, for the reasons and considerations stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-226478
Case No. PC-2023-226478

Keywords:

Customs - Constraints - Bond Commitment - Shampoo - Non-compliance with specifications - Microbiological Testing - Conviction

Summary:

The importer's request to cancel the decision of the second First Instance Customs Committee No. (CSR-112118-2023), which convicted the importer of customs smuggling. Where it has been established to the appellate committee that the reasons for the decision subject to appeal are sufficient to support its ruling, it is necessary to state that the defenses presented do not affect the outcome of the decision. This means; to uphold the first instance decision in all that it ruled.

Document:

- [Zakat, Tax and Customs Committees Regulations issued by Royal Decree No. \(25711\) dated 08/04/1445 AH.](#)
- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (176) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal against the first instance Decision number (CSR-112118-2023) issued by the second First Instance Customs Committee in Riyadh.

As for the facts of this case, they are summarized by the arrival of a shipment of (shampoo) through the Islamic Port of Jeddah Customs under import declaration number (70573) dated 21/04/1433 AH corresponding to 14/03/2012 AD, which was allowed under a commitment not to dispose of it until the result from the competent authority appears, and after examining the sample by the laboratory, the report number (...) was received. On the date of 21/05/1433 AH corresponding to 13/04/2012 AD, which



included non-compliance with specifications due to microbiological testing, it was found that the sample contained a large number of bacteria. The importer was contacted by customs to return the shipment, but he did not respond. The first instance committee issued its decision to convict the importer of customs smuggling and to impose the associated penalties as stated in the text and reasons for the decision subject to appeal, which is referred to in order to avoid repetition. Upon reviewing the statement of appeal submitted, the appellate customs committee found that it includes a summary stating that the first instance committee mentioned in the reasoning of its decision that the defendant did not respond to the customs administration and did not return the contraband item in question to customs, which is incorrect. The correct information is that the defendant did respond to the customs administration after the results appeared and destroyed the goods in question at that time, which was more than ten years ago, and there is evidence of that. Additionally, the customs delay of more than ten years from the date of the shipment's arrival led the institution to be reassured about the validity of its action in destroying the goods. Therefore, the institution should not bear this error from customs, and it is not correct to impose a fine and confiscation on it. Furthermore, the article that the customs committee relied on from the customs law does not apply to the incident in question. The commitment that the committee claims the institution signed stipulates the return of the shipment if requested by the customs administration within a week, in preparation for its return to its source or its destruction, which the institution did in good faith by destroying the shipment more than ten years ago. The list concluded with a request to cancel the decision of the First Instance Customs Committee and to release the defendant from this case. Upon reviewing the response memorandum submitted by the authority, the appellate customs committee found that it includes a summary stating that there are no official documents indicating that the goods were destroyed under customs supervision, and that any destruction occurring outside customs supervision is not considered valid because the bond that the importer signed stated in its paragraph (Second/1) that: Customs does not accept any documents related to a destruction process in which a customs representative is not involved, even if the destruction process was carried out by one of the government agencies. Therefore, a penalty for customs smuggling, as mentioned above, will be applied. Since the shipment in question was released with a commitment not to dispose of it until the laboratory results are issued, this does not negate the authority's right to claim legally, especially since the institution committed a clear violation of the law by disposing of the temporarily released goods, which were released until the relevant results were issued and not permanently. Additionally, the law specified a statute of limitations in Article (176) of the Unified Customs Law of fifteen years from the date of the offense. The response memorandum concluded with a request to reject the submitted appeal and uphold the first instance decision. After reviewing the case file and the appeal submitted by the appellant and the response of the committee regarding it, the committee found that the case is ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what has been presented to form its conviction and to rule on it in light of the reasons on which the appeal was based.



Grounds:

After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws. Since the appellant was notified of the first instance Decision on 25/10/2023, and submitted the appeal against the Decision on 16/11/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law. Whereas there is no reproach against the reviewing authority for taking the reasons of the decision subject to appeal without adding anything whenever it sees that these reasons suffice to negate the need for any new arguments, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. Moreover, the appellant institution's claim that the shipment subject to the lawsuit has been destroyed is a mere assertion that lacks supporting evidence. Additionally, the appellant institution acknowledged in its undertaking that any destruction process without the presence of a customs representative is not valid, even if it was carried out by one of the governmental entities. Furthermore, the validity of the first instance decision is not undermined by the appellant's claim of the statute of limitations for the incident subject to the lawsuit due to the passage of ten years from the date of importation, considering that the statute of limitations in customs smuggling cases has been established by Article (176) stating: "... The statute of limitations regarding customs administration, if no prosecution has been initiated, is as follows: 1 - Fifteen years for the following two cases: a - Smuggling activities or what is equivalent, starting from the date of committing the crime. b - Implementation of smuggling rulings and what is equivalent from the date of the ruling... Therefore, since the reasons for the decision subject to appeal are sufficient to support its ruling, it is necessary to determine that the defenses presented do not affect the outcome of the decision, which makes the appeal unsupported and must be rejected. Accordingly, the appellate customs committee concluded with the following report:

Decision:

First: Acceptance of the appeal in form, from its presenter (...), commercial registration number (...), owned by (...), national ID number (...), against the first instance Decision number (CSR-112118-2023) issued by the 1st First Instance Customs Committee in Riyadh.

Second: The appeal is rejected on the merits, and the first instance decision is upheld in all that it ruled, for the reasons and considerations stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-225231
Case No. PC-2023-225231

Keywords:

Customs - constraints - bond commitment - metal rolls - non-compliance with specifications - lead in paint - conviction

Summary:

The importer's request to cancel the decision of the 1st First Instance Customs Committee No. (CFR-119210-2023), which convicted the importer of customs smuggling. And where it has been established to the appellate committee that the violation is technical, affecting the quality of the product and causing harm to consumers and their financial resources, considering that the quantity present in the sample exceeds the legally permitted limit. This means; to uphold the first instance decision in what it ruled and to amend the imposed customs fine.

Document:

- [Zakat, Tax and Customs Committees Regulations issued by Royal Decree No. \(25711\) dated 08/04/1445 AH.](#)
- Paragraphs (2) and (4) of Article (145/2) [of the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal against the first instance Decision No. (CFR-119210-2023) issued by the 1st Customs Committee in Riyadh, submitted by the agent/..., Civil Registration No. (...), under Agency No. (...), and since the appellant was notified of the first instance Decision on 21/09/2023, and submitted the appeal against the Decision on 17/10/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the prescribed period for its submission as stipulated in Article (163) of the Unified Customs law.

As for the facts of this case, they are summarized by the arrival of a shipment (metal rolls) through the Al-Batha customs under import declaration number (219198), which was allowed under a commitment not to dispose of it until the result of the competent authority appears, and upon examining the sample, the



report number (...) was received. The date 2/1/2019, which includes non-compliance regarding lead in the paint, and the importer was addressed by customs to return the shipment, but he did not respond. The first instance committee issued its Decision to convict the importer of customs smuggling and impose the associated penalties as stated in the ruling and Grounds for the Decision subject to appeal, which is referred to in order to avoid repetition. Upon reviewing the statement of appeal submitted by the agent, the appellate customs committee found that it includes a summary stating that report number (...) The report dated 2/1/2019, which the authority relied on to initiate its case, indicates that the incoming shipment is valid and complies with specifications and standards, as mentioned in the final result of the shipment inspection, stating "The following tests were conducted and found to comply with the specification." Additionally, the chemical analysis result was also acceptable as outlined in the report, along with the report issued by (Company ...). which certifies that the goods have been subjected to laboratory testing and found to comply with the technical regulations and standard specifications approved in the Kingdom of Saudi Arabia. The appellant company also argues that the violation mentioned in the report regarding the non-compliance of the sample "lead in paint" is considered a procedural violation that does not rise to the level of conviction for customs smuggling due to its lack of impact on the quality and safety of the product. The principle is the safety of the imported products, and not every violation of specifications and standards affects the safety of the product. The regulation concluded with a request to overturn the first instance Decision and rule that the company is not guilty of the crime of customs smuggling. Upon reviewing the response memorandum submitted by the authority, the appellate customs committee found that it includes a summary stating that based on the result of the report issued with the number (...) The date 2/1/2019, which included non-compliance of the sample regarding lead in the paint, is classified as a technical violation that affects the quality of the product, causing negative effects on consumers and impacting their financial resources by purchasing a product that does not meet specifications and standards. Additionally, according to Article (24) of the Unified Customs Law, which states that: The administration prohibits, under the provisions of this law (law) or any other law (law) or decision, the entry of prohibited or violating goods or their exit or transit, and also prohibits the entry of restricted goods or their exit or transit except with the approval issued by the competent authorities in the state. Based on the above, the authority requests the committee to reject the submitted appeal and uphold the first instance decision in all its provisions. After reviewing the case file and the appeal submitted by the appellant and the response of the committee regarding it, the committee found that the case is ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what has been presented to form its conviction and to rule on it in light of the reasons on which the appeal was based.

Grounds:





After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws. The laboratory examination report confirms that the violation regarding the item in question exceeded the required limit in the paint by more than double, as the lead content in the paint sample was (1487 mg/kg). The report stated that the required limit for the paint is (MAX.90 gm/kg), indicating that the violation is technical and affects the quality of the product, causing harm to consumers and their financial resources, considering that the quantity present in the sample is above the legally permitted limit. Additionally, it is difficult to correct the type of violation found in the sample, which confirms the validity of attributing the smuggling offense to the company for handling the shipment, which was loaded with the violation reported by the laboratory. This conclusion is not undermined by what the representative of the appealing company mentions regarding the issuance of a report from the company (...). It includes that it certifies that the goods have been subjected to laboratory testing and have been found to comply with the technical regulations and standard specifications approved in the Kingdom of Saudi Arabia, considering that this report is not valid as it is issued by an unlicensed entity and does not indicate that the sample has obtained a certificate of conformity with specifications and standards, but rather the report itself included at the bottom what it stated: The issuance of this certificate does not exempt the contracting parties from their responsibilities and fulfilling their obligations ... However, the appellate committee noted that the committee issuing the decision had calculated the customs fine on the importer by applying paragraph (4) of Article (145) of the Unified Customs Law, which applies to prohibited goods. Since the imported goods are not prohibited in their nature and type, but their entry was banned due to non-compliance with certain required specifications, as confirmed by the importer's request to bring the shipment to the customs area for re-export, this committee decides to apply paragraph (2) of Article (145) of the Unified Customs Law, contrary to what was decided in the first instance ruling. Therefore, this committee concludes to calculate the amount of the customs fine at twice the customs duties as will be stated in the ruling. Accordingly, the appellate committee concluded to report the following:

Decision:

First: Acceptance of the appeal in form, from the applicant/ ..., commercial registration number (...), against the first instance Decision number (CFR-119210-2023) issued by the 1st First Instance Customs Committee in Riyadh.



Second: The appeal is rejected on the subject, and the first instance decision regarding the conviction for customs smuggling and the confiscation fee is upheld, with the customs fine imposed being modified to be twice the amount of the customs duties, making the total amount claimed by the importer an amount of (94,172) ninety-four thousand one hundred seventy-two riyals, for the reasons and considerations stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-190923
Case No. PC-2022-126574

Keywords:

Customs - Constraints - Bond Commitment - Motor - Non-compliance with specifications - Panels and protective grounding for devices - Conviction

Summary:

The importer's request to cancel the decision of the 1st First Instance Customs Committee No. (CFR-2022-2524), which convicted the importer of customs smuggling. Where it has been established to the appellate committee that the importer's violation of the commitment taken regarding the shipment and the failure to return it to customs after being notified thereof results in considering his action as constituting the crime of customs smuggling. This means; the affirmation of the first instance Decision in all that it ruled.

Document:

- Article (144) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by/ ..., national ID number (...), in his capacity as an agent for/ ..., national ID number (...), in his capacity as the manager of the company in ..., commercial registration number (...), under the agency number (...). dated 16/09/1442, issued by the notary public in North Riyadh, against the first instance Decision number (CFR-2022-2524), issued by the second First Instance Customs Committee in Riyadh, ruling as follows:

- 1- Condemnation of the importing company ... Commercial Register No. (...) In person with customs smuggling.
- 2-To impose a customs fine equivalent to the value of the violating item in the amount of (38,412) thirty-eight thousand four hundred and twelve riyals.



3-Obligating him to pay a fine as compensation for the confiscation of the violating item in the amount of (38,412) thirty-eight thousand four hundred riyals. The total amount is (76,824) seventy-six thousand eight hundred and twenty-four riyals.

Since the appellant was notified of the Decision subject to the appeal on 01/03/2023, and submitted the appeal on 26/03/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its execution according to what is stipulated in Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment consisting of a (motor) belonging to the importer through the customs of Jeddah Islamic Port under import declaration number (153743) dated 15/07/1434 AH, which was released based on a commitment not to dispose of it until it is approved by the competent authority. After presenting the sample to the laboratory, the response was received in report number (...). On the date of 30/07/1434 AH, which included non-compliance in terms of the characteristics of the panels and the protective grounding of the devices, the importer was notified through several letters, but he did not respond. The first instance committee issued its decision as stated in its wording, based on the fact that the importer's failure to review the customs or return the shipment to the customs area is understood as his action with the shipment that has not been permitted for clearance, which he committed not to act upon until the laboratory results appear. His action with the shipment that has not been finally cleared is considered customs smuggling according to Article (142) of the Unified Customs Law. Upon reviewing the objection list submitted by the attorney of the importing company, the appellate customs committee found that its summary mentioned that the claim of the committee regarding the absence of the defendant or their representative was incorrect, as the hearing was attended at the scheduled time and they waited until the hearing ended without discussing or calling the defendant. An email was also sent to notify the committee of the defendant's presence in the middle of the hearing, and the laboratory report number (...) On the date 09/06/2013, it was shown that the electric motor sample did not comply with the specifications in terms of the illustrative data and grounding symbol, which are procedural violations that do not affect the quality and safety of the product, making the criminal intent constituting the crime of customs smuggling as stipulated in Article (144) unavailable in this incident. Additionally, the letter from the esteemed Minister of Finance number (...) On the date 10/03/1437 AH, it was ruled that if the reason for not approving the clearance from the laboratory is not substantial, then the incident is considered a customs violation. Therefore, the decision of the first instance committee, which was based on the absence of the defendant or their representative, is incorrect and must be annulled, and the case should be returned to the committee for reconsideration. The appeal concluded with a request to annul the first instance decision and return the case to the first instance committee for it to be considered in accordance with the proper legal procedures. A response memo from the authority was received through the automated system of the secretariat dated 11/05/2023, which summarized that the claim made by the company's



representative that the violation is procedural is not valid. Paragraph (A) of Article One of the Anti-Commercial Fraud law defined the counterfeit product as follows: A - Any product that has undergone a change or has been tampered with in any way that has diminished its material or moral value, whether by addition, reduction, manufacturing, or otherwise, in its essence, nature, gender, type, shape, elements, characteristics, requirements, properties, source, or quantity, whether in weight, volume, size, number, energy, or grade. Based on the laboratory results indicating non-compliance, this leads to deception and fraud against consumers and affects their financial resources due to purchasing goods that do not meet specifications. Additionally, customs smuggling crimes are intentional crimes that require both the material and moral elements to be present, which are present in the case at hand. The memorandum concluded with a request to reject the appeal submitted by the company and to uphold the first instance decision in all its provisions. On Wednesday, 25/01/2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against decision number (CFR-2022-2524), issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based and the response of the authority.

Grounds:

Whereas there is no reproach against the appellate authority for adopting the reasons for the decision subject to appeal without addition whenever it sees that these reasons suffice to negate the need for any new arguments, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. This is not diminished by what the representative of the importing company presented by stating that the violation related to the shipment in question is of the kind of procedural violations that do not affect the quality and safety of the product, which makes the criminal intent constituting the crime of customs smuggling as stipulated in Article (144) unavailable in the incident subject to the lawsuit, as such a defense is rejected, considering that the importer is not authorized to determine the extent of the shipment's connection to a procedural or technical violation and that it is his duty to follow up on the approval of his shipment without positioning himself as a judge in deciding its handling without regard to its approval or not. His failure to fulfill that duty implies that he bears his responsibility and its consequences, especially after it was established through the laboratory report that the shipment did not pass the specific tests regarding the characteristics of the panels and the protective grounding of the devices. Consequently, the importer's violation of the commitment taken regarding the shipment and his failure to return it to customs after being notified of that results in considering his action as constituting the crime of customs smuggling, which means that the first instance decision has correctly applied the law in convicting the importer of customs smuggling. Since the reasons for the decision subject to appeal are sufficient to support its ruling, it is



necessary to state that the defenses presented do not affect the outcome of the decision, which makes the appeal unsupported and thus must be rejected. This is not affected by what the appellant claims regarding the circumstances of what he alleges about the inaccuracy of what the first instance decision contained regarding the narration of its facts in establishing the absence of the representative of the appealing company during the consideration of the case, considering that as an unfounded statement that contradicts what the first instance decision established regarding the absence of the defendant despite the confirmation of his legal notification in the hearing held on 24/03/1444 AH and the second hearing held on 23/04/1444 AH. Therefore, the appellate committee concluded to report the following:

Decision:

- 1- Acceptance of the appeal in form, from the applicant/ ..., commercial registration number (...), against the first instance Decision number (CFR-2022-2524) issued by the 1st First Instance Customs Committee in Riyadh.
- 2- In the subject, his rejection and the affirmation of the first instance Decision in all that it ruled, and that is for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-226483
Case No. PC-2023-226483

Keywords:

Customs - Constraints - Cheese Balls - Bond Commitment - Non-compliance with specifications - Presence of artificial colors - Conviction

Summary:

The importer's request to cancel the decision of the second First Instance Customs Committee No. (CSR-112037-2023), which convicted the importer of customs smuggling. And where it has been established to the appellate committee that the validity of the first instance decision is not affected by what the appellant raises regarding not being notified of the result of the analysis of the item in question after it has been established that he was notified of it by virtue of letter number ... On 23/12/1436 AH, a copy of it is attached in the case file. This means; to uphold the first instance decision in all that it ruled.

Document:

- [Zakat, Tax and Customs Committees Regulations issued by Royal Decree No. \(25711\) dated 08/04/1445 AH.](#)
- Article (163) [of the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal against the first instance Decision number (CSR-112037-2023) issued by the 1st First Instance Customs Committee in Riyadh, submitted by the owner of the institution(...), civil registration number (...).

As for the facts of this case, they are summarized by the arrival of a shipment (cheese balls) through the Islamic Port of Jeddah Customs under import declaration number (268676) dated 18/11/1436 AH corresponding to 02/09/2015 AD, which was allowed under a commitment not to dispose of it until the result of the competent authority appears, and upon examining the sample by the Food and Drug Authority, the response was received in report number (...) On 06/12/1436 AH corresponding to 19/09/2015 AD, which included non-compliance with specifications due to the presence of artificial colors, which is a



violation of the specification for puffed grains M.Q.H 284/2014 that prohibits the addition of artificial colors to puffed corn. The customs authority contacted the importer to return the shipment, but he did not respond. The first instance committee issued its decision to convict the importer of customs smuggling and impose the associated penalties as stated in the text and reasons for the decision subject to appeal, which is referred to in order to avoid repetition. Upon reviewing the statement of appeal submitted by the owner of the institution, the appellate customs committee found that it includes a summary stating that the shipment in question was re-exported from the same outlet from which it was imported, and that a letter was sent to the Director General of Jeddah Islamic Port Customs, accompanied by the export invoices after the Food and Drug Authority's rejection. The first instance committee also mentioned in its reasoning that the importer did not respond to customs, which is incorrect, as the customs prosecution did not provide evidence to support this claim and did not confirm the arrival of the alleged notification to the institution. It was confirmed that the institution did not act on the shipment but re-exported it through the outlet from which it came. The statement of appeal concluded with a request to accept the objection procedurally, overturn the first instance ruling, and apply the legal provisions regarding the case. Upon reviewing the response memorandum submitted by the authority, the appellate customs committee found that it includes a summary stating that after referring to the relevant administration, it was not proven that the commitment linked to the customs declaration in question was paid. This makes the smuggling crime fully applicable and established according to the law based on the act committed by the institution, as the importer violated the law by not responding to customs immediately after receiving the notification from the General Authority for Food and Drug Administration regarding the non-compliance of the goods and being addressed with several notifications to return the released shipment due to inaction. Furthermore, the appellant was addressed at the addresses registered by him with the authority through several notifications to return the shipment to the customs area. The response memorandum concluded with a request to reject the submitted appeal and uphold the first instance decision. After reviewing the case file and the appeal submitted by the appellant and the response of the committee regarding it, the committee found that the case is ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what has been presented to form its conviction and to rule on it in light of the reasons on which the appeal was based.

Grounds:

After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws. Since the appellant was notified of the first instance Decision on 25/10/2023, and submitted the appeal against the Decision on 16/10/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law. Since there is no reproach against the reviewing authority for taking the reasons of the



decision subject to appeal without addition whenever it sees that these reasons suffice to avoid presenting anything new, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained, and this result is not affected by what the appellant claims regarding the re-export of the violating item considering that he did not provide what proves that after the authority stated in its response memorandum that the commitment is still in place and has not been settled, which makes that claim a mere assertion that should be disregarded. Moreover, the validity of the first instance decision is not altered by what the appellant raises regarding not being notified of the result of the analysis of the item in question after it was proven that he was notified of that by virtue of letter number ... On 23/12/1436 AH, a copy of it is attached to the case file, and since the reasons for the decision subject to appeal are sufficient to support its ruling, it is necessary to state that the defenses presented do not affect the outcome of the decision, which makes the appeal without supporting evidence and must be rejected. Accordingly, the appellate customs committee concluded with the following report:

Decision:

First: Acceptance of the appeal in form, from (...) , commercial registration number (...) , owned by (...) , civil registration number (...) , against the first instance Decision number (CSR-112037-2023), issued by the 1st First Instance Customs Committee in Riyadh.

Second: The appeal is rejected on the merits, and the first instance decision is upheld in all that it ruled, for the reasons and considerations stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-225511
Case No. PC-2023-225511

Keywords:

Customs - Constraints - Bond Commitment - Men's Shoes - Non-compliance with specifications - Horizontal slip resistance - Conviction

Summary:

The importer's request to cancel the decision of the Third First Instance Customs Committee No. (CTR-2023-125278), which condemned the importer for customs smuggling. And where it was established for the appellate committee that it is unacceptable for the importer to act as a judge in determining the nature of the violation and whether it is procedural or substantive, as the qualification of the incident is within the core powers of the committee reviewing the case after it has been informed of its facts and circumstances. This means; the affirmation of the first instance Decision in all that it ruled.

Document:

- [Zakat, Tax and Customs Committees Regulations issued by Royal Decree No. \(25711\) dated 08/04/1445 AH.](#)
- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal against the first instance Decision number (CTR-2023-125278) issued by the Third First Instance Customs Committee in Riyadh, submitted by/..., National ID number (...), in his capacity as an agent for the owner of the establishment/..., National ID number (...), under the power of attorney number (...).

As for the facts of this case, they are summarized by the arrival of a shipment (men's shoes) through the Islamic Port of Jeddah customs under import declaration number (...). On the date 12/06/1436 AH, it was granted based on a commitment not to act until the result of the competent authority appears, and upon examining the sample, the report number (...) was received. The date 01/07/1436 AH includes non-compliance regarding horizontal slip resistance, and the importer was contacted by customs to return the



shipment, but he did not respond. The first instance committee issued its Decision to convict the importer of customs smuggling and impose the associated penalties as stated in the ruling and Grounds for the Decision subject to appeal, which is referred to in order to avoid repetition. Upon reviewing the statement of appeal submitted by the agent, the appellate customs committee found that it includes a summary stating that the case was filed by someone without standing, as the initiation of the case was on 24/11/1440 AH, which means that the jurisdiction lies with the Public Prosecution. Additionally, the case has expired due to pardon under Royal Order No. (61877) dated 27/10/1442 AH. Furthermore, the case documents lack a record of the incident, contrary to Article (129) of the Unified Customs law. The letter initiating the case also lacks the procedural and substantive legal requirements stipulated by the law, as it is devoid of the essential details for its validity. Moreover, the importer was not notified by customs about the return of the shipment to the customs area. The statement of appeal and the first instance Decision did not specify the exact amount to be paid by the importer, leading to ambiguity in the ruling and its invalidity. The incident represents a procedural violation rather than a technical one, and there is no suspicion of commercial fraud against the consumer. The list concluded with a request to accept the appeal in form, annul the first instance Decision, and erase all its effects. Upon reviewing the response memorandum submitted by the authority, the appellate customs committee found that it includes a summary indicating that the violation occurred on 12/06/1436 AH according to the date of the customs declaration, which means that the authority has the jurisdiction to file the lawsuit based on Royal Order No. (...) On 02/06/1440 AH, the judge transferred the jurisdiction of investigation and public prosecution in customs cases to the Public Prosecution within three months from that date, based on which a coordination report for the transfer of jurisdiction was prepared, dated 11/08/1440 AH, which stated in its thirteenth item that: The work of transferring jurisdiction over the crimes and rules stated in this report begins as of 02/09/1440 AH. As for the crimes that occurred before this date, they will be handled by the General Authority for Customs. All documents are attached to the case file with the secretariat, and the concerned party can request the documents from the secretariat. The institution has also been notified by letter number (...) On 28/11/1436 AH, the addresses registered with the authority indicate non-compliance of the shipment and that it should be returned according to the commitment signed by it; however, it did not respond, which indicates its handling of the shipment. The violation of the commitment by handling these items is considered customs smuggling according to Article (142) of the Unified Customs law. Based on the analysis results indicating non-compliance in terms of horizontal slip resistance, the violation is technical and involves deception of consumers, affecting their safety. As a result, the goods are considered prohibited under Article (2) of the Unified Customs law, which defines prohibited goods. The response memo concluded with a request to reject the submitted appeal and uphold the first instance Decision in all its provisions. After reviewing the case file and the appeal submitted by the appellant and the response of the committee regarding it, the committee found that the case is ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what has been presented to form its conviction and to rule on it in light of the reasons on which the appeal was based.



Grounds:



After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws. Since the appellant was notified of the first instance Decision on 02/10/2023, and submitted the appeal against the Decision on 24/10/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law. Whereas there is no reproach against the authority reviewing the appeal for taking the reasons of the decision subject to the appeal without addition whenever it sees that these reasons suffice to avoid presenting anything new, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. This is not affected by what the appellant mentions regarding the lack of jurisdiction of the General Authority of Customs to file the lawsuit, claiming that the jurisdiction of the public prosecution in the raised case is vested in the Public Prosecution. This is because, considering the arrangements for enforcing the jurisdiction of the public prosecution in customs crimes under the royal decree issued on 02/06/1440 AH for the Public Prosecution, it has been established that the jurisdiction of the prosecution is linked to the incidents that occurred after the issuance of the coordination report for transferring the jurisdiction related to the prosecution regarding the crimes stipulated in the Customs Law, which was prepared between the Public Prosecution and the General Authority of Customs, indicating that the incidents related to smuggling crimes after the date of 02/09/1440 AH are the only ones concerned with the jurisdiction of the Public Prosecution to prosecute them, while those before it fall under the jurisdiction of the General Authority of Zakat, Tax, and Customs. Therefore, the arguments presented in this regard against the decision are based on an incorrect basis. Moreover, what is mentioned about the inclusion of the lawsuit in the royal pardon issued in 1442 AH is refuted, as the royal pardon is related to the status of the penalty described in the penal description, represented in imprisonment, and not to penalties of a financial tax nature. Additionally, what is mentioned about the absence of a seizure report regarding the incident, claiming that this leads to a defect in the procedures of the lawsuit, is incorrect, considering that the seizure report is required to be prepared upon discovering the violation or smuggling crime when preparing the import declaration and submitting it to complete the shipment procedures. Such a defense does not negate the established fact of the importer's action regarding the shipment by not returning the violating items after being notified by customs that their clearance was not approved. It would have been more appropriate for the institution to review customs and communicate with it to verify the laboratory result before acting on it. Furthermore, it is unacceptable for the importer to act as a judge in determining the nature of the violation and whether it is procedural or substantive, as the qualification of the incident is within the jurisdiction of the committee reviewing the case after it has been informed of its facts and circumstances. Since the reasons for the



decision subject to the appeal are sufficient to support its ruling, it is necessary to state that the defenses presented do not affect the outcome of the decision, which makes the appeal unsupported and necessitates its rejection. Accordingly, the customs appellate committee concluded to report the following:

Decision:

First: Acceptance of the appeal in form, from its presenter (...), commercial registration number (...), owned by (...), national ID number (...), against the first instance Decision number (CTR-2023-125278) issued by the 1st First Instance Customs Committee in Riyadh.

Second: The appeal is rejected on the merits, and the first instance Decision is upheld in all that it ruled, for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-228159
Case No. PC-2023-228159

Keywords:

Customs - Constraints - Bond Commitment - Non-compliance with specifications - Presence of the pesticide chlorpyrifos - Conviction

Summary:

The importer's request to cancel the decision of the 1st First Instance Customs Committee No. (CFR-2023-105278), which convicted the importer of customs smuggling. Where it has been established to the appellate committee that the reasons for the decision subject to appeal are sufficient to support its ruling, it is necessary to state that the defenses presented do not affect the outcome of the decision. This means; to uphold the first instance decision in all that it ruled.

Document:

- [Regulations for the operation of Zakat, tax, and customs committees issued by Royal Order No. \(25711\) dated 08/04/1445 AH.](#)
- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal against the first instance Decision number (CFR-2023-105278) issued by the 1st First Instance Customs Committee in Riyadh, submitted by/ ..., ID number (...).

As for the facts of this case, they are summarized by the arrival of a shipment (electric heater) through the customs of Jeddah Islamic Port under import declaration number (...). On the date 30/10/1435 AH, it was granted under a commitment not to act until the result of the competent authority appears, and after examining the sample by the Food and Drug Authority, the response was received in report number (...) On 21/11/1435 AH, it was noted that there was a non-compliance regarding the presence of the pesticide chlorpyrifos at a level of (6.484) mg/kg, which is higher than the standard (0.05) mg/kg and is a violation of the European specification. The importer was notified of the result by the customs, but he did not respond.



The first instance committee issued its decision to convict the importer of customs smuggling and to impose the associated penalties, as stated in the text and reasons for the decision subject to appeal, which is referred to in order to avoid repetition. Upon reviewing the appeal committee's objection list, it became clear that it included a summary stating that the documents submitted by the plaintiff did not include a record of the violation, nor did they clarify the type of the violating item, its value, and the nature of the violation. Additionally, there was no notification regarding the sampling date or the date of the hearings held to consider the case. The result of the analysis is the basis for the case, and the authority violated the regulations by not allowing the plaintiff to contest the result. It concluded with a request for a ruling of acquittal for the importer from the crime attributed to them. Upon reviewing the response memorandum submitted by appellee, the customs appellate committee found that it included a summary stating that the appeal was submitted by someone without standing, and that the law granted the authority the right to analyze imported products at the competent authority (before they are finally cleared), as stipulated in Article (7) of the Food and Drug Law which states that: The importation of food is not allowed except after the approval of the authority in accordance with the conditions, requirements, and procedures specified by the regulations. The authority cases regulations governing the procedures for granting permission to import food into the Kingdom. Since the imported food product affects the health and safety of the consumer, the sample was examined by the competent authority (the General Authority for Food and Drug) and the result was that the sample did not meet the specifications according to the report. The company appealing was notified at the addresses registered with the authority about the non-compliance and that it must return the shipment according to the commitment signed by it. The release of the shipment based on its commitment ensures that it will not be disposed of, and violating the commitment not to dispose of it is considered customs smuggling according to Article (142) of the Unified Customs Law. It concluded with a request to reject the appeal in form for being submitted by someone without standing, and in the alternative, to reject the appeal and uphold the first instance decision in all its provisions. After reviewing the case file and the appeal submitted by the appellant and the response of the committee regarding it, the committee found that the case is ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what has been presented to form its conviction and to rule on it in light of the reasons on which the appeal was based.

Grounds:

After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws. Since the appellant was notified of the first instance Decision on 23/11/2023, and submitted the appeal on 21/12/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law. Since there is



no reproach against the reviewing authority for taking the reasons of the decision subject to appeal without adding anything whenever it sees in these reasons what suffices to avoid presenting anything new, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained, and this is not affected by what the appealing company mentioned in its appeal regarding not being notified by the authority of the sampling date, thus violating the law, as it is according to the principles extracted from the decisions of the appeal committees that: "The importer's inability to obtain the results in a timely manner does not affect the outcome of the inspection, as the importer is supposed to communicate with customs to know the fate of the results; otherwise, he bears the responsibility for acting contrary to what he has committed to." Since the reasons for the decision under appeal are sufficient to support its ruling, it is necessary to state that the defenses presented do not affect the outcome of the decision, which makes the appeal unsupported and thus must be rejected. Accordingly, the committee concluded to report the following:

Decision:

First: Acceptance of the appeal in form, from the applicant/ ..., commercial registration number (...), against the first instance Decision number (CFR-2023-105278) issued by the 1st First Instance Customs Committee in Riyadh.

Second: He rejected it as a subject and upheld the first instance decision in all that it ruled, and that is for the reasons and grounds stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-226185

Case No. PC-2023-226185

Keywords:

Customs - Constraints - Bond Commitment - Mango Pulp - Non-compliance with specifications - Natural Concerns - Conviction

Summary:

The importer's request to cancel the decision of the Third First Instance Customs Committee No. (CTR-2023-123082), which convicted the importer of customs smuggling. Where it has been established to the appellate committee that the reasons for the decision subject to appeal are sufficient to support its ruling, it is necessary to state that the defenses presented do not affect the outcome of the decision. This means; to uphold the first instance decision in what it ruled and to amend the imposed customs fine.

Document:

- [Zakat, Tax and Customs Committees Regulations issued by Royal Decree No. \(25711\) dated 08/04/1445 AH.](#)
- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal against the first instance Decision number (CTR-2023-123082) issued by the third First Instance Customs Committee in Riyadh, submitted by the agent (...), civil registration number (...), under agency number (...).

As for the facts of this case, they are summarized by the arrival of a shipment (electric heater) through the customs of Jeddah Islamic Port under import declaration number (...). On the date 13/10/1429 AH, I was granted permission based on a commitment not to act until the results of the examination by the competent authority appeared, and upon examining the sample by the laboratory, the report number (...) was received. On 14/11/1429 AH, which included non-compliance in terms of the specified frequency, the importer was



notified of the result by the customs, but he did not respond. The first instance committee issued its decision to convict the importer of customs smuggling and impose the associated penalties, as stated in the text and reasons for the decision subject to appeal, which is referred to in order to avoid repetition.

Upon reviewing the objection list submitted, the appellate customs committee found that it included a summary stating that the item in question is a raw material and not a final product sold to consumers, that it complies with specifications and has been laboratory approved, and that the committee mentioned the phrase "it affects the quality and safety of the product" without providing evidence for that. Additionally, the importing company is one of the largest juice manufacturers in the Kingdom, and the criminal intent constituting the crime of customs smuggling is absent in the case at hand, and what the importing company did does not rise to the level of conviction for customs smuggling but rather constitutes a violation of customs procedures. It concluded with a request to overturn the first instance decision and to declare the company not guilty of the charges against it. Upon reviewing the response memorandum submitted by the appellant against the customs committee, it became clear that it included a summary stating that the importer is obligated to provide a product of high quality that meets the requirements for achieving the highest specifications and standards in its properties. Additionally, based on the bond commitment taken from the company, it was necessary for them to review the customs to ensure the safety of their imports. Furthermore, the shipment is considered to be materials that have a direct connection with the consumer as it affects their health, and the importer's handling of the shipment contrary to the commitment is considered customs smuggling under what is stipulated in Article (142) of the Unified Customs Law. It concluded with a request to reject the appeal and uphold the first instance decision in all its provisions. Upon reviewing the appellant's comments on the response memorandum submitted by the appellee, the customs appellate committee found that it included a summary that repeated what was presented in the appeal statement, concluding with a request to overturn the first instance decision and a report of the company's non-conviction regarding the charges against it. After reviewing the case file and the appeal submitted by the appellant and the response of the committee regarding it, the committee found that the case is ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what has been presented to form its conviction and to rule on it in light of the reasons on which the appeal was based.

Grounds:

After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws. Since the appellant was notified of the first instance Decision on 16/10/2023, and submitted the appeal against the Decision on 09/11/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame established by Article (163) of the Unified



Customs law. Since there is no reproach against the reviewing authority for taking the reasons of the decision subject to appeal without adding anything whenever it sees that these reasons are sufficient to dispense with any new arguments, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained, and this is not affected by the defenses presented by the appellant that do not impact the outcome reached by the decision subject to appeal. Since the reasons for the decision subject to appeal are sufficient to support its ruling, it is necessary to state that the defenses presented do not affect the outcome of the decision, which makes the appeal unsupported and necessitates its rejection. Since the matter is as stated, this committee concludes to uphold the first instance decision regarding the conviction for customs smuggling and the penalty of confiscation, while amending the amount of the imposed customs fine to be (10%) of the value of the shipment as will be stated in the ruling. Accordingly, the committee concluded to report the following:

Decision:

First: Acceptance of the appeal in form, from the applicant/ ..., commercial registration number (...), against the first instance Decision number (CTR-2023-123082) issued by the 1st First Instance Customs Committee in Riyadh.

Second: He rejected it as a subject and upheld the first instance decision regarding the conviction for customs smuggling and the penalty for confiscation, while amending the customs fine imposed to be (10%) of the value of the shipment, amounting to (23,861) twenty-three thousand eight hundred and sixty-one riyals, for the reasons and considerations stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-220539
Case No. PC-2023-220539

Keywords:

Customs - Constraints - Bond commitment - Foodstuffs - Non-compliance with specifications - Failure to write the warning regarding artificial colors - No conviction

Summary:

The request of the Zakat, Tax and Customs Authority to cancel the decision of the 1st First Instance Customs Committee No. (CFR-2023-104369), which ruled not to convict the importer of customs smuggling while obliging him to pay a customs fine. And where it was established for the appellate committee that the non-compliance referred to in the laboratory result is related to the failure to write the warnings, which the customs judiciary has settled and what was concluded in the letter of the General Administration of Customs Affairs 1443 AH, considering it as procedural violations. This means; the affirmation of the first instance Decision in all that it ruled.

Document:

- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by the Zakat, Tax and Customs Authority, against the first instance Decision No. (CFR-2023-104369) issued by the 1st First Instance Customs Committee in Riyadh.

As for the facts of this case, they are summarized by the arrival of a shipment (electric heater) through the customs of Jeddah Islamic Port under import declaration number (...). On the date 04/11/1438 AH, it was granted based on a commitment not to act until the result of the competent authority appears, and upon examining the sample, the report number (...) was received. On 28/12/1438 AH, it was noted that there was a non-compliance regarding the failure to write the warning about artificial colors. The importer was addressed by customs, but he did not respond. The first instance committee issued its decision not to convict the importer of customs smuggling, while obliging him to pay a fine of one thousand riyals, as stated in the text and reasons for the decision subject to appeal, which is referred to in order to avoid repetition. Upon



reviewing the statement of appeal submitted, the customs appellate committee found that it includes a summary indicating that the violation pertains to items (food products) and consists of (failure to write the warning regarding artificial colors). Artificial colors are considered a significant factor affecting consumer health and safety; thus, the violation is deemed technical. Furthermore, the shipment consists of prohibited goods according to Article (24) of the Unified Customs Law, and the handling of the released shipment under a guarantee is considered a violation of Article (56), as it constitutes a customs smuggling crime under Article (142) of the Unified Customs Law. Therefore, the authority requests the conviction of the institution for customs smuggling and obliges it to pay a customs fine equivalent to three times the value of the goods and to pay an amount equivalent to the value of the goods as a confiscation substitute. And I request the response from the appellee on 04/10/2023 and enabling her to exercise her right to respond for a period of (45) days without submitting the required answer, and based on paragraph (1) of Article (35) of the rules of operation of the Zakat, Tax, and Customs Committees, the committee decided to rule on the case in light of the documents available to it. After reviewing the case file and the appeal submitted by the authority, the committee found that the case is ready for a Decision in its current state after being informed of the facts of the case and the sufficiency of what has been presented to form its conviction and rule on it in light of the Grounds on which the appeal was based.

Grounds:

After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws. Since the appellant was notified of the first instance Decision on 06/09/2023, and submitted the appeal on 03/10/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law. Since there is no reproach against the reviewing authority for taking the reasons of the decision subject to the appeal without adding anything whenever it sees that these reasons are sufficient to negate the need for any new arguments, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. Moreover, the appellant's claim that the goods are considered prohibited goods does not affect this, as the non-compliance mentioned in the laboratory result is related to the lack of warnings, which has been established by customs jurisprudence and the conclusion of the General Administration of Customs Affairs letter of 1443 AH, considering it a procedural violation. Since the reasons for the decision subject to the appeal are sufficient to support its ruling, it is necessary to state that the defenses presented do not affect the outcome of the decision, which makes the appeal unsupported and necessitates its rejection. Accordingly, the appellate committee concluded the following:



Decision:

First: Acceptance of the appeal in form, from the appellant / Zakat, Tax and Customs Authority, against the first instance Decision No. (CFR-2023-104369) issued by the 1st First Instance Customs Committee in Riyadh.

Second: The appeal is rejected on the merits, and the first instance Decision is upheld in all that it ruled, for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-171050
Case No. PC-2023-171050

Keywords:

Constraints - Bond commitment - Batteries - Non-compliance with specifications - Verification of rated capacity test - No conviction

Summary:

The importer is requesting the cancellation of the decision of the 1st First Instance Customs Committee No. (CFR-2022-607), which convicted the importer of customs smuggling and obligated him to pay a fine equivalent to the value of the contraband item and to compensate for the value of the contraband item as a confiscation substitute. Where it was established for the appellate committee that the violation in question relates to verifying the specified capacity, and the committee did not consider this observation, which was included in the laboratory report, as one of the substantial observations that affect the safety and quality of the product or deceive the consumer regarding its reality and material, especially since the sample has passed other testing fields. This means; the annulment of the first instance decision in all that it ruled against the appellant.

- Article (31/6) [of the executive regulations of the customs law issued by Ministerial Decision No. \(2748\) dated 25/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by/..., national ID number (...), in his capacity as the director - under the articles of incorporation and commercial registration - of the company ..., commercial registration number (...), against the first instance Decision number (CFR-2022-607), issued by the 1st First Instance Customs Committee in Riyadh, which ruled as follows:

- 1- Condemnation of the importer (Company ...), Commercial Registration Number (...). In person with customs smuggling.
- 2- He is obliged to pay a customs fine equivalent to the value of the violating item, amounting to (110,688) one hundred ten thousand six hundred eighty-eight riyals.



- 3- Obliging him to pay an amount equivalent to the value of the violating item as a confiscation fee of (110,688) one hundred ten thousand six hundred eighty-eight riyals, making the total amount claimed (221,376) two hundred twenty-one thousand three hundred seventy-six riyals.

Since the appellant was notified of the Decision subject to the appeal on 25/12/2022, and submitted the appeal on 23/01/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law.

The facts of the case are summarized by the arrival of a shipment of (batteries) belonging to the importing company through the customs of Jeddah Islamic Port, under import declaration number (...). On 27/03/1437 AH, it was released under a commitment not to act until it is approved by the competent authority, and a sample was presented to the laboratory, and the response was received in report number (...) On 30/01/2016, which included non-compliance regarding the verification test of the specified capacity, the First Instance Committee issued its Decision as stated in its ruling based on the importer's attempt to introduce goods that do not comply with Saudi specifications and standards, and his violation of the commitment taken regarding his handling of the shipment, which was loaded in violation of the laboratory report, which constitutes customs smuggling according to Article (142) of the Unified Customs law, and arranged for the application of penalties against the importer as stated in its Decision.

Upon reviewing the appeal committee's report, it was noted that the summary mentioned that the company had not received any text messages regarding the registration of the case, the dates of the sessions, or the electronic links to attend the sessions, claiming that communication with the company was made to a number that does not belong to it but rather to another person. On the merits matter, the imported goods consist of battery chargers, totaling (55) chargers, of which 54 were received, and the customs department retained one charger for the purpose of presenting it to the technical laboratories at the Saudi Standards, Metrology and Quality Organization. These chargers have been received and stored at the location of (Company ... factory). The incident in the city of Riyadh, however, on 03/10/1438 AH, a fire broke out at (Company ... factory) The fire spread to include eight factories, including the factory of the appellant company, resulting in almost total damage and destruction of all its contents, including the chargers subject to this case. This is confirmed by the letter from the Civil Defense Directorate in the Riyadh region and the report from the legal accountant regarding the fire, in addition to photos of the fire on the ground, all of which are attached to the appeal request. The statement added that a claim for compensation for the losses was filed against the factory of Company ... The cause of the fire was recorded in a lawsuit at the General Court in Riyadh, and thus the company has been subjected to a force majeure that prevented it from preserving the goods, which is a reason for exempting it from liability. The statement concluded with a request to annul the first instance Decision and to rule that the company is not guilty and to cancel the customs fine and the confiscation fee imposed.



A response memo from the authority was received via the Automated System of the Secretariat dated 09/03/2023, which summarized that communication with the importer is done through the addresses registered with the authority, and that any error in them is their responsibility since they provided them to the authority and are responsible for their accuracy. The notification from the Secretariat is done automatically according to Article Nine of the rules of operation of the customs Committees and other related regulations and instructions, thus the claims made by the appellant are incorrect. The shipment was dated 27/03/1437 AH, and the fire occurred on 03/10/1438 AH, which is more than a year later. During this period, the company did not comply with the commitment taken upon it and did not respond to the customs letter, which means its handling of the shipment constitutes customs smuggling according to Article (142) of the unified customs law. Additionally, the civil defense report and the legal accountant did not refer to the contents of the burned warehouse, and there is no evidence that the shipment in question was inside the warehouse at the time of the fire. The memo concluded by rejecting the appeal submitted and upholding the first instance Decision in all that it ruled.

On Monday, February 19, 2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted against Decision No. (CFR-2022-607), issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, and the response from the authority, the committee found that the case was ready for a Decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the Grounds on which the appeal was based.

Grounds:



Whereas, upon reviewing the statement of appeal submitted by the importer, the appellate committee notes the claims regarding the incorrect notification of the lawsuit, as it is mentioned that the mobile number provided for notification does not belong to the importing company, this is rejected. This is based on the attached documents which show that the company submitted a request to amend its contact information after the date of the session held before the First Instance Committee to consider the lawsuit. As for the claims regarding the fire occurring in a warehouse adjacent to theirs and the damage to the company's warehouse and its contents, including the shipment in question, which resulted in total damage to the shipment subject to the lawsuit, this cannot be relied upon, whether it leads to the appellant being charged with customs smuggling or any other violation that may be attributed to them regarding their dealings with the shipment in question, given that the report regarding the fire included in the lawsuit file and referenced in the submitted appeal does not prove its connection to the shipment in question. It is established in litigation rules that the authority reviewing the case has broad discretion in assessing the facts and giving them the appropriate description based on its conviction and the state of the evidence and inferences drawn from it, relying on them and using them as a basis for its ruling, as long as the documents related to it in the lawsuit file do not contradict what has been inferred and established in its conviction and belief to resolve



the dispute, and that its inference is sound, reasonable, and leads to the conclusion it reached. According to the report on the sample examination, the violation in question relates to verifying the specified capacity, and the appellate committee did not find this observation in the laboratory report to be among the substantial observations affecting the safety and quality of the product or misleading the consumer regarding its reality and material, especially since the sample passed other testing fields. This means that the importer's action regarding the item in question, which is burdened with such an observation, constitutes a consideration of it as a procedural observation that does not elevate, in the case of dealing with the shipment, to classify the importer's action with the shipment as customs smuggling. Therefore, it is decided to annul the first instance decision in all that was ruled against the appealing company. It is established that the importing company violated the commitment taken upon it and dealt with the shipment without notifying customs as previously verified. Therefore, the company's action is considered a violation governed by Article (31/6) of the executive regulations of the customs law, and a financial penalty of (1000) one thousand riyals is imposed, in accordance with what that article stipulates. When the appellate committee examined the lawsuit file and the laboratory report issued regarding the shipment in question, it became clear that there was no evidence of the severity of the violation related to the laboratory's observation regarding the specification (specified capacity), as the observation indicated that the specified capacity according to the specification for the incoming item is (225 amperes). The hour) and that the sample test showed the specification at the specified capacity (214.6 amperes. The time) and since this discrepancy is slight between the required specification and what was reported by the laboratory in light of the sample passing other test fields and the report not disclosing a prohibition on clearance and only stating that the sample is non-compliant, especially since the claiming party did not clarify the extent of the impact of this slight difference on the necessity of preventing the shipment from entering the country, the committee concluded to report the following:

Decision:

Acceptance of the appeal in form, submitted by / Institution ..., Commercial Registration No. (...), against the first instance Decision No. (CFR-2022-607) issued by the 1st First Instance Customs Committee in Riyadh.

2- In the matter of its acceptance, and the annulment of the first instance Decision in all that it ruled against the appellant, and that for the Grounds and considerations stated in this Decision.

3-Considering the importer's action regarding the violating shipment as constituting a customs violation amounting to (1,000) one thousand riyals, for the reasons and circumstances stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-181124
Case No. PC-2023-181124

Keywords:

Constraints - Bond Commitment - Water Technology Systems - Non-compliance with specifications - High temperature and operation - No conviction

Summary:

The importer's request to cancel the decision of the 1st First Instance Customs Committee No. (CFR-2022-2436), which convicted the importer of customs smuggling and imposed a fine equivalent to the value of the contraband item and required him to pay an amount equivalent to the value of the contraband item as a confiscation substitute. And where it was established for the appellate committee that the commitment registration fee had been paid, and it was found that there was a document issued by the King Abdulaziz Port Customs that includes a notice to the importer that (the shipment has been cleared and can be disposed of). And since what has been achieved from the above is that the conviction is based on an incorrect basis. This means that the first instance decision is overturned in all that it ruled, and the dispute between the importer and customs is considered resolved.

Document:

- [The Unified Customs Law for the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by (...), national ID number (...), in his capacity as the owner of the institution (...), commercial registration number (...), against the first instance Decision number (CFR-2022-2436), issued by the 1st First Instance Customs Committee in Riyadh, which ruled as follows:

1-Condemnation of the importer institution ..., commercial registration number (...). In person with customs smuggling.



2-Obligating him to a customs fine equivalent to the value of the violating item, an amount of (58,126) fifty-eight, one hundred twenty six riyals.

3- Obliging him to pay an amount equivalent to the value of the violating item as a confiscation fee amounting to (58,126) fifty-eight, one hundred twenty six riyals, making the total amount claimed (116,252) one hundred sixteen thousand, two hundred fifty two riyals.

Since the appellant was notified of the Decision subject to the appeal on 14/02/2023, and submitted the appeal against the Decision on 28/02/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its conduct according to what is stipulated in Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment consisting of (water technology laws) belonging to the importer through the King Abdulaziz Port customs under import declaration number (145646) dated 05/10/1439 AH, which was released based on a commitment not to dispose of it until it is approved by the competent authority. After presenting the sample to the laboratory, the response was received in report number (D-17-00619) dated 15/01/1435 AH, which indicated non-compliance in terms of high temperature and operation under abnormal conditions. The importer was contacted, but he did not respond. The first instance committee issued its decision as stated in its ruling, based on the fact that the importer did not return the unapproved shipment to the customs area, which he committed to the customs not to dispose of until it is approved by the competent authority, which constitutes a violation of Article (56) of the Unified Customs Law, and is also considered customs smuggling according to Article (142) of the same law.

Upon reviewing the objection list submitted by the owner of the importing institution, the customs appellate committee found that its summary mentioned that the reasons for the contested decision regarding the failure of the importer to review with customs or return the shipment to the customs area during the past period were incorrect. This is because the email received by the institution from customs indicated that the commitment was settled on 27/04/1444 AH, which shows that the institution reviewed customs during the past period and followed up on the procedures for clearing the shipment in question. Furthermore, the shipment was approved and cleared based on the notice issued by the samples department of the customs administration, which stated that the status of the shipment in the customs systems was settled and cleared, and the importer could dispose of it. Additionally, the status of the declaration on the clearance platform indicates that the shipment is cleared and completed. The email received from the Saudi Standards, Metrology and Quality Organization also stated that a letter was sent to the customs authority containing the results of the tests and the status of the product. Moreover, the crime of customs smuggling must have all its elements present in the perpetrator; otherwise, it is considered invalid. Based on the reasoning and evidence of the contested decision, all elements of the crime were not present in the importer, as evidenced by the fact that the shipment is cleared. The list concluded with a



request to overturn the first instance decision issued by the 1st First Instance Customs Committee. A response memo was received through the automated system of the secretariat from the authority dated 09/05/2023, which summarized that the concerned party stated that the commitment not to act has been fulfilled and attached proof of payment. After inquiring with the customs, a response was received indicating that the commitment has been settled and completed.

On Thursday, 18/04/2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against decision number (CFR-2022-2436), issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based and the response of the authority.

Grounds:



Where the first instance ruling established its judgment by convicting the importer of customs smuggling based on the fact that the importer acted in violation of the commitment taken from him, which constitutes customs smuggling. It was established after the investigation of the appellate committee regarding the appellant's claim that the commitment had been paid. After examining the attachments of the case file, the appellate committee found a document issued by the King Abdulaziz Port Customs, which includes a notice to the importer that (the shipment has been cleared and can be disposed of) and that the customs confirmed the issuance of this document in its response memorandum, considering that the commitment issued regarding the import declaration in the case has been settled. Since it has been established from the above that the conviction is based on an incorrect foundation after confirming the payment of the commitment taken on the shipment in question, and since the matter is as mentioned, it is determined that the dispute between customs and the importer regarding the shipment in the case has ended. Accordingly, the appellate committee concluded to report the following:

Decision:

- 1- Acceptance of the appeal in form from the applicant/ institution ... Commercial, commercial registration number (...), owned by / ..., national ID number (...), against the first instance Decision number (CFR-2022-2436), issued by the second First Instance Customs Committee in Riyadh.
- 2- In the matter of its acceptance, and the annulment of the first instance Decision in all that it ruled, and considering the dispute between the importer and the authority regarding the shipment subject to the lawsuit as concluded, for the Grounds and justifications stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-204916
Case No. PC-2023-204916

Keywords:

Constraints - Bond commitment - Basil seed drink - Non-compliance with specifications - Presence of unauthorized colors - No conviction

Summary:

The importer's request to cancel the decision of the Third First Instance Customs Committee in Riyadh No. (CTR-2023-104889), which convicted the importer of customs smuggling and obligated him to pay a fine equivalent to the value of the violating item and to compensate for the value of the violating item as a confiscation substitute. And since the appellate committee has established the conformity of the shipment and the fulfillment of the related bond commitment, it has concluded that this entails the collapse of the basis on which the importer was convicted of customs smuggling. This means; to annul the first instance decision in all that it ruled.

Document:

- [The Unified Customs Law for the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by/ ..., national ID number (...), in his capacity as an agent for/ ..., national ID number (...). As the owner of the institution ..., commercial registration number (...), under agency number (...). On 23/05/1444 AH, issued by the electronic services of the Ministry of Justice, against the first instance Decision No. (CTR-2023-104889), issued by the second First Instance Customs Committee in Riyadh, ruling as follows:

- 1- Condemnation/ Institution ..., Commercial Registration Number (...) In person with customs smuggling.
- 2-Obligating it to a fine equivalent to the value of the violating item, an amount of (24,618) twenty-four thousand six hundred eighteen riyals, in accordance with Article (145/4) of the Unified Customs Law.



3-Obligating it to pay the value of the violating item as a confiscation fee, an amount of (24,618) twenty-four thousand six hundred eighteen riyals, making the total amount (49,236) forty-nine thousand two hundred thirty-six riyals, according to Article (145/5) of the same law.

Since the appellant was notified of the Decision subject to the appeal on 11/06/2023, and submitted the appeal on 15/06/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established by Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment consisting of (basil seed drink) belonging to the importer through the customs of Jeddah Islamic Port under import declaration number (314110) dated 07/01/1437 AH, which was released based on a commitment not to dispose of it until it is approved by the competent authority. After examining the sample by the Food and Drug Authority, a response was received in letter number (201511292343304) dated 17/02/1437 AH, stating non-compliance due to the presence of unauthorized colors according to color specifications. The importer was notified of the result through several letters, but he did not respond. The first instance committee issued its decision as stated in its ruling, based on the fact that the violation is substantial, affecting the quality of the product and the safety of the consumer, and involves commercial fraud as stated in the laboratory report. The importer did not provide evidence of re-export as he claims, and his act of disposing of the shipment in violation of the registered bond commitment constitutes customs smuggling according to Article (142) of the Unified Customs Law, and penalties were imposed on the importer as stated in the ruling.

Upon reviewing the objection list submitted by the attorney on behalf of the owner of the importing institution, the customs appeals committee found that its summary mentioned that a re-export declaration for the violating item (basil seeds flavored with pomegranate) was attached, which was the basis for the contested decision, and which the first instance committee did not find in the previous defenses. Additionally, the institution was not notified of the decision either by text messages or email, and it could not file a request for reconsideration due to the presence of a stamp on the decision as per the attached image. The list concluded with a request for reconsideration due to the existence of the document that exempts the institution from this violation.

A response memo from the authority was received through the automated system of the secretariat dated 23/10/2023, summarizing that after referring to the relevant department, it was confirmed that the importer's claim of re-exporting the shipment is valid, and the commitment has been settled and completed.

On Wednesday, 21/02/2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against decision number (CTR-2023-104889), issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in its current state after being



informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based and the response of the authority.

Grounds:



Whereas the appellate committee, upon reviewing the contents of the case file and its attachments, found that the re-export statement No. (96070) dated 18/03/1437 AH pertains to the shipment subject to the case according to the authority's statement in this regard, which was confirmed in its response to the appeal submitted by the importer, and whereas the first instance decision concluded with a conviction based on the importer's actions regarding the violating shipment, and since it was established that the shipment complies and the related bond commitment has been fulfilled, the appellate committee concluded that this undermines the basis on which the importer was convicted of customs smuggling. Therefore, it is decided that the dispute regarding the shipment is considered resolved with the authority's acknowledgment of the re-export of the shipment and the fulfillment of the commitment taken on the importing entity. Accordingly, the appellate committee concluded to report the following:

Decision:

- 1- Acceptance of the appeal in form from the applicant/ institution ..., commercial registration number (...), owned by/ ..., national ID number (...), against the first instance Decision number (CTR-2023-104889), issued by the 1st First Instance Customs Committee in Riyadh.
- 2- In the matter of its acceptance, and the annulment of the first instance decision in all that it ruled regarding the appealing institution and the confirmation of the end of the dispute between the two parties concerning the shipment in question, for the reasons and considerations stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-190799
Case No. PC-2023-190799

Keywords:

Constraints - bond commitment - Alcohol swab - Non-compliance with specifications - Medical device regulation requirements - No conviction

Summary:

The importer is requesting the cancellation of the decision of the Third First Instance Customs Committee No. (CFR-2022-2430), which convicted the importer of customs smuggling and imposed a fine equivalent to the value of the contraband item and required him to pay an amount equivalent to the value of the contraband item as a confiscation substitute. Where it has been established to the appellate committee that the intended non-compliance refers to a technical observation that can be relied upon to confirm the validity of attributing the crime of customs smuggling to the importer concerning the item in question, which means that the behavior of the importer does not rise to the level of a customs smuggling crime. This means; the annulment of the first instance decision in all that it ruled, and considering the actions of the importing company as a violation governed by Article (31/6) of the executive regulations of the customs law.

Document:

- Article 142 of The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 (03/11/1423 AH).
- Article (31/6) of the executive regulations of the customs law issued by Ministerial Decision No. (2748) dated 25/11/1423 AH.

Facts:

This is to consider the appeal submitted by/ ..., national ID number (...), in his capacity as an agent for/ Company ..., commercial registration number (...), under agency number (...) dated 01/02/1444 AH, against the first instance Decision number (CFR-2022-2430), issued by the 1st First Instance Customs Committee in Riyadh, which ruled as follows:



1-Condemnation of the importer/ branch of the company ..., commercial registration number (...), in person for customs smuggling.

2- Obliging him to pay a customs fine equivalent to the value of the violating item in the amount of (499,845) four hundred ninety-nine thousand eight hundred and forty-five riyals.

3- Obliging him to pay an amount equivalent to the value of the violating item as a confiscation fee of (499,845) four hundred ninety-nine thousand eight hundred forty-five riyals, making the total amount claimed (999,690) nine hundred ninety-nine thousand six hundred ninety riyals.

Since the appellant was notified of the decision subject to the appeal on 22/02/2023, and submitted the appeal on 22/03/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the prescribed period for its execution as stipulated in Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment consisting of (an alcohol swab) belonging to the company through the Riyadh customs – the dry port under import declaration number (...) dated 28/01/1438 AH, which was cleared based on a commitment not to dispose of it until it is approved by the competent authority. After examining the sample by the Saudi Food and Drug Authority, a response was received in letter number (6/I/M J) dated 25/04/1438 AH, stating non-compliance with the requirements of the medical devices and products control regulations. The importer was notified of the result, but he did not respond to customs. The first instance committee issued its decision as stated in its ruling based on the fact that the importer did not review customs or return the shipment, which implies that he acted contrary to the commitment taken after it was established that its clearance was not approved, which constitutes customs smuggling according to Article (142) of the Unified Customs law.

Upon reviewing the objection list submitted by the attorney of the importing company, the customs appeal committee found that its summary mentioned that the company received an invitation to participate in a tender for hospital supplies and submitted its offer. After being studied by the relevant committee, the tender was awarded to it, and the Saudi Ministry of Health contracted with the company to supply the items, including the item subject to the decision (alcohol swab). On the date of the shipment's arrival, the item (alcohol swab) was registered with the Food and Drug Authority under registration certificate number (MDNR091002950418) dated 29/09/2013. After that, the registration requirements for that item changed – during the supply period – from the National Registry Certificate for Medical Devices and Products (MDNR) to the Marketing Authorization Certificate for Medical Devices and Supplies (MDMA), and the MDMA certificate was not a requirement before that. After the importing company learned of this, it fulfilled the Food and Drug Authority's observation and re-registered the same item under certificate number (ME0000010607SFDAA00002) dated 03/12/2019, confirming that the result of the sample examination indicating non-compliance with the requirements of the Medical Devices and Products Control Regulation



was due to the non-issuance of the MDMA certificate because of the change in registration requirements during the supply period. Nevertheless, the company met all the new registration requirements to handle the shipment. The list added that there is no truth to what was mentioned in the reasons for the first instance decision regarding the violation being technical and affecting the quality and safety of the consumer, as this violation, assuming it is proven, is merely a procedural violation that does not affect in any way the quality of the product and the health and safety of the consumer. The product complies with the highest quality standards, as the item is not used in the Ministry of Health hospitals until after testing (21) samples from the shipment by the Medical Supply Administration and stamping them, after which the Ministry of Health pays the price to the importer, and this is exactly what happened with the item subject to the lawsuit, which is considered a clearance issued by the Saudi Ministry of Health. Additionally, the General Authority for Food and Drug Administration acknowledged that the company fulfilled all the Authority's conditions to handle the shipment in response to the company's inquiry about this specific item, except for the MDMA certificate, which was fulfilled later as previously mentioned. Therefore, this violation, assuming it is proven, is procedural and does not reach the level of committing a customs crime. Moreover, the company was only informed of it after the lawsuit was registered with the customs committees, as the attached letters from the plaintiff were addressed to the customs broker and it was not proven that they were delivered to the company, which establishes the responsibility of the customs broker in this regard. Furthermore, the first instance decision was incorrect in its reasons for relying on Article (65) of the Unified Customs Law, while the company did not handle the shipment until after fulfilling the Food and Drug Authority's observation and re-registering the item according to the new requirement as previously presented, which clarifies the absence of criminal intent on the part of the importing company. The statement of appeal concluded with a request to cancel the first instance decision and rule in favor of the company, acquitting it from this lawsuit.

A response memo from the authority was received through the Automated System of the Secretariat dated 11/05/2023, which summarized that the company had been notified by several letters at the addresses registered with it, indicating that the shipment did not comply and that it should return it according to the commitment signed by it, and it did not respond. The company should have communicated and responded to the authority instead of acting on the shipment and violating the commitment. This commitment stated that the shipment should not be acted upon in any way except after notification from customs granting its clearance from the competent authority. Therefore, acting on these items constitutes customs smuggling according to Article (142) of the Unified Customs law, as the laboratory result indicated non-compliance with the requirements of the Medical Devices and Products Control Regulation, which are technical violations that affect the health and safety of consumers and impact their financial resources. The appellant's mention of the customs broker's responsibility is merely an evasion of responsibility and an unsubstantiated claim, as it contradicts Articles (158), (144), and (154) of the Unified Customs law. The legal principle states that the negligent party bears the consequences of their negligence. The company contracted with the customs broker without oversight, accountability, or follow-up, and the relationship



between the importer and the broker is a contractual relationship, allowing each party to claim damages from the other before the competent judicial authorities. The memo concluded with a request to reject the appeal and uphold the first instance Decision in all its provisions.

On Wednesday, 20/12/2023, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against decision number (CFR-2022-2430), issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based and the response of the authority.

Grounds:



It has been established through the appellate committee's review of the report from the Food and Drug Authority regarding the item in question that it was vague and did not specify the nature of the violation or describe it, as it only mentioned the non-compliance of the item with the requirements of the medical devices and products control regulations. Furthermore, the appellate committee was not reassured by what was stated in that report, considering it mentioned the non-compliance of other items that were subject to laboratory examination, while the report itself clearly showed their compliance with the specifications. This makes it impossible to definitively assess the report's claim of non-compliance of the item in question with the specifications and to consider it, as the customs prosecution claims, that the non-compliance refers to a technical observation that could be relied upon to establish the validity of attributing the crime of customs smuggling to the importer concerning the item in question. Therefore, the importer's conduct does not rise to the level of a customs smuggling crime as stated in Article (142) of the Unified Customs Law. Customs smuggling is the act of bringing or attempting to bring goods into the country or taking them out or attempting to take them out in violation of the applicable regulations without paying customs duties in whole or in part, or contrary to the provisions of prohibition and restriction in this law and other regulations. It is considered a violation of customs procedures and subject to a customs fine as will be stated in the text of this decision in accordance with Article (31/6) of the executive regulations of the Unified Customs Law. Accordingly, the appellate committee concluded to report the following:



Decision:

1- Acceptance of the appeal in form from the applicant/ Company ..., Commercial Registration No. (...), against the first instance Decision No. (CFR-2022-2430), issued by the second First Instance Customs Committee in Riyadh.

2- The appeal is accepted in substance, and the first instance Decision is annulled in all that it ruled, considering the actions of the importing company a violation governed by Article (31/6) of the executive regulations of the customs law, and imposing a financial penalty on it in the amount of (1000) one thousand riyals, for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-227748
Case No. PC-2023-227748

Keywords:

Customs - Constraints - Blankets - Non-compliance with specifications - Explanatory data - No conviction

Summary:

The demand of the Zakat, Tax and Customs Authority to cancel the decision of the Third First Instance Customs Committee No. (CTR-2023-106009), which ruled not to convict the importer of customs smuggling and to impose a fine for violating customs procedures. And where it was established for the appellate committee by reviewing the laboratory report of the non-compliant items, which showed that the item (cable - power supply) did not meet the required specifications, thus the violation is considered technical and affects the safety and integrity of the product. This means; to uphold the first instance decision regarding what was ruled and to annul paragraph (1).

Document:

- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by the General Authority for Zakat and Tax, against the first instance Decision No. (CTR-2023-106009) issued by the Second First Instance Customs Committee in Riyadh.

As for the facts of this case, they are summarized by the arrival of a shipment (blankets, a power supply cable, batteries, an energy storage device, a headset, and a battery charger) through the Al-Batha customs under import declaration number (...). On the date 22/01/1437 AH, it was allowed under a commitment not to act until the result of the examination by the competent authority appeared, and upon examination of the sample by the laboratory, the report number (...) was received. On 10/11/2015, and number (...) On 17/11/2015, and number (...) On 12/11/2015, and number (...) On 15/11/2015, and number (...) On 16/11/2015, and number (...) On 11/11/2015, and number (...) On 16/11/2015, it was noted that there was non-compliance regarding the inspection of the plug shape, explanatory data, labels, instructions, maximum temperatures, and visual inspection. The importer was notified of the result by the customs, but



he did not respond. The first instance committee issued its Decision not to convict the importer of customs smuggling, while obliging him to pay a fine for violating customs procedures amounting to one thousand riyals, as stated in the text and Grounds for the Decision subject to appeal, which is referred to in order to avoid repetition. Upon reviewing the appeal by the customs committee, it became clear that the objection list included a summary stating that the Decision was based on the premise that the violation was procedural, whereas this contradicts what was stated in the laboratory report indicating that the sample did not pass the maximum temperature test. Thus, the violation is considered technical and affects the quality of the product and consumer safety, making the shipment consist of prohibited goods. The importer's handling of the shipment released under a commitment is considered a violation of Article (56) of the Unified Customs law, and it is also deemed customs smuggling according to what is stipulated in Article (142) of the same law. The conclusion requested the conviction of the importer for customs smuggling and obliging him to pay a customs fine equivalent to three times the value of the goods, as well as the equivalent of its value as a confiscation substitute. The appellant's opponent was requested to respond and to enable her right to reply, but she did not submit the required answer. Based on paragraph (1) of Article (35) of the rules of operation of the Zakat, tax, and customs Committees, the committee decided to rule on the case in light of the documents available to it. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based.

Grounds:

After reviewing the unified customs law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the zakat, tax, and customs committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the relevant regulations and laws. Since the appellant was notified of the first instance Decision on 19/11/2023, and submitted the appeal on 13/12/2023, this entails the acceptance of the appeal in form as it was submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law. Whereas the appellate customs committee, upon reviewing the contents of the case file and its attachments, and whereas the First Instance Committee decided not to convict the importer of customs smuggling while imposing a fine for violating customs procedures amounting to one thousand riyals, and whereas the committee reviewed the laboratory report on the violating items, which indicated that the item (cable - power supply) did not meet the required specifications, thus the violation is deemed technical and affects the safety and security of the product; it is therefore decided by this committee to convict the importer of customs smuggling and the penalties resulting therefrom concerning the item (cable - power supply) as will be stated in the ruling. As for the other items, there is no fault on the part of the appellate authority in adopting the reasons for the decision under appeal without addition whenever it sees that these reasons suffice to negate



the need for any new submissions, because in upholding it based on its reasons, it indicates that it found no merit in the objections raised against it that warrants a more detailed response than what those reasons contained. The defenses presented by the authority do not affect the outcome reached by the decision under appeal. Since the reasons for the decision under appeal are sufficient to support its ruling, it must be concluded that the defenses presented do not affect the outcome of the decision, making the appeal unsupported and thus must be rejected. Accordingly, the committee concluded to report the following:

Decision:

First: Acceptance of the appeal in form, submitted by the General Authority of Zakat and Tax and Customs, against the first instance Decision No. (CTR-2023-106009) issued by the Third First Instance Customs Committee in Riyadh.

Second: In the subject:

- 1 - Cancel the outcome of the first instance Decision regarding the item (power supply cable) of not being convicted of customs smuggling, and rule again to convict the importer (...), commercial registration number (...), of customs smuggling of the item (power supply cable), and punish them with a confiscation equivalent to the value of the violating item (power supply cable), and impose a customs fine equivalent to the value of the violating item (power supply cable).
- 2- Support for the first instance decision regarding the remaining items, for the reasons and considerations stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-203080
Case No. PC-2022-158211

Keywords:

Customs - Constraints - Bond Commitment - Batteries - Non-compliance with specifications - Verification of rated capacity - No conviction

Summary:

The importer is requesting the cancellation of the first instance decision No. (1603/3) issued by the third First Instance Customs Committee in Riyadh, which convicted the importer of customs smuggling and imposed a customs fine and confiscation compensation. And where it was established for the appellate committee that the presence of a record of the application of re-exported shipments among the attachments of the case indicates the return of the shipment to its source. This means; to annul the first instance decision in all that it ruled.

Document:

- Article (56) of the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH.
- Article (142) of the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. (M/41) dated 03/11/1423 AH.
- Article (163) of the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH.

Facts:

This is to consider the appeal submitted by (...), national ID number (...). As the owner of the institution (...), commercial registration number (...), against the first instance Decision number (1603/3), for the year 1443 AH, issued by the third First Instance Customs Committee in Riyadh, whose ruling states the following:
1-Conviction of the importer company ..., commercial registration number (...), in person for customs smuggling.



2-Obliging him to pay a customs fine of (258,800) two hundred fifty-eight thousand eight hundred Saudi riyals, equivalent to the value of the item not permitted for clearance by the competent authority.

3- Obliging him to pay an amount equivalent to the value of the item as a confiscation fee of (258,800) two hundred fifty-eight thousand eight hundred Saudi Riyals, making the total amount claimed (517,600) five hundred seventeen thousand six hundred Saudi Riyals.

Whereas, regarding the appeal submitted by the concerned party against the decision, it has been established in customs judiciary that the absence of a date in the case file indicating when the appellant was notified of the decision, in a manner that assures the appellate committee with certainty that it occurred on that date, results in considering the date of the appeal submission as the date of notification of the first instance decision. This leads to the acceptance of the appeal in form for being submitted within the legal timeframe as stipulated by the provisions of Article (163) of the Unified Customs Law.

As for the facts of the case, they are summarized by the arrival of a shipment (clothes) belonging to the importer through the Al-Batha customs according to import declaration number (...). On the date 19/06/1439 AH, it was released based on a commitment not to act until it is approved by the competent authority, and upon examining the sample, the report number (...) was received. On the date 08/07/1439 AH, which included non-compliance regarding the verification of the rated capacity "C 20" (slow discharge rate capacity), the battery must reach 90% of the rated capacity "C 20" (45 amp-hours) at least once during the first three discharge cycles. The maximum capacity reached by the battery is (39.6 amp-hours), and the importer was addressed, but he did not respond. The first instance committee issued its decision as stated in its ruling, based on the fact that the importer acted on the shipment subject to the violation before obtaining clearance from the competent authority, thus violating Article (56) of the Unified Customs Law, which constitutes his action as customs smuggling according to Article (142) of the same law, and imposed penalties on the importer as stated in its ruling. Upon reviewing the objection list submitted by the appealing institution, the appellate customs committee noted that its summary mentioned that a hearing was held on 10/03/2023, and the invoice and the rejected item were requested but not sent by customs, and that the goods are with the importer and have not been disposed of. The list concluded with a request to send the invoice and the rejected item in question and to allow the importer to re-export the goods since they are with him and have not been disposed of. A response memorandum from the authority was received via the automated system of the secretariat dated 19/09/2023, which summarized that the appellant's claims regarding the request for documents from the committee are incorrect, as the importer did not attend the hearing despite being notified according to the grounds of the first instance decision, which indicates that



the importer has forfeited his right to plead. Furthermore, the importer was notified of the laboratory results before the lawsuit was initiated, and he was required to return the shipment to customs, but he did not respond, which indicates that he is not bound by the commitment taken not to dispose of the shipment according to Article (56) of the Unified Customs Law. Therefore, his actions constitute customs smuggling according to Article (142) of the same law, in addition to the elements of the crime of customs smuggling being present against the importer due to his disposal of the shipment, breaching the commitment taken, and introducing goods whose entry into the country is restricted. The memorandum concluded with a request to reject the appeal submitted by the institution (...) And support for the first instance Decision in all that it ruled. On Thursday, 21/05/2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against decision No. (1603/3) for the year 1433 AH, issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in its current state after the committee was informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based and the response of the authority to it.

Grounds:



After reviewing the case file and its attachments, it was found that there is a statement attached to the case file dated 16/01/2024 issued by the Zakat, Tax and Customs Authority, which states that upon referring to the relevant department in the authority for information regarding statement number (...). On the date 19/06/1439 AH, the subject of the lawsuit mentioned that the importer re-exported the goods under re-export statement number (...) On the date of 26/06/1439 AH, it was established that there was a record of the application of re-exported shipments among the attachments of the case indicating the return of the shipment to its source. This leads the appellate committee to conclude that the basis on which the importer was convicted of customs smuggling has collapsed, which means that the first instance decision is based on an incorrect foundation from reality and the law regarding the conviction of the importer for customs smuggling and the penalties stated in that decision. Therefore, the appellate committee concluded to report the following:



Decision:

1- The acceptance of the appeal in form, submitted by/ ..., national ID number (...), against the first instance decision number (1603/3) for the year 1433 AH, issued by the third First Instance Customs Committee in Riyadh.

2- In the matter of its acceptance, and the annulment of the first instance Decision in all that it ruled regarding the importer, and that is for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-225533
Case No. CF-2023-225533

Keywords:

Customs - Constraints - Bond Commitment - Cushions and Towels - Non-compliance with specifications - Quantitative and qualitative analysis of fibers, pH, and visual inspection - No conviction

Summary:

The importer's request to cancel the decision of the 1st First Instance Customs Committee No. (CFR-154174-2023), which convicted the importer of customs smuggling. And where it was established for the Appeals Committee that the guarantee condition is fulfilled and that the institution has committed to the customs authority as it pledged. This means; to annul the first instance decision in all that it ruled.

Document:

- Article (163) of the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH.

Facts:

This is to consider the appeal against the first instance decision number (CFR-154174-2023) issued by the 1st First Instance Customs Committee in Riyadh, submitted by (...), National ID number (...), in his capacity as the owner of the establishment.

As for the facts of this case, they are summarized by the arrival of a shipment (pillows and towels) belonging to the institution through the customs of King Abdulaziz International Airport in Jeddah, under import declaration number (...). On the date 19/09/1435 AH, it was granted under a commitment not to act until it is approved by the competent authority, and upon presenting the sample to the laboratory; the response was received in report number (...) The date 07/10/1435 AH includes non-compliance in terms of quantitative and qualitative analysis of fibers, measurement of the piece's dimensions, absorption time, and visual inspection. The importer was notified of the result by customs, but he did not respond. The first instance committee issued its decision to convict the importer of customs smuggling and impose the associated penalties as detailed in the facts, reasons, and the text of the first instance decision subject to appeal, which is referred to in order to avoid repetition. Upon reviewing the statement of appeal submitted



by the owner of the institution, the appellate customs committee found that it includes a summary stating that the shipment in question has been destroyed according to the destruction report (...). On 20/01/1445 AH, the first instance committee issued its decision without considering the destruction report issued by the King Abdulaziz International Airport Customs in Jeddah. Accordingly, it is requested that the esteemed committee review the matter and exclude the ruling issued against the institution. Upon reviewing the response memorandum submitted by the authority, the appellate customs committee found that it includes a summary stating that, upon communication with the relevant department, it was confirmed that the commitment has been settled and completed. After reviewing the case file and the appeal submitted by the appellant and the response of the committee regarding it, the committee found that the case is ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what has been presented to form its conviction and to rule on it in light of the reasons on which the appeal was based.

Grounds:



After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws. Since the appellant was notified of the first instance Decision on 01/10/2023, and submitted the appeal against the Decision on 24/10/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law. On the merits, after reviewing the case file and the documents it contained, and considering the defenses presented by the parties, it is established that the Zakat, Tax and Customs Authority stated in its response memorandum submitted in response to the current appeal that the guarantee case is settled. Since the institution has committed to the customs as it promised, this leads to the conclusion that the conviction issued by the 1st instance committee against the appellant is not based on a valid foundation from reality. Since the matter is as mentioned, the appellate committee concludes that the dispute between the importer and the authority is resolved, leading the committee to report the following.

Decision:

First: Acceptance of the appeal in form, from its presenter (...), commercial registration number (...), owned by (...), national ID number (...), against the first instance Decision number (CFR-154174-2023) issued by the 1st First Instance Customs Committee in Riyadh.

Second: The appeal is rejected on the merits, and the first instance Decision is upheld in all that it ruled, for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-201837
Case No. PC-2022-158463

Keywords:

Customs - Constraints - Bond Commitment - Hangar - Non-compliance with specifications - Lead in paint - Non-conviction

Summary:

The importer is requesting the cancellation of the first instance decision No. (1787/1) for the year (1443 AH), issued by the 1st First Instance Customs Committee in Riyadh, which convicted the importer of customs smuggling and imposed a customs fine and confiscation compensation. And where it was established for the appellate committee that there is a destruction report indicating the destruction of the shipment in dispute. This means; to annul the first instance decision in all that it ruled.

Document:

- Article (142) of the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. (M/41) dated 03/11/1423 AH.

Facts:

This is to consider the appeal submitted by (...), national ID number (...), in his capacity as an attorney for the owner of the institution (...). / (...) National ID number (...) under agency number (...) Dated 27/08/1444 AH issued by (...), license number (...), against the first instance decision number (1787/1) for the year (1443 AH), issued by the 1st First Instance Customs Committee in Riyadh, which ruled as follows:

- 1- Condemnation of the importer institution ..., commercial registration number (...). In person with customs smuggling.
- 2- He is obliged to pay a customs fine equivalent to the value of the shipment that has not been authorized for clearance by the competent authority, amounting to (518,063) five hundred eighteen thousand and sixty-three riyals.



- 3- Obliging him to pay an amount equivalent to its value as a confiscation fee of (518,063) five hundred eighteen thousand and sixty-three riyals, bringing the total amount claimed to (1,036,126) one million thirty-six thousand one hundred twenty-six riyals.

Whereas, regarding the appeal submitted by the concerned party against the decision, it has been established in customs judiciary that the absence of a date in the case file indicating when the appellant was notified of the decision, in a manner that assures the appellate committee with certainty that it occurred on that date, results in considering the date of the appeal submission as the date of notification of the first instance decision. This leads to the acceptance of the appeal in form for being submitted within the legal timeframe as stipulated by the provisions of Article (163) of the Unified Customs Law.

As for the facts of the case, they are summarized by the arrival of a shipment of (perfumes) belonging to the importer through the Islamic Port of Jeddah customs under import declaration number (...). On the date 19/03/1439 AH, it was granted based on a commitment not to act until the result of the competent authority appears, and upon examining the sample, the report number (...) was received. On 21/12/2017, the report included non-compliance regarding lead in the paint, and the importer was notified of the result, but he did not respond. The first instance committee issued its decision based on the fact that the importer's failure to return the shipment confirms his actions and his breach of the bond taken from him, which is considered smuggling according to Article (142) of the Unified Customs Law, and imposed penalties on the importer as stated in the text of its decision. Upon reviewing the objection list submitted by the attorney of the owner of the importing institution, the customs appeal committee found that its summary mentioned the attorney stating that the importation of the item in question was based on the existence of a conformity certificate, a copy of which is attached to the case file. Furthermore, the shipment is still present, and a request for its destruction was made, and the destruction committee attended; however, the attorney was not present due to his sudden travel for his son's treatment. The attorney also mentions that they have a principle of good faith by requesting the destruction of the shipment and responding to the summons from the committee. The attorney argues that he did not receive any messages or letters from customs indicating that the shipment is non-compliant. The attorney points out that the commitment record has not been broken as the goods are still present. The attorney expresses his objection to what was stated in the first instance committee's decision regarding the existence of commercial fraud, given that there is a conformity certificate for the shipment that the committee issuing the decision did not take into account. Additionally, it was stated in the first instance decision that the violation is technical, yet it does not directly affect the safety and health of the consumer; this is evidence of the absence of harm. The attorney expresses his astonishment at the committee's decision to impose a fine on the institution despite the existence of a conformity certificate for the shipment. The objection concluded with the appellant's request to accept the appeal and annul the first instance decision. A response memo from the authority was received via the automated system on 17/08/2023, summarizing that the importer violated the commitment taken upon



him and acted with the shipment without notifying him of its clearance. He was notified to return the shipment, but he did not respond; this indicates the importer's handling of the shipment and his violation of the commitment taken upon him, as the commitment is still in effect and has not been settled. Additionally, the violation attributed to the non-compliant item is of a technical nature, and the appellant's claim that the shipment is still present is merely an unfounded statement considering the extension granted by the 1st instance committee to complete the destruction process. The customs authority inspected the shipment, but it was found that the shipment in the warehouse does not belong to the shipment in question. Furthermore, the importer's handling of the non-compliant shipment is considered customs smuggling according to Article (142) of the Unified Customs Law. The memo concluded with a request from the authority to reject the appeal submitted by the appellant and to uphold the first instance decision. A comment was received through the automated system of the secretariat from the attorney of the owner of the importing institution on 01/10/2023, and its content did not differ from what was stated in the statement of appeal. The appellant attached, on 29/04/2024, a document issued by the Zakat, Tax, and Customs Authority, which includes their confirmation of the occurrence of the destruction process according to the attached report numbered (...). The date of correspondence is 04/03/2024, and its data shows its jurisdiction over the import statement number (...). On Thursday, 11/07/2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against decision No. (1787/1) for the year 1443 AH, issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in its current state after the committee was informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based and the response of the authority to it.

Grounds:

It was established through the documents that there is a destruction report issued by the authority with the number (...) The date of correspondence is 04/03/2024, and its jurisdiction regarding the import statement prepared for the shipment in question included in its content that the date of destruction occurred for the shipment on 20/03/2024. This leads to the collapse of the basis on which the importer was convicted of customs smuggling after the existence of a destruction report confirming the destruction of the shipment in dispute; thus, the image of customs smuggling for the importer's action regarding the shipment, contrary to the prohibitions and constraints established under Article (142) of the Unified Customs Law, is not realized. Therefore, the appellate committee concluded to report the following:



Decision:

- 1- 1- The acceptance of the appeal in form, submitted by/ ..., national ID number (...), against the first instance decision number (1787/1) for the year 1443 AH, issued by the 1st First Instance Customs Committee in Riyadh.
- 2- In the subject of his acceptance, and the annulment of the first instance Decision in all that was ruled against the appellant, and that for the Grounds and considerations stated in this Decision.
- 3- May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-204923
Case No. AC-2022-105154

Keywords:

Customs - Constraints - Bond Commitment - Steel Pressure Vessels - Non-compliance with specifications - Actual capacity - No conviction

Summary:

The importer's request to cancel the decision of the 1st First Instance Customs Committee No. (CFR-2023-105154), which convicted the importer of customs smuggling and imposed a customs fine and confiscation compensation. And where it has been established to the appellate committee from the laboratory report that the nature of the violation cannot be determined with certainty to consider it a substantive violation. This means; the annulment of the first instance decision regarding what was ruled, with the obligation to impose a fine for violating customs procedures.

Document:

- Article (126) of the Code of Criminal Procedure issued by Royal Decree No. (M/2) dated 22/01/1435 AH.
- Article (153) of the Code of Criminal Procedure issued by Royal Decree No. (M/2) dated 22/01/1435 AH.
- Article (31/6) of the executive regulations of the customs law issued by Ministerial Decision No. (2748) dated 25/11/1423 AH.

Facts:

This is to consider the appeal submitted by/ ..., national ID number (...), in his capacity as an agent for/ ..., national ID number (...). As the representative of the company in (...) company, commercial registration number (...), under agency number (...). The date 30/07/2023 issued by the electronic services at the Ministry of Justice, against the first instance Decision number (CFR-2023-105154), issued by the 1st First Instance Customs Committee in Riyadh, ruling as follows:

- 1- Condemnation of the importer (...) Commercial Register No. (...) In person with customs smuggling.



- 2- He is obliged to pay a customs fine equivalent to the value of the violating item, amounting to (91,783) ninety-one thousand seven hundred and eighty-three riyals.
- 3- Obliging him to pay an amount equivalent to the value of the violating item as a confiscation fee of (91,783) ninety-one thousand seven hundred eighty-three riyals, making the total amount claimed (183,566) one hundred eighty-three thousand five hundred sixty-six riyals.

Since the appellant was notified of the Decision subject to the appeal on 22/08/2023, and submitted the appeal on 28/08/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its execution as stipulated in Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment of (perfumes) belonging to the importer through the Islamic Port of Jeddah customs under import declaration number (...). On the date 06/05/1436 AH, it was allowed based on a commitment not to act until the result appears from the competent authority, and after presenting the sample to the laboratory, the response was received in report number (...) On the date 23/06/1436 AH, which included non-compliance in terms of actual capacity and explanatory data, the importer was notified to return the shipment to the customs area through several correspondences, but he did not respond. The first instance committee issued its decision as stated in its wording, based on the fact that the importer acted with the shipment that was not authorized for clearance and did not return it to customs, which he had previously committed not to act upon until the laboratory results appeared, constitutes a violation of Article (56) of the Unified Customs Law. It is also considered customs smuggling according to what is stipulated in Article (142) of the same law, and it arranged for the application of penalties against the importer as stated in the wording of its decision. Upon reviewing the objection list submitted by the representative of the appealing company, the customs appellate committee found that its summary mentioned that the lawsuit was filed by someone without standing after the jurisdiction for customs cases was transferred from the Zakat, Tax and Customs Authority to the Public Prosecution under Royal Order No. (30174) dated 02/06/1440 AH. Additionally, images were attached showing the capacity of the pressure pots measuring (10) liters, which also applies to the other sizes indicated in the shipment (4, 6, 8, 12). The measuring stick indicated that the internal size is (9) liters, leaving one liter for steam during use. Therefore, there is no violation regarding the pot's capacity, but rather concerning the explanatory data, which constitutes a procedural violation applicable under Article (31/6) of the Executive Regulations of the Unified Customs Law after the annulment of the first instance decision. Furthermore, the laboratory result is insufficient for conviction, as it did not indicate the existence of a substantial violation related to the health and safety of the consumer. Judgments are based on certainty and assurance, not on doubt, suspicion, or conjecture. The violation in question falls under the customs violations in importation as stated in Article (141/1) of the Unified Customs Law. There is also a judicial precedent issued by the customs appellate committee in Jeddah, No. (29) for the year 1439 AH, and No.



(57) for the year 1440 AH, which concluded that the violation was procedural according to Article (31/6) of the Executive Regulations. Additionally, the first instance committee that issued the decision intensified the penalty on the appealing company in its ruling in paragraphs (2, 3), considering the violation technical despite it being procedural as indicated in the laboratory result, along with the absence of a seizure report, which is one of the requirements for customs smuggling cases. Moreover, the decision issued by the 1st instance committee is contrary to Article (76) of the Law of Judicial Procedures, and the regulation concluded with a request to accept the appeal and annul the first instance decision. A response memorandum from the authority was received via the automated system of the secretariat dated 11/10/2023, summarizing that the violation occurred on 06/05/1436 AH, according to the date of the customs declaration submitted at the time of clearing the shipment, which means that the authority is considered the competent party to file the lawsuit as it has the status of the plaintiff based on Royal Order No. (30174) dated 02/06/1440 AH. Furthermore, the appellant did not take into account the extent of its negligence and shortcomings over the years, nor did it justify its violation of the temporary clearance of the shipment with a commitment not to act, but rather justified that the violation was procedural and not technical. It also did not respond to customs letters, and it would have been more appropriate for the appellant to communicate and respond to customs instead of acting on the shipment and breaching the commitment made, which constitutes customs smuggling according to Article (142) of the Unified Customs Law. Additionally, the shipment is considered to be materials that have a direct connection with the consumer, as it affects their health and impacts their financial resources due to the purchase of non-compliant goods with the approved specifications and standards. Moreover, customs smuggling crimes are intentional crimes that require the existence of both the material and moral elements for their occurrence, which were present in the case at hand. The memorandum concluded with a request to reject the appeal submitted by the company (...) and to uphold the first instance decision in all that it ruled. A response was received through the automated system of the secretariat from the representative of the appealing company dated 14/10/2023, summarizing that the company insists on the clarifications and defenses presented in the appeal memorandum. It also adds that the letter initiating the lawsuit submitted by the authority is unclear due to the lack of completion of the elements and data of the lawsuit according to the text of Article (126) of the Criminal Procedure Law, as it lacks the record number of the seizure, the specification of the violation, its date, and the subject of the case. Furthermore, the authority's claim that the company was notified of the laboratory results but did not respond means that the authority must prove that those notifications reached the company. Additionally, the date of the customs declaration does not constitute the time of the violation or the case of customs smuggling, as there was no case on the shipment. Moreover, Articles (129, 130, 131, 132) of the Unified Customs Law confirmed that there must be a seizure record for any case, and in the absence of such a record, the timing of the case is determined by the letter initiating the lawsuit, which was in the year 1442 AH, meaning it was issued during the validity of Royal Order No. (30174) dated 02/06/1440 AH, which transferred jurisdiction from the authority to the Public Prosecution.



Furthermore, the authority's claim of its jurisdiction to submit the letter initiating the lawsuit is an interpretation on its part and contrary to the Unified Customs Law. The violation of the explanatory data is procedural, while regarding the capacity of the pots, the error lies with the manufacturer, as it did not extend the measuring ruler inside the pot to its end to clarify the correct measurement. Additionally, the Minister's letter No. (1830) for the year 1437 AH stated that laboratories should clarify whether the violation is technical or procedural, and since the laboratory did not clarify that, the authority's claim that the violation is technical is merely its interpretation. The response concluded with a request to overturn the first instance decision, acquit the company, and dismiss the case due to the lack of a letter initiating the lawsuit. The automated system of the secretariat received a statement from the authority dated 09/11/2023, which summarized that there are no records of old disposal cases, as the case is based on a breach of the bond commitment according to Article (56/b) of the Unified Customs Law. Furthermore, the disposal of the shipment is considered a clear violation of the bond commitment, which pledged not to dispose of it until the laboratory results are available and returned to the customs area. Therefore, violating this is considered customs smuggling according to Article (142) of the Unified Customs Law. The statement concluded that the authority is firm on the requests mentioned in the lawsuit. On Tuesday, February 20, 2024, the Customs Appeals Committee in Riyadh held its hearing to consider the appeal submitted by the concerned party regarding decision (CFR-2023-105154), issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant and the response of the authority regarding it, the committee found that the case was ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it.

Grounds:



Whereas it is established in the rules of litigation that the proper application of the law is an obligation on the authority examining the case, and it shall rule on its own without the need for a request from the parties. Consequently, the authority examining the case has broad discretion in assessing the facts and giving them the appropriate description and correct classification without being bound by the classification of the prosecution or its opponent, in light of what it is convinced of and the state of the evidence and the inferences drawn from it, relying on it and using it as a basis for its ruling, as long as the documents related to it within the case file do not contradict what has been inferred and established in its conviction and belief to resolve the dispute, and that its inference is sound, reasonable, and leads to the result it has reached. This is in accordance with what is stated in Article (153) of the Criminal Procedure law, which stipulates that "the court is not bound by the description contained in the indictment and must give the act the description it deserves, even if it contradicts the description in the indictment...". And whereas, according to the report of the sample examination result, the violation in question relates to five different types of pots in terms of capacity, and it is established from the laboratory report that the nature of the violation cannot be



determined with certainty to consider it a substantive violation based on which the importer's action regarding the shipment, which is loaded with the violation mentioned in the laboratory report, is considered customs smuggling. Since dealing with the reality of what the laboratory result indicates in such cases considers this violation related to the non-compliant items, it has been established by the customs appellate court's practice to classify what the laboratory report concluded and what it stated about its non-compliance with specifications as among the non-substantive observations that do not affect consumer deception and the safety of using the imported product. This results in the importer's action regarding the items in question, which are loaded with such an observation, being considered as an observation of a procedural nature that does not rise, in the case of dealing with the shipment with its existence, to classify the importer's action regarding the shipment as customs smuggling. Therefore, it is decided to annul the first instance decision in all that was ruled against the appealing company and to consider the importer's action regarding the items mentioned in the laboratory report as constituting a violation governed by Article (31/6) of the executive regulations of the Customs law, and to impose a financial penalty of five thousand riyals (5,000) for each type of the items mentioned in the laboratory report, in application of what that article stipulates. The result reached by this decision is not affected by what the representative of the appealing company argues that the letter to initiate the case submitted by the authority is unclear due to the lack of completion of the elements and data of the case according to the text of Article (126) of the Criminal Procedure law, as it is devoid of the number of the seizure report, the specification of the violation, its date, and the subject of the case, as this does not negate the established original fact after considering the case of the importer's action regarding the shipment containing the non-compliant items contrary to the commitment taken regarding it, which the case file proves the existence of the document confirming the importer's correspondence to return the non-compliant items without any response from him on 11/03/1437 AH and also on 28/11/1436 AH. Accordingly, the appellate committee concluded to report the following:

Decision:

- 1- Acceptance of the appeal in form, from the applicant/ ..., commercial registration number (...), against the first instance Decision number (CFR-2023-105154) issued by the 1st First Instance Customs Committee in Riyadh.
- 2- In the matter of its acceptance, and the annulment of the first instance decision regarding the appellant company, obliging it to pay a fine for violating customs procedures amounting to (5,000) riyals, for the reasons and considerations stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-225237
Case No. PC-2022-122746

Keywords:

Customs - constraints - bond commitment - batteries - non-compliance with specifications - electrical capacity - no conviction

Summary:

The importer requests the cancellation of the decision of the 1st First Instance Customs Committee No. (CFR-2023-122746), which convicted the importer of customs smuggling and imposed a customs fine and confiscation compensation. And where it was established for the appellate committee that the violation involves a procedural violation that resulted in the approval of the importer's action regarding the shipment. This means; to annul the first instance decision in all that it ruled.

Document:

- Article (24) from [The Unified Customs Law for the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (142) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by (...), national ID number (...), in his capacity as the owner of (...), commercial registration number (...), against the first instance Decision number (CFR-2023-122746), issued by the 1st First Instance Customs Committee in Riyadh, which ruled as follows:

- 1- Condemnation of the importer (...) Commercial Register No. (...) For its owner (...), civil registration number (...). In person with customs smuggling.
- 2- To impose a customs fine equivalent to the value of the violating item in the amount of (227,261) two hundred twenty-seven thousand two hundred sixty-one riyals.



3- Obliging him to pay an amount equivalent to the value of the violating item as a confiscation fee of (227,216) two hundred twenty-seven thousand two hundred and sixty-one riyals, making the total amount claimed (454,522) four hundred fifty-four thousand five hundred and twenty-two riyals.

Since the appellant was notified of the Decision subject to the appeal on 21/09/2023, and submitted the appeal against the Decision on 17/10/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its conduct according to what is stipulated in Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment consisting of (batteries) belonging to the importer through Al-Batha based on import declaration number (...). On the date 21/03/1438 AH, it was allowed under a commitment not to act until it is approved by the competent authority, and after presenting the sample to the laboratory, the response was received in report number (...) On 03/01/2017, it was noted that there was a non-compliance regarding the electrical capacity, and the importer was notified to return the shipment to the customs area through several letters, but he did not respond. The first instance committee issued its Decision based on the understanding that the importer's failure to return the shipment to the customs area implies his action regarding the shipment that was not authorized for clearance, which he committed to the customs not to dispose of until the laboratory results appeared, thus violating Article (56) of the Unified Customs law, and it is also considered customs smuggling according to Article (142) of the same law. The penalties against the importer were imposed as stated in the Decision. Upon reviewing the objection list submitted by the owner of the importing institution, the customs appeal committee found that its summary mentioned that based on what was stated in letter number (...). On the date 13/06/1439 AH, sent by the General Director of Al-Batha Customs to the Director of the Department of Constraints and Customs Tariffs, it is evident that the non-compliance is due to a procedural observation and does not affect the integrity of the import and the quality of the product. A customs fine of (1,000) one thousand riyals has been collected, which indicates that the plaintiff has no right to claim and loses his right in this regard. The regulation concluded with a request to accept the appeal in procedures and on merits, to overturn the first instance Decision, and to rule that the institution and its owner are not guilty of customs smuggling. A response memo from the authority was received through the Automated System of the Secretariat dated 16/11/2023, summarizing that the result of the sample examination was reported in report number (...) On 03/01/2017, it included non-compliance in terms of electrical capacity, which are technical violations that affect product quality and negatively impact consumers and their financial resources by purchasing a product that does not meet specifications. Additionally, the authority has the right to prevent the entry of prohibited, non-compliant, or restricted goods except with approval from the competent authority in the country, as stipulated in Article (24) of the Unified Customs law. The relevant administration was also addressed, and it was confirmed that the commitment is still in place and has not been settled to date. The memorandum concluded with a request



to reject the appeal submitted by the appellant and to uphold the first instance Decision in all that it ruled. On Monday, June 24, 2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against Decision No. (CFR-2023-122746) issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a Decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the Grounds on which the appeal was based and the response of the authority to it.

Grounds:



It was established through reviewing the attached documents in the case file that the import statement in question was among other data included in the report from the General Director of the Al-Batha Customs sent to the Director of the Customs Tariff and Registration Department by its letter number (...). On 13/06/1439 AH, it was stated that a fine for customs procedure violations was collected for each of the statements included with the mentioned report, which confirms to this committee the customs' conviction that the violation associated with the shipment in question is of the nature of procedural violations that resulted in the release of the shipment after the importer paid the fine for that violation. Since it has been established that whoever seeks to overturn what has been done by him will have his efforts rejected, it follows that the lawsuit against the importer for a ruling on customs smuggling is not valid after it has been established that the violation is considered a procedural violation that resulted in the approval of the importer's action regarding the shipment. This is not affected by what the prosecution mentions about the commitment still being unpaid regarding the shipment in question, as such a procedure is an internal matter that does not concern the importer after it has been established through the documents that the importer was allowed to act regarding the shipment by the relevant customs authority. Therefore, the committee concluded with the following report:

Decision:

- 1- Acceptance of the appeal in form from its presenter (...), commercial registration number (...), owned by (...), national ID number (...), against the first instance Decision number (CFR-2023-122746) issued by the 1st First Instance Customs Committee in Riyadh.
- 2- In the matter of its acceptance, and the annulment of the first instance Decision in all that was ruled against the appellant, and that is for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-227758
Case No. PC-2023-227758

Keywords:

Customs - Constraints - Bond Commitment - Fabrics - Non-compliance with specifications - Visual Inspection - No Conviction

Summary:

The importer requests the cancellation of the decision of the Third First Instance Customs Committee in Riyadh No. (CTR-2023-107176), which ruled not to convict the importer of customs smuggling and to impose a fine for violating customs procedures. And where it was established for the appellate committee that the importer's violation of that duty by acting with the shipment without regard to the matter of permission for its entry into the country constituted behavior contrary to that general duty. This means; the affirmation of the first instance Decision in all that it ruled.

Document:

- Article (163) of the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. (M/41) dated 03/11/1423 AH.

Facts:

This is to consider the appeal against the first instance Decision number (CFR-2023-107176) issued by the 1st First Instance Customs Committee in Riyadh, submitted by the owner of the institution(...), civil registration number (...).

As for the facts of this case, they are summarized by the arrival of a shipment (tires) through the Al-Batha customs under import declaration number (...). On 30/07/1435 AH, a permit was issued based on a commitment not to act until the result of the competent authority appeared. After examining the sample by the laboratory, the report indicated non-compliance regarding the raw material components and the visual inspection. The importer was addressed by customs to return the shipment, but he did not respond. The first instance committee issued its Decision not to convict the importer of customs smuggling, while imposing a fine for violating customs procedures amounting to one thousand riyals, as stated in the text and Grounds of the Decision subject to appeal, which is referred to in order to avoid repetition. Upon reviewing the



statement of appeal submitted by the owner of the institution, the customs appeal committee found that it includes a summary stating that she had authorized a clearance office to import the goods and clear them customs-wise and to bring them into the country legally according to the applicable customs regulations, provided that she supplies them with an authorization from her and all the required documents for import. This indeed happened, but this office did not implement what was agreed upon, as it acted without referring to her and imported goods more than once without the knowledge of the institution's owner. It became clear that it exploited the opportunity of the authorization and the commitment not to act and repeatedly photographed the commitment and the analysis agency several times. Therefore, it is requested to verify the date of the Ministry of Commerce's approval dated of the import statement. Upon reviewing the response memorandum submitted by the authority, the appellate customs committee found that it includes a summary stating that the shipment was received in the name of the appealing institution and that it is responsible before customs since the customs data was recorded in the name of the institution. Additionally, all customs transactions were conducted in the name of the institution, with the signature and seal of its owner as a commitment not to dispose of it. The authority also indicates that Article (158) of the Customs Law states that "the owners of goods, employers, and carriers of goods are responsible for the actions of their employees and all workers for their benefit concerning the fees and taxes collected by the customs department, as well as the fines and confiscations stipulated in this 'law' resulting from those actions," which means that the institution is legally responsible before customs, in addition to having appointed the customs broker of its own free will and being able to seek recourse against those who caused it harm before the competent authority. The response memorandum concluded with a request to reject the submitted appeal and uphold the first instance decision. After reviewing the case file and the appeal submitted by the appellant and the response of the committee regarding it, the committee found that the case is ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what has been presented to form its conviction and to rule on it in light of the reasons on which the appeal was based.

Grounds:

After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws. Since the appellant was notified of the first instance Decision on 04/12/2023, and submitted the appeal on 11/12/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law. Since there is no reproach against the authority reviewing the appeal for taking the reasons of the decision subject to the appeal without addition whenever it sees that these reasons suffice to avoid presenting anything new, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. This is not affected by what the



appellant mentions of defenses that do not contradict the established fact represented in the arrival of the shipment in violation under the name of the importing institution and its handling of it after it was established that its clearance was not permitted according to the laboratory reports related to the import statement prepared for the shipment subject to the case, considering that the customs transaction related to completing the procedures for bringing the shipment into the country requires the importer to observe the general duty required by the customs law regarding the importer when dealing with the incoming shipment, which is embodied in complying with everything required by the customs law and other related laws regarding the clearance of the shipment, thus necessitating not to act with it in any way except after its approval and permission to act with it. Therefore, the violation of the importer of that duty by acting with the shipment without regard to the matter of permission for its entry into the country constitutes a behavior contrary to that general duty, which is also presumed to be known by necessity to him, which does not negate the validity of attributing the violation to the importing institution. Additionally, customs have no concern in the relationship that binds the customs broker with the importer when applying the customs law, and the importer is responsible for claiming from whoever he alleges has caused him harm. Since the reasons for the decision subject to the appeal are sufficient to support its ruling, it is necessary to determine that the defenses presented do not affect the outcome of the decision, which makes the appeal without a supporting basis, necessitating its rejection. Accordingly, the customs appellate committee concluded to report the following:

Decision:

First: Acceptance of the appeal in form, from (...), commercial registration number (...), owned by (...), civil registration number (...), against the first instance Decision number (CTR-2023-107176), issued by the third First Instance Customs Committee in Riyadh.

Second: The appeal is rejected on the merits, and the first instance Decision is upheld in all that it ruled, for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2023-212176
Case No. PC-2022-126997

Keywords:

Customs - Constraints - Bond Commitment - Hair Dryers - Non-compliance with specifications - Mechanical Durability - No Conviction

Summary:

The importer's request to cancel the decision of the 1st First Instance Customs Committee in Riyadh regarding decision number (CFR-2023-126997), which condemned the importer for customs smuggling and imposed a customs fine and confiscation compensation. And where it was established for the appellate committee that the importer had returned the shipment and fulfilled the commitment taken against him, and this was confirmed by the authority in its response memorandum to the appeal. This means; to annul the first instance decision in all that it ruled.

Document:

- Article (56) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (142) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article 163 of the [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)

Facts:

This is to consider the appeal submitted by/ Foundation ... Commercial registration number (...), against the first instance Decision No. (CFR-2023-126997), issued by the 1st First Instance Customs Committee in Riyadh, ruling as follows:

- 1- Condemnation / ... , Commercial Register No. (...) In person with customs smuggling.
- 2-Obligating him to a customs fine equivalent to the value of the violating item, an amount of (256,232) two hundred fifty-six thousand two hundred thirty-two riyals.



3-Obligating him to pay an amount equivalent to the value of the violating item as a confiscation fee of (256,232) two hundred fifty-six thousand two hundred thirty-two riyals, bringing the total amount claimed to (512,464) five hundred twelve thousand four hundred sixty-four riyals.

Since the appellant was notified of the Decision subject to the appeal on 06/09/2023, and submitted the appeal against the Decision on 27/09/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its conduct according to what is stipulated in Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment (hair cream) belonging to the defendant through the customs of Jeddah Islamic Port under import declaration number (...). On the date 24/08/1432 AH, it was granted based on a commitment not to act until the result of the competent authority appears, and upon examining the sample, the report number (...) was received. On 25/08/2011, the report included non-compliance in terms of mechanical durability, and the importer was notified of the result through several correspondences, but he did not respond. The first instance committee issued its decision as stated in its ruling based on the fact that the importer did not return the shipment to the customs area, which implies his handling of it. Since the handling of the unapproved shipment for final clearance is considered a violation of Article 56 of the Unified Customs Law, it is also considered customs smuggling under Article 142 of the same law. Upon reviewing the objection list submitted by the appealing company, the appellate customs committee found that its summary mentioned that the company did not dispose of the goods and committed to re-exporting them after the result of non-compliance appeared, as stated in re-export statement number (...) On the date 10/07/2013, and the minutes of the inspection of the shipments that were cleared with a commitment not to dispose of under the import declaration number (...). Attached in the lawsuit file, the list concluded with a request to annul the decision issued against the company and to rule on dismissing the lawsuit. A response memo from the authority was received through the automated system of the secretariat dated 06/11/2023, which included a summary confirming the validity of what the appellant argued regarding the re-export of the shipment and the payment of the commitment. On Sunday, February 4, 2024, the Customs Appeals Committee in Riyadh held its hearing to consider the appeal submitted by the concerned party regarding decision (CFR-2023-126997), issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in light of the reasons on which the appeal was based and the response of the authority to it.



Grounds:



And whereas the appellate committee, upon reviewing the case file and its attachments, found that the re-export of the shipment subject to the case was carried out under the re-export declaration attached to the case file numbered (...). On the date of 10/07/2013, and since what the appellant mentioned was upheld by the authority in its response memorandum to the appeal submitted by the importing company regarding the validity of the importer re-exporting the shipment and paying the commitment taken against him, which results in the non-establishment of the conviction imposed by the 1st instance committee against the appellant on a valid basis from reality, it is determined that the dispute between the importer and the authority is considered resolved. Accordingly, the appellate committee concluded to report the following:

Decision:

Acceptance of the appeal in form, from the applicant/ ..., commercial registration number (...), against the first instance Decision number (CFR-2023-126997) issued by the 1st First Instance Customs Committee in Riyadh.

2- In the matter of its acceptance, and the annulment of the first instance decision in all that it ruled, and considering the dispute between the appealing company and the authority as concluded regarding the shipment in question, for the reasons and considerations stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No.	CR-2024-202518
Case No.	PC-2022-126902

Keywords:

Customs - Constraints - Bond Commitment - Hotel Supplies - Non-compliance with specifications - Specifications and Standards - No Conviction

Summary:

The importer's request to cancel the decision of the 1st First Instance Customs Committee No. (CSR-2022-2409), which convicted the importer of customs smuggling and imposed a customs fine and confiscation compensation. And where it was established for the appellate committee that the laboratory report is among the non-essential observations, which results in the importer's action regarding the item in question, which is loaded with such an observation, being considered as a procedural observation. This means; to cancel the first instance decision in all that it ruled and to obligate it to paragraph (3).

Document:

- Article (12) of [the rules for the work of the Zakat, Tax, and Customs Committees issued by Royal Order No. \(25711\) dated 08/04/1445 AH.](#)
- Article (20) of [the rules for the work of Zakat, tax, and customs committees issued by Royal Order No. \(25711\) dated 08/04/1445 AH.](#)
- Article (153) of [the Code of Criminal Procedure issued by Royal Decree No. \(M/2\) dated 22/01/1435 AH.](#)

Facts:

This is to consider the appeal submitted by/ Foundation ... National ID number (...) As an agent for (...), national ID number (...), as the owner of the institution (...), commercial registration number (...), under agency number (...). On 11/11/1444 AH, against the first instance Decision No. (CSR-2022-2409), issued by the second First Instance Customs Committee in Riyadh, which ruled as follows:

1- Conviction of the defendant (...), commercial registration number (...). In person with customs smuggling.



2- To impose a customs fine equivalent to the value of the violating item in the amount of (54,995) fifty-four thousand nine hundred ninety-five riyals.

3- Obliging him to pay an amount equivalent to the value of the violating item as a confiscation fee, amounting to (54,995) fifty-four thousand nine hundred and ninety-five riyals.

Since the appellant was notified of the Decision subject to the appeal on 30/05/2023, and submitted the appeal on 29/06/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established by Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment (hotel supplies) through the customs of Jeddah Islamic Port under import declaration number (...). On 16/12/1438 AH, it was granted under a commitment not to act until the result of the competent authority appears, and upon presenting the sample to the Food and Drug Authority, the response was received in report number (...) On the date 23/07/1439 AH, it was noted that there was a non-compliance with specifications and standards. The importer was informed of the result, but he did not respond. The first instance committee issued its Decision as stated in its ruling, based on the fact that the importer did not review the customs to return the shipment after the report from the competent authority indicated that the sample did not comply. Consequently, the importer was found guilty of customs smuggling for acting with the shipment contrary to the commitment taken based on what was stated in Article (142) of the Unified Customs law, and penalties were imposed on the importer as stated in the ruling subject to appeal. Upon reviewing the objection list submitted by the appellant, the customs appellate committee found that its summary mentioned that the case documents lack the written commitment not to dispose of the shipment, and the conviction for customs smuggling is contingent upon the existence of the written commitment related to public order. Additionally, the letter initiating the lawsuit lacks the procedural and substantive legal requirements stipulated by the law, as it was devoid of the essential data for its validity. Furthermore, the lawsuit was filed by someone without standing, as the lawsuit was initiated on 09/07/1442 AH, which means that the jurisdiction lies with the Public Prosecution. Moreover, the lawsuit was initiated before obtaining permission to do so through a letter from His Excellency the Governor of the General Authority of Customs. The case documents also lack the detailed result of the analysis, as it only referred to the report number without attaching it, and they also lack the incident report in violation of Article (129) of the Unified Customs Law. The importer was not notified by customs about the return of the shipment to the customs area. Additionally, the incident represents a procedural violation and not a technical one, and there is no suspicion of commercial fraud against the consumer. The Decision was issued in absentia, which led to a violation of the right to defense, in addition to the expiration of the lawsuit due to pardon as it is covered by Royal Order No. (61877) dated 27/10/1442 AH. The list concluded with a request to accept the appeal in procedures and on merits and to annul the first instance Decision. A response memo from the authority was received via the Automated System of the Secretariat dated 24/08/2023, which summarized that the lawsuit was submitted to the committee and was



reviewed by the committee that issued the Decision. It is unreasonable to rule on the lawsuit without it being first instancely drafted by the authority. Furthermore, the authority submitted its case through the official account registered in the name of the authority with the Secretariat, with the authority's logo and information present in all submitted documents, which is sufficient to prove the authority's status. Based on the laboratory results, it is not permissible to import the goods into the Kingdom of Saudi Arabia, as the violation mentioned in the laboratory report is a technical violation that causes negative effects on consumers and impacts their financial resources. The memo concluded with a request to reject the submitted appeal and uphold the first instance Decision in all its provisions. On Tuesday, July 16, 2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against the first instance Decision No. (CSR-2022-2409), issued by the Second First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a Decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the Grounds on which the appeal was based and the response of the authority to it.

Grounds:

Whereas it is established in the rules of litigation that the proper application of the law is an obligation on the authority examining the case, and it must rule on its own initiative without the need for a request from the parties. Consequently, the authority examining the case has broad discretion in assessing the facts, giving them the appropriate description, and providing the correct classification without being bound by the classification of the prosecution or its opponent, in light of what it is convinced of and the state of the evidence and the inferences drawn from it, relying on it and using it as a basis for its ruling, as long as the documents related to it within the case file do not contradict what has been inferred and established in its conviction and belief to resolve the dispute, and that its inference is sound, reasonable, and leads to the result it has reached. This is in accordance with what is stated in Article (153) of the Criminal Procedure law, which stipulates that "the court is not bound by the description contained in the indictment and must give the act the description it deserves, even if it contradicts the description in the indictment...". Furthermore, according to the report on the sample examination results, the observation relates to the inability to approve the clearance due to the failure to complete the requirements for the clearance of cosmetics, without the report asserting the existence of a violation in the item mentioned or indicating that it is not permissible to act upon it or that the lack of clearance is related to a defect in it that harms the consumer. Since this observation has been established in the customs appellate court's rulings as a non-essential observation, it follows that the importer's action regarding the item in question, which is burdened with such an observation, constitutes in reality a consideration of it as a procedural observation that does not rise, in the case of acting upon the shipment with its existence, to classify the importer's action regarding the shipment as being burdened with that observation as constituting customs smuggling. Therefore, the first instance



decision regarding everything it ruled against the appealing institution is to be annulled. However, since the importing institution violated the commitment taken upon it and acted upon the shipment without notifying customs, it is determined that the action of the importing institution constitutes a violation governed by Article (31/6) of the Executive Regulation of the Customs law, and a financial penalty of (1,000) one thousand riyals is imposed on it for each of the five items included in the shipment, as will be stated in the total amount in the text of this decision, in application of what that article stipulates. This result reached by the committee is not affected by the appellant's claim of the absence of a letter to initiate a lawsuit concerning the import statement, as it is established that the case file included multiple documents related to the import statement of the shipment in question. Since it has been established in customs jurisprudence that documents complement each other's data, such a claim should be disregarded. Moreover, the appellant's assertion of the lack of jurisdiction of the General Authority for Customs to file the lawsuit, claiming that the jurisdiction of the public prosecution in the raised case is vested in the public prosecution, is refuted; considering that the arrangements for enforcing the jurisdiction of the public prosecution in customs crimes under the royal decree issued on 2/6/1440 AH for the public prosecution have come on the jurisdiction of the prosecution related to the facts that occurred after the issuance of the coordination report for transferring the jurisdiction related to the prosecution regarding the crimes stipulated in the Customs law, which was prepared between the public prosecution and the General Authority for Customs, that the facts related to customs smuggling crimes after the date of 02/09/1440 AH are the only ones concerned with the jurisdiction of the public prosecution to prosecute them, while those before it fall under the jurisdiction of the customs prosecution, which makes the appellant's argument in this regard based on an incorrect basis. Additionally, the claim regarding the inclusion of the lawsuit in the royal pardon issued in 1442 AH is refuted; considering that the royal pardon is related to the status of the penalty described in the penal description, represented in imprisonment, and not to penalties of a financial nature. Furthermore, the assertion of the absence of a seizure report regarding the incident, claiming that this leads to a defect in the lawsuit procedures, is incorrect; considering that the seizure report is required to be prepared upon discovering the violation or smuggling crime when preparing the import statement and submitting it to complete the shipment procedures, and such a claim does not negate the established fact of the importer's action regarding the shipment without returning the violating items after being notified by customs of that through what is included in the case file. Moreover, the appellant's claim that the judgment was issued in absentia against him is refuted; considering that it is established from the narration of the facts of the appealed decision that the importer was notified twice on 22/12/2021 and 03/01/2022 to attend and enable him to exercise his right to defend himself against the indictment, as stipulated in the rules of customs committees issued by royal decree No. (25711) dated 08/04/1445 AH, through what is stated in Articles (12 and 20) of those rules. Therefore, the committee concluded the following report:



Decision:

- 1- Acceptance of the appeal in form submitted by (...), commercial registration number (...), owned by (...), national ID number (...), against the first instance Decision number (CSR-2022-2409), issued by the second First Instance Customs Committee in Riyadh.
- 2- In the subject of his acceptance, and the annulment of the first instance Decision in all that was ruled against the appellant, and that for the Grounds and considerations stated in this Decision.
- 3- The importer's actions regarding the violating items are considered a violation of customs procedures, resulting in a financial penalty for each violating item, bringing the total amount demanded to (5,000) five thousand riyals, for the Grounds and details stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-228756
Case No. PC-2023-228756

Keywords:

Customs - Constraints - bond commitment - fan dynamo - non-compliance with specifications - labeling and instructions - non-conviction

Summary:

The importer requests the cancellation of the decision of the 1st First Instance Customs Committee in Riyadh No. (CFR-2023-124051), which convicted the importer of customs smuggling. And where it was established for the appellate committee that the statement of the Ministry of Trade regarding the shipment for which the import statement is the subject of the lawsuit did not include anything that confirms and asserts that the imported samples are counterfeit or adulterated. This means; to cancel the first instance decision in all that it ruled.

Document:

- Article (153) of [the Code of Criminal Procedure issued by Royal Decree No. \(M/2\) dated 22/01/1435 AH.](#)
- Article (38) of [the Gulf Trademark law issued by Royal Decree No. \(M/51\) dated 26/7/1435 AH,](#)
- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal against the first instance Decision number (CFR-2023-124051) issued by the 1st First Instance Customs Committee in Riyadh, submitted by the owner of the institution(...), civil registration number (...).

As for the facts of this case, they are summarized by the arrival of a shipment (fan dynamo - compressor) through the Al-Batha customs under import declaration number (...). On the date 23/09/1438 AH, it was allowed under a commitment not to act until the result of the examination by the competent authority appeared, and upon examining the sample by the laboratory, the report number (...) was received. On



03/07/2017, it was noted that there was a non-compliance regarding the tagging and guidelines concerning the item (fan dynamo), and the items were referred to the relevant authority at the Ministry of Commerce, and their letter number (...) was received. On 14/11/1438 AH, it was stated that the samples bear a registered trademark and thus are considered a violation of the trademark law. The importer was notified of the result by the customs, but he did not respond. The first instance committee issued its Decision to convict the importer of customs smuggling and impose the associated penalties, as stated in the ruling and Grounds for the Decision subject to appeal, which is referred to in order to avoid repetition. Upon reviewing the objection list submitted, the appellate customs committee found that it included a summary stating that the laboratory result did not explicitly indicate that it was counterfeit and that it violated an intellectual property right (counterfeit). Instead, it pointed out that the sample bore a registered trademark, in addition to the fact that the institution pledged not to act and adhered to that pledge. Furthermore, it underwent customs review and was not informed of the laboratory result or the Ministry of Commerce's statement. It concluded with a request for reconsideration of the Decision issued against it and a ruling again of not convicting the institution of customs smuggling. Upon reviewing the response memorandum submitted by appellee, the customs appellate committee found that it included a summary stating that the use of a registered trademark by someone other than its owner, without any relationship between the two parties, is considered a violation of Article (21) of the Trademark law, which stipulates that: The person who registers the trademark is considered its owner, and any person's benefit from a registered mark is conditional upon the owner's consent. The law of commercial fraud defined the counterfeit product in its first article as any product that does not conform to the approved standard specifications. According to the statement from the Ministry of Commerce, the item in violation in this case, which is prohibited to carry, bears data with a registered trademark (...) And (...) whereas the act of importing goods that are in violation and prohibited, and the introduction or attempt to introduce prohibited goods is considered customs smuggling according to the text of Article (142) of the Unified Customs Law: Smuggling is the introduction or attempt to introduce goods into the country or to remove them, or an attempt to remove them in violation of the applicable legislation, without paying the customs duties "fees" in whole or in part, or contrary to the provisions of prohibition or restriction contained in this law "law" and other laws and laws." Article (143) of the same law states that: " After reviewing the case file and the appeal submitted by the appellant and the response of the committee regarding it, the committee found that the case is ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what has been presented to form its conviction and to rule on it in light of the reasons on which the appeal was based.

Grounds:

After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations



and laws. Since the appellant was notified of the first instance Decision on 27/11/2023, and submitted the appeal against the Decision on 24/12/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law. Whereas the first instance Decision was issued against the importer (...), commercial registration number (...), and whereas it was found upon reviewing the case file and its attachments that the import declaration prepared for the shipment subject to the case was made in the name of (...), commercial registration number (...), and upon verifying the commercial registration number mentioned in the first instance Decision, it was found to be the civil registration of the owner of the establishment, therefore, the name of the importer and the commercial registration number should be amended as stated above. It is established in the rules of litigation that the proper application of the law is an obligation on the authority examining the case, and it must be done on its own initiative without the need for a request from the parties. Consequently, the authority examining the case has broad discretion in assessing the facts and giving them the appropriate description and correct classification without being bound by the classification of the prosecution or its opponent, in light of what it is convinced of and the state of the evidence and the inferences drawn from it, relying on it and using it as a basis for its ruling, as long as the documents related to it within the case file do not contradict what has been inferred and what its conviction and belief have settled on to resolve the dispute, and that its inference is sound, reasonable, and leads to the result it has reached. This is in accordance with what is stated in Article (153) of the Criminal Procedure law, which stipulates that "the court is not bound by the description contained in the indictment and must give the act the description it deserves, even if it contradicts the description in the indictment..." Furthermore, according to what is stated in report number (...) The court is not bound by the description in the lawsuit and must give the act the description it deserves, even if it contradicts the description in the lawsuit... Furthermore, upon reviewing the customs appellate committee on what was included in the statement of the Ministry of Commerce regarding the shipment for which the import statement is the subject of the lawsuit, which did not include anything that confirms and asserts that the imported samples are counterfeit or adulterated, but rather the ministry's observation regarding it is that they bear registered trademarks; and since what governs the dealing with goods that bear registered trademarks is Article (38) of the Gulf Trademark law approved by Royal Decree No. (M/51) dated 26/7/1435 AH, it is decided by this committee to annul the first instance decision in all that it ruled, and thus the committee concluded to report the following:

Decision:

First: Acceptance of the appeal in form, from (...), commercial registration number (...), owned by (...), civil registration number (...), against the first instance Decision number (CFR-2023-124051), issued by the 1st First Instance Customs Committee in Riyadh.

Second: In the subject, the cancellation of the first instance decision in all that it ruled, and that for the reasons and considerations stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-225044
Case No. PC-2023-225044

Keywords:

Customs - Constraints - Bond Commitment - Electrical Tools - Non-compliance with specifications - Labeling and explanatory data - No conviction

Summary:

The request of the Zakat, Tax and Customs Authority to cancel the decision of the 1st First Instance Customs Committee in Riyadh No. (CFR-2023-111769), which ruled not to convict the importer of customs smuggling. The appellate committee found that, upon reviewing the arguments presented by the appellant, it is established that the respondent acknowledged the act without admitting to the commitment, and the crime in question is contingent upon the commitment. Therefore, the first-instance decision is upheld in all its rulings.

Document:

- Article (56) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (142) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal against the first instance Decision No. (CFR-2023-111769) issued by the 1st First Instance Customs Committee in Riyadh. Since the appellant was notified of the first instance Decision on 20/09/2023, and submitted the appeal on 12/10/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the prescribed period for its submission as stipulated in Article (163) of the Unified Customs law.



As for the facts of this case, they are summarized by the arrival of a shipment (electrical tools) through the Al-Batha customs according to import declaration number (...). On the date 28/10/1435 AH, it was granted based on a commitment not to act until the result of the competent authority appears, and upon examining the sample, the report number (...) was received. On 15/09/2014, which included non-compliance in terms of labeling, moisture resistance, and electrical durability, the importer was addressed by customs, but he did not respond. The first instance committee issued its Decision not to convict the importer of customs smuggling as stated in the text and Grounds for the Decision subject to appeal, which is referred to in order to avoid repetition. Upon reviewing the objection list submitted, the appellate customs committee found that it includes a summary stating that the bond commitment, which the committee decided not to convict for customs smuggling based on the absence of such evidence in the case file, was attached in a neutral law. Additionally, the shipment consists of prohibited goods based on the results from the competent authority, which indicated its violation of the approved specifications. Furthermore, the administration prohibits, under the provisions of this law "law" or any other law "law" or Decision, the entry, exit, or transit of prohibited or non-compliant goods, as well as the entry, exit, or transit of restricted goods unless authorized by the competent authorities in the countries, according to the text of Article (24) of the Unified Customs law. Since the handling of the released shipment without action is considered a violation of Article (56) of the Unified Customs law and is deemed customs smuggling according to Article (142), the authority requests the acceptance of the appeal in form and the conviction of the institution (...) For customs smuggling and obliging it to a fine equivalent to three times the value of the goods and obliging it to pay an amount equivalent to the value of the goods as a confiscation substitute. The Automated System of the Secretariat received a response from the appellant, stating that the institution was not informed by customs through the office because the office they were dealing with was closed, which is (Office ... For customs clearance), it added that the goods were sold to a Kuwaiti investor and that all the goods, totaling (40) thousand pieces including electrical materials, were exported. It confirmed that it did not dispose of any of them inside Saudi Arabia, and that it reviewed the customs in Riyadh to clarify that the goods were exported to Kuwait under a customs declaration through the Al-Raqi customs. It stated that if there was any shortcoming, it was due to the office it was dealing with, as it was not informed by the Saudi customs despite having its address and mobile number. After reviewing the case file and the appeal submitted by the authority and the response from the appellant, the committee found that the case was ready for a Decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and to rule on it in light of the Grounds on which the appeal was based.



Grounds:



After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws. Since there is no blame on the reviewing party for taking the Grounds of the Decision subject to appeal without adding anything whenever it sees in these Grounds what suffices to avoid presenting anything new, because in its support, based on its Grounds, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those Grounds contained. This is not affected by what the appellant submitted regarding the attachment of the bond commitment, as the commitment came without the signature of the respondent, dated of its issuance - according to what was stated in it - is 18/03/1445 AH, corresponding to 02/10/2023 AD, which is after the issuance of the first instance ruling, making it worthy of being disregarded. Furthermore, upon reviewing what the respondent submitted, it is established that she acknowledged the act without acknowledging the commitment, and the crime - subject of the case - exists or does not exist with the commitment. Since the commitment was not proven by acknowledgment or document, there is no crime. Therefore, it is determined that the defenses presented do not affect the outcome of the Decision, which makes the appeal without supporting evidence, necessitating its rejection. Accordingly, the appellate committee concluded to report the following.

Decision:

First: Acceptance of the appeal in form, from the appellant / Zakat, Tax and Customs Authority, against the first instance Decision No. (CFR-2023-111769) issued by the 1st First Instance Customs Committee in Riyadh.

Second: The appeal is rejected on the merits, and the first instance Decision is upheld, for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-227949
Case No. PC-2023-227949

Keywords:

Customs - constraints - bond commitment - frames - non-compliance with specifications - failure to record heat resistance rating - non-conviction

Summary:

The request of the Zakat, Tax and Customs Authority to cancel the decision of the 1st First Instance Customs Committee in Riyadh No. (CFR-2023-108171), which ruled not to convict the importer of customs smuggling while obliging him to pay a customs fine. And where it was established for the appellate committee from the laboratory result that the failure to pass was due to the lack of recording the heat resistance degree, it becomes clear that the violation does not rise to the level of a customs smuggling crime but rather falls within the scope of customs violations. Therefore, the first-instance decision is upheld in all its rulings.

Document:

- Article (141) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (30) of [the Executive Regulations of the Customs law issued by Ministerial Resolution No. \(2748\) dated 25/11/1423 AH.](#)
- Article (31) of [the executive regulations of the customs law issued by Ministerial Decision No. \(2748\) dated 25/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by the Zakat, Tax and Customs Authority, against the first instance Decision No. (CFR-2023-108171) issued by the 1st First Instance Customs Committee in Riyadh.



As for the facts of this case, they are summarized by the arrival of a shipment (tires) through the Al-Batha customs under import declaration number (...). On the date 12/07/1435 AH, it was allowed based on a commitment not to act until its clearance was approved by the competent authority. After examining the sample by the laboratory, the report indicated non-compliance due to the absence of the heat resistance rating on the tire according to the requirements of the Gulf specification. The first instance committee issued its Decision not to convict the importer of customs smuggling, imposing a customs fine of one thousand riyals, based on the absence of the sample test result in the case file, which does not allow for a definitive conclusion regarding the violation of the shipment. However, considering the importer's failure to adhere to the commitment taken, the first instance committee deemed the incident as merely a violation of customs procedures. Upon reviewing the statement of appeal submitted, the customs appellate committee found that it includes a summary indicating that the laboratory result was attached in a neutral law, and that the shipment consists of prohibited goods based on the laboratory result which showed its violation of the approved specifications. Furthermore, the administration prohibits under the provisions of this law "law" or any other law "law" or Decision the entry of prohibited or violating goods or their exit or transit, and also prohibits the entry of restricted goods or their exit or transit except with approval issued by the competent authorities in the countries" according to the text of Article (24) of the Unified Customs law. Moreover, Article (142) of the Unified Customs law states that "smuggling is the introduction or attempt to introduce goods into the country or their exit, or attempt to exit them in violation of the applicable legislation, without paying the customs duties in whole or in part, or contrary to the prohibitions or constraints contained in this law "law" and other laws and laws." Additionally, Article (17/143) of the same law includes the following: "Smuggling specifically includes the following: ... The following falls under the definition of smuggling in particular: ... 17- The handling of the goods released temporarily in accordance with Article (56, paragraph B) without the approval of the competent authority. Therefore, the authority requests the conviction of the institution for customs smuggling and obliges it to pay a customs fine equivalent to three times the value of the goods and to confiscate the goods or to rule for an amount equivalent to their value if they are not seized. After reviewing the case file and the appeal submitted by the authority, the committee found that the case is ready for a Decision in its current state after being informed of the facts of the case and the sufficiency of what has been presented to form its conviction and to rule on it in light of the Grounds on which the appeal was based.

Grounds:

After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws. Since the appellant was notified of the first instance Decision on 27/11/2023, and submitted the appeal on 17/12/2023, this entails the acceptance of the appeal in form for being submitted by a person



with standing within the time frame established by Article (163) of the Unified Customs law. After reviewing the case file and the documents and papers it contained, as well as the Decision of the First Instance Committee, and considering what the appellant presented, and since the appellant argued in her objection that the violation related to the item is technical and not procedural, the case was referred to the Technical Studies Department to determine the type of violation. The response indicated that the laboratory result shows that the sample (did not pass) in terms of (not recording the heat resistance degree) without including that result the percentage or degree of the measured heat resistance and the extent of the sample's violation of the required standard in the specification. It was also included in the response that it is clear from the laboratory result that the failure to pass was due to the lack of recording the heat resistance degree, which indicates that the violation does not rise to the level of a customs smuggling crime but falls within the customs violations stated in Article (141) of the Unified Customs law, whose penalties are specified in Articles (30) and (31) of its executive regulations. Therefore, this committee concludes that the content of the First Instance Decision is correct, and thus the appeal has no supporting basis and must be rejected. Consequently, the appellate committee concluded to report the following:

Decision:

First: Acceptance of the appeal in form, from the appellant / Zakat, Tax and Customs Authority, against the first instance Decision No. (CFR-2023-108171) issued by the 1st First Instance Customs Committee in Riyadh.

Second: The appeal is rejected on the merits, for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-198918
Case No. PC-2023-198918

Keywords:

Customs - Constraints - Bond Commitment - Panel Lighting - Non-compliance with specifications - Energy Consumption Card - No Conviction

Summary:

The importer requests the cancellation of the decision of the Second First Instance Customs Committee in Riyadh No. (CSR-2022-2054), which convicted the importer of customs smuggling and confiscated the items subject to the lawsuit. And where it has been established to the appellate committee that the status of the customs declaration in the case is concluded with a cleared transaction. This means; to cancel the first instance decision in all that it ruled.

Document:

- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal against the first instance Decision number (CSR-2024-2054) issued by the Third First Instance Customs Committee in Riyadh.

As for the facts of this case, they are summarized by the arrival of a shipment of electrical tools consisting of (panel lights, bulbs) through the customs of King Abdulaziz Port under import declaration number (...). On 14/11/1437 AH, and after examining the sample by the laboratory, it was reported that it did not comply with the energy consumption label. The first instance committee issued its decision to convict the importer of customs smuggling and to confiscate the violating items (panel lights, bulbs) subject to the lawsuit, as detailed in the facts, reasons, and the text of the first instance decision under appeal, which is referred to in order to avoid repetition. The appellate customs committee, upon reviewing the appeal submitted by (...), national ID number (...), in his capacity as an attorney for the company (...) under power of attorney number (...), found that it includes a summary stating the incorrect interpretation by the 1st instance committee of Article (142) of the Customs Law, by classifying the incident in question as applicable to that article while it



had not initiated the execution of the criminal act. Furthermore, the first instance decision contained a contradiction by convicting the company due to its handling of the goods, and thus the decision concluded with the confiscation of the items still in the possession of customs. The appeal concluded with a request to accept the appeal in form and to annul the first instance decision subject to the appeal. Upon reviewing the statement of appeal submitted by the Zakat, Tax and Customs Authority, the appellate customs committee found that it includes a summary stating that the first instance committee concluded in its decision to confiscate the items (panel lights, bulbs), while the item in violation subject to the lawsuit is item number (8) in the customs declaration, which is not seized by customs and cannot be confiscated due to the company's handling of it. Furthermore, the first instance committee overlooked in its decision to fine the company based on its conviction for customs smuggling according to Article (145) of the Unified Customs Law. The list concluded with a request to accept the appeal procedurally, convict the company of customs smuggling, impose a customs fine equivalent to three times the value of the goods, and obligate it to pay an amount equivalent to the value of the goods as a confiscation substitute. The automated system of the secretariat has received the authority's response to the appeal submitted by the company on 16/07/2023, which included the insistence on what was presented in the appeal memorandum that the violating item is item number (8) and that the items seized at customs are items (10) and (12). It concluded with a request to amend the second paragraph of the ruling so that it becomes an obligation for the defendant to pay a customs fine equivalent to the value of the goods as a substitute for confiscation, and to obligate her to pay a customs fine equivalent to three times the value of the goods. The company's response to the appeal submitted by the authority on 25/07/2023 was received through the automated system of the secretariat, confirming its adherence to what was previously submitted. It stated that item number (8) of the customs declaration was cleared based on the inspection report and the request for preparation of the declaration (attached as document number 1), which indicated that the status of the declaration was completed with cleared and paid transactions. The attachment was printed on 29/12/1444 AH from the law, and the company's response concluded by insisting on its requests mentioned in the statement of appeal. After reviewing the case file and the submitted appeal, the committee found that the case was ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based.

Grounds:

After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws. And where the company (...) was informed Since the appellant was notified of the first instance Decision on 21/05/2023, and submitted the appeal against the Decision on 31/05/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame



established by Article (163) of the Unified Customs law. Since the appellant was notified of the first instance Decision on 21/05/2023, and submitted the appeal against the Decision on 11/06/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law. On the merits, after reviewing the case file and its contents, and considering the defenses presented by the parties, and since (...) The status of the customs declaration in the case is that it is completed with an open transaction and paid. The customs appeals committee, upon reviewing the document (inspection and request for preparation of the declaration) provided by the company related to the shipment associated with the import declaration in this case, found that this document indicated that the status of the declaration (completed with an open transaction). The appeals committee requested a response from the Zakat, Tax and Customs Authority on 15/08/2024, and the authority's response indicated that the commitment is still in place and has not been settled, and that settling the commitment is the responsibility of the concerned party without disputing the validity of the document submitted by (...). Therefore, it was decided to annul the first instance decision and rule that the importer is not guilty of the crime of customs smuggling. Accordingly, the committee concluded with the following report:

Decision:

First: Acceptance of the two appeals in form, against the first instance Decision number (CSR - 2022 - 2054) issued by the second First Instance Customs Committee in Riyadh.

Second: In the subject, the cancellation of the first instance Decision, and the ruling of not convicting the importer of the crime of customs smuggling, for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-226512
Case No. PC-2023-226512

Keywords:

Customs - Constraints - Bond Commitment - Ready-made Clothes - Non-compliance with Specifications - pH - Conviction

Summary:

The importer's request to cancel the decision of the 1st First Instance Customs Committee in Riyadh No. (CFR-2023-111531), which convicted the importer of customs smuggling. And where it was established for the appellate committee that the importer's violation of the duty to handle the shipment without regard to the order of permission for its entry into the country constituted behavior contrary to that general duty. This means; upholding the first instance decision as stated and amending paragraph (2).

Document:

- Paragraphs (4) and (5) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal against the first instance Decision number (CFR-2023-111531) issued by the 1st First Instance Customs Committee in Riyadh, submitted by/ ..., ID number (...). Civil registry number (...).

As for the facts of this case, they are summarized by the arrival of a shipment (fan dynamo - compressor) through the Al-Batha customs under import declaration number (...). On the date 15/01/1436 AH, it was allowed under a commitment not to act until the result of the examination by the competent authority appeared, and upon examination of the sample by the laboratory, the report number (...) was received. dated 23/11/2014 AD, which includes non-compliance in terms of pH level, as the report number (...) mentioned the item (socks). The date 23/11/2014, which includes non-compliance regarding lead in the paint, and the importer was addressed by customs to return the shipment, but he did not respond. The first instance committee issued its Decision to convict the importer of customs smuggling and impose the



associated penalties as stated in the ruling and Grounds for the Decision subject to appeal, which is referred to in order to avoid repetition. Upon reviewing the appeal submitted by the owner of the institution, the customs appellate committee found that it included a summary indicating that she had authorized a clearance office to import the goods and clear them customs-wise and to bring them into the country legally according to the applicable customs regulations, provided that she supplies them with a mandate from her and all the required documents for import. This indeed happened; however, this office did not execute what was agreed upon, as it acted without consulting her and imported goods multiple times without the owner's knowledge. It became clear that it exploited the opportunity of the mandate and the commitment not to act and repeatedly photographed the commitment and the analysis agency several times. Therefore, it is required to verify the date of the Ministry of Trade's approval dated of the import declaration. Additionally, the incident did not meet the elements of criminal liability, nor does it fall under the description of the crime of customs smuggling. The report concluded with a request to accept the objection in substance. Upon reviewing the response memorandum submitted by the authority, the appellate customs committee found that it includes a summary stating that the shipment was received in the name of the appealing institution and that it is responsible before customs since the customs data was recorded in the name of the institution. Additionally, all customs transactions were conducted in the name of the institution, with the signature and seal of its owner as a commitment not to dispose of it. The authority also indicates that Article (158) of the Customs Law states that "the owners of goods, employers, and carriers of goods are responsible for the actions of their employees and all workers for their benefit concerning the fees and taxes collected by the customs department, as well as the fines and confiscations stipulated in this 'law' resulting from those actions," which means that the institution is legally responsible before customs, in addition to having appointed the customs broker of its own free will and being able to seek recourse against those who caused it harm before the competent authority. The response memorandum concluded with a request to reject the submitted appeal and uphold the first instance decision. After reviewing the case file and the appeal submitted by the appellant and the response of the committee regarding it, the committee found that the case is ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what has been presented to form its conviction and to rule on it in light of the reasons on which the appeal was based.

Grounds:

After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws. Since the appellant was notified of the first instance Decision on 12/11/2023, and submitted the appeal on 17/11/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law. Since there is



no reproach against the authority reviewing the appeal for taking the reasons of the decision subject to the appeal without addition whenever it sees that these reasons suffice to avoid presenting anything new, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. This is not undermined by what the appellant mentions of defenses that do not contradict the established fact represented in the arrival of the violating shipment in the name of the importing institution and its handling of it after it was established that its clearance was not permitted according to the laboratory reports related to the import statement prepared for the shipment subject to the case, considering that the customs procedure related to completing the entry of the shipment into the country requires the importer to observe the general duty required by the customs law regarding the importer when dealing with the incoming shipment, which is embodied in complying with all that the customs law and other related regulations require for the clearance of the shipment, thus necessitating not to act with it in any way except after its clearance and permission to act with it. Therefore, the violation of this duty by the importer through his handling of the shipment without regard to the matter of permission for its entry into the country constitutes a behavior contrary to that general duty, which is also something that is necessarily known to him, which does not negate the validity of attributing the crime of customs smuggling to the importing institution. Additionally, customs has no concern in the relationship that binds the customs broker with the importer when applying the customs law, and the importer is responsible for claiming from whoever he alleges has caused him harm. Since the reasons for the decision subject to the appeal are sufficient to support its ruling, it is necessary to determine that the defenses presented do not affect the outcome of the decision, which makes the appeal unsupported and thus must be rejected. However, the appellate committee noted that the committee issuing the decision had calculated the customs fine on the importer by applying paragraph (4) of Article (145) of the Unified Customs Law, which applies to prohibited goods. Since the imported goods are not prohibited in their nature and type, but their entry was banned due to non-compliance with certain required specifications, as confirmed by the importer's request to bring the shipment to the customs area for re-export, this committee decides to apply paragraph (2) of Article (145) of the Unified Customs Law, contrary to what was decided in the first instance ruling. Therefore, this committee concludes to calculate the customs fine at twice the customs duties as will be stated in the ruling. Accordingly, the customs appellate committee concluded to report the following:

Decision:

First: Acceptance of the appeal in form, from its presenter (...), commercial registration number (...), owned by (...), national ID number (...), against the first instance Decision number (CFR-2023-111531) issued by the 1st First Instance Customs Committee in Riyadh.



Second: The appeal was rejected on the subject, and the first instance decision regarding the conviction for customs smuggling and the confiscation fee was upheld, with the customs fine stated in paragraph (2) of the first instance decision modified to be twice the customs duties of the violating item (ready-made clothes), amounting to (777) seven hundred seventy-seven riyals. Thus, the total amount claimed from the importer is (9,551) nine thousand five hundred fifty-one riyals, for the reasons and justifications stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-226464
Case No. PC-2023-226464

Keywords:

Customs - Constraints - Bond Commitment - Dettol Soap - Non-compliance with specifications -
Estimation of materials insoluble in water - Non-conviction

Summary:

The importer's request to cancel the decision of the 1st First Instance Customs Committee in Riyadh No. (CFR-2023-103410), which convicted the importer of customs smuggling. And where it was established for the appellate committee that the shipment was re-exported and the bond commitment regarding the import declaration prepared for the shipment subject to the lawsuit was settled, and that the institution complied with the customs with what it had committed to. This means; to cancel the first instance decision in all that it ruled.

Document:

- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal against Decision number (CSR-2023-103410) issued by the 1st First Instance Customs Committee in Riyadh, submitted by (...), National ID number (...). As the owner of the institution.

As for the facts of this case, they are summarized by the arrival of a shipment (electrical tools) through the Al-Batha customs according to import declaration number (...). On the date 07/07/1438 AH, it was allowed based on a commitment not to act until the result of the competent authority appeared. After examining the sample by the laboratory, a report was received indicating non-compliance regarding the estimation of substances insoluble in ethanol and the estimation of the content of substances insoluble in water. The first instance committee issued its decision convicting the importer of customs smuggling and imposing the associated penalties as detailed in the facts, reasons, and the text of the first instance decision subject to appeal, which is referred to in order to avoid repetition. Upon reviewing the statement of appeal submitted by the owner of the institution, the customs appellate committee found that it includes a summary stating



that an invoice for the re-export of the shipment to the United Arab Emirates was submitted, certified by the institution through the Riyadh Chamber of Commerce with document number (...). On 12/09/1440 AH, it was submitted to the customs of the Al-Bathaa crossing, and approval was granted to return the shipment to its source. Based on the approval, a return statement was issued with the number (...). On 14/09/1440 AH, it was approved for clearance with import statement number (...) The shipment was returned to the United Arab Emirates on 27/10/1440 AH, and the memorandum concluded with a request to overturn the decision of the first instance committee and a report of the institution's innocence from the allegations against it, ending the dispute between the institution and the authority. Upon reviewing the response memorandum submitted by the authority, the appellate customs committee found that it includes a summary indicating that, upon communication with the relevant department, confirmation was received regarding the accuracy of what the appellant states about the payment of the commitment concerning import declaration number (...) dated 07/07/1438 AH. After reviewing the case file and the appeal submitted by the appellant and the response of the committee regarding it, the committee found that the case is ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what has been presented to form its conviction and to rule on it in light of the reasons on which the appeal was based.

Grounds:

After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws. Since the appellant was notified of the first instance Decision on 06/11/2023, and submitted the appeal on 16/11/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law. On the merits, after reviewing the case file and its documents, and considering the defenses presented by the parties, the appellant argued that the shipment in question had been re-exported, and attached evidence to support this. The respondent (the Zakat, Tax and Customs Authority) confirmed in its response memorandum the validity of the appellant's claim that the shipment had been re-exported and that the bond commitment regarding the import declaration for the shipment in question had been fulfilled. Since the institution complied with the customs obligations it undertook, it follows that the conviction issued by the 1st instance committee against the appellant is not based on a correct foundation of reality. Given this situation, the appellate committee concludes that the dispute between the importer and the authority is resolved, leading the committee to report the following:



Decision:

First: Acceptance of the appeal in form, from its presenter (...), commercial registration number (...), owned by (...), national ID number (...), against the first instance Decision number (CSR-2023-103410) issued by the second First Instance Customs Committee in Riyadh.

Second: Accepting the appeal on its merits, annulling the first instance decision in all that it ruled, and ruling that the institution (...), commercial registration number (...) is not guilty In the crime of customs smuggling, for the reasons and considerations stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-227751
Case No. PC-2023-227751

Keywords:

Customs - Constraints - Bond Commitment - Ready-made Clothes - Non-compliance with specifications - Color fastness and dry cleaning and quantitative and qualitative analysis of fibers - No conviction

Summary:

The importer's request to cancel the decision of the 1st First Instance Customs Committee in Riyadh No. (CFR-2023-124051), which ruled not to convict the importer of customs smuggling while obliging him to pay a fine for violating customs procedures. And since the appellate committee has established that the reasons for the decision subject to appeal are sufficient to support its ruling, it is necessary to state that the defenses presented do not affect the outcome of the decision. Therefore, the first-instance decision is upheld in all its rulings.

Document:

- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal against the first instance Decision number (CFR-2022-108058) issued by the 1st First Instance Customs Committee in Riyadh, submitted by the owner of the institution(...), civil registration number (...).

As for the facts of this case, they are summarized by the arrival of a shipment (electrical tools) through the Al-Batha customs according to import declaration number (...). On the date 09/05/1434 AH, it was granted based on a commitment not to act until the result of the competent authority appears, and upon examining the sample, the report number (...) was received. On 25/05/1434 AH, which included non-compliance regarding the color stability for washing, the importer was contacted by customs to return the shipment, but he did not respond. The first instance committee issued its decision not to convict the importer of customs smuggling, while obliging him to pay a fine for violating customs procedures amounting to one thousand riyals, as stated in the text and reasons for the decision subject to appeal, which is referred to in order to



prevent repetition. Upon reviewing the statement of appeal submitted by the owner of the institution, the customs appellate committee found that it includes a summary indicating that she had authorized a clearance office to import the goods and clear them customs-wise and to bring them into the country legally according to the applicable customs regulations, provided that she supplies them with a mandate from her and all the required documents for import. This indeed took place; however, this office did not execute what was agreed upon, as it acted without consulting her and imported goods multiple times without the knowledge of the institution's owner. It became clear that it exploited the opportunity of the mandate and the commitment not to act and repeatedly photographed the commitment and the analysis agency several times. An investigation is required with the customs employee who released the goods with incomplete documents, namely the commitment and the analysis agency. The list concluded with a request to verify the validity of the commitment, the customs declaration number, its date, and the certification from the chamber of commerce. Upon reviewing the response memorandum submitted by the authority, the appellate customs committee found that it includes a summary stating that the shipment was received in the name of the appealing institution and that it is responsible before customs since the customs data was recorded in the name of the institution. Additionally, all customs transactions were conducted in the name of the institution, with the signature and seal of its owner as a commitment not to dispose of it. The authority also indicates that Article (158) of the Customs Law states that "the owners of goods, employers, and carriers of goods are responsible for the actions of their employees and all workers for their benefit concerning the fees and taxes collected by the customs department, as well as the fines and confiscations stipulated in this 'law' resulting from those actions," which means that the institution is legally responsible before customs, in addition to having appointed the customs broker of its own free will and being able to seek recourse against those who caused it harm before the competent authority. The response memorandum concluded with a request to reject the submitted appeal and uphold the first instance decision. After reviewing the case file and the appeal submitted by the appellant and the response of the committee regarding it, the committee found that the case is ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what has been presented to form its conviction and to rule on it in light of the reasons on which the appeal was based.

Grounds:

After reviewing the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for zakat, tax, and customs committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related laws and regulations. And since the appellant was notified of the first instance decision on 04/12/2023, and filed an appeal against the decision on 11/12/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the prescribed period for its conduct as stipulated in Article (163) of the Unified Customs Law. Since there is no reproach against the authority reviewing the appeal for taking the



reasons of the decision subject to the appeal without addition whenever it sees that these reasons suffice to avoid presenting anything new, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. This is not affected by what the appellant mentions of defenses that do not contradict the established fact represented in the arrival of the shipment in violation under the name of the importing institution and its handling of it after it was established that its clearance was not permitted according to the laboratory reports related to the import statement prepared for the shipment subject to the case, considering that the customs transaction related to completing the procedures for bringing the shipment into the country requires the importer to observe the general duty required by the customs law regarding the importer when dealing with the incoming shipment, which is embodied in complying with everything required by the customs law and other related laws regarding the clearance of the shipment, thus necessitating not to act with it in any way except after its approval and permission to act with it. Therefore, the violation of the importer of that duty by acting with the shipment without regard to the matter of permission for its entry into the country constitutes a behavior contrary to that general duty, which is also presumed to be known by necessity to him, which does not negate the validity of attributing the violation to the importing institution. Additionally, customs have no concern in the relationship that binds the customs broker with the importer when applying the customs law, and the importer is responsible for claiming from whoever he alleges has caused him harm. Since the reasons for the decision subject to the appeal are sufficient to support its ruling, it is necessary to determine that the defenses presented do not affect the outcome of the decision, which makes the appeal without a supporting basis, necessitating its rejection. Accordingly, the customs appellate committee concluded to report the following:

Decision:

First: Acceptance of the appeal in form, from its presenter (...), commercial registration number (...), owned by (...), national ID number (...), against the first instance Decision number (CFR-2022-108058) issued by the 1st First Instance Customs Committee in Riyadh.

Second: The appeal is rejected on the merits, and the first instance Decision is upheld in all that it ruled, for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-192796
Case No. PC-2022-127241

Keywords:

Customs - Bond commitment - Constraints - White honey - Non-compliance with specifications - Presence of sucrose - No conviction

Summary:

The importer requests the cancellation of the decision of the 1st First Instance Customs Committee in Riyadh No. (CFR-2022-2404), which convicted the importer of customs smuggling and obligated him to pay a customs fine equivalent to the value of the contraband item as a confiscation substitute. And where it was established for the appellate committee that the observation mentioned in the laboratory report is among the non-essential observations that do not affect consumer deception and the safety of using the product mentioned. This means; the annulment of the first instance decision in all that it ruled and obliging it to a fine for violating customs procedures.

Document:

- Article (153) of [the Code of Criminal Procedure issued by Royal Decree No. \(M/2\) dated 22/01/1435 AH.](#)
- Article (31/6) of [the executive regulations of the customs law issued by Ministerial Decision No. \(2748\) dated 25/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by (...), national ID number (...), in his capacity as the owner of the institution (...), commercial registration number (...), against the first instance Decision number (CFR-2022-2404), issued by the 1st First Instance Customs Committee in Riyadh, which ruled as follows:

1-Condemnation of the importer institution (...), commercial registration number (...). In person with customs smuggling.



2-Obligating him to a customs fine equivalent to the value of the violating item in the amount of (49,062) forty-nine thousand and sixty-two riyals.

3- Obliging him to pay an amount equivalent to the value of the violating item as a confiscation fee of (49,062) forty-nine thousand and sixty-two riyals, making the total amount claimed (98,124) ninety-eight thousand and one hundred twenty-four riyals.

Since the appellant was notified of the Decision subject to the appeal on 06/03/2023, and submitted the appeal on 28/03/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its execution according to what is stipulated in Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment consisting of (white honey) belonging to the importer through the customs of Jeddah Islamic Port under import declaration number (...). On the date 18/01/1438 AH, it was released based on a commitment not to act until it is approved by the competent authority. After presenting the sample to the Food and Drug Authority, a response was received in letter number (201701170822405) dated 19/04/1438 AH, stating non-compliance due to the presence of sucrose at a rate of (18.4%). The importer was contacted, but he did not respond. The first instance committee issued its Decision as stated in its ruling, based on the fact that the importer did not return the unapproved shipment to the customs area, which implies his action with it. This is considered a violation of Article (56) of the Unified Customs law and is also considered customs smuggling according to Article (142) of the same law, and it arranged for the application of penalties against the importer as stated in its Decision. Upon reviewing the objection list submitted by the owner of the importing institution, the customs appeal committee found that its summary mentioned that a letter had been submitted to the First Instance Committee from the warehouse management indicating that the warehouse and the stored food items, including the white honey in question, had burned down. A first instance report from the civil defense department was also attached, confirming that the refrigerator warehouses had completely burned down. However, the committee was not convinced by the evidence presented and requested a report directed to the Zakat, Tax, and Customs Authority from the civil defense department confirming the burning of the white honey. The institution faced difficulties in convincing the civil defense department to issue the report, and after approval and the issuance of a Decision from the civil defense, they did not mention the burning of the white honey, claiming that it was not their responsibility to inventory and classify hundreds of burned food items. Additionally, when the institution reviewed the First Instance Committee, it was informed that the session had been held three days before the civil defense Decision was issued, without the presence of the institution's owner to review it with the civil defense. Furthermore, the shipment was temporarily released by customs, not at the request of the institution, and it had not received any notifications regarding the return of the white honey to the customs area as per the commitment text. Moreover, a letter was requested from the Jeddah postal administration, but they requested procedural correspondence from the



requesting party. All food stock, valued at (800,000) eight hundred thousand riyals, had burned along with the white honey in question, and the owner of the institution was unable to obtain any compensation from any party, whether from the warehouse owners or others, as the insurance was on the buildings and not on the food items. The buildings were mortgaged to the bank, and the land belonged to the Jeddah Chamber of Commerce. Additionally, the fire caused the closure of the institution's shops, liquidation of its business, and the dismissal of workers, leaving only one representative to market some local and imported items. The owner of the institution continues to struggle to meet some obligations resulting from the fire. Furthermore, the appellant is innocent of customs smuggling, as he is over (67) years old, and at this age, he is not allowed to act contrary to the authorities and the laws. The objection concluded with a request to cancel the First Instance Decision. A response memorandum was received through the Automated System of the Secretariat from the authority dated 06/06/2023, summarizing that the shipment arrived on 18/01/1438 AH, and the fire occurred on 08/08/1439 AH, which is more than a year after importation. Based on the commitment not to dispose of the goods signed by the importer, which obliges him to return the goods to customs if they do not meet the conditions and specifications, his action with these items is considered customs smuggling according to Article (142) of the Unified Customs law. Moreover, customs smuggling crimes are intentional crimes that require the existence of both the material and moral elements, which were present in the case at hand. The memorandum concluded with a request to reject the appeal submitted by the institution ... And support for the first instance Decision. On Wednesday, 21/02/2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against decision number (CFR-2022-2404), issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based and the response of the authority.

Grounds:

Whereas it is established in the rules of litigation that the proper application of the law is an obligation on the authority examining the case, and it must rule on its own initiative without the need for a request from the parties. Consequently, the authority examining the case has broad discretion in assessing the facts, giving them the appropriate description, and providing the correct classification without being bound by the classification of the prosecution or its opponent, in light of what it is convinced of and the state of the evidence and the inferences drawn from it, relying on it and using it as a basis for its ruling, as long as the documents related to it within the case file do not contradict what has been inferred and established in its conviction and belief to resolve the dispute, and that its inference is sound, reasonable, and leads to the conclusion it reached. This is consistent with what is stated in Article (153) of the Criminal Procedure law, which stipulates that "the court is not bound by the description contained in the indictment and must give



the act the description it deserves, even if it contradicts the description in the indictment...". And whereas, according to the report on the sample examination results, the violation in question relates to the non-conformity of the sample with the sucrose specification at a rate of (18.4), and the report did not indicate that the shipment with such a remark renders it unfit for consumption or that the specification was recorded on the shipment's details in a manner contrary to what the conformity report showed. And whereas the principle in convicting for customs smuggling requires that it be based on credible evidence and strong inferences that establish the aspect of conviction and attribution to the importer, and whereas the evidence and inferences upon which the evidence was based lacked the realization of that aspect concerning the importer, it is determined that this remark in the laboratory report is among the non-essential remarks that do not affect consumer deception and the safety of using the imported product. This leads to the conclusion that the importer's action regarding the item in question, which is burdened with such a remark, constitutes in reality a consideration of it as a remark of a procedural nature that does not rise, in the case of dealing with the shipment with its existence, to classify the importer's action regarding the shipment as customs smuggling. Therefore, it is decided to annul the first instance decision in all that it ruled against the appealing institution. However, since the importing institution violated the commitment taken upon it and dealt with the shipment without notifying customs, it is determined that the action of the importing institution is a violation governed by Article (31/6) of the executive regulations of the customs law, and a financial penalty of (1000) one thousand riyals is imposed on it, in application of what that article stipulates. The result reached by this decision is not affected by the appellant's claim to deny any accountability regarding the shipment in question by alleging that the shipment was exposed to fire, which negates his action with it, as the fire that damages the shipment, assuming its occurrence, does not prove that the shipment in question was present at the time of the fire, especially since the period between the importation and the temporary clearance permission and the occurrence of the fire was after a year, according to the civil defense report attached to the case file, and it was not proven during that period that the usual trader was keen on following up on its clearance from customs. And whereas the committee noted the existence of a material error in collecting the amount of the customs fine imposed and the source compensation within the text of the first instance decision in paragraph (3) by mentioning a number that contradicts its written record. And since this remark does not affect the result reached by this decision after annulling the conviction for customs smuggling and the penalties resulting from it against the appellant through what has been previously established, the appellate committee concluded to report the following:



Decision:

1- Acceptance of the appeal in form from its presenter (...), commercial registration number (...), owned by (...), national ID number (...), against the first instance Decision number (CFR-2022-2404) issued by the 1st First Instance Customs Committee in Riyadh.

2- In the matter of his acceptance, and the cancellation of the first instance Decision in all that was ruled against the importer regarding the conviction of customs smuggling and the penalties resulting from it, for the Grounds and considerations stated in this Decision.

3-Considering the importer's action regarding the violating shipment as a basis for imposing a fine for customs procedure violations amounting to (1000) one thousand riyals, for the Grounds and circumstances stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-230318
Case No. PC-2023-230318

Keywords:

Customs - Constraints - Bond commitment - Perfumes - Non-compliance with specifications - Decrease in the percentage of essential oil below the permissible limit - Non-conviction

Summary:

The importer's request to cancel the decision of the Third first instance Committee No. (CTR-2023-102674), which convicted the importer of customs smuggling. And since it has been established to the appellate committee that the authority has communicated with the importer, from which it is clear that the goods are present and have been identified, and it remains to destroy them, which negates the material element constituting the crime of customs smuggling represented in the handling of the shipment subject to the lawsuit. This means; to cancel the first instance decision in all that it ruled.

Document:

- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal against the first instance Decision number (CTR-2023-102674) issued by the 1st First Instance Customs Committee in Riyadh, submitted by the agent (...), civil registration number (...), under agency number (...).

As for the facts of this case, they are summarized by the arrival of a shipment (electric heater) through the customs of Jeddah Islamic Port under import declaration number (...). On the date 23/12/1436 AH, I was granted permission based on a commitment not to act until the results of the examination by the competent authority appeared, and upon examining the sample by the laboratory, the report number (...) was received. On 06/01/1437 AH, which included non-compliance in terms of the specified frequency, the importer was notified of the result by the customs, but he did not respond. The first instance committee issued its decision to convict the importer of customs smuggling and impose the associated penalties, as stated in the text and reasons for the decision subject to appeal, which is referred to in order to avoid repetition.



Upon reviewing the objection list submitted, the appellate customs committee found that it included a summary stating that the company had not disposed of the shipment in question and that it was still in its possession. Additionally, it contracted with one of the companies approved by the authority to destroy the shipment. It concluded with a request to accept the appeal, overturn the first instance decision, and dismiss the case, releasing it from any claims. Upon reviewing the information provided by the appellant, the appellate customs committee found that it included a summary stating that communication had been made with the obligated party and that the destruction request is still under process, and that the destruction schedules require coordination between the authority and the companies licensed by the National Center for Waste Management (Mawan). The contact report is attached. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based.

Grounds:

After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws.

Since the appellant was notified of the first instance Decision on 12/12/2023, and submitted the appeal against the Decision on 07/01/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law.

Whereas the appellate committee, upon reviewing the case file and its attachments, found that the importer claims to have the shipment in his possession and has not disposed of it, and considering the information provided by the authority showing communication with the importer, which indicates that the goods are present and have been identified, and that they remain to be destroyed, thus negating the material element constituting the crime of customs smuggling represented by the disposal of the shipment in question, this committee concludes to annul the first instance decision in all its provisions, and therefore the committee concludes with the following report:

Decision:

First: Acceptance of the appeal in form, from the applicant/ ..., commercial registration number (...), against the first instance Decision number (CTR-2023-102674) issued by the 1st First Instance Customs Committee in Riyadh.

Second: In the subject, the cancellation of the first instance decision in all that it ruled, and that for the reasons and considerations stated in this decision.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-229977
Case No. PC-2023-229977

Keywords:

Customs - Constraints - Bond commitment - Gel disinfectant for care - Non-compliance with specifications
- Pharmaceutical product subject to registration procedures with the drug sector - No conviction

Summary:

The request of the Zakat, Tax and Customs Authority to cancel the decision of the Second first instance Committee No. (CSR-1029799-2023), which ruled not to convict the importer of customs smuggling while obliging him to pay a fine for violating customs procedures. And since it has been established to the appellate committee that the reasons for the decision subject to appeal are sufficient to support its ruling, it is necessary to state that the defenses presented do not affect the outcome of the decision. This means; to uphold the first instance decision in all that it ruled.

Document:

- [Zakat, Tax and Customs Committees Regulations issued by Royal Decree No. \(25711\) dated 08/04/1445 AH.](#)
- Article (163) [of the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal against the first instance Decision number (CSR-1029799-2023) issued by the second First Instance Customs Committee in Riyadh.

As for the facts of this case, they are summarized by the arrival of a shipment (electric heater) through the customs of Jeddah Islamic Port under import declaration number (...). On the date 28/11/1433 AH corresponding to 14/10/2012 AD, it was granted based on a commitment not to act until the result of the competent authority appears, and upon examining the sample, the report number (...) was received. The date 3/11/1434 AH corresponding to 9/9/2013 AD, which includes non-compliance due to being subject to registration, and the importer was notified of the result by customs, but he did not respond. The first instance committee issued its decision not to convict the importer of customs smuggling, while obliging him



to pay a fine for violating customs procedures in the amount of (1,000) one thousand riyals, as detailed in the text and reasons for the decision subject to appeal, which is referred to in order to prevent repetition.

Upon reviewing the statement of appeal submitted by the Zakat, Tax and Customs Authority, the appellate customs committee found that it includes a summary stating that the violation mentioned in the decision is a technical violation, according to the statement from the Food and Drug Authority which included the rejection of the product's clearance (...). The item that was previously rejected for being subject to registration, and the authority stated that the shipment in question is considered prohibited goods, based on a letter from the competent authority indicating its violation of the regulations in force in the Kingdom, where "the administration prohibits under the provisions of this law "law" or any other "law" or decision the entry of prohibited or violating goods or their exit or transit, and also prohibits the entry of restricted goods or their exit or transit except with the approval issued by the competent authorities in the state" according to the text of Article (24) of the Unified Customs Law. In addition to Article (142) of the same law, which states that: Smuggling is the introduction or attempt to introduce goods into the country or to remove them, or an attempt to remove them in violation of the applicable legislation, without paying the customs duties "fees" in whole or in part, or contrary to the provisions of prohibition or restriction contained in this law "law" and other laws and laws." Article (17/143) of the same law states that: " The following falls under the definition of smuggling in particular: 17- The handling of the goods released temporarily in accordance with Article (56, paragraph B) without the approval of the competent authority. Therefore, the authority requests the conviction of the institution for customs smuggling and obliges it to pay a customs fine equivalent to three times the value of the goods and to confiscate the goods or to rule for an amount equivalent to their value if they are not seized. And presenting the statement of appeal to the respondent (Institution ...) I submitted my response memorandum on 01/02/2024, stating that the institution accepted the decision issued by the 1st instance committee and that it will implement it, and nothing more. On 11/09/2024, the customs appeals committee requested the responding institution to explain the reason for not registering the item (gel and disinfectant for care) subject to the lawsuit. The institution's response was received on 26/09/2024, summarizing that the reason for not registering the item in question (gel and disinfectant for care) was the rejection by the Food and Drug Authority. Consequently, a request was submitted to the customs in Jeddah to destroy the product, and a date was set for the destruction of the item. The goods were brought in, but destruction could not take place due to the incomplete membership of the committee. Another date was also set for the destruction of the item, but for the same reason, destruction did not occur. A third date was set, and for the same reason, destruction also did not take place due to the incomplete membership of the committee. Therefore, the destruction of the item could not be carried out, and the institution was not informed of a new date for destruction, confirming that the goods have not been disposed of and are still with the institution. After reviewing the case file and the appeal submitted by the authority and the response from the appellant, the committee found that the case was ready for a Decision



in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and to rule on it in light of the Grounds on which the appeal was based.

Grounds:



After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws. Since the appellant was notified of the first instance Decision on 21/12/2023, and submitted the appeal on 31/12/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law. Since there is no reproach against the reviewing authority for taking the Grounds of the Decision subject to the appeal without adding anything whenever it sees that these Grounds are sufficient to negate the need for any new arguments, because in its support, based on its Grounds, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those Grounds contained. And since the Grounds for the Decision subject to the appeal are sufficient to support its ruling, it is necessary to state that the defenses presented do not affect the outcome of the Decision, which makes the appeal without any supporting basis, thus necessitating its rejection. Therefore, the appellate committee concluded to report the following:

Decision:

First: Acceptance of the appeal in form, submitted by the General Authority of Zakat and Tax and Customs, against the first instance Decision No. (CSR-1029799-2023) issued by the Second First Instance Customs Committee in Riyadh.

Second: The appeal is rejected on the merits, for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-174684
Case No. PC-2022-159685

Keywords:

Customs - Constraints - Bond commitment - Non-compliance with specifications - Clothing - Raw material components and pH testing - No conviction

Summary:

The importer's request to cancel the first instance decision No. (1328) for the year 1439 AH, issued by the 1st First Instance Customs Committee. The judge convicted the importer of customs smuggling. And where the appellate committee established that it could not definitively consider the violation as a substantial violation, and that the importer's violation by acting on the shipment contrary to the commitment taken regarding it only results in considering it a procedural violation, which entails the imposition of a penalty for violating customs procedures. This means; the annulment of the first instance decision in all that it ruled.

Document:

- Article (153) of [the Code of Criminal Procedure issued by Royal Decree No. \(M/2\) dated 22/01/1435 AH.](#)
- Article (31/6) of [the executive regulations of the customs law issued by Ministerial Resolution No. \(2748\) dated 25/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by / ..., national ID number (...), in his capacity as the owner of the ... establishment, commercial registration number (...), against the first instance decision No. (1328) for the year 1439 AH, issued by the 1st First Instance Customs Committee at the Al-Bathaa customs, which ruled as follows:

First - Condemnation of the importer / ... Saudi national with national ID number (...) On 15/1/1438H, its source is Al-Ahsa, owned by / Foundation ... Commercial Register No. (...) On 24/10/1435 AH, Al-Ahsa was issued in person for customs smuggling.



Secondly, he is fined an amount equivalent to the value of the shipments subject to the violation, which amounts to (436) cartons (clothes) totaling (123,529.36) one hundred twenty-three thousand five hundred twenty-nine riyals and thirty-six halalas. Due to the impossibility of confiscation, the importer is required to pay an amount equivalent to its value as a substitute for confiscation, totaling (123,529.36) one hundred twenty-three thousand five hundred twenty-nine riyals and thirty-six halalas, making the total amount claimed by the owner of the institution ... an amount of (247,058.72) two hundred and forty-seven thousand and fifty-eight riyals and seventy-two halalas.

Since the appellant was notified of the Decision subject to the appeal on 19/08/1440 AH, and he submitted the appeal against the Decision on 17/09/1440 AH, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its execution as stipulated in Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment (clothes) belonging to the importer through the Al-Batha customs according to import declaration number (...). dated 16/01/1436 AH, and the number (...) On the date 12/01/1436H, it was allowed under a commitment not to act until it was approved by the competent authority. After examining the sample from the laboratory, the report number (...) was received, which included that the samples did not meet the specifications regarding the raw material components concerning the import declaration number (...), and regarding the import declaration number (...). The report number (...) indicated that the sample did not meet the specifications regarding pH testing, and the importer was notified of the result through several correspondences, but he did not respond. The first instance committee issued its Decision as previously mentioned, convicting the importer of customs smuggling and obliging him to the associated penalties, based on the importer's actions regarding the shipment contrary to the commitment taken regarding it, which constitutes customs smuggling under Article (142) of the Unified Customs law. Upon reviewing the objection list submitted by the appellant, the customs appeals committee found that its summary mentioned that there is an error in the application of the law and reliance on the text of the unified customs law, as Article (142) and Article (38) defined the intended meaning of customs smuggling. The text of the law is clear and explicit, leaving no room for doubt that the goods entered the Kingdom through the Al-Batha customs, and samples were taken from them to be sent to the General Administration for Commercial Fraud based on a commitment not to dispose of them, meaning that the goods were brought in under the supervision of the customs administration. Otherwise, how were the samples obtained, and how was the temporary permit issued in the decision we are currently facing? Thus, we are not faced with a form of customs smuggling as portrayed by the 1st instance decision, and the decision is erroneous in stating that the warehouses where the goods were stored are considered an extension of the customs because it did not take into account the delay in reporting the results of the sample tests from 1436 to 1440 AH, which implies an implicit acknowledgment that the imported goods comply with the specifications, especially since the appellant was only made aware of these cases related to



the shipments by chance due to service interruptions, while the customs clearance office that was handling the clearance of these goods was the one that sent the letters and also informed them that the goods were compliant with the specifications and that it had obtained all its rights. Furthermore, the relationship was between the customs clearance office and the customs administration, and the importer's actions were in good faith because if he had any doubt that the shipment was not compliant, he would not have acted on it or attempted to import it. The memorandum concluded with a request to accept his objection in procedures and on merits. The Automated System of the Secretariat received a response from the Zakat, Tax, and Customs Authority regarding the statement of appeal dated 27/03/2023, summarizing that the institution's representative argued that the charge of smuggling for items (142, 143) does not apply because the shipment was cleared under the supervision of the customs administration, and the latter delayed informing the institution of the laboratory results, which is considered an implicit approval. Additionally, there was no criminal intent as there was no intention to smuggle. The authority also indicated that the commitment taken from the institution stipulated not to dispose of the shipment in any way without notification from customs regarding its clearance by the competent authority. The institution was also notified by several letters from customs at the addresses registered with the authority, stating that the shipment did not comply and that it must return the shipment according to the commitment signed by it, but it did not respond, indicating its disposal of the shipment, thus violating the signed commitment. It would have been more appropriate for the institution to communicate and respond to customs instead of disposing of the shipment and violating the commitment. Furthermore, violating the commitment by disposing of these items constitutes customs smuggling according to Article (142) of the Unified Customs law. Based on the laboratory results indicating that the sample did not meet the specifications in terms of pH testing and raw material composition testing, the violation is technical due to the commercial fraud it entails for consumers and its impact on their financial resources, resulting from purchasing non-compliant goods. The response memo concluded with a request to reject the appeal and uphold the first instance Decision in all its provisions. On Wednesday, April 24, 2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted against the first instance decision No. (1328) for the year 1439 AH, issued by the 1st First Instance Customs Committee at the Al-Batha Customs. After reviewing the case file and the appeal submitted by the appellant, the Appeals Committee decided that the documents presented and included in the case file were sufficient to form its conviction and to rule on the matter in light of the reasons on which the appeal was based and the response of the authority regarding it.

Grounds:

And since it concerns the violation related to the item mentioned (clothing) which is the subject of the report of the laboratory number (...). It has been mentioned that the violation is related to (the components of the raw material). It is established in the rules of litigation that applying the law correctly is an obligation on the authority reviewing the case, and it must do so on its own without the need for a request from the parties.



Therefore, the authority reviewing the case has broad discretion in assessing the facts and giving them the appropriate description and correct classification without being bound by the classification of the prosecution or its opponent, in light of what it is convinced of and the state of the evidence and the inferences drawn from it, relying on it and using it as a basis for its ruling, as long as the documents related to it are within the case file and do not contradict what has been inferred and what its conviction and belief have settled on to resolve the dispute, and that its inference is sound, reasonable, and leads to the result it has reached. This is in accordance with what Article (153) of the Criminal Procedure law states, which stipulates that "the court is not bound by the description contained in the indictment and must give the act the description it deserves, even if it contradicts the description in the indictment...". Since the decision established its ruling without clarifying the nature of this violation and was satisfied with the unclear content regarding its phrases, and since, considering the lack of attaching the detailed laboratory result within the case file regarding that item to verify the nature of that violation, it is determined that it cannot be definitively considered a substantial violation, and that the importer's violation by acting on the shipment contrary to the commitment taken regarding it only results in considering it a procedural violation, which entails imposing a penalty for violating customs procedures amounting to one thousand riyals under paragraph (31/6) of the executive regulations of the unified customs law. As for the other item (clothing) regarding which laboratory report number (...) was received. It has been mentioned that the violation was related to (pH) without clarifying the nature and extent of this violation. Given the lack of a detailed laboratory result attached to the case file regarding that item to verify the nature of that violation, it is concluded that it cannot be definitively considered a substantial violation. The importer's violation in handling the shipment contrary to the commitment taken regarding it only results in it being considered a procedural violation, which incurs a penalty for violating customs procedures amounting to one thousand riyals under paragraph (31/6) of the executive regulations of the unified customs law. The result reached by the appellate committee is not affected by what was stated in the authority's response to the appeal memorandum submitted in response to the appellant's appeal, as the authority did not attach to its appeal the laboratory reports on which the conviction was based, as previously established. Furthermore, the result is not affected by what the appellant mentions in his request to object in general and in detail to what the decision concluded and not holding him accountable for what was done in handling the shipment containing the two items in question. This is because the customs procedure related to completing the entry procedures for the shipment into the country requires the importer to observe the general duty required by the customs law concerning the importer when dealing with the incoming shipment, which is embodied in complying with all that the customs law and other related regulations require regarding the clearance of the shipment. This necessitates adhering to all that the customs law and other regulations related to prohibitions and constraints require, which was not the case with the shipment that the importer attempted to bring into the country, whether this resulted in the importer being convicted of customs smuggling or any other violation covered by the provisions of the law. Accordingly, the customs appellate committee concluded the following report:



Decision:

1- Acceptance of the appeal in form from the applicant/ institution ..., commercial registration number (...), against the first instance decision number (1328) for the year 1439 AH, issued by the 1stFirst Instance Customs Committee at the Al-Bathaa customs.

2- In the matter of its acceptance, and the annulment of the first instance Decision in all that it ruled regarding the appellant, for the Grounds and justifications stated in this Decision.

3- Considering the importer's actions regarding the two violating items as sufficient to impose a penalty of a customs violation fine of (1,000) one thousand riyals for each item, resulting in a total amount claimed by the appellant of (2,000) two thousand riyals, based on the Grounds and justifications stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-177452
Case No. PC-2022-124685

Keywords:

Customs - Constraints - Bond Commitment - Frozen Chicken Shawarma - Non-compliance with specifications - Salmonella Microbe - Non-conviction

Summary:

The importer's request to cancel the decision of the Third first instance Committee No. (CTR-2022-1121), which condemned the importer for customs smuggling and obligated him to pay a customs fine and the value of confiscation compensation. And where it was established for the appellate committee through the attached minutes of the case file that the damage occurred to the shipment and due to the absence of anything that denies that apparent after confronting the authority with the document that the importer claims to prove the damage by means of it. This means; to annul the first instance decision in all that it ruled.

Document:

- Article (186) of [the Judicial Procedures law issued by Royal Decree No. \(M/1\) dated 22/01/1435 AH.](#)

Facts:

This is to consider the appeal submitted by / ..., ID number (...), in his capacity as an agent for the owner of the institution / ..., national ID number (...), under the power of attorney issued by the Notary Public in South Riyadh number (...). issued on 26/06/1442 AH, against the first instance Decision number (CTR-2022-1121) issued by the third First Instance Customs Committee in Riyadh, which ruled as follows:

- 1- Condemnation / ... , Commercial Register No. (...) In person with customs smuggling.
- 2- To impose a customs fine equivalent to the value of the violating item, in accordance with Article (145/4) of the Unified Customs law.
- 3- Obliging it to pay the value of the violating item as a confiscation fee, in accordance with Article (145/5) of the same law.
- 4- Disregard the imprisonment penalty.



Since the appellant was notified of the Decision subject to the appeal on 29/01/2023, and submitted the appeal against the Decision on 11/02/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its conduct according to what is stipulated in Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment consisting of (frozen shawarma chicken) belonging to the importing institution through the customs of Jeddah Islamic Port under import declaration number (...). On the date 07/08/1438 AH, it was allowed under a commitment not to act until the result of the competent authority appeared, and after examining the sample by the General Authority for Food and Drug, the response was received in letter number (...). On 11/09/1438 AH, it was noted that the sample did not meet the specifications due to the presence of Salmonella bacteria. The importer was contacted, but he did not respond. The first instance committee issued its Decision as stated in its ruling, based on the fact that the importer's handling of the shipment was in violation of the bond commitment taken against him, which constitutes smuggling according to Article (142) of the Unified Customs law. Consequently, penalties were imposed on the appellant as stated in the ruling. Upon reviewing the objection list submitted by the representative of the institution's owner, the appellate customs committee noted that its summary mentioned that the General Secretariat for Environmental Health at the Ministry of Municipal and Rural Affairs confiscated and destroyed the goods based on the destruction report dated 30/11/1438 AH. The list concluded with the appellant's request to accept the appeal, overturn the first instance Decision, and compensate the institution for the value of the goods due to not being notified of the sample result, which deprived him of the opportunity to re-export the goods to the seller and recover his funds from him. A response memo from the authority was received through the Automated System of the Secretariat dated 13/04/2023, summarizing that the authority reviewed the destruction report submitted by the representative of the institution and issued by the General Secretariat for Environmental Health at the Ministry of Municipal and Rural Affairs. A response was received from the owner's representative on 13/04/2023, summarizing that the authority acknowledged it had reviewed the destruction report submitted by the institution in its reply memo dated 13/04/2023, and concluded the memo with a request to accept the appeal and annul the first instance Decision. On Thursday, June 27, 2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party regarding Decision number (CTR-2022-1121) issued by the Third First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a Decision in its current state after the committee was informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the Grounds on which the appeal was based and the response of the authority regarding it.



Grounds:



It is established that the appellant submitted a destruction report dated 30/11/1438 AH, and it is confirmed from the authority's response that it received the destruction report and mentioned in the receipt report that this report pertains to import declaration number (...). Her response did not include anything that would invalidate the validity of the destruction report, which leads to the conclusion that the presumption of innocence should be maintained due to the authority - as the prosecution - not denying what was presented to refute the importer's claim of not having acted on the shipment due to its destruction, as was established in the investigation of the case facts. This is after it was confirmed through the attached report in the case file that the destruction of the shipment occurred, and there is no evidence to the contrary after confronting the authority with the document that the importer claims to prove the destruction with, which leads the appellate committee to accept the appeal in procedures and on merits and to annul the first instance decision in all that it ruled against the appellant. As for his request for compensation for the value of the shipment on the grounds that he was not notified of the sample test result, which deprived him of the opportunity to re-export the goods to the seller and recover his money from him, it is noted that according to Article (186) of the Code of Judicial Procedures "new requests in the appeal are not accepted, and the court shall rule on its own not to accept them." Since it was established through the minutes of the sessions before the First Instance Committee that issued the decision subject to the appeal that the defendant did not raise this request, it is concluded that it is not accepted. Therefore, the appellate committee concluded the following report:

Decision:

1- The appeal is accepted in form, submitted by / Institution ..., commercial registration number (...), owned by / Saad ..., national ID number (...), against the first instance Decision No. (CTR-2022-1121) issued by the third First Instance Customs Committee in Riyadh.

2- In the matter of its acceptance, and the annulment of the first instance Decision in all that it ruled, for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-227841
Case No. PC-2023-227841

Keywords:

Customs - Constraints - Bond commitment - Sports shoes - Non-compliance with specifications - Abrasion resistance - No conviction

Summary:

The importer requests the cancellation of the decision of the Third first instance Committee No. (CTR-2023-110539), which ruled not to convict the importer of customs smuggling while imposing a customs fine. And since it has been established to the appellate committee that the reasons for the decision subject to appeal are sufficient to support its ruling, it is necessary to state that the defenses presented do not affect the outcome of the decision. This means; to uphold the first instance decision in all that it ruled.

Document:

- Article 163 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)

Facts:

This is to consider the appeal against the first instance Decision number (CTR-2023-110539) issued by the Third First Instance Customs Committee in Riyadh, submitted by/..., National ID number (...), in his capacity as an agent for the owner of the establishment/..., National ID number (...), under the power of attorney number (...).

The facts of this case are summarized by the arrival of a shipment (towels - sports shoes) through the Al-Batha customs under import declaration number (53645) dated 11/05/1436 AH, which was released based on a commitment not to dispose of it until the results from the competent authority appeared. Upon examining the samples by the laboratory, the report for the item (towels) indicated non-compliance regarding the absorption time, tensile strength, and pH value. The report for the item (sports shoes) also indicated non-compliance regarding abrasion resistance. The customs contacted the importer to return the shipment, but he did not respond. The first instance committee issued its decision not to convict the importer of customs smuggling, imposing a customs fine of (1,000) riyals for each item, totaling (2,000) two



thousand riyals, based on the absence of a written number and date for the import declaration in question, which raised doubts for the committee that the commitment did not pertain to the declaration in question.

Upon reviewing the statement of appeal submitted by the attorney, the customs appellate committee found that it includes a summary stating that, upon examining the case file, it is evident that the attached bond is a copy of a commitment stamped with the institution's seal and certified by the chamber of commerce, and not the original. It did not include the details of the shipment in question, as the fields related to the shipment such as (import declaration number, its date, type of shipment) were not filled out. Consequently, her client did not commit to the customs not to dispose of this shipment, and therefore, her client cannot be contradicted in this case due to insufficient evidence against her, which necessitates the annulment of the first instance decision and ruling to dismiss the case. Upon reviewing the response memorandum submitted by the authority, the appellate customs committee found that it includes a summary indicating that the result of the inspection report shows that the sample did not pass the absorption time tests, the tensile strength determination, the pH value, and the abrasion resistance. Regarding the appellant's objection to the validity of the commitment due to the lack of shipment data, we would like to point out that the shipment in question was registered in the name of the appealing institution, and it is responsible before customs since the customs data was recorded in the name of the institution. Additionally, all customs and commercial transactions were conducted in the name of the institution, with the signature and seal of its owner as a certified commitment from the chamber of commerce, thus making it legally responsible. The response memorandum concluded with a request to reject the submitted appeal and uphold the first instance decision. After reviewing the case file and the appeal submitted by the appellant and the response of the committee regarding it, the committee found that the case is ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what has been presented to form its conviction and to rule on it in light of the reasons on which the appeal was based.

Grounds:

After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws.

Since the appellant was notified of the first instance Decision on 12/11/2023, and submitted the appeal on 12/12/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law.

Since there is no reproach against the authority reviewing the appeal for taking the reasons of the decision subject to the appeal without addition whenever it sees that these reasons suffice to negate the need for any new arguments, because in its support, based on its reasons, it indicates that it did not find in the objections



raised against it anything that deserves a response beyond what those reasons contained. The claims made by the appellant regarding defenses that do not contradict the established fact represented in the arrival of the shipment in violation of the name of the importing institution and its handling of it after it was established that its clearance was not permitted according to the laboratory reports related to the import statement prepared for the shipment subject to the case, considering that the customs procedure related to completing the entry of the shipment into the country requires the importer to observe the general duty required by the customs law regarding the importer when dealing with the incoming shipment, which is embodied in compliance with all that the customs law and other related regulations require for the clearance of the shipment, necessitating that it not be handled in any way until it is approved and permission is granted for its handling. Therefore, the violation by the importer of that duty by handling the shipment without regard to the matter of permission for its entry into the country constitutes behavior contrary to that general duty, which is also something that is necessarily known to him, and does not negate the validity of attributing the customs violation to the importing institution. Since the reasons for the decision subject to the appeal are sufficient to support its ruling, it is necessary to determine that the defenses presented do not affect the outcome of the decision, which makes the appeal unsupported and necessitates its rejection. Accordingly, the customs appellate committee concluded to report the following:

Decision:

First: Acceptance of the appeal in form, from its presenter (...), commercial registration number (...), owned by (...), national ID number (...), against the first instance Decision number (CTR-2023-110539) issued by the third First Instance Customs Committee in Riyadh.

Second: The appeal is rejected on the merits, and the first instance decision is upheld in all that it ruled, for the reasons and considerations stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-171040
Case No. PC-2022-94545

Keywords:

Customs - Constraints - Bond commitment - Shoes - Non-compliance with specifications - Slip resistance of the outsole - No conviction

Summary:

The importer is requesting the cancellation of the decision of the 1st first instance committee No. (CFR-2022-2561), which condemned the importer for customs smuggling and obligated him to pay an amount equivalent to the value of the contraband item as a confiscation fee. And where it was established for the appellate committee that the public lawsuit had been dismissed by the public prosecution represented by the public attorney due to its inclusion in the royal pardon instructions. This means; the annulment of the first instance decision in all that it ruled.

Document:

- Article (22/2) of [the Code of Criminal Procedure issued by Royal Decree No. \(M/2\) dated 22/01/1435 AH.](#)
- Article (197) from [The Code of Criminal Procedure issued by Royal Decree No. \(M/2\) dated 22/01/1435 AH.](#)
- Article (191) of [the Judicial Procedures law issued by Royal Decree No. \(M/1\) dated 22/01/1435 AH.](#)

Facts:

This is to consider the appeal submitted by/..., national ID number (...). As the owner of the institution ..., commercial registration number (...), against the first instance Decision number (CFR-2022-2561), issued by the 1st First Instance Customs Committee in Riyadh, whose ruling states the following:

1-Condemnation of the importer institution ..., commercial registration number (...), present for customs smuggling.



2- Obliging him to pay an amount equivalent to the value of the violating item as a confiscation fee amounting to (388,703.55) three hundred eighty-eight thousand seven hundred three riyals and fifty-five halalas.

Since the appellant was notified of the Decision subject to the appeal on 10/01/2023, and submitted the appeal against the Decision on 23/01/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its conduct according to what is stipulated in Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment (shoes) through the Islamic Port of Jeddah customs under import declaration number (47446) dated 11/07/1442 AH, which was allowed under a commitment not to dispose of it until the result of the competent authority appears, and upon examining the sample, the report number (...) was received. The date 05/08/1442 AH includes non-compliance regarding the slip resistance of the outer sole, and the absorption and loss of water for the inner sole lining. The importer was addressed, but he did not respond. The first instance committee issued its decision as stated in its ruling, based on the acknowledgment of the owner of the establishment regarding his handling of the shipment according to the minutes of the hearing for the seizure report number (...). On 11/04/1443 AH, which he pledged to the customs not to dispose of until the laboratory results appeared, the committee decided to convict the importer of customs smuggling based on Article 142 of the Unified Customs Law, and imposed penalties on the importer as stated in the ruling subject to appeal, and since it was found that the case was dismissed by the prosecution due to being covered by the royal pardon instructions. Upon reviewing the objection list submitted by the owner of the importing institution, the appellate customs committee found that its summary stated that the shipment does not violate Saudi specifications and standards, and that it was inspected and a certificate of conformity to specifications was issued from the country of origin. The list concluded with a request to cancel the fine and a ruling of non-conviction for the institution. On Wednesday, 08/05/2024, the Customs Appeals Committee in Riyadh held its hearing to consider the appeal submitted by the concerned party against decision (CFR-2022-2561), issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, and noting the lack of response from the Public Prosecution after being requested to respond to the appeal submitted on 27/03/2023, and being given a period of 45 days without any response until the date of this hearing, the Appeals Committee determined that the case was ready for adjudication in its current state after the committee was informed of the facts of the case and found sufficient evidence to form its conviction and rule on it in light of the reasons on which the appeal was based and the conduct of the Public Prosecution in failing to provide a response to the plaintiff's appeal after being granted the right to defend itself and its failure to do so.



Grounds:



It has been established that the public criminal case expires by the pardon of the guardian in matters covered by the pardon, based on Article (22/2) of the Criminal Procedure law. It has been proven from the case file that the public case was archived by the public prosecution represented by the Public Prosecution due to its inclusion in the royal pardon instructions. Therefore, the committee that issued the decision should have been aware of this and applied the provisions regarding the royal pardon issued concerning the expiration of the criminal case in such circumstances. Since the first instance decision violated this, it has erred in applying the law, which necessitates the annulment of what the first instance decision ruled regarding the conviction of the importer for customs smuggling. Consequently, the penalties resulting from the conviction for customs smuggling are not valid due to the lack of validity of the customs case against him, considering that the facts of the case are covered by the aforementioned royal pardon, which was included in the lawsuit submitted by the Public Prosecution related to the incident under consideration. As for the penalty for confiscation, since the confiscation order is based on applying the provisions of the customs law when convicting the importer for smuggling, applying those penalties despite the expiration of the criminal case due to the issuance of the pardon, as previously presented, is based on an incorrect basis of the law. It has been established that the appellate authority, when overturning the ruling wholly or partially, must do so in accordance with what is stated in Article (191) of the Sharia Litigation law, which stipulates: "If the Court of Appeal finds that the ruling in the cases being reviewed without a hearing is consistent in terms of its outcome with its legal principles, it shall uphold it, with guidance on any observations it may have that do not necessitate overturning the ruling. If it overturns the ruling wholly or partially, it must rule on what has been overturned after hearing the parties' statements." This has also been confirmed by Article 197 of the Criminal Procedure law. Accordingly, the appellate committee concluded to report the following:

Decision:

1- Acceptance of the appeal in form, submitted by/ Institution ..., commercial registration number (...), owned by/ ..., national ID number (...), against the first instance Decision number (CFR-2022-2561) issued by the second First Instance Customs Committee in Riyadh.

2- In the matter of its acceptance, and the annulment of the first instance Decision in all that it ruled regarding the importer, and that is for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-192491
Case No. PC-2022-159150

Keywords:

Customs - Constraints - Bond commitment - Women's shoes - Non-compliance with specifications - Horizontal slip resistance and abrasion resistance and pH - No conviction

Summary:

The importer is requesting the cancellation of the first instance decision No. (543/3) for the year 1443 AH, issued by the third First Instance Customs Committee in Riyadh, which convicted the importer of customs smuggling and imposed a customs fine. And where it was established for the appellate committee that the contravening item had been destroyed and that the laboratory report only pertained to that item and not others, and the authority did not provide evidence contrary to the original regarding the safety of the incoming items from the violations. This means; to cancel the first instance decision in all that it ruled.

Document:

- Article 56 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Article 142 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Article 163 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)

Facts:

This is to consider the appeal submitted by/ ..., national ID number (...), in his capacity as an agent for/ ..., national ID number (...). As the owner of the institution ..., commercial registration number (...), under agency number (...). On the date 10/03/1440 AH, issued by the notary ..., the notary public in the Dammam notary office, against the first instance decision number (543/3) for the year 1443 AH, issued by the third First Instance Customs Committee in Riyadh, the ruling states the following:



1-Conviction of the importer institution ..., commercial registration number (...), in person for customs smuggling regarding the items that are technically and procedurally non-compliant.

2- Obliging him to pay a customs fine equivalent to the value of the item disposed of without the approval of the competent authority, an amount of (55,392) fifty-five thousand three hundred and ninety-two Saudi riyals.

3- The importer is obliged to pay an amount equivalent to the value of the items disposed of as a confiscation fee amounting to (55,392) fifty-five thousand three hundred and ninety-two Saudi Riyals, bringing the total amount to (110,784) one hundred and ten thousand seven hundred and eighty-four Saudi Riyals.

And since regarding the appeal submitted by the institution ... Whereas regarding the appeal submitted by the owner of the institution against the Decision, it has been established in customs judiciary that the absence of the date of notification of the appellant of the Decision results in considering the date of his notification of the Decision as the date of his appeal submission, which leads to the acceptance of the appeal in form for being submitted within the legal period as stipulated by the provisions of Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment (men's shoes) belonging to the importer through the customs of Jeddah Islamic Port under import declaration number (...). On the date 18/06/1439 AH, it was granted based on a commitment not to act until it is approved by the competent authority, and after examining the sample by the laboratory, the report number (...) was received. On 02/07/1439, it was noted that there was non-compliance in terms of mechanical strength and fire resistance. The importer was contacted, but did not respond. The first instance committee issued its Decision based on the fact that the importer acted on the shipment before obtaining the necessary clearance from the competent authority, thus violating the commitment made under Article (56) of the Unified Customs law, which constitutes customs smuggling according to Article (142) of the same law, and imposed penalties on the importer as stated in its Decision. Upon reviewing the objection list submitted by the attorney of the appellant institution, the customs appeal committee found that its summary mentioned that upon reviewing the decision of the first instance committee, it became clear that it had not reviewed the submission of the destruction report of the goods issued by a company accredited by customs, considering it a substantive document in the case due to the importer having destroyed the goods subject to the violation. Additionally, the decision requires the importer to destroy the total tariff item, which contains approximately (60) different products from the one that was selected, and the list concluded with a request to cancel the fines imposed on the importer. A response memorandum from the authority was received via the automated system of the secretariat dated 03/04/2024, summarizing that the appellant's claim that the destruction report of the goods is a substantive document in the case and that he completely destroyed the tested product, and that several items were incorrectly listed under one category in the customs declaration,



is unfounded. This is because he destroyed part of the violating item according to the destruction report, and it was his duty to correct the incorrectly listed item when organizing the customs declaration. The authority does not bear his mistake, and the commitment is for the entire shipment, not just for the part referred to the laboratory. The memorandum concluded with a request to reject the appeal submitted by the institution ... And support for the first instance Decision in all that it ruled. On Thursday, 05/05/2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against decision No. (543/3) for the year 1443 AH, issued by the third First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in its current state after the committee was informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based and the response of the authority to it.

Grounds:



Whereas the appellate committee, upon reviewing the case file and its attachments, as well as what the appellant submitted in his appellate memorandum, and whereas the appellant provided a document indicating the destruction of the violating item that was noted by the laboratory according to the destruction report issued by the King Abdulaziz Port Customs in Dammam, number (...). On the date of 16/10/1441 AH, it was decided that the foundation on which the appellant was convicted of customs smuggling would collapse, based on what was concluded in the first instance decision, which contradicted the reality after it was proven that the contraband item was destroyed and not disposed of. The claim made by the authority in its response that the commitment taken from the appellant was regarding the entire shipment and not just one item of it does not affect this, after it was established that the contraband item had been destroyed and that the laboratory report only pertained to that item and not others, and the authority did not provide evidence to prove otherwise regarding the safety of the incoming items from the violations. Therefore, the appellate committee concluded the following report:

Decision:

1- The acceptance of the appeal in form, submitted by/ ..., national ID number (...), against the first instance decision number (543/3) for the year 1443 AH, issued by the third First Instance Customs Committee in Riyadh.

2- In the matter of its acceptance, and the annulment of the first instance Decision in all that it ruled, for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-187379
Case No. PC-2022-124138

Keywords:

Customs - Constraints - bond commitment - Men's shoes - Non-compliance with specifications - Horizontal slip resistance - No conviction

Summary:

The importer is requesting the cancellation of the decision of the 1st first instance committee No. (CFR - 2022 -1688), which condemned the importer for customs smuggling and obligated him to pay a customs fine and a confiscation fee. And where it was established for the appellate committee that the laboratory report is among the non-essential observations that do not affect consumer fraud and the safety of using the product mentioned. This means; to annul the first instance decision in all that it ruled.

Document:

- Article (153) of [the Code of Criminal Procedure issued by Royal Decree No. \(M/2\) dated 22/01/1435 AH.](#)
- Article (31/6) of [the executive regulations of the customs law issued by Ministerial Decision No. \(2748\) dated 25/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by/ ..., attorney license number (...). Dated 29/10/1433 AH in his capacity as an agent for the director of the appealing company under the agency number (...). On the date 22/08/1444 AH, against the first instance Decision No. (CFR - 2022 -1688), issued by the 1st First Instance Customs Committee in Riyadh, ruling as follows:

- 1-Condemnation of the importing company ... Commercial Register No. (...) In person with customs smuggling.
- 2- To impose a customs fine equivalent to the value of the violating item in the amount of (342,901) three hundred and forty-two thousand and nine hundred and one riyals.



3- Obliging him to pay an amount equivalent to the value of the violating item as a confiscation fee of (342,901) three hundred and forty-two thousand and nine hundred and one riyals, bringing the total amount claimed to (685,802) six hundred and eighty-five thousand and eight hundred and two riyals.

Since the appellant was notified of the Decision subject to the appeal on 22/02/2023, and submitted the appeal on 15/03/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established by Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment (men's shoes) belonging to the importer through the customs of Jeddah Islamic Port under import declaration number (...). On the date 14/09/1438 AH, it was granted under a commitment not to act until it is approved by the competent authority, and upon presenting the sample to the laboratory; the response was received in report number (...) On the date 27/09/1438 AH, which included non-compliance in terms of horizontal slip resistance, the importer was addressed to return the shipment, but he did not respond. The First Instance Committee issued its Decision as previously mentioned, condemning the importer for customs smuggling and obliging him to the associated penalties, based on the importer's actions regarding the violating shipment, contrary to the commitment taken regarding it, which makes his actions in this regard constitute customs smuggling as stipulated in Article (142) of the Unified Customs law. Upon reviewing the objection list submitted by the appellant, the appellate customs committee found that its summary mentioned that the Decision subject to appeal was contrary to the provisions of the notification law for the parties, which resulted in the confiscation of the right to defense due to the lack of notification regarding the sessions and their meeting dates. Furthermore, the Decision subject to appeal relied on false statements and information, making the reasoning of the Decision contradictory and confused in its outcome clauses. Additionally, the goods subject to the lawsuit were damaged on 16/03/1440, after a year and six months of storing the goods, due to heavy rainfall on the warehouse, which led to damage to the Red Sea Mall building and resulted in the breaking of the main rainwater drainage pipe of the mall's roof located above the warehouse where the goods subject to the lawsuit were stored. A report from the Red Sea Mall management was attached, documenting the incident of rainfall on that date, including a picture showing the complete damage to the goods. The list concluded with a request to accept the objection procedurally for being submitted within the legal timeframe, and to overturn the appealed Decision in all its parts and annul it in its three paragraphs. The Automated System of the Secretariat received a response from the Zakat, Tax and Customs Authority regarding the statement of appeal dated 18/05/2023, which included a summary of what the concerned party claims as an error in the classification of the incident and that the act committed does not constitute a customs smuggling crime. Therefore, the importer violated the commitment taken upon him and acted without notifying the customs of the clearance permit. He was notified by customs to return the shipment through several notifications, the last of which was in 1438 AH, but he did not respond. Additionally, the company did not review customs to settle the commitment taken upon it, which indicates that its action



regarding the non-permitted shipment violates the commitment taken upon it, as the commitment is still in effect and has not been settled. Paragraph (A) of Article 56 of the Unified Customs Law states that the customs authority has the right to analyze goods with the relevant authorities to verify the type of goods or their specifications or compliance with what is permitted by laws and regulations. This is what the authority did by referring samples of the shipment to accredited laboratories in accordance with Article (24) of the same law, to ensure their compliance with specifications or not. The result showed that the shipment did not comply with the horizontal slip resistance "technical violation affecting product quality," and thus its entry into the country is prohibited according to the law. The incoming shipment was cleared according to what is stated in paragraph (B) of Article 56 of the Unified Customs Law by releasing the goods in exchange for providing a commitment not to dispose of the shipment in any form until the laboratory result appears. Since the result of the sample examination showed non-compliance with specifications and the company did not comply with returning the shipment to the customs area as stipulated in the commitment taken in this regard despite being notified, this means it violated the commitment registered with the authority. The act of disposing of the non-permitted shipment thereafter constitutes a customs smuggling crime according to Article 142 of the Unified Customs Law, as the commitment is still in effect and has not been settled. Regarding the claim of the concerned party that the shipment was damaged in the Red Sea Mall warehouse where the goods were located due to water leakage on 17/3/1440, it should be noted that the water leakage occurred on 25/11/2018, corresponding to 17/3/1440 AH, and customs notified the company several notifications to return the non-compliant shipment, but it did not respond. All notifications were before the date of the incident mentioned above without the company reviewing customs. The company was notified several times, the last of which was on 18/10/1438 AH, but it did not respond for about a year and a half from the date of the incident. The company did not provide evidence that the non-compliant goods mentioned in the above statement were the ones damaged due to water leakage, which implies the company's action regarding the shipment in question. The commitment is still in effect and has not been settled to date, and customs smuggling crimes are intentional crimes that require the material and moral elements to be present, which were present in the case at hand as the company acted regarding the shipment and breached the commitment taken and introduced goods whose entry into the country is restricted. The response memorandum concluded with a request to reject the appeal and uphold the first instance Decision in all its provisions. The appellant company's response to the authority's answer was submitted in a supplementary memorandum dated 14/06/2023, which did not deviate from reiterating the statements previously made in its appeal and confirming that the plaintiff company exercised the usual care in preserving the shipment for delivery to the customs authority upon request in case the shipment was not approved. Thus, the plaintiff did not violate the commitment taken upon it, and the response concluded with the same requests as its appeal for the annulment of the first instance Decision regarding the conviction of the importing company for customs smuggling and the penalties resulting from it. On Thursday, April 18, 2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted against



the first instance Decision No. (CFR – 2022 -1688), issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the Appeals Committee decided that the documents presented and the contents of the case file were sufficient to form its conviction and to rule on the matter in light of the Grounds on which the appeal was based and the response of the authority regarding it.

Grounds:



Whereas it is established in the rules of litigation that the proper application of the law is an obligation on the authority examining the case, and it shall rule on its own without the need for a request from the parties, thus the authority examining the case has broad discretion in assessing the facts and giving them the appropriate description and correct classification without being bound by the classification of the prosecution or its opponent, in light of what it is convinced of and the state of the evidence and the inferences drawn from it, relying on it and taking it as a basis for its ruling as long as the documents related to it within the case file do not contradict what has been inferred and established in its conviction and belief to resolve the dispute, and that its inference is sound, reasonable, and leads to the result it has reached, which is consistent with what is stated in Article (153) of the Criminal Procedure law, which stipulates that "the court is not bound by the description contained in the indictment and must give the act the description it deserves, even if it contradicts the description in the indictment..."; and whereas according to the report of the sample examination result, the violation in question relates to resisting horizontal slipping, and whereas it has been established through the laboratory report that the difference between the required specification and the condition of the sample under examination for the violating item was a slight difference not exceeding (0.5%), which justifies applying what has been established in such differences according to the established rulings of the customs appellate court in such cases by classifying this observation as one of the non-essential observations that do not affect consumer deception and the safety of using the imported product, especially since the sample has passed other fields of testing, which results in the importer's action regarding the item in question, which is burdened with such an observation, being considered as an observation of a procedural nature that does not rise, in the case of the shipment's action with its existence, to classify the importer's action regarding the shipment as being burdened with that observation as constituting customs smuggling, which leads to the annulment of the first instance decision in all that was ruled against the appealing company after the importing company violated the commitment taken upon it and acted with the shipment without notifying customs, which leads to considering the action of the importing company as a violation governed by Article (31/6) of the executive regulations of the customs law, and imposing a financial penalty on it in the amount of (1000) one thousand riyals, in application of what that article stipulates. This is not affected by what the appellant raises in terms of defenses, as they do not suffice to negate the established original act of the importer regarding the shipment contrary to the commitment taken upon it, which is not affected by his claim of damage to the shipment



due to the rains that affected the warehouse where the shipment was deposited, considering that such damage to the shipment due to the rains, assuming the truth of its occurrence, does not prove that the shipment in question was present at the time of the incident claimed to have harmed the shipment, especially since the period between the import and the occurrence of that incident is long, during which it has not been proven that the usual trader was keen on following up on its clearance from customs, which confirms the trader's responsibility and the validity of holding him accountable for his negligence in following up on its clearance and the report of the violation against him as concluded by this committee's investigation regarding it. Therefore, the appellate committee concluded to report the following:

Decision:

1- Acceptance of the appeal in form from the applicant/ Company ..., Commercial Registration No. (...), against the first instance Decision No. (CFR – 2022 -1688) issued by the 1st First Instance Customs Committee in Riyadh.

2- In the matter of its acceptance, and the annulment of the first instance Decision in all that it ruled regarding the importer, and that is for the Grounds and considerations stated in this Decision.

3-Considering the importer's action regarding the shipment violation as a basis for imposing a fine for customs procedure violations amounting to (1000) one thousand riyals, for the Grounds and circumstances stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-179270
Case No. PC-2022-125789

Keywords:

Customs - Constraints - Sandy Covenant - Men's Shoes - Non-compliance with specifications - Bend resistance and abrasion resistance of the outsole - No conviction

Summary:

The importer is requesting the cancellation of the decision of the 1st first instance committee in Riyadh No. (CFR – 2022 - 2162), which convicted the importer of customs smuggling. And where it was established for the appellate committee that the observation is of the kind of procedural observations that do not rise, in the case of the action with the shipment, to qualify the action of the importer with the shipment, which is loaded with that observation as a customs smuggling. This means; to annul the first instance decision in all that it ruled and to impose a financial penalty.

Document:

- Article (31/6) of [the executive regulations of the customs law issued by Ministerial Decision No. \(2748\) dated 25/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by/..., national ID number (...). As the owner of the institution..., commercial registration number (...), against the first instance Decision number (CFR – 2022 - 2162), issued by the 1st First Instance Customs Committee in Riyadh, whose ruling states the following:

- 1-Condemnation of the importer/ institution ... Number (...), present at customs smuggling.
- 2-Obligating him to a customs fine equivalent to the value of the violating item, an amount of (85,000) eighty-five thousand riyals.
- 3- Obliging him to pay an amount equivalent to the value of the violating item as a confiscation fee of (85,000) eighty-five thousand riyals, making the total amount claimed (170,000) one hundred seventy thousand riyals.



Since the appellant was notified of the Decision subject to the appeal on 13/02/2023, and submitted the appeal on 20/02/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment (men's shoes) belonging to the importer through the Al-Batha customs under import declaration number (277453) dated 23/02/1436 AH, which was cleared based on a commitment not to dispose of it until it is approved by the competent authority. After presenting the sample to the laboratory, the report number (S-14-02573) dated 10/03/1436 AH indicated that the sample did not meet the standards for bending resistance and abrasion resistance of the outer sole. The importer was contacted, but he did not respond. The First Instance Committee issued its Decision based on the fact that the importer did not review the customs to return the shipment to the customs area, which implies his disposal of it, and it was confirmed that its clearance was not approved, contrary to the commitment taken regarding it, which constitutes customs smuggling according to Article (142) of the Unified Customs law. Consequently, penalties were imposed on the importer as stated in the Decision subject to appeal. Upon reviewing the objection list submitted by the owner of the importing institution, the customs appellate committee found that its summary mentioned that the shipment consists of slippers, and the observation made is considered minor and not a technical observation. Additionally, there is a certificate of conformity to specifications and standards under the supervision of the specifications and standards authority in the country of origin. There are also differences in specifications between internal laboratories and the specifications set in the country of origin, considering that the specifications in internal laboratories are the same for all types, while in the country of origin, each type has its own specific specifications. Furthermore, no customs smuggling crime was committed according to the findings of the first instance Decision subject to appeal, and the fine is deemed unfair as the shipment was cleared by customs and met all procedures. The list concluded with a request to refer the case to the appellate committee. A response memo from the authority was received via the Automated System of the Secretariat dated 02/05/2023, which summarized that the importer had been notified of the result through several notifications, but he did not respond. The violations mentioned in the laboratory report are technical violations that affect the quality of the product, and therefore their entry into the country is prohibited. Additionally, the importer has violated the bond commitment taken from him regarding the handling of the shipment without being notified by customs of its clearance. The commitment is still in effect and has not been settled. Moreover, customs smuggling crimes are intentional crimes that require the presence of both their material and moral elements, which were present in the case at hand. The memorandum concluded with a request to reject the appeal and uphold the first instance Decision in all its provisions. On Monday, February 26, 2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party regarding Decision (CFR – 2022 - 2162), issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a Decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the Grounds on which the appeal was based and the response of the authority to it.



Grounds:



Whereas it has been established in the rules of litigation that the authority reviewing the case has broad discretion in assessing the facts and giving them the appropriate description in light of its established conviction and the state of the evidence and inferences drawn from it, relying on them and using them as a basis for its ruling, as long as the documents related to it within the case file do not contradict what has been inferred and established in its conviction and belief to resolve the dispute, and that its inference is sound, reasonable, and leads to the conclusion it reached. Whereas, according to the report on the sample examination results, the violation in question relates to the non-compliance of the sample with the bending resistance and abrasion resistance of the outer sole. The appellate committee did not consider this observation, as stated in the laboratory report, to be among the substantial observations that affect the safety and quality of the product or deceive the consumer regarding its reality and material, especially since the sample passed other testing fields. This leads to the conclusion that the importer's action regarding the disputed item, which is burdened with such an observation, constitutes, in fact, a consideration of it as a procedural observation that does not rise, in the case of dealing with the shipment with its existence, to qualify the importer's action regarding the shipment as being burdened with that observation as customs smuggling. Therefore, it is decided to annul the first instance decision in all that was ruled against the appealing company. However, since the importing company violated the commitment taken upon it and dealt with the shipment without notifying customs, it is decided to consider the importing company's action a violation governed by Article (31/6) of the executive regulations of the customs law, and to impose a financial penalty of (1000) one thousand riyals, in application of what that article stipulates. Accordingly, the appellate committee concluded to report the following:

Decision:

- 1-Acceptance of the appeal in form, submitted by / Institution ..., Commercial Registration No. (...), against the first instance Decision No. (CFR - 2022 - 2162), issued by the 1st First Instance Customs Committee in Riyadh.
- 2- In the matter of its acceptance, and the annulment of the first instance Decision in all that it ruled, for the Grounds and considerations stated in this Decision.
- 3- Considering the actions of the importing entity as a violation governed by Article (31/6) of the executive regulations of the customs law, and imposing a financial penalty of (1000) one thousand riyals on it, for the Grounds and justifications stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-202831
Case No. PC-2022-126200

Keywords:

Customs - Constraints - Bond commitment - Foodstuffs - Non-compliance with specifications - Containing color E104 - Conviction

Summary:

The importer's request to cancel the decision of the Customs Appeals Committee No. (CR-2023-164725), which ruled that the lawsuit is not accepted in form. And where it was established for the appellate committee that the importer did not dispute the non-compliance of that item with the required specification and that it had been handled contrary to the commitment taken upon him. This means; to cancel the requested appeal decision number (CR-2023-164725), and to rule as follows: Support for the first instance decision No. (CTR-2022-1045), regarding the conviction for customs smuggling, with amendments to paragraphs (2) and (3) of the ruling of the first instance decision.

Document:

- Article (145/2) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by/ ..., national ID number (...), in his capacity as an agent for/ ..., national ID number (...), in her capacity as the owner of the institution ..., commercial registration number (...), under the agency number (...). On the date 30/10/1444 AH, against the appellate decision No. (CR-2023-164725), issued by the Appellate Customs Committee in Riyadh, which ruled as follows:

Acceptance of the appeal in form, from the applicant/ Institution ..., commercial registration number (...), against the first instance Decision number (CTR-2022-1045) issued by the second First Instance Customs Committee in Riyadh.

As for the facts of this case, they can be summarized as the arrival of a shipment consisting of (foodstuffs) belonging to the institution - whose details were mentioned earlier - through the customs of Jeddah Islamic Port under import declaration number (...). On the date 06/09/1438 AH, it was granted under a



commitment not to act until it is approved by the competent authority, and a letter from the General Authority for Food and Drug No. (...) was received. On the date 07/11/1438 AH, which included the non-compliance of the imported item due to the presence of color (E104) among the ingredients in English, while it was not written in Arabic, which is not allowed to be added according to the specification (...), the importer was notified of the result through several letters, but he did not respond. The first instance committee issued its decision as stated in its ruling based on the fact that the violation of the shipment in question is one of the technical violations related to the quality and specifications of the product, affecting the health and safety of the consumer and involving commercial fraud. Furthermore, the importer's action regarding the unapproved shipment, which he committed to the customs not to dispose of until it is approved by the competent authority, is a violation of Article (56) of the Unified Customs Law, and is also considered customs smuggling according to Article (142) of the same law. Subsequently, the attorney of the importer - whose details were mentioned earlier - submitted a request for appeal against the first instance decision, which the appellate committee ruled on by rejecting the appeal in form due to the expiration of the legal period for its submission.

The attorney for the applicant submitted a request for a reconsideration of the appellate decision number (CR-2023-164725). The request summarized that the electronic services of the secretariat were reviewed after the notification date of the decision, and it was found that the decision and the hearing minutes were not available. After contacting the General Secretariat of the Customs Committees via official email, they informed us on 21/05/2023 that the decision would be attached as soon as possible. Additionally, the appeal submitted against the decision issued by the 1st instance committee was made within the legal timeframe, and there was no delay as clarified. The institution submitted the objection within the legal timeframe after the issue was resolved in the law and the decision was attached by the General Secretariat. The memorandum concluded with a request to reopen the case subject to the request for reconsideration and to overturn the ruling issued by the appellate customs committee and to reconsider what was presented in the appeal memorandum.

The authority submitted a response memorandum to the request for reconsideration submitted by the appealing institution on 03/08/2023, which included a summary stating that Article (200/1) of the Judicial Procedures law stipulated the cases for requesting reconsideration as follows: 1- Any of the parties has the right to request a reconsideration of the final judgments in the following cases: A - If the ruling was based on documents that were later found to be forged, or was based on a testimony issued - by the competent authority after the ruling - that it was a false testimony. B- If the applicant obtained conclusive documents in the case after the ruling, it was impossible for him to present them before the ruling. G - If the opponent commits fraud that could affect the ruling. D - If the ruling decided on something that the litigants did not request or ruled more than what they requested. H - If the wording of the ruling contradicts itself. And - if the ruling is in absentia. Z - If the ruling was issued against someone who was not properly represented in



the case, and the submitted request for reconsideration did not include any of the previous cases, as stated in Article (164) of the Unified Customs Law: "The rulings issued by the appellate court shall have the force of res judicata," and the memorandum concluded with a request to reject the petition submitted by the institution ... In form, the authority also retains the right to provide further responses and clarifications before closing the door to the pleadings.

Where it has been established from reviewing the case file that there is a record of a document proving that the date of notification upon which the appellate decision was issued is 17/11/2022, and that the date of the appeal occurred on 18/12/2022, this implies that the submission of the appeal is considered to have occurred within the legally prescribed timeframe, contrary to the error stated in this regard within the appellate decision subject to the request after verifying the record of the document proving the actual status of the appeal as previously stated, which necessitates accepting the request. Furthermore, the authority was requested to respond by means of the hearing report dated 21/02/2024 without any response from them, after their reply to the request submitted upon its raising by the importer was limited to their request included in their response - submitted on 03/08/2023 - not to consider the request due to the inapplicability of what the law stipulates in the case of the submitted request. The committee decided On the merits of the request to accept it and to investigate its subject, granting the customs authority time to respond to its subject without any reply from them regarding what was requested until the date of this hearing, it was decided by the committee to rule on the subject of the submitted request in light of the reasons on which the request was based and the lack of response from the customs authority after enabling them to exercise their right to express what they have without any reply from them.

Grounds:

In the matter of the petition submitted, it was established from the facts of the case that the violation was limited to one type among the items included in the shipment, represented by the type (lemon juice), based on what was stated in the laboratory report included in the case documents. The appeal request regarding the first instance decision was limited to reviewing the decision concerning the items that were deemed violations, on the basis of which the appellant was considered to be in charge of the shipment, while the violation was limited to one type of the shipment, which is (lemon juice). It was established upon reviewing the case file that the value of that type is (11,144) riyals, and the importer did not dispute the non-compliance of that type with the required specifications and that it had been handled contrary to the commitment taken upon him. Therefore, it was decided to impose a confiscation penalty only on that type from the shipment, and to calculate the customs fine based on the value of the violating type according to what is stipulated in Article (145/2) of the Unified Customs Law, contrary to what was decided in the first instance ruling regarding the imposition of the penalty concerning the customs fine, considering that the goods were of the same kind as prohibited goods, while the type included is not prohibited in its essence, but the violation regarding it arose from the laboratory report and its observation that it does not comply



with the required specifications. Thus, this committee concludes that the conviction for customs smuggling against the importer is limited to the violating type only, and that the customs fine should be calculated equivalent to the value of the violating type as will be stated in the ruling. Accordingly, the appellate committee concluded the following:

Decision:

1- Acceptance of the request for reconsideration in form submitted by / Foundation ..., commercial registration number (...), owned by / ..., national ID number (...) against the appellate decision number (CR-2023-164725), issued by the appellate customs committee in Riyadh.

2- In the subject, acceptance and cancellation of the appealed decision number (CR-2023-164725), and ruling as follows: Support for the first instance decision No. (CTR-2022-1045), regarding the conviction for customs smuggling, with amendments to paragraphs (2) and (3) of the ruling of the first instance decision to read as follows: The importer is obliged to pay an amount equivalent to the value of the contraband item as a confiscation fee and a customs fine equivalent to the value of the contraband item, making the total amount demanded from the importer an amount of (22,288) twenty-two thousand two hundred eighty-eight riyals, for the reasons and considerations stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-189970
Case No. PC-2022-126482

Keywords:

Customs - Constraints - Bond commitment - Mixtures of grain flour with flour - Non-compliance with specifications - Poppy - No conviction

Summary:

The importer is requesting the cancellation of the first instance decision No. (CFR-2022-2370), issued by the 1st First Instance Customs Committee in Riyadh, which convicted the importer in absentia of customs smuggling and imposed a customs fine equivalent to the value of the contraband item and required him to pay an amount equivalent to the value of the contraband item as a confiscation substitute. And where it has been established for the appellate committee that the importer has fulfilled the commitment in accordance with the customs statement attached to the case file. This means; the annulment of the first instance decision in all that it ruled.

Document:

- Article 56 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Article (142) of [the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article 163 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)

Facts:

This is to consider the appeal submitted by/ Company ..., Commercial Registration No. (...), against the first instance Decision No. (CFR-2022-2370), issued by the 1st First Instance Customs Committee in Riyadh, which ruled as follows:



1-Conviction of the importer company ..., commercial registration number (...), in person for customs smuggling.

2-Obligating him to a customs fine equivalent to the value of the violating item, an amount of (76,912) seventy-six thousand nine hundred and twelve riyals.

3- Obliging him to pay an amount equivalent to the value of the violating item as a confiscation fee of (76,912) seventy-six thousand nine hundred and twelve riyals, making the total amount claimed (153,824) one hundred and fifty-three thousand eight hundred and twenty-four riyals.

Since the appellant was notified of the Decision subject to the appeal on 07/03/2023, and submitted the appeal on 20/03/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its execution as stipulated in Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment (mixtures of grain flour with flour) belonging to the importer through the customs of Jeddah Islamic Port according to import declaration number (...). On the date 11/07/1438 AH, it was granted based on a commitment not to act until it is approved by the competent authority, and after examining the sample by the Food and Drug Authority, the response was received in letter number (...) On the date 05/08/1438 AH, which included non-compliance due to the presence of the word "poppy" in the data card, which is one of the harmful substances to health and is prohibited from being imported. The importer was contacted, but he did not respond. The First Instance Committee issued its Decision as stated in its ruling, based on the fact that the importer did not review the customs and return the violating item, thus violating the commitment taken according to the text of Article (56) of the Unified Customs law. This is one of the technical violations that affect the quality of the product and the safety of the consumer according to the Food and Drug Authority's letter, which makes his action a customs smuggling according to what was stated in Article (142) of the same law, and it arranged the application of penalties against the importer as stated in its Decision.

Upon reviewing the objection list submitted by the appellant, the appellate customs committee found that its summary mentioned that the goods were re-exported under a declaration issued with the number (...). On the date 18/09/1438 AH, in addition to the fact that the importer has fulfilled the commitment with the number (...), it follows that the Decision subject to appeal was based on an incorrect reason and should be overturned due to the absence of the importer's evasion. The petition concluded with a request to accept the appeal in form, overturn the Decision subject to appeal, and rule to dismiss the case.

A response memo from the authority was received through the Automated System of the Secretariat dated 11/05/2023, which summarized that after inquiring with the customs, the information was received regarding the return of the violating item with a return statement issued under number (...). and linked to the import statement number (...) Accordingly, the commitment is settled and completed.



On Thursday, May 9, 2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party regarding Decision number (CFR-2022-2370), issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a Decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the Grounds on which the appeal was based and the response of the authority to it.

Grounds:



And whereas, upon reviewing the appellate committee on the case file and its attachments, and since it has been established that the importer has paid the commitment according to the customs statement attached to the case file, and since the authority's statement in its response memorandum to the appeal mentioned that upon referring to the Automated System, it was found that the violating item was returned with a return statement issued under number (...). and linked to the import statement number (...) Thus, the commitment is considered fulfilled and terminated, which leads this committee to determine that the conviction established by the 1st Instance Committee against the appellant is not valid based on a correct understanding of the facts. Since the matter is as stated, the appellate committee concludes that the dispute between the importer and the authority is resolved based on the customs statement included in its response memorandum, indicating that the importer has fulfilled the commitment, which necessitates the annulment of the First Instance decision as will be detailed in the ruling. Therefore, the appellate committee concluded to report the following:

Decision:

- 1-Acceptance of the appeal in form, submitted by/ Company ..., Commercial Register No. (...), against the first instance Decision No. (CFR-2022-2370), issued by the 1st First Instance Customs Committee in Riyadh.
- 2- In the matter of its acceptance, and the annulment of the first instance Decision in all that it ruled, and considering the dispute between the importer and the authority regarding the shipment subject to the lawsuit as concluded, for the Grounds and justifications stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-190472
Case No. AC-2022-101465

Keywords:

Customs - Constraints - Bond Commitment - Electrical Tools - Non-compliance with specifications - Electrical Durability Testing - No Conviction

Summary:

The importer is requesting the cancellation of the first instance decision No. (CFR-2022-3080), issued by the 1st First Instance Customs Committee in Riyadh, which convicted the importer in absentia of customs smuggling, and obligated him to pay a customs fine equivalent to the value of the contraband item and to pay an amount equivalent to the value of the contraband item as a confiscation substitute. And where it was established for the appellate committee that the appellant had committed to the customs what he had pledged. This means; the annulment of the first instance decision in all that it ruled.

Document:

- Article 56 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Article (142) of [The Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (154) [The Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article 163 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)

Facts:

This is to consider the appeal submitted by/..., national ID number (...), in his capacity as the owner of the ... institution, commercial registration number (...), against the first instance Decision number (CFR-2022-3080), issued by the 1st First Instance Customs Committee in Riyadh, ruling as follows:



1-Condemnation of the importer (Institution ...) Commercial register number (...), present at customs smuggling.

2-Obligating him to a customs fine equivalent to the value of the violating item in the amount of (63,036) sixty-three thousand and thirty-six riyals.

3- Obliging him to pay an amount equivalent to the value of the violating item as a confiscation fee amounting to (63,036) sixty-three thousand and thirty-six riyals, making the total amount claimed (126,072) one hundred twenty-six thousand and seventy-two riyals.

Since the appellant was notified of the Decision subject to the appeal on 20/03/2023, and submitted the appeal on 21/03/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment consisting of (electrical tools) belonging to the importer through the customs of Jeddah Islamic Port under import declaration number (...). On the date 24/04/1440 AH, I was granted permission with a commitment not to act until the results appear from the competent authority, and after presenting the sample to the laboratory, the report number (...) was received. On the date 06/05/1440 AH, which included non-compliance regarding the electrical durability test, the importer was notified to return the shipment to the customs area through several letters, but he did not respond. The first instance committee issued its Decision as stated in its ruling, based on the fact that the importer's failure to return the unauthorized shipment to the customs area implies his handling of it, thus violating Article (56) of the Unified Customs law. It is also considered customs smuggling according to Article (142) of the same law, and penalties were imposed on the importer as stated in the text of its Decision.

Upon reviewing the objection list submitted by the owner of the importing institution, the customs appeal committee found that its summary mentioned that the Decision was issued against the importer in absentia, as he was not aware of the sessions held automatically because he had never dealt with remote court sessions before. Additionally, the goods subject to the lawsuit have not been disposed of and are present in the warehouse, and the customs committee can inspect them and ensure their safety. The importer cannot be convicted and punished for an act he did not commit. Furthermore, Article (154) of the Unified Customs law states that anyone who proves that he did not commit any of the acts that constituted the violation or smuggling crime is exempt from liability. Therefore, the crime here is not established due to the presence of the goods. Moreover, the reason for removing the goods from the port and storing them in the warehouse is the high cost of ground space in the port, as one day costs (800) riyals, which the importer cannot bear. The list concluded with a request to overturn the first instance Decision, reconsider the case, and rule to release the institution from the charge of customs smuggling and the confiscation of the goods held in the warehouse.



A response memo was received through the Automated System of the Secretariat from the authority dated 28/05/2023, summarizing that the shipment was inspected and the appellant's statements were verified, and the goods were corrected on 23/05/2023.

On Monday, February 19, 2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against Decision number (CFR-2022-3080), issued by the Third First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a Decision in its current state after the committee was informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the Grounds on which the appeal was based and the response of the authority.

Grounds:



After reviewing the case file and the documents and papers it contained, as well as the defenses included in the appeal, and since the appellant attached the inventory report of the goods number (...). On the date of 23/05/2023, the Zakat, Tax and Customs Authority stated in its response memorandum that the goods subject to the lawsuit had been corrected, which confirmed that the importer had complied with the customs obligations he had undertaken. Therefore, the matter of his conviction is no longer based on a valid foundation in reality. Consequently, the appellate committee decided to overturn the first instance decision in all that was ruled against the appellant. Thus, the appellate committee concluded with the following report:

Decision:

1- Acceptance of the appeal in form from the applicant/ institution ..., commercial registration number (...), owned by/ ..., national ID number (...), against the first instance Decision number (CFR-2022-3080), issued by the 1st First Instance Customs Committee in Riyadh.

2- In the matter of its acceptance, and the annulment of the first instance Decision in all that it ruled regarding the appellant, and that is for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-203091
Case No. PC-2022-157049

Keywords:

Customs - Constraints - Bond Commitment - Noodles and Dietary Supplement - Non-compliance with specifications - Technically unfit - No conviction

Summary:

The importer's request to cancel the first instance decision No. (2319) for the year 1443 AH, issued by the 1st First Instance Customs Committee in Riyadh, which convicted the importer in person of customs smuggling, and imposed a customs fine on him, and obligated him to pay an amount equivalent to the value of the violating items as a confiscation substitute. The appellate committee has established through the case documents the clear delay of customs in dealing with the follow-up of sending samples of the disputed item included in the shipment to the Food and Drug Authority, which strengthens the presumption of the validity of the importer's claim that he destroyed the shipment. This means; to cancel the first instance decision in all that it ruled.

Document:

- Paragraph (6) of Article (31) of [the Executive Regulations of the Customs law issued by Ministerial Resolution No. \(2748\) dated 25/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by / ..., national ID number (...), in his capacity as the owner of the ... establishment, commercial registration number (...), against the first instance decision No. (2319) for the year 1443 AH, issued by the 1st First Instance Customs Committee at the Al-Bathaa customs, which ruled as follows:

1-Condemnation of the importer/ institution ... Commercial Register No. (...) In person with customs smuggling.

2-To impose a customs fine of (35,997) thirty-five thousand nine hundred and ninety-seven riyals, equivalent to three times the value of the goods not permitted for clearance by the competent authority.



3-Obligating him to pay an amount equivalent to the value of the violating items as a confiscation fee of (11,999) eleven thousand nine hundred and ninety-nine riyals, bringing the total amount claimed to (47,996) forty-seven thousand nine hundred and ninety-six riyals.

Since the appellant was notified of the Decision subject to the appeal on 10/09/2022 AH, and he submitted the appeal against the Decision on 14/09/2022 AH, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its execution as stipulated in Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment consisting of (accessories) belonging to the importer through the Al-Batha customs under import declaration number (...). On the date 03/11/1438 AH, the value of the violating items amounted to (11,999) eleven thousand nine hundred and ninety-nine riyals, which were released based on a commitment not to dispose of them until they are approved by the competent authority. After presenting the sample to the Food and Drug Authority, the response was received in report number (...) dated 08/11/1438 AH, which includes the matching of some items and others (sent for analysis) and the concerned customs wrote to them with letter number (...). On the date 01/05/1442 AH, to provide them with the final results, the notification number (...) was received. On the date 05/06/1442 AH, it was found that the results of the statement regarding the case had not been inferred due to the lack of electronic referral, and it became clear that the result in the customs automated system was technically invalid. The first instance committee issued its decision as stated in its ruling, based on the fact that the importer acted with the shipment that had not been finally cleared, but was handed over to the importer at his request to store it in his warehouses in exchange for his commitment not to act with it before reviewing the customs and obtaining their approval for its clearance and handling, which is a violation of Article (56) of the Unified Customs Law. It is also considered customs smuggling according to Article (142) of the same law, and the application of penalties against the importer was arranged as stated in the ruling of the decision subject to appeal.

Upon reviewing the objection list submitted by the owner of the importing institution, the customs appellate committee found that its summary mentioned that the plaintiff exceeded the legal period for withdrawing the sample and receiving it from the laboratory and notifying the importer. It also violated what was stipulated in the second chapter of the sixth section of the Unified Customs Law, as the importer was not notified of the sample's unsuitability technically or analytically according to the mentioned law. Additionally, the technicians delayed in withdrawing and delivering the samples to the laboratory, which led to the delay of the shipment's results beyond the legal period. Furthermore, the criminal intent required for establishing criminal liability is absent in this incident. Moreover, the shipment was destroyed due to the inability to return it to its source and to avoid fines from the municipality and the food and drug authority due to the approaching expiration of the products. The statement of appeal concluded with a request to



accept the objection procedurally and to cancel the decision of the First Instance Customs Committee On the merits.

A response memo from the authority was received via the automated system of the secretariat dated 14/09/2023, which summarized that the handling of the shipment is considered a clear violation of the bond commitment submitted by it. Additionally, delivering it to the importer temporarily for safekeeping until it is approved by the competent authority does not constitute clearance but rather its release under a commitment that ensures it will not be disposed of. The institution's handling of the goods by destroying them is considered a violation of the commitment taken against it, and it is also considered customs smuggling according to Article (142) of the Unified Customs Law. Furthermore, customs smuggling crimes are intentional crimes that require the existence of both the material and moral elements for their occurrence, which were present in the case at hand. The memo concluded with a request to reject the appeal submitted by the institution and to uphold the first instance decision.

On Thursday, 25/01/2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against decision No. (2319) for the year 1443 AH, issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in its current state after the committee was informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based and the response of the authority to it.

Grounds:

It has been established through the case documents that the customs clearly delayed in dealing with the follow-up of sending samples of the disputed item included in the shipment to the Food and Drug Authority, as evidenced by what was stated in the first instance decision within the narration of its facts that customs had contacted the laboratory of the Food and Drug Authority to inquire about the result, and the laboratory's response was received on 05/06/1442 AH, which stated (that the results of the statement subject to the lawsuit could not be inferred due to not being referred electronically, and it became clear that the result in the customs automated system was technically invalid). It is inferred from this that customs did not follow up on the examination result and took a long time that contradicts the usual and known practices regarding dealing with laboratory results and commenting on them by customs, which took nearly 4 years from the date of the shipment's arrival until the laboratory notified customs of the outcome of the sample examination. This situation does not allow for holding the importer responsible for that delay, which customs and the laboratory were parties to its occurrence, thus strengthening the presumption of the validity of the importer's claim that he destroyed the shipment out of fear of its spoilage and unsuitability



for consumption over time, considering that it is food products that are affected in their suitability for consumption over time. However, since the importer was obliged to comply with the commitment taken regarding the shipment not to dispose of it except after notifying customs, such a mistake on his part should be considered a violation of customs procedures that does not rise to the level of customs smuggling, as the error of customs and the laboratory in dealing with the outcome of the examination of the item exceeds the error of the importer in dealing with the shipment as previously established. Consequently, a penalty for violating customs procedures should be imposed on the importer in the amount of (1000) riyals as stipulated in Article (31/6) of the executive regulations of the Unified Customs Law. Therefore, the appellate committee concluded to report the following:

Decision:

- 1- Acceptance of the appeal in form from the applicant/ institution ..., commercial registration number (...), owned by/ ..., national ID number (...), against the first instance Decision number (2319) for 1443 AH, issued by the 1st First Instance Customs Committee in Riyadh.
- 2- In the matter of his acceptance, and the cancellation of the first instance Decision in all that was ruled against the importer regarding the conviction of customs smuggling and the penalties resulting from it, for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-204590
Case No. PC-2023-204590

Keywords:

Customs - Constraints - Bond Commitment - Mineral Water - Non-compliance with specifications -
Absence of production date and unclear expiration date - No conviction

Summary:

The importer's request to cancel the first instance decision No. (2319) for the year 1443 AH, issued by the 1st First Instance Customs Committee in Riyadh, which convicted the importer in person of customs smuggling, and imposed a customs fine on him, and obligated him to pay an amount equivalent to the value of the violating items as a confiscation substitute. Where it was established for the appellate committee that the violation relates to the absence of a production date and the lack of clarity regarding the expiration date, without the observation regarding the sample under test indicating the unsuitability of the material for consumption, this observation is considered among the non-essential observations that do not affect consumer deception and the safety of using the product. Consequently, the first instance decision is annulled in all that it ruled, and the company is obliged to pay a customs violation fine.

Document:

- Article (153) of the Code of Criminal Procedure issued by Royal Decree No. (M/2) dated 22/01/1435 AH.
- Paragraph (6) of Article (31) of the Executive Regulations of the Customs law issued by Ministerial Resolution No. (2748) dated 25/11/1423 AH.

Facts:

This is to consider the appeal submitted by/ ..., national ID number (...), in his capacity as an agent for the ... institution, commercial registration number (...), under the agency number (...). On the date 28/05/1444 AH, against the first instance Decision No. (CFR-2022-2145), issued by the third First Instance Customs Committee in Riyadh, ruling as follows:

- 1- Condemnation of the importer/company ..., commercial registration number (...). In person with customs smuggling.



- 2- Obliging him to a customs fine equivalent to the value of the violating item in the amount of (29,168) twenty- nine thousand one hundred sixty eight riyals.
- 3- Obliging him to pay an amount equivalent to the value of the violating item as a confiscation fee of (29,168) twenty- nine thousand one hundred sixty eight riyals, making the total amount claimed (58,336) fifty eight thousand three hundred thirty six riyals

Since the appellant was notified of the Decision subject to the appeal on 02/05/2023, and submitted the appeal on 01/06/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established by Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment (hotel supplies) through the customs of Jeddah Islamic Port under import declaration number (...). On 02/01/1438 AH, it was granted under a commitment not to act until the result of the competent authority appears, and upon presenting the sample to the Food and Drug Authority, the response was received in report number (...) On the date 04/07/1438 AH, which included non-compliance due to the absence of a production date and the lack of clarity regarding the expiration date, and the required actions not being completed to date, the importer was contacted but did not respond. The first instance committee issued its decision as stated in its ruling based on the fact that the importer did not return the unapproved shipment, which indicates his handling of it, constituting a violation of Article (56) of the Unified Customs Law, and also considered customs smuggling according to Article (142) of the same law, necessitating the penalties stated in Article (145) of the same law.

Upon reviewing the objection list submitted on behalf of the company, the appellate customs committee found that its summary mentioned that the importing company was unable to present its defenses before the first instance committee because it was not represented in the case, was not notified of it, and did not attend any of its hearings. This confirms that the committee issuing the decision relied solely on the documents submitted by customs, which constitutes a violation of Article (26) of the rules of procedure before customs committees. Furthermore, upon reviewing the customs headquarters, it was found that the phone number used for notifications belonged to another importer, which means that the decision issued against the company is in absentia, not in person, according to Article (12) of the rules of procedure before customs committees. The list added that the shipment dates back to 04/10/2016, and due to the long period that has passed, the company was unable to find any documents related to this shipment. Additionally, importers are not legally required to retain any documents related to any customs operations for more than five years. Therefore, the customs' delay in initiating the case for more than seven years could exonerate the company and lead to the expiration of the violation subject to the appeal based on Articles (127), (175), and (176) of the Unified Customs Law. Moreover, the committee that issued the decision did not verify the fate of the items in the shipment and assumed their fate, which negates the certainty of the criminal intent of the company. Judgments are based on verification and certainty with documents and evidence, not mere



assumptions. The list concluded with a request to annul the first instance decision issued against the company.

On 05/10/2023, the response of the authority to the statement of appeal was received via the automated system of the secretariat, summarizing that the importing company had violated the commitment taken not to dispose of the shipment until the laboratory results appeared. It was also notified several times that the shipment did not meet the specifications and that it should be returned to customs; however, it did not respond or review customs to settle the commitment, indicating its disposal of the shipment. Furthermore, according to paragraph (1) of Article (176) of the Unified Customs Law, the authority has the right to pursue violators of customs smuggling within a period not exceeding (15) years. Additionally, the incident in question contains both the material and moral elements for the crime of customs smuggling due to the company's disposal of the shipment and the breach of the commitment taken, as well as the introduction of goods whose entry into the country is restricted. The response memorandum concluded with a request to reject the appeal submitted in support of the decision of the First Instance Customs Committee in all its provisions.

On 15/10/2023, the appellant company submitted its memorandum in response to what was stated in the authority's reply memorandum. The memorandum summarized that the authority did not provide a response to the defenses presented by the company, and everything the authority mentioned merely represents a repetition of what it had previously submitted to the first instance committee. Additionally, it did not provide any attachments to prove what it relied on in its memorandum, and the appellant company insists on what it had previously stated in its statement of appeal.

On Wednesday, 27/12/2023 the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the authority against decision number (CFR-2022-2145), issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the authority, the committee found that the case was ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based.

Grounds:



Whereas it is established in the rules of litigation that the proper application of the law is an obligation on the authority examining the case, and it shall rule on its own without the need for a request from the parties, thus the authority examining the case has broad discretion in assessing the facts and giving them the appropriate description and correct classification without being bound by the classification of the prosecution or its opponent, in light of what it is convinced of and the state of the evidence and the inferences drawn from it, relying on it and taking it as a basis for its ruling as long as the documents related to it within the case file do not contradict what has been inferred and what its conviction has settled on to



resolve the dispute, and that its inference is sound, reasonable, and leads to the result it has reached, which is consistent with what Article (153) of the Criminal Procedure law states, which stipulates that "the court is not bound by the description contained in the indictment and must give the act the description it deserves, even if it contradicts the description in the indictment..."; and whereas according to the report of the result of examining the sample (Fitness Coffee Blend), the violation in question relates to the recording of the phrase (Slimming Coffee Blend), which is an advertising phrase, and the result of examining the sample (Original Coffee Blend) was linked to the failure to record the name of the product in Arabic on the package. Since these violations have been established by the customs appellate court's practice as non-essential observations that do not affect consumer deception and the safety of using the imported product, especially since the samples have passed other fields of testing, it follows that the importer's action regarding the product in question, which is burdened with such an observation, constitutes in reality a consideration of it as a procedural observation that does not rise, in the case of dealing with the shipment with its existence, to classify the importer's action with the shipment as being burdened with that observation as constituting customs smuggling. Therefore, it is decided to annul the first instance Decision in all that it ruled against the importer. However, since the importer violated the commitment taken from him and acted with the shipment without notifying customs, it is decided to consider the importer's action a violation governed by Article (31/6) of the executive regulations of the Customs law, which results in imposing a financial penalty on the importer of (1000) one thousand riyals, in application of what Article (31/6) stipulates. Accordingly, the committee concluded to report the following:

Decision:

Acceptance of the appeal in form, submitted by / Institution ..., Commercial Registration No. (...), against the first instance Decision No. (CFR-2022-2145) issued by the 1st First Instance Customs Committee in Riyadh.

The appeal is accepted in substance, and the first instance Decision is annulled in all that it ruled, obliging the importer to pay a customs violation fine of (1000) one thousand riyals, for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2023-156059
Case No. PC-2022-157286

Keywords:

Customs - Constraints - Bond Commitment - Lighting Supplies - Non-compliance with specifications -
Absence of instructions and guidelines - No conviction

Summary:

The importer is requesting the cancellation of the first instance decision No. (118) for the year 1443 AH, issued by the third First Instance Customs Committee in Riyadh, which convicted the importer of customs smuggling, and obligated them to pay a customs fine equivalent to the value of the shipment, and to pay an amount equivalent to the value of the contraband item as a confiscation substitute. And where it was established for the appellate committee that the commitment is settled and completed, and that the importer has re-exported the violating shipment. The implication of this is to overturn the first instance decision in all that it ruled.

Document:

- Article (142) of the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. (M/41) dated 03/11/1423 AH.
- Article (163) of the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH.

Facts:

This is to consider the appeal submitted by/..., national ID number (...). He holds the law license number (...), in his capacity as an attorney for/..., national ID number (...). As the manager - under the commercial register - of the company ..., commercial register number (...), under the agency number (...). Issued on 07/12/2023, against the first instance decision No. (118) for the year 1443 AH, issued by the Third First Instance Customs Committee in Riyadh, ruling as follows:

1- Condemnation/ Institution ..., Commercial Registration Number (...) Smuggling.



2- Obliging it to pay a customs fine equivalent to the value of the shipment that was disposed of without the approval of the competent authority in the amount of (43,952) forty-three thousand nine hundred and fifty-two riyals.

3- Obliging it to pay an amount equivalent to the value of the violating item as a confiscation fee of (43,952) forty-three thousand nine hundred and fifty-two riyals, bringing the total amount to (87,904) eighty-seven thousand nine hundred and four riyals.

Since the appellant was notified of the Decision subject to the appeal on 21/09/2022, and submitted the appeal against the Decision on 18/10/2022, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its conduct according to what is stipulated in Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment (lighting supplies) through the customs of King Abdulaziz International Airport under import declaration number (...). On the date 06/05/1437 AH, it was allowed under a commitment not to act until the result of the examination by the competent authority appeared, and upon examination of the sample by the laboratory, the report number (...) was received. On 07/03/2016, it was noted that there was a non-compliance due to the absence of instructions and guidelines, and that the sample frequency of 50 Hertz differs from the frequency in use within the Kingdom. The importer was notified of the result through several letters, but he did not respond. The first instance committee issued its decision as previously mentioned, convicting the importer of customs smuggling and obliging him to the penalties resulting from it, based on the fact that the importer did not return the shipment contrary to the commitment taken from him after the laboratory result showed non-compliance due to a technical violation that cannot be rectified. Consequently, the first instance committee concluded that the incident constitutes a customs smuggling crime in accordance with Article (142) of the Unified Customs Law.

Upon reviewing the objection list submitted by the company's attorney, the appellate customs committee found that its summary confirmed that the company received the shipment under a conditional official clearance prohibiting any disposal. The company also re-exported the shipment through the King Abdulaziz International Airport customs in Jeddah under re-export report number (...). On the date 30/03/1439 AH, this eliminates the occurrence of a violation and the conviction of the company due to the lack of its realization based on the data of the re-export of the previous shipment, and the regulation concluded with a request to accept the appeal in form and to overturn the contested decision.

On 19/12/2023, a statement was received through the automated system of the secretariat from the Zakat, Tax and Customs Authority, which included a summary confirming that the shipment has been re-exported under re-export declaration number (...). On 30/03/1439 AH, the status of the statement is open and completed.



On Sunday, December 31, 2023, the Customs Appeals Committee in Riyadh held a hearing to consider the appeal submitted regarding Decision No. (118) for the year 1443 AH, issued by the Third First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant and the response from the authority, the committee found that the case was ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it.

Grounds:

After the appellate committee reviewed the attachments submitted by both parties to the case, in addition to the response from the authority confirming that the commitment has been settled and concluded, it became clear to them that the importer had re-exported the violating shipment. Since the first instance decision concluded with a conviction for customs smuggling based on the importer's actions regarding the violating shipment, and since it was established that the importer re-exported the entire shipment, this undermines the basis on which the importer was convicted of customs smuggling. Therefore, this committee concludes to overturn the first instance decision in all that it ruled, and thus the committee concluded with the following report:

Decision:

Acceptance of the appeal in form from the applicant/ institution ..., commercial registration number (...), against the first instance decision number (118) for the year 1443 AH, issued by the 1stFirst Instance Customs Committee at the Al-Bathaa customs.

In the matter of its acceptance, and the annulment of the first instance Decision in all that it ruled regarding the appellant, for the Grounds and justifications stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-230453
Case No. PC-2024-230453

Keywords:

Customs - constraints - bond commitment - biscuits and sweets - non-compliance with specifications - no review by the merchant - no conviction

Summary:

The authority's request to annul the first instance decision number (CFR-2023-111673) issued by the 1st First Instance Customs Committee in Riyadh. And where it was established for the appellate committee that the letter received from the Food and Drug Authority did not mention the phrase (non-compliance of the sample) and that all that the letter concluded was (the final result was not completed due to the merchant's review not being conducted). This means; the appeal is rejected on the merits.

Document:

- Article (163) of the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH.

Facts:

This is to consider the appeal against the first instance Decision number (CFR-2023-111673) issued by the 1st First Instance Customs Committee in Riyadh, submitted by the Zakat, Tax and Customs Authority. The facts of this case are summarized by the arrival of a shipment (biscuits and sweets) through the customs of Jeddah Islamic Port under import declaration number (...). On the date 29/08/1431 AH, it was allowed under a commitment not to act until it was approved by the competent authority, and upon presenting the sample to the competent authority, a response was received in letter number (...) On 18/09/1431 AH, which included the non-completion of the final result due to the merchant's failure to review, the first instance committee issued its Decision not to convict the importer of customs smuggling, while obliging him to pay a fine for violating customs procedures amounting to five thousand riyals, as stated in the text and Grounds for the Decision subject to appeal, which is referred to in order to prevent repetition. Upon reviewing the objection list submitted, the appellate customs committee found that it included a summary stating that the violation was technical and thus classified as prohibited goods. Furthermore, "the



administration prohibits, under the provisions of this law "law" or any other law "law" or decision, the entry, exit, or transit of prohibited or violating goods, and also prohibits the entry, exit, or transit of restricted goods except with approval issued by the competent authorities in the state." Article (142) of the Unified Customs Law stipulates that: Smuggling is the act of bringing or attempting to bring goods into the country or taking them out, or attempting to take them out in violation of the applicable laws, without paying the customs duties "taxes" in whole or in part, or contrary to the provisions of prohibition.

or the constraints contained in this "law" and other regulations and laws, therefore, the action taken by the importer by introducing foodstuffs without approval from the competent authority is considered an attempt at customs smuggling; as it poses a threat to the safety and health of consumers. It concluded with a request to convict the importer of customs smuggling and to impose a customs fine equivalent to three times the value of the goods, and to confiscate the goods or rule for an amount equivalent to their value if they are not seized.

And I request the response from the appellee on 10/01/2024 and enabling her to exercise her right to respond for a period of (45) days, and she did not submit the required answer. Based on paragraph (1) of Article (35) of the rules of operation of the Zakat, tax, and customs Committees, the committee decided to rule on the case in light of the documents available to it.

After reviewing the case file and the appeal submitted by the authority, the committee found that the case was ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based.

Grounds:

After reviewing the unified customs law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the zakat, tax, and customs committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the relevant regulations and laws.

Since the appellant was notified of the first instance Decision on 25/12/2023, and submitted the appeal against the Decision on 10/01/2024, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its conduct as stipulated in Article (163) of the Unified Customs law.

Since there is no reproach against the reviewing authority for taking the reasons of the decision subject to the appeal without addition whenever it sees in these reasons what suffices to avoid presenting anything new, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. This is not affected by what the appellant argued that the violation mentioned in the shipment subject to the lawsuit is of the same



kind as technical violations, as it became clear upon reviewing the letter from the Food and Drug Authority that it did not mention the phrase (non-compliance of the sample) and that all that the letter concluded was, in fact, (the final result was not completed due to the merchant's review not being conducted). Since such a phrase cannot definitively assert the existence of a technical violation in the sample, it is necessary to determine that the defenses presented do not affect the outcome of the decision, which makes the appeal without supporting evidence, necessitating its rejection. Accordingly, the committee concluded to report the following:

Decision:

First: Acceptance of the appeal procedurally, from the applicant / the General Authority of Zakat and Tax and Customs, against the first instance Decision No. (CFR-2023-111673), issued by the 1st First Instance Customs Committee in Riyadh.

Second: He was rejected on the subject, and this is due to the reasons and circumstances mentioned in this decision. This decision is considered final; in accordance with the provisions of paragraph (Second) of Royal Order No. (25711) dated 08/04/1445 AH.

May Allah send blessings and peace upon our Prophet Muhammad and upon his family and companions altogether.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-204099

Case No. PC-2023-204099

Keywords:

Customs - Constraints - Bond commitment - Household items - Non-compliance with specifications - Failure to provide a certificate proving that the containers are food grade - No conviction

Summary:

The importer is requesting the cancellation of the first instance decision No. (CFR-2023-105319) issued by the 1st First Instance Customs Committee in Riyadh, which convicted the importer in absentia of customs smuggling, and obligated him to pay a customs fine equivalent to the value of the contraband item, and to pay an amount equivalent to the value of the contraband item as a confiscation substitute. Where it was established for the appellate committee that the importer had attached evidence proving the shipment's compliance with food and drug standards without the authority expressing any objection to that, and did not respond directly to the plea to negate its indication of compliance or non-compliance. This means; and the annulment of the first instance decision in all that it ruled.

Document:

- Article (142) of the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. (M/41) dated 03/11/1423 AH.
- Article (158) of the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. (M/41) dated 03/11/1423 AH.
- Article (163) of the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH.

Facts:

This is to consider the appeal submitted by / ..., commercial registration number (...), for its owner / ..., national ID number (...), against the first instance decision number (CFR-2023-105319), issued by the second First Instance Customs Committee in Riyadh, which ruled as follows:



1-Condemnation of the importer (Institution ...) Commercial Register No. (...) In person with customs smuggling.

2-Obligating him to a customs fine equivalent to the value of the violating item in the amount of (46,208) forty-six thousand two hundred and eight riyals.

3- Obliging him to pay an amount equivalent to the value of the violating item as a confiscation fee of (46,208) forty-six thousand two hundred and eight riyals, making the total amount claimed (92,416) ninety-two thousand four hundred and sixteen riyals.

Since the appellant was notified of the Decision subject to the appeal on 20/07/2023, and submitted the appeal against the Decision on 08/08/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its conduct according to what is stipulated in Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment (hotel supplies) through the customs of Jeddah Islamic Port under import declaration number (...). On the date 09/07/1432 AH, it was granted based on a commitment not to act until the result of the competent authority appears, and upon examining the sample, the report number (...) was received. The date 28/10/1432 AH includes non-compliance regarding (the failure to present a certificate proving that the containers are food grade). The first instance committee issued its decision as previously mentioned, convicting the importer of customs smuggling and obliging him to the associated penalties, based on the fact that the importer's handling of the shipment contrary to the commitment taken regarding it without its approval is considered customs smuggling under Article (142) of the Unified Customs Law.

Upon reviewing the objection list submitted by the appellant, the appellate customs committee found that its summary stated that the claims made in the lawsuit filed by the Zakat, Tax, and Customs Authority were entirely incorrect. It was noted that goods were imported on (09/07/1432 AH), and after inspecting the goods, the customs broker was requested to provide certificates from the manufacturer proving their safety, which were subsequently provided. The broker confirmed that these certificates were delivered to the relevant department. Therefore, it is requested to include the broker to verify all mentioned deliveries of the certificates proving that the containers are food-grade. The list concluded with a request for appeal and a ruling to dismiss the plaintiff's lawsuit due to its lack of validity.

The automated system of the secretariat received a response from the Zakat, Tax, and Customs Authority regarding the statement of appeal dated 25/09/2023, summarizing that the consideration is the result of the Food and Drug Authority. The authority issued the result attached to the case file number (561) stating that the shipment is non-compliant due to the failure to present a certificate proving that the containers are food grade. According to Article (158), "The owners of the goods, employers, and carriers of the goods shall be responsible for the actions of their employees and all workers for their benefit concerning the fees and



taxes collected by the customs department and the fines and confiscations stipulated in this 'law' resulting from those actions." According to the text of the article, the institution is responsible and can seek recourse against those who caused it harm before the competent authority. The response memorandum concluded with a request to reject the appeal and uphold the first instance decision in all its provisions.

On Wednesday, 20/03/2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted against the first instance decision No. (CFR-2023-105319) issued by the 1st First Instance Customs Committee at the Al-Batha Customs. After reviewing the case file and the appeal submitted by the appellant, the Appeals Committee decided that the documents presented and included in the case file were sufficient to form its conviction and to rule on the matter in light of the reasons on which the appeal was based and the response of the authority regarding it.

Grounds:

It is established that a shipment (household items) has arrived through the Jeddah Islamic Port customs under import declaration number (...). On the date 09/07/1432 AH, it was granted based on a commitment not to act until the result of the competent authority appears, and upon examining the sample, the report number (...) was received. The date 28/10/1432 AH includes non-compliance (for not providing a certificate proving that the containers are food grade). Considering that the importer attached evidence that the shipment complies with food and drug standards without the prosecution showing any objection to that, except by stating that the approved document is the report of the Food and Drug Authority, which mentioned that the importer did not present a compliance certificate that (the containers are food grade). However, the importer submitted the compliance certificate along with his appeal to the appellate committee. Therefore, the response of the authority to what the importer presented does not match what he states, that he provided a specification certificate proving compliance. Thus, it is necessary for him to provide the compliance certificate, which has been fulfilled. Since the prosecution did not present anything to negate the apparent obligation of the trader to provide the compliance certificate and limited its response to merely repeating the decision that the approved document is the certificate of the Food and Drug Authority, while what is present in the appeal is a significant argument affecting the laboratory result that the authority did not directly respond to in order to negate its indication of the existence or non-existence of compliance. Since the matter is as mentioned, it is determined that the original presumption is to maintain the presumption of innocence, confirming that the importer has provided what was requested of him without anything opposing that and negating the validity of the compliance of the shipment with it. This leads to the conclusion that it cannot be definitively stated that the crime of customs smuggling is attributed to the trader, which necessitates the annulment of the first instance decision regarding the conviction of the importer for customs smuggling and the penalties resulting from it. Accordingly, the appellate customs committee concluded to report the following:



Decision:

1- Acceptance of the appeal in form from the applicant/ institution ..., commercial registration number (...), owned by/ ..., national ID number (...), against the first instance Decision number (CFR-2023-105319), issued by the 1st First Instance Customs Committee in Riyadh.

2- In the matter of its acceptance, and the annulment of the first instance Decision in all that it ruled against the appellant, and this is for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-224836
Case No. PC-2023-224836

Keywords:

Customs - Constraints - Bond Commitment - Printing Oil - Non-compliance with specifications - Certificate of Compliance - No Conviction

Summary:

The importer is requested to cancel the first instance decision No. (CFR-2023-102827) issued by the 1st First Instance Customs Committee in Riyadh. It has been established to the appellate committee that the laboratory report was general and did not specify the reason for the non-compliance of this material with the specifications, in addition to the fact that the import declaration shows that the imported goods are (machine cleaning oil). Consequently, this means supporting the first instance decision.

Document:

- [Zakat, Tax and Customs Committees Regulations issued by Royal Decree No. \(25711\) dated 08/04/1445 AH.](#)
- Article (142) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal against the first instance Decision No. (CFR-2023-102827) issued by the 1st First Instance Customs Committee in Riyadh. Since the appellant was notified of the first instance Decision on 14/09/2023, and submitted the appeal on 08/10/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the prescribed period for its submission as stipulated in Article (163) of the Unified Customs law.

The facts of this case are summarized by the arrival of a shipment (biscuits and sweets) through the customs of Jeddah Islamic Port under import declaration number (...). On the date 26/10/1438 AH, it was allowed



under a commitment not to act until the result of the examination by the competent authority appeared, and upon examining the sample by the laboratory, the report number (...) was received. On 02/08/2017, it was included that the material is not printing oils and therefore does not match the name mentioned in the attached documents. The importer was informed of the result by customs, but he did not respond. The first instance committee issued its decision not to convict the importer of customs smuggling as stated in the text and reasons for the decision subject to appeal, which is referred to in order to avoid repetition.

Upon reviewing the statement of appeal submitted by the authority, the customs appeals committee found that it includes a summary indicating that the attached laboratory result showed that the sample was received as (printing oils) while the material is actually not (printing oils) and therefore it is non-compliant. Additionally, the shipment consists of prohibited goods based on the result from the competent authority which indicated its violation of the approved specifications, and since "the administration prohibits under the provisions of this law "law" or any law "law".

or another decision regarding the entry of prohibited or non-compliant goods or their exit or transit, as the entry of restricted goods or their exit or transit is also prohibited except by virtue of approval issued by the competent authorities in the countries" according to the text of Article (24) of the Unified Customs Law, and since the handling of the released shipment without action is considered a violation of the text of Article (56) of the Unified Customs Law, and is deemed customs smuggling according to the text of Article (142) of the same law, therefore the authority requests the acceptance of the appeal in form and the conviction of the Arab company..... For customs smuggling and obliging it to pay a fine equivalent to three times the value of the goods and obliging it to pay an amount equivalent to the value of the goods as a confiscation substitute. After reviewing the case file and the submitted appeal, the committee found that the case was ready for a decision in its current state after the committee was informed of the facts of the case and the sufficiency of what was presented to form its conviction and decide it in light of the reasons on which the appeal was based.

Grounds:

After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws.

Since there is no reproach against the reviewing authority for taking the reasons of the decision subject to the appeal without adding anything whenever it sees that these reasons are sufficient to negate the need for any new arguments, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained, and this is not undermined by what the authority mentions in its memorandum that the violation lies in the fact



that the sample was received as (printing oils) while the material is actually not (printing oils). This is because the laboratory report was general without specifying the reason for the non-compliance of this material with the specifications, in addition to the fact that the import statement related to the facts of the case shows that the imported goods are (machine cleaning oil). Therefore, it is necessary to conclude that the defenses presented do not affect the outcome of the decision, which makes the appeal unsupported and thus must be rejected. Accordingly, the committee concluded to report the following:

Decision:

First: Acceptance of the appeal in form, from the appellant / Zakat, Tax and Customs Authority, against the first instance Decision No. (CFR-2023-102827) issued by the 1st First Instance Customs Committee in Riyadh.

Second: The appeal is rejected on the merits, and the first instance Decision is upheld, for the Grounds and considerations stated in this Decision.

This decision is final; according to the provisions of paragraph (Second) of Royal Order No. (25711) dated 08/04/1445 AH.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-174689

Case No. PC-2023-174689

Keywords:

Customs - Constraints - Bond Commitment - Printers - Non-compliance with specifications - Plug shape and inspection of explanatory data - No conviction

Summary:

The importer is requesting the cancellation of the first instance decision No. (1124) for the year 1441 AH, issued by the 1st First Instance Customs Committee at the Al-Batha customs, which convicted the importer of customs smuggling and fined him an amount equivalent to the value of the contraband shipments and an amount equivalent to their value as a confiscation substitute. And where it was established for the appellate committee that the observation mentioned in the laboratory report is among the non-essential observations that do not affect consumer deception and the safety of using the product in question, especially since the sample has passed other testing fields. This means; the annulment of the first instance decision in all that it ruled and considering the importer's action as fulfilling the imposition of a penalty for violating customs procedures.

Document:

- Article (158) of the Code of Criminal Procedure issued by Royal Decree No. (M/2) dated 22/01/1435 AH.
- Paragraph (6) of Article (31) of the Executive Regulations of the Customs law issued by Ministerial Resolution No. (2748) dated 25/11/1423 AH.

Facts:

This is to consider the appeal submitted by / Institution ..., Commercial Registration No. (...), against the first instance decision No. (1124) for the year (1441 AH), issued by the 1st First Instance Customs Committee at the Al-Bathaa customs, ruling as follows:



First) Condemnation of the importer/... , of Saudi nationality, under national ID number (...) Issued by Al-Ahsa, Owner/Founder of ..., Commercial Registration No. (...) in .././.... Customs smuggling – in person – from Al-Ahsa.

Secondly) He is fined an amount equivalent to the value of the violating shipments, which number (298) cartons (headphones and speakers - printers - chargers) amounting to (12,582) twelve thousand five hundred and eighty-two riyals. Due to the impossibility of confiscation, the importer is required to pay an amount equivalent to its value as a substitute for confiscation, amounting to (12,582) twelve thousand five hundred and eighty-two riyals, making the total amount demanded from the owner of the institution ... An amount of (25,164) twenty-five thousand one hundred and sixty-four riyals.

Third) Imprisonment of the owner of the institution for six months from the date of execution.

Since the appellant was notified of the Decision subject to the appeal on 12/08/2020, and submitted the appeal on 30/08/2020, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established by Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment consisting of (accessories) belonging to the importer through the Al-Batha customs under import declaration number (...). On the date 22/11/1437 AH, it was allowed based on a commitment not to act until the result appears from the competent authority, and after presenting the sample to the laboratory, the response was received in report number (...) and report number (...) and number (...), which included non-compliance regarding the shape of the plug and the examination of the explanatory data. The importer was addressed to return the shipment to the customs area, but he did not respond. The first instance committee issued its Decision as stated in its ruling, based on the fact that the failure of the importer to return the shipment to the customs area, which he committed not to dispose of until it is approved by the competent authority, implies that he has disposed of the unauthorized shipment, which is considered customs smuggling according to Article (142) of the Unified Customs law. The committee arranged the application of penalties against the appellant as stated in its Decision.

Upon reviewing the objection list submitted by the importing institution, the appellate customs committee found that its summary mentioned that the institution objects to paragraphs (2) and (3) of the first instance decision because the samples were formally rejected by the laboratory as they do not harm the consumer, and that procedural cases are settled with customs by paying a fine of (1,000) one thousand riyals, and that the customs have been approached several times to request a settlement, and the list concluded with a request to refer the case to the appellate committee.

A response memorandum from the authority was received via the Automated System of the Secretariat dated 27/03/2023, which summarized that the objection list submitted by the appellant was devoid of Grounds for the objection and requests of the appellant. Therefore, the list was not drafted in the required



legal form according to Article (188) of the Judicial Procedures law. The memorandum concluded with a request to reject the appeal and uphold the first instance Decision in all its provisions.

On Thursday, June 13, 2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party regarding Decision No. (1124) for the year (1441 AH), issued by the 1st First Instance Customs Committee at the Al-Batha Customs. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a Decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in its current condition.

Grounds:

Whereas, regarding the response of the authority after giving it the right to respond to the appellant's statement that the submitted list is not drafted as required due to the lack of grounds for objection and requests therein, which according to its claim necessitates the rejection of the submitted appeal, it is rejected, considering that the list submitted by the appellant included sufficient information to indicate his objections and requests, making his appeal drafted as required. And whereas, it is established in the rules of litigation that applying the law correctly is an obligation on the authority examining the case, and it must do so on its own without the need for a request from the parties. Therefore, the authority examining the case has broad discretion in assessing the facts and giving them the appropriate description and correct classification without being bound by the classification of the claimant or his opponent, in light of what it is convinced of and the state of the evidence and the inferences drawn from it, relying on it and taking it as a basis for its ruling, as long as the documents related to it within the case file do not contradict what has been inferred and established in its conviction and belief to resolve the dispute, and that its inference is sound, reasonable, and leads to the result it reached. This is consistent with what is stated in Article (158) of the Criminal Procedure law, which stipulates that "the court is not bound by the description contained in the indictment and must give the act the description it deserves, even if it contradicts the description in the indictment...". And whereas, according to the report of the sample examination results, the violation subject to the case relates to the non-compliance of the sample with the specifications regarding the shape of the plug and the examination of the explanatory data. Since this violation has been established by the customs appeal court's practice as a non-essential observation that does not affect consumer deception and the safety of using the imported product, especially since the sample has passed other fields of testing, it follows that the importer's action regarding the problematic item, which is burdened with such an observation, constitutes in reality considering it an observation of a procedural nature that does not rise, in the case of dealing with it in its presence, to classify the importer's action as customs smuggling. Therefore, it is decided to annul the first instance Decision in all that it ruled against the appealing company. However, since the importing company violated the commitment taken upon it and acted with the shipment without notifying customs, it is decided to consider the action of the importing company a violation governed by Article (31/6)



of the executive regulations of the unified customs law, and to impose a financial penalty on it of (1,000) one thousand riyals for each item, in application of what that article stipulates. Accordingly, the committee concluded to report the following:

Decision:

Acceptance of the appeal in form from the applicant/ institution ..., commercial registration number (...), against the first instance Decision (1124) for the year (1441 AH), issued by the 1st First Instance Customs Committee at the Al-Bathaa customs.

In the subject of his acceptance, and the annulment of the first instance Decision in all that was ruled against the appellant, and that for the Grounds and considerations stated in this Decision.

The importer's actions are considered to incur a penalty for violating customs procedures amounting to (1,000) one thousand riyals for each item under Article (31/6) of the Executive Regulations of the Unified Customs Law, bringing the total amount claimed to (3,000) three thousand riyals, for the reasons and considerations stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-193968
Case No. PC-2023-193968

Keywords:

Customs - Constraints - Bond Commitment - Adhesive Stickers - Non-compliance with Specifications - Indication of Origin - No Conviction

Summary:

The importer's request to cancel the first instance Decision number (CTR – 2023 - 667) issued by the Third First Instance Customs Committee in Riyadh. And where it was established for the appellate committee that the violation is considered a type of procedural violations that do not affect the quality of the product or harm the safety of the consumer, and do not rise to convicting the importer of the crime of customs smuggling, and considering the incident as a violation of customs procedures. This means; and the annulment of the first instance decision in all that it ruled, obliging the importer to pay a customs violation fine.

Document:

- Article (142) of the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. (M/41) dated 03/11/1423 AH.
- Article (143) of the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. (M/41) dated 03/11/1423 AH.
- Paragraph (6) of Article (31) of the Executive Regulations of the Customs law issued by Ministerial Decision No. (2748) dated 25/11/1423 AH.

Facts:

This is to consider the appeal against the first instance Decision No. (CTR – 2023 - 667) issued by the Third First Instance Customs Committee in Riyadh, submitted by the agent/..., Civil Registration No. (...), under the agency No. (...), and since the appellant was notified of the first instance Decision on 30/03/2023, and submitted the appeal against the Decision on 30/04/2023, this entails accepting the appeal in form as it was submitted by a person with standing within the prescribed period for its submission as stipulated in Article (163) of the Unified Customs law.

The facts of this case are summarized by the arrival of a shipment (biscuits and sweets) through the customs of Jeddah Islamic Port under import declaration number (...). On 20/09/1432 AH, which included non-



compliance in terms of the specified frequency, the importer was notified of the result by the customs, but he did not respond. The first instance committee issued its decision to convict the importer of customs smuggling and impose the associated penalties, as stated in the text and reasons for the decision subject to appeal, which is referred to in order to avoid repetition.

Upon reviewing the objection list submitted, the appellate customs committee found that it included a summary indicating that the criminal intent...

The component for the crime of customs smuggling is not available in the case at hand, and the shipment arrived for the first time from a company in Korea, and a certificate of origin was attached. The company was not aware of the obligation to place stickers on the cartons, and there is still part of the shipment in the warehouses. It concluded with a request to accept the appeal and cancel the first instance Decision in all that was ruled.

Upon reviewing the response memorandum submitted by the appellant, the appellate customs committee found that it included a summary stating that the importer had been addressed to return the shipment and comply with the commitment made, but it did not respond. It also did not establish the origin of the goods or fulfill the commitment made, as the commitment is still in effect and has not been settled. Furthermore, the shipment violates the commercial data law and the anti-commercial fraud law. The memorandum concluded with a request to reject the appeal and uphold the first instance Decision in all its provisions.

After reviewing the case file and the appeal submitted by the appellant and the response of the committee regarding it, the committee found that the case is ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what has been presented to form its conviction and to rule on it in light of the reasons on which the appeal was based.

Grounds:

After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws.

Whereas the appellate customs committee, upon reviewing the case file and its attachments, found that the violation related to the shipment was due to its non-compliance with specifications regarding the indication of origin, and whereas this violation is considered a procedural violation that does not affect the quality of the product or compromise consumer safety, and does not rise to the level of convicting the importer of the crime of customs smuggling as described in Articles (142/143) of the Unified Customs law, it is therefore decided to annul the first instance decision in all its provisions and to consider the incident a customs procedural violation governed by Article (31/6) of the executive regulations of the Unified Customs law, and to impose a financial penalty of (1000) one thousand riyals in accordance with what that article stipulates. Accordingly, the appellate customs committee concluded to report the following:



Decision:

First: Acceptance of the appeal in form, from the applicant/ Institution ..., Commercial Registration No. (...), owned by/ ..., Civil Registration No. (...), against the first instance Decision No. (CTR – 2023 - 667), issued by the Third First Instance Customs Committee in Riyadh.

Second: The appeal is accepted in substance, and the first instance Decision is annulled in all that it ruled, obliging the importer to pay a customs violation fine of (1000) one thousand riyals, for the Grounds and considerations stated in this Decision.

This decision is final; according to the provisions of paragraph (Second) of Royal Order No. (25711) dated 08/04/1445 AH.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CFR-2024-103734
Case No. AC-2023-103734

Keywords:

Customs - Constraints - Bond Commitment - Wall Lamps - Non-compliance with specifications -
Explanatory data and heat testing - No conviction

Summary:

The Zakat, Tax and Customs Authority demands the 1st First Instance Customs Committee in Riyadh to condemn the importer for customs smuggling due to the seizure of 12,431 (wall lamps). Where it was established for the first instance committee that the importer is willing to return the goods and that he has not disposed of them, and the destruction report indicated that the non-compliant item and its quantity recorded in the destruction report match the import declaration. This means that the importer is not convicted in person of customs smuggling.

Document:

- Article (124) of the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH.
- Article (143) of the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. (M/41) dated 03/11/1423 AH.

Facts:

The facts of this case are summarized in that the Zakat, Tax and Customs Authority filed its lawsuit and the requests contained therein against the importer (Institution ...) Commercial registration number (...), and the summary of its lawsuit in case number (438) for the year 1440 AH included the following: A shipment of (wall lamps) belonging to the defendant arrived via the Islamic Port of Jeddah customs under import declaration number (...). On the date 07/10/1436 AH, I was granted permission with a commitment not to act until the results appear from the competent authority, and after presenting the sample to the laboratory, the report number (...) was received. On 11/08/2015, it was noted that there was a non-compliance regarding the explanatory data and the heat test, and he was addressed to return the shipment to the customs area, but he did not respond to the customs.

Accordingly, the committee held its hearing on Thursday, 02/11/2023, and upon calling the parties to the case, ... attended, in her capacity as a representative of the Zakat, Tax and Customs Authority by virtue of



the authorization issued by the Legal Affairs and Compliance Agency of the Authority under number (...). On the date 19/03/1445 AH, the defendant appeared in person/..., with national ID number (...). The committee decided to proceed with the case. When the case was presented to the defendant, he responded that it was ignorance on his part and that this was 10 years ago, and we did not receive any messages. I imported the goods, which are still present, and I have not disposed of them. They consist of electrical tools, and I request an extension to return them to the customs area. The committee decided to postpone the hearing.

On Sunday, November 26, 2023, the committee held its hearing, and upon calling the parties to the case, ... attended, in her capacity as a representative of the Zakat, Tax, and Customs Authority under the authorization issued by the Legal Affairs and Compliance Agency of the Authority numbered (...). On the date 15/10/1444 AH, the defendant attended through an attorney/..., national ID number (...). According to agency number (...), the committee has decided to proceed with the lawsuit. When the case was presented to the defendant and when she was asked about what they requested in the previous hearing, she replied: The customs were addressed regarding the destruction of the samples, and they were transferred to a destruction company. Payment was made, and the destruction funds were transferred to the company that will carry out the destruction. Therefore, the committee decided to postpone the hearing.

On Sunday, 03/12/2023, the committee held its hearing, and upon calling the parties to the case, ... attended, in her capacity as a representative of the Zakat, Tax, and Customs Authority under the authorization issued by the Legal Affairs and Compliance Agency of the Authority numbered (...). On the date 19/03/1445 AH, the defendant attended through an attorney/..., national ID number (...). According to agency number (...), the committee has decided to proceed with the lawsuit. When asked by the defendant's attorney about what he had requested a postponement for in the previous hearing, he replied: The request for the destruction of the shipment was submitted, but the request was rejected by customs due to an ongoing case with the customs committees. When asked about this, the representative of the defendant replied that, according to the information we received, no request was submitted, and the committee decided to postpone the hearing.

On Sunday, December 10, 2023, the committee held its hearing, and upon calling the parties to the case, ... attended, in her capacity as a representative of the Zakat, Tax, and Customs Authority under the authorization issued by the Legal Affairs and Compliance Agency of the Authority numbered (...). On the date 19/03/1445 AH, the defendant attended through an attorney/..., national ID number (...). According to agency number (...), the committee has decided to proceed with the lawsuit. When the case was presented to the plaintiff's representative and he was asked about what he requested to postpone in the previous hearing, he replied: The correspondence was sent to the relevant administration regarding the destruction process, and no response has been received to date. When the lawsuit was presented to the defendant's representative and he was asked about what he requested to postpone in the previous hearing, he replied: Contacted us the customs, and they stated that the requests should be sent again, and the requests were



sent to them again to complete the destruction process. The committee decided to give the plaintiff and the defendant time until the next hearing to provide information about the destruction process.

On Sunday, December 17, 2023, the committee held its hearing, and upon calling the parties to the case, ... attended, in her capacity as a representative of the Zakat, Tax, and Customs Authority under the authorization issued by the Legal Affairs and Compliance Agency of the Authority with number (110093/A/353/1445) dated 19/03/1445 AH, and the defendant attended through the agency/..., with national ID number (...). According to agency number (...), and when asked by the defendant's attorney about what he requested a postponement for in the previous hearing, he replied: The request for the destruction of the shipment was submitted, but the request was rejected by customs due to an ongoing case with the customs committees. When asked about this, the representative of the defendant responded that the request is still under process. When asked about the destruction, the defendant's attorney replied: All documents have been submitted and we are waiting for customs to complete the destruction procedures; therefore, the committee decided to postpone the hearing.

On Thursday, December 21, 2023, the committee held its hearing, and upon calling the parties to the case, ... appeared, in her capacity as a representative of the Zakat, Tax, and Customs Authority by virtue of the authorization issued by the Legal Affairs and Compliance Agency of the Authority under number (...). On the date 19/03/1445 AH, the defendant attended through an attorney/..., national ID number (...). According to agency number (...), and when asked by the defendant's attorney about what he requested a postponement for in the previous hearing, he replied: No response has been received yet regarding the customs procedures for the destruction, and I visited the Jeddah customs for inquiries, and they told me that it is still under process with review ticket number (...). When asked by the plaintiff's representative what she had requested a postponement for in the previous hearing, she answered: We have not received a response from the relevant customs, so the committee decided to postpone the hearing to obtain information from the prosecution regarding the completion of the destruction process.

On Thursday, December 28, 2023, the committee held its hearing, and upon calling the parties to the case, ... attended, in her capacity as a representative of the Zakat, Tax, and Customs Authority under the authorization issued by the Legal Affairs and Compliance Agency of the Authority numbered (...). On the date 19/03/1445 AH, the defendant attended through an attorney/..., national ID number (...). According to agency number (...), and when asked by the defendant's attorney about what he requested a postponement for in the previous hearing, he replied: I received an email from the Zakat, Tax, and Customs Authority on 27/12/2023 stating that a date has been set to complete the destruction of the violating item on 03/01/2024. When the case was presented to the plaintiff's representative and asked what he had requested a delay for in the previous hearing, he replied: The destruction request has been approved and the destruction date has been set for 03/01/2024. The committee decided to postpone to benefit from both parties of the lawsuit regarding the completion of the destruction process.



On Thursday, January 11, 2024, the committee held its hearing, and upon calling the parties to the case, ... attended, in her capacity as a representative of the Zakat, Tax, and Customs Authority under the authorization issued by the Legal Affairs and Compliance Agency of the Authority numbered (...). On the date 19/03/1445 AH, the defendant attended through an attorney/..., national ID number (...). According to agency number (...), and when the committee asked the plaintiff's representative about the reason for the delay in the previous hearing regarding the completion of the destruction process, she replied: First: Wall lamps: The number allowed under the commitment (12,440) and the number that was inspected for destruction (364) pieces. Second: Relationship bulbs: The number allowed under the commitment (12,440) and the number that was inspected for destruction (361) pieces. At the request of the committee, the specified quantities have been destroyed (attached is the destruction report). It is worth noting that the importer brought another batch of the shipment today, dated 10/01/2024, which is currently being verified by the destruction committee. A detailed report will be provided to you upon completion of the procedure. When the committee asked the representative of the defendant about the reason for the delay in the previous hearing regarding the completion of the destruction process, he replied: Request a grace period to destroy the remainder, and I understand that the item to be returned to the arena is item number (1) and its quantity is (12440). The committee has decided to approve the request of the defendant's attorney and grant him an extension until next Thursday to fulfill his commitments before the committee. The plaintiff's representative is to communicate with customs to facilitate the process of returning the remaining quantity (12,067) and inform the committee with a matching report regarding what has been returned on the violating item number (1) in the customs declaration, and to postpone the hearing.

On Thursday, January 18, 2024, the committee held its hearing, and upon calling the parties to the case, ... attended, in her capacity as a representative of the Zakat, Tax, and Customs Authority under the authorization issued by the Legal Affairs and Compliance Agency of the Authority numbered (...). On the date 15/10/1444 AH, the defendant attended through an attorney/..., national ID number (...). According to the agency number (...), the committee decided to proceed with the case, and when the committee asked the plaintiff's representative about what she had requested an extension for in the previous hearing regarding the completion of the destruction process, she replied: The destruction report has been attached. The destroyed item is (12,067), which is an addition to what was previously destroyed (364), bringing the total destroyed to (12,431), and the remaining undestroyed is (9) pieces. After reviewing the case file and documents, and hearing the defenses and the statement regarding the destruction of the disputed item, the committee decided to rule on the case based on the documents available to it.



Grounds:



It is established that a shipment (wall lamps) belonging to the defendant has arrived at the Islamic Port of Jeddah under import declaration number (...). On the date 07/10/1436 AH, it was granted based on a commitment not to act until it is approved by the competent authority, and after examining the sample by the laboratory, the report number (...) was received. On 11/08/2015, it was found to be non-compliant in terms of the explanatory data and heat testing. After reviewing the case documents and hearing the defenses from both parties, it was found that the defendant is willing to return the goods and has not disposed of them. A date for the destruction of the non-compliant items was set according to the destruction report dated 10/01/2024. (Wall lamps) the number allowed under guarantee (12,440) pieces and the number that was inspected for destruction is (364) pieces, secondly: (Relationship bulbs) The number allowed under the commitment is (3,177) pieces and the number that has been inspected for destruction is (912) pieces. Third: (Indoor lamps) The number allowed under the commitment is (1490) units, and the number that has been inspected for destruction is (361) units, where it became clear that there is a shortage in quantities. Therefore, the committee decided to give a grace period to the attorney of the defendant to return the remaining quantity of (12,067) since the item to be returned is item number (1) based on the analysis statement attached to the case file and the plaintiff's representative should communicate with customs to facilitate the return process and inform the committee accordingly. An additional destruction report was added on 16/01/2024, which includes: Receipt of a second batch of the item (wall lamps) with a quantity of (12,067) pieces, and upon the committee's review of the destruction report, it was found that the non-compliant item and its quantity recorded in the destruction report match what is stated in the import declaration, thus negating the crime of customs smuggling as stipulated in Articles (124) and (143) of the Customs Law.

Accordingly, the committee, after study and deliberation, unanimously decided as follows:

Decision:

Not condemning the importing institution ... Commercial register number (...), present at customs smuggling.

A decision that can be appealed within thirty days from the date it is communicated to the concerned parties.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

(The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.)



The Customs Appeals Committee in Riyadh

Decision No. CTR-2023-106430
Case No. AC-2022-106430

Keywords:

Customs - Constraints - Bond Commitment - Massage Pillow - Non-compliance with specifications - Explanatory data and instructions - No conviction

Summary:

The Zakat, Tax and Customs Authority demands the 1st First Instance Customs Committee in Riyadh to condemn the importer for customs smuggling due to the seizure of a shipment (massage pillow) valued at (23952) riyals. Where it was established for the first instance committee that the case file lacks the paper bond on which the lawsuit was based, and that the bond is a substantive document relied upon to prove the conviction, and that the importer did not respond to the notifications directed to him to review the laboratory. The implication is that the importer is not convicted in person of customs smuggling and is obliged to pay a fine for violating customs procedures.

Document:

- Article (142) of the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. (M/41) dated 03/11/1423 AH.
- Paragraph (6) of Article (31) of the Executive Regulations of the Customs law issued by Ministerial Decision No. (2748) dated 25/11/1423 AH.

Facts:

The facts of this case are summarized in that the Zakat, Tax and Customs Authority filed its lawsuit against the importer/ institution .., commercial registration number (...). The summary is as follows: A shipment (massage pillow) belonging to the defendant arrived via the Al-Batha customs, under import declaration number (...). On the date 01/07/1434 AH, it was allowed under a commitment not to act until it is approved by the competent authority, and after presenting the sample to the laboratory, the response was received in report number (...) On the date of 27/05/2013, it was found that it did not comply with the explanatory data and instructions, income capacity and current, heating, leakage current, and electrical durability at operating



temperature, and abnormal operation. The importer was notified of the result through several correspondences, but he did not respond.

On Sunday, 12/05/1445 AH, the committee held its hearing to consider the remotely held case, and upon calling the parties to the case, the representative of the authority attended (...) National ID number (...), by virtue of a mandate issued by the Legal Affairs and Compliance Agency numbered (...). On the date of 19/03/1445 AH, no representative of the defendant attended despite being notified by the General Secretariat of the Zakat, Tax, and Customs Committees through the automated systems and mechanisms it follows (via the Hayad System). The General Secretariat of the Zakat, Tax, and Customs Committees confirmed that this law automatically notifies the defendant according to the operational rules of the Zakat, Tax, and Customs Committees, and other relevant regulations and instructions. Therefore, the committee decided to proceed with the case. When asked by the representative of the authority, the attached lawsuit file lacks the specification of the type and value of the violating item, the type of violation, the number and date of the import declaration, the number and date of the laboratory result, the amount of fines requested for judgment, and the amount of customs duties. The case file is also missing the bond commitment and a clear copy of the import declaration. He replied that the type of the violating item is (massage pillow), its value is (23952) riyals, and its customs duties are (1198) riyals. The violation consists of (explanatory data and instructions - power and current - heating - leakage current and electrical durability at operating temperature - abnormal operation), and the laboratory result number is (...). dated 27/05/2013, and the import declaration number (...) On the date 01/07/1434 AH, I request an extension to provide the committee with the bond commitment and a clear copy of the import declaration. Therefore, the committee decided to postpone the hearing to give the representative of the authority time to provide the committee with the bond commitment and a clear copy of the import declaration before the next hearing.

On Wednesday, 07/06/1445 AH, the committee held its hearing to consider the remotely held case, and upon calling the parties to the case, the representative of the authority attended (...). National ID number (...), by virtue of a mandate issued by the Legal Affairs and Compliance Agency numbered (...). On the date 19/03/1445 AH, attended (...) , national ID number (...) , under the agency number (...). After verifying their attendance and confirming their status, the committee decided to proceed with the case. When asked by the representative of the authority about what he had requested in the previous hearing to provide the committee with the bond commitment and a copy of the import statement, he replied: It appears that the requested item has been attached in the exchange of memos. When asked about the attachment being a screenshot of the internal customs law, and that it did not specify the required import declaration number, as well as the electronic bond commitment for the year 1434 AH, without the signature or stamp of the institution, he replied: We suffice with what has been previously presented, and when asked by the attorney of the defendant about his response to the lawsuit, he answered: I request a grace period, and upon reviewing the case file, it became clear that the case file lacks the bond commitment, and the import



statement. Since the representative of the plaintiff was previously given time to submit the required documents and did not provide them by the date of the hearing, and since those documents, if not available, cannot be relied upon to file the case without specifying the amounts and violations and detailing the facts and clearly describing the smuggling crime based on the case file in a way that allows the committee to rule on it legally. The filing of the case must be prepared with all its attachments according to the rules of the Zakat, tax, and customs committees and articles 13/3, 41, and 41/6 of the Sharia litigation law so that the ruling authority can decide on it, which has not been done in this case. Upon reviewing the hearing minutes and studying the case file, the authority did not provide the bond commitment for which the committee granted it time, and the case file contains several notifications directed to the importer to return the shipment that violates customs regulations, but he did not respond to that. Consequently, the committee decided unanimously to resume the case and notify both parties to attend for the hearing.

On Sunday, corresponding to 18/06/1445 AH, the committee held its hearing to consider the case conducted remotely, and upon calling the parties to the case, the representative of the authority attended (...), identity number (...), authorization issued by the agency of legal affairs and compliance issued under number (...). On the date 19/03/1445 AH, and attended (...), national identity number (...), by virtue of the agency number (...), and having previously attended the last hearing, the committee decided to proceed with the case. When asked by the representative of the authority if he had any additions regarding what he had requested in the previous hearing about attaching the paper bond commitment and the import statement, he answered: I request an additional period to provide the committee with what is required, and when asking the defendant's representative if he has any additions to what was stated in the lawsuit and what was mentioned in the previous hearing, he replied: I request an additional period, and after reviewing the case file, the committee decided to close the door to pleading and deliberation in preparation for issuing the decision.

Grounds:

After reviewing the Unified Customs Law, and after examining the case documents and reviewing the lawsuit submitted by the authority, the jurisdiction is established for this committee to consider the lawsuit, which necessitates accepting the lawsuit in form.

On the merits, and since the case file lacks the paper bond that the lawsuit relied upon, given that the attached electronic bond started on 11/09/1438 AH and the correspondence was received on 01/07/1434 AH, and based on the fact that the bond is a substantive document relied upon to prove the conviction against the defendant, the committee granted the representative of the authority in the previous hearing time to attach it to this hearing, but this was not done, and an additional extension was requested which the committee did not find sufficient grounds to approve. All of this constitutes a failure on the part of the plaintiff to prove her case, and since judgments are based on certainty and assurance, not on doubt, suspicion, and conjecture, the committee concluded that the incident of customs smuggling attributed to



the defendant, according to Article (142) of the Unified Customs Law, is absent due to the insufficiency of the evidence presented. Furthermore, among the attachments to the case are notifications directed to the importer to review the laboratory, but he did not respond to that, which led the committee to impose a fine for violating customs procedures according to Article (31/6) of the Executive Regulations of the Unified Customs Law, and after reviewing the decision of His Excellency the Minister of Finance No. (1830) dated 10/03/1437 AH, communicated by circular No. (120/21/100) dated 18/03/1437 AH. Based on the above, and after study and deliberation, the committee unanimously decided the following:

Decision:

1- Non-conviction of the institution ..., commercial registration number (...). In person for customs smuggling due to insufficient evidence as stated in the reasons.

2- He is obliged to pay a fine for violating customs procedures amounting to (1,000) one thousand riyals in accordance with Article 31/6 of the executive regulations of the unified customs law.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

(The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.)



The Customs Appeals Committee in Riyadh

Decision No. CTR-2023-106406
Case No. AC-2022-106406

Keywords:

Customs - Constraints - Bond Commitment - Men's Clothing - Non-compliance with specifications - Lack of quantitative and qualitative analysis of fibers - No conviction

Summary:

The Zakat, Tax and Customs Authority demands the 1st First Instance Customs Committee in Riyadh to condemn the importer for customs smuggling due to the seizure of (men's clothing). Where it was established for the first instance committee that the case file was devoid of the bond commitment on which the lawsuit was based, which is the essential document relied upon to prove the conviction against the importer, there were several notifications directed to the importer to return the shipment to the customs area, and he did not respond to them. This means that the importer is not convicted in person of customs smuggling and is obliged to pay a customs violation fine.

Document:

- Article (142) of the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. (M/41) dated 03/11/1423 AH.
- Paragraph (6) of Article (31) of the Executive Regulations of the Customs law issued by Ministerial Resolution No. (2748) dated 25/11/1423 AH.

Facts:

The facts of this case are summarized in that the Zakat, Tax and Customs Authority filed its lawsuit against the importer/ ..., commercial registration number (...). The summary is as follows: A shipment (men's clothing) belonging to the defendant arrived via the Al-Batha customs, under import declaration number (...). On 10/04/1436 AH, it was released under a commitment not to dispose of it until it is approved by the competent authority. After examining the sample from the laboratory, the information included in report number (...) was received. On 10/02/2015, it was found not to comply in terms of quantitative and qualitative analysis of the fibers, and the importer was notified of the result through several correspondences, but he did not respond.



On Thursday, corresponding to 08/06/1445 AH, the committee held its hearing to consider the remotely held case. A representative of the authority attended (...), identity number (...), authorization issued by the Legal Affairs and Compliance Agency with number (...). On the date 19/03/1445 AH, the defendant did not attend despite being notified by the secretariat through automated systems and the mechanisms it follows (via the Hayad System). The General Secretariat of the Customs Committees confirmed that this law notifies the defendant automatically according to the operational rules of the customs committees and other relevant regulations and instructions. Accordingly, the committee decided to proceed with the case. When asked by the representative of the authority about the absence of a bond in the case file, what is your response to that, given that the lawsuit was based on the defendant's actions regarding the imports despite his commitment not to act without the customs' approval, he replied: I request a grace period to attach the bond commitment, and accordingly, the committee decided to grant the plaintiff an extension to submit what is required of her in this hearing.

On Wednesday, corresponding to 14/06/1445 AH, the committee held its hearing to consider the case conducted remotely. A representative of the authority attended (...), identity number (...), authorization issued by the Legal Affairs and Compliance Agency with number (...). On the date 19/03/1445 AH, the defendant did not attend despite being notified by the secretariat through the automated systems and the mechanisms it follows (via the Hayad System). The General Secretariat of the Customs Committees confirmed that this law automatically notifies the defendant in accordance with the operational rules of the customs committees and other relevant regulations and instructions. Therefore, the committee decided to proceed with the case. When asked by the representative of the authority about what was requested in the previous hearing regarding the attachment of the bond commitment? He answered: I request an additional extension, and after reviewing the case file, the committee decided to close the door to pleading and deliberation in preparation for issuing the decision.

Grounds:

After reviewing the Unified Customs Law, and after examining the case documents and the statement of claim submitted by the authority, the jurisdiction is established for this committee to consider the case, which necessitates the acceptance of the claim in form.

On the merits, and upon the committee's review of the case file, it became clear that it lacks the bond commitment on which the lawsuit is based, which is the essential document relied upon to prove the defendant's guilt. The committee granted the representative of the authority time to present the bond commitment, but he did not bring it, which constitutes a failure on the part of the plaintiff to prove his case. Since judgments are based on certainty and assurance, not on doubt, suspicion, or conjecture, the committee concluded that the alleged smuggling incident attributed to the defendant does not exist, according to Article (142) of the Unified Customs Law, due to the insufficiency of the evidence presented. Furthermore, it was noted that there were several notifications directed to the importer to return the



shipment to the customs area, but he did not respond, which led the committee to consider the incident a customs violation and to impose a fine in accordance with Article (31/6) of its executive regulations. Based on the above, and after study and deliberation, the committee unanimously decided the following:

Decision:

1-Non-conviction/ ..., commercial registration number (...) In person for smuggling due to insufficient evidence as explained in the reasons.

2- He is obliged to pay a fine for violating customs procedures amounting to (1,000) one thousand riyals in accordance with Article 31/6 of the executive regulations of the unified customs law.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

(The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.)



The Customs Appeals Committee in Riyadh

Decision No. CFR-2023-178180
Case No. AC-2022-178180

Keywords:

Customs - Constraints - Bond Commitment - Clothing - Non-compliance with specifications - Material and explanatory data - No conviction

Summary:

The Public Prosecution demands that the 1st first First Instance Customs Committee in Riyadh convict the importer of customs smuggling due to the seizure of a shipment (clothing). And since the first instance committee has established that the shipment does not comply with the data specifications and the weight per square meter, which is a procedural violation that does not relate to essential specifications affecting the validity and safety of the consumer or user, nor does it involve commercial fraud. This means that the importer is not convicted in person of customs smuggling and is obliged to pay a fine for violating customs procedures.

Document:

- Article 141 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Article (142) from [The Unified Customs Law for the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (143) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (30) of [the Executive Regulations of the Customs law issued by Ministerial Resolution No. \(2748\) dated 25/11/1423 AH.](#)
- Article (31) of [the executive regulations of the customs law issued by Ministerial Decision No. \(2748\) dated 25/11/1423 AH.](#)



Facts:

Where the letter from the Chief Public Prosecutor in the Al-Hafr Al-Batin Governorate No. (...) On the date 16/07/1444 AH and the requests mentioned therein, and based on Article (162) of the Unified Customs Law, this committee is responsible for considering the case.

A message was received from (Foundation ...) Commercial Register No. (...) It is (clothing) that has been released with a commitment not to dispose of it until it is approved by the specialized laboratory, and the import statement number (...) has been received. dated 04/11/1440 AH for the institution ... The commitment number 192 was taken on 05/11/1440 after the action number ... It was not released under the commitment, and inspection reports issued by laboratories ... were returned. Testing services number (...) The inclusion of non-compliance in terms of raw material components, illustrative data, pH level, and number (...) and the number (...) The inclusion of non-compliance in terms of raw material components and illustrative data, and the number (...) The inclusion of non-compliance in terms of raw material components, illustrative data, pH level, and number (...) The inclusion of non-compliance in terms of the components of the material and the illustrative data, and the number (...) The inclusion of non-compliance in terms of the illustrative data and weight per square meter, a customs notification from the Ruqai section of samples directed to the institution, and it included a letter from the laboratory ... After the validity of the samples, it is required to return all incoming items immediately to the customs yards according to the commitment, and failure to return them constitutes a breach of the commitment, which involves a crime of customs evasion. Therefore, prepare a seizure report number (304079) dated 29/11/1443 AH.

Grounds:

Since a decision was previously issued by His Excellency the Minister of Finance No. (1830) dated 10/3/1437 AH, communicated by the circular of His Excellency the Governor No. (220/21/M) dated 18/03/1437 AH, which states in paragraph (1) that "if the reason for not approving the clearance from the laboratory is not substantial, the incident is considered a customs violation," and upon reviewing the circumstances and details of the case and the documents attached to its file and the indictment filed by the Public Prosecution, as well as the arguments presented before the committee, it became clear that the laboratory result received by customs No. (...) The inclusion of non-compliance in terms of raw material components, illustrative data, pH level, and number (...) and the number (...) which includes non-compliance in terms of raw material components and illustrative data, and the number (...) The inclusion of non-compliance in terms of raw material components and illustrative data, and the pH level, and the number (...) The inclusion of non-compliance in terms of raw material components and illustrative data, and number (...) The inclusion of non-compliance in terms of illustrative data and weight per square meter is a procedural violation that does not relate to essential specifications affecting the health and safety of the consumer or user, nor does it involve commercial fraud, based on the correspondence received from the General Administration of Customs Affairs No. (...) On 13/05/1442 AH and number (046502) 16/05/1442



AH, thus the act is not considered to involve the crime of customs smuggling as described in articles (143, 142) of the Unified Customs Law, but rather falls under the provisions of customs violations stated in article (141) of the same law, with penalties defined in articles (31, 30) of the executive regulations of the Unified Customs Law. Based on the above, the committee concluded that the incident falls under the category of procedural customs violations that do not directly affect the safety and health of the consumer and do not rise to the level of the crime of customs smuggling mentioned in the lawsuit filed by the Zakat, Tax and Customs Authority. Accordingly, the committee, after study and deliberation, unanimously decided as follows:

Decision:

1-Not condemning the importing institution ... Commercial register number (...), present at customs smuggling.

He is obliged to pay a fine for violating customs procedures amounting to (1000) one thousand riyals in accordance with Article 31/6 of the executive regulations of the unified customs law.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.



The Customs Appeals Committee in Riyadh

Decision No. CTR-2024-204607
Case No. PC-2023-204607

Keywords:

Customs - Constraints - Bond Commitment - Clothing - Non-compliance with specifications - Explanatory data and heat testing - No conviction

Summary:

The importer requests a reconsideration of the decision of the Third First Instance Customs Committee in Riyadh No. (CTR-2022-1067) for the year (2022) which convicted the importer and imposed a customs fine equivalent to the value of the contraband item and required it to pay the value of the contraband item as a confiscation substitute. And where it was established for the first instance committee that the applicant provided evidence that the mobile phone to which the decision was sent does not belong to his client and that he was asked to update his data but was unable to do so, the authority attached a letter indicating that the commitment has been fulfilled and is completed. This means; accepting the lawsuit in procedures and on merits.

Document:

- Article (200) of [the Judicial Procedures law issued by Royal Decree No. \(M/1\) dated 22/01/1435 AH.](#)
- Article (40) of [the rules for the work of Zakat, tax, and customs committees issued by Royal Order No. \(25711\) dated 08/04/1445 AH.](#)
- Article (48) of [the rules for the work of Zakat, tax, and customs committees issued by Royal Order No. \(25711\) dated 08/04/1445 AH.](#)

Facts:

(Company ...) has advanced , Commercial Register No. (...) Requesting a reconsideration of the decision of the Third First Instance Customs Committee in Riyadh No. (CTR-2022-1067) for the year (2022), where the facts of the case are summarized as follows: A shipment of (clothes) belonging to the aforementioned importer arrived via the Islamic Port of Jeddah customs under import declaration number (...). On the date 30/04/1437 AH, it was allowed under a commitment not to act until it was approved by the competent



authority. After examining the sample by the laboratory, the response included in report number (T-16-01199) dated 08/05/1437 AH indicated that it did not comply with the specifications in terms of raw material components and determining the explosion strength. The importer was notified of the result through several correspondences, but he did not respond.

Accordingly, the Third First Instance Customs Committee in Riyadh issued number (CTR-2022-1067) for the year (2022), ruling as follows:

- 1- Condemnation / (Company ...) , Commercial Register No. (...) In person with customs smuggling.
- 2- To impose a customs fine equivalent to the value of the violating item, in accordance with Article (145/4) of the Unified Customs law.
- 3- Obliging it to pay the value of the violating item as a confiscation fee, in accordance with Article (145/5) of the same law.

On 20/08/2023, the plaintiff submitted a request for a motion regarding the aforementioned first instance decision, and the committee reviewed the request and all attached documents.

On Sunday, 08/08/1445 AH, the committee held its hearing to consider the remotely held case. A representative of the authority attended (...), ID number (...), by virtue of a delegation from the Legal Affairs and Compliance Agency issued under number (...). On the date 19/03/1445 AH, and attended (...), national ID number (...). According to agency number (...) As the petitioner, and after verifying the parties to the case, the committee decided to proceed with the case. When the committee asked the petitioner's representative about the date he became aware of the committee's decision? He answered: The date of knowledge of the decision is 07/06/2023, and it was not possible to submit the petition due to a technical malfunction in the General Secretariat's law. Attached is proof of the malfunction on the Secretariat's website, and we were informed to submit the petition via the Secretariat's email due to the inability to upload it through the law. After reviewing the case file, the committee decided to close the door for pleading and deliberation in preparation for issuing the decision.

Grounds:

Upon reviewing the case file, the committee found that the case is a request for a petition to reconsider the decision of the Third First Instance Customs Committee in Riyadh, No. (CTR-2022-1067) for the year (2022).

After reviewing Articles (40/48) of the rules governing the work of Zakat, tax, and customs committees issued by Royal Order No. (25711) dated 08/04/1445 AH, which stated that "1 - Any party to the case has the right to request a reconsideration of the final decisions issued by any of the chambers." Paragraph (2) of the same article specifies how to file a request for reconsideration.

Whereas the committee found that the applicant was informed of the decision on 07/06/2023, and submitted to the secretariat on 20/08/2023, and whereas the applicant provided evidence that the mobile number to which the decision was sent does not belong to his client and that he was requested to update



his data but was unable to do so, and attached evidence to that effect, the committee decided to accept the case in form and in substance, and the authority attached a letter indicating that the commitment has been settled and completed.

Since the request for a petition for reconsideration targets rulings that have acquired finality and the authority of res judicata, the legislator intended to grant them immunity to protect them from instability and disruption, except for reasons and justifications that the legislator has explicitly stated in Article (200) of the Judicial Procedures law, which stipulates that "1- Any of the parties has the right to request a reconsideration of final rulings in the following cases:"

A - If the ruling was based on documents that were later found to be forged, or was based on a testimony issued - by the competent authority after the ruling - that it was a false testimony.

B- If the applicant obtained conclusive documents in the case after the ruling, it was impossible for him to present them before the ruling.

G - If the opponent commits fraud that could affect the ruling.

D - If the ruling decided on something that the litigants did not request or ruled more than what they requested.

H - If the wording of the ruling contradicts itself.

And - if the ruling is in absentia.

Z - If the ruling is issued against someone who was not properly represented in the case.

Anyone who considers the ruling to be a burden on him and has not been involved in the case may request a review of the final judgments.

Since the request for reconsideration is subject to the provisions of Article (200) of the Judicial Procedures law, and Articles (40/48) of the Rules of Work of Zakat, Tax, and Customs Committees.

Based on the above, and after study and deliberation, the committee unanimously decided the following:

Decision:

Acceptance of the lawsuit in procedures and on merits; submitted by/ Company ..., Commercial Registration No: (...) And the cancellation of the first instance decision No. (CTR-2022-1067) for the year (2022 AD).

A decision that can be appealed within (30) days from the day following the date of its receipt.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

(The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.)



The Customs Appeals Committee in Riyadh

Decision No. CFR-2023-103725
Case No. AC-2022-103725

Keywords:

Customs - Constraints - Bond Commitment - Clothing - Non-compliance with specifications - Material and Color Fastness - No Conviction

Summary:

The Zakat, Tax and Customs Authority demands the 1st first First Instance Customs Committee in Riyadh to condemn the importer for customs smuggling due to the seizure of a shipment (clothing). And since the first instance committee has established that the reason for non-compliance is due to minor differences from the requirements of the approved specification that do not affect the safety of the goods and the quality of the product, they do not rise to the level of being considered a customs smuggling crime. This means that the importer is not convicted in person of customs smuggling and is obliged to pay a fine for violating customs procedures.

Document:

- Article 141 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Article (142) of [the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (143) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraph (6) of Article (31) of [the Executive Regulations of the Customs law issued by Ministerial Resolution No. \(2748\) dated 25/11/1423 AH.](#)
- Article (9) of [the rules for the work of zakat, tax, and customs committees issued by Royal Order No. \(25711\) dated 08/04/1445 AH.](#)



Facts:



The facts of this case are summarized in that the Zakat, Tax and Customs Authority filed its lawsuit and the requests contained therein against the importer (Institution ...), commercial registration number (...), and the statement of its lawsuit in case number (586) for the year 1440 AH included the following summary: A shipment (clothes) belonging to the defendant arrived via the Islamic Port of Jeddah customs under import declaration number (...). On 26/05/1432 AH, it was released under a commitment not to act until it is approved by the competent authority, and a sample was presented to the laboratory, and the response was received in report number (...). On 19/05/2011, it was noted that there was a non-compliance regarding the raw material components and color fastness to washing, and the importer was contacted, but he did not respond to the customs.

Accordingly, the committee held its hearing on Wednesday, 14/06/2023, and upon calling the parties to the case, ... attended, national ID number (...). As a representative of the Zakat, Tax, and Customs Authority under the authorization issued by the Legal Affairs and Compliance Agency of the Authority with number (52740) dated 15/10/1443 AH, the defendant attended through the agency/..., national ID number (...). According to agency number (...), the committee has decided to proceed with the lawsuit. When the lawsuit was presented to the representative of the defendant and he was asked about the lawsuit, he replied: A settlement request was submitted on 22/11/1444 AH. The committee decided to suspend the proceedings of the case and refer the case to the amicable settlement committee, and to inform the committee afterwards of what is done on it.

On Tuesday, 14/11/2023, the committee held its hearing, and upon calling the parties to the case, ... appeared, in her capacity as a representative of the Zakat, Tax, and Customs Authority by virtue of the authorization issued by the Legal Affairs and Compliance Agency of the Authority under number (...). On the date 15/10/1444 AH, the defendant attended through his representative/..., national ID number (...). According to agency number (...), the committee has decided to proceed with the lawsuit. When the lawsuit was presented to the defendant and he was asked about the fate of the shipment, he replied: A settlement request was submitted yesterday.

After the committee reviewed the letter submitted for the settlement request from the defendant, and based on Article 9 of the Committee's Rules, the committee decided to refer the case to the Dispute Resolution Committee, at the request of the defendant.

On Thursday, January 4, 2024, the committee held its hearing, and upon calling the parties to the case, ..., in its capacity as a representative of the Zakat, Tax, and Customs Authority under the authorization issued by the Legal Affairs and Compliance Agency of the Authority numbered (...). On the date 15/10/1444 AH, the defendant attended through his representative/..., national ID number (...). According to agency number (...), the committee has decided to proceed with the lawsuit. When the lawsuit was presented to the defendant's representative, and when asked about the fate of the amicable settlement, he replied: The amicable settlement was rejected by the Zakat, Tax, and Customs Authority. When the committee asked the



defendant's representative about the fate of the shipment, he replied: Due to the long period (13 years), the shipment is not available. After reviewing the case documents and hearing the defenses, and after reviewing the results of laboratory number (...) It became clear that the reason for the non-compliance is due to procedural reasons, which are the components of the raw material and a slight difference between the color specifications for washing and the required specification, and it does not affect the quality of the product or the safety of the consumer. Therefore, the committee decided to rule on the case based on the documents available to it.

Grounds:

Since a decision was previously issued by His Excellency the Minister of Finance No. (1830) dated 10/3/1437 AH, communicated by the circular of His Excellency the Governor No. (220/21/M) dated 18/03/1437 AH, stating in paragraph (1) that "if the reason for not approving the clearance from the laboratory is not substantial, the incident is considered a customs violation," and upon reviewing the circumstances and details of the case and the documents attached to its file and the lawsuit filed by the Zakat, Tax and Customs Authority, and what was presented in the pleadings before the committee, it became clear that the laboratory result received by customs No. (T-11-04186) dated 19/05/2011, which indicated non-compliance in terms of the raw material components and color fastness for washing, and upon reviewing the Authority's letter No. 61224 dated 19/8/1437 AH, No. 59187 dated 18/7/1437 AH, and No. (4082) dated 13/01/1438 AH regarding similar cases that were approved for clearance after it was found that the reason for non-compliance was due to minor differences from the requirements of the approved specification that do not affect the safety of the imported goods and the quality of the product, which means that they can be considered as procedural violations, not rising to the level of a customs smuggling crime and do not involve commercial fraud. Therefore, the action taken with them is not considered to involve the crime of customs smuggling as described in Articles (143, 142) of the Unified Customs Law, but rather falls under the customs violations stipulated in Article (141) of the same law, with penalties specified in Article (31/6) of the Executive Regulations of the Unified Customs Law.

Based on what has been mentioned, the committee concluded that the incident falls under the category of procedural customs violations that do not directly affect the safety and health of the consumer and do not rise to the level of customs smuggling as stated in the lawsuit filed by the Zakat, Tax and Customs Authority.

Decision:

1-Non-conviction / Institution ..., Commercial Registration No. (...), present for customs smuggling.

He is obliged to pay a fine for violating customs procedures amounting to (1000) one thousand riyals in accordance with Article 31/6 of the executive regulations of the unified customs law.

A decision that can be appealed within thirty days from the date it is communicated to the concerned parties.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

(The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.)



The Customs Appeals Committee in Riyadh

Decision No. CFR-2024-198377
Case No. PC-2023-198377

Keywords:

Customs - Constraints - Bond Commitment - Cables - Non-compliance with specifications - No export permit - No conviction

Summary:

The Public Prosecution has requested the 1st first instance Committee in Riyadh to convict the importer of customs smuggling due to the seizure of three trucks of (plastic pellets). And where it was established for the first instance committee that there were no instructions attached to the case stating that the export of plastic pellets is not allowed without the approval of the competent authority, and that the shipment consists of plastic pellets and that the actual export is in accordance with what is stated in the documents. This means that the importer is not convicted in person of customs smuggling.

Document:

- Article 141 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Article 142 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Article (143) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (162) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (30) of [the Executive Regulations of the Customs law issued by Ministerial Resolution No. \(2748\) dated 25/11/1423 AH.](#)
- Article (31) of [the executive regulations of the customs law issued by Ministerial Decision No. \(2748\) dated 25/11/1423 AH.](#)



Facts:



The facts of this case are summarized in that the Zakat, Tax and Customs Authority filed its lawsuit and the requests contained therein against the importer (Institution ...), commercial registration number (...), and the statement of its lawsuit in case number (1750) for the year 1440 AH included the following summary: A shipment of (cables) belonging to the defendant arrived via the King Abdulaziz Port customs under import declaration number (161119) dated 04/01/1438 AH, and was released based on a commitment not to dispose of it until it is approved by the competent authority, and after presenting a sample to the laboratory, the response was received in reports number (...) and the number (...) and the number (...) On 13/10/2016, it was noted that there was a non-compliance regarding the labeling and requirements of the data card and connection parts. The importer was contacted, but he did not respond to the customs.

Accordingly, the committee held its hearing on Wednesday, 03/07/2024, and upon calling the parties to the case, (...) attended. National ID number (...) As a representative of the (Zakat, Tax and Customs Authority) under the authorization issued by the Legal Affairs and Compliance Agency of the Authority numbered (...) On the date 19/03/1445 AH, the defendant, the owner of the institution, attended... National ID number (...) After verifying the parties to the case, the committee decided to proceed with the case, and when the case was presented to the defendant and he was asked about the fate of the shipment, he replied: A letter from the Saudi Standards, Metrology and Quality Organization has been attached, stating the clearance of the shipment, and it is included in the case file. When the case was presented to the plaintiff's representative and asked what the essence of your claim is, since the defendant submitted a letter indicating the release of the shipment from the competent authority, which is the Saudi Standards, Metrology and Quality Organization attached to the case documents, he replied: The report attached to the accompanying letter from the Saudi Standards, Metrology and Quality Organization came later, and we request an extension to communicate with the relevant authority to verify the accuracy of the attached letter. After reviewing the documents and examining the letter from the Saudi Standards, Metrology and Quality Organization No. (...) dated 13/05/1442 AH where it referred to the report issued by the laboratory (...) with number ... dated 10/01/1438 AH, and to the report issued by the conformity laboratory number (...) dated 30/10/2020, and the request to release the shipment. The committee decided on it: Approval of the plaintiff's representative's request and granting him a period of 9 working days until 17/07/2024 to verify the attached letter from the defendant, which states the release of the shipment.

On Wednesday, July 17, 2024, the committee held its hearing, and upon calling the parties to the case, (...) National ID number (...) As a representative of the (Zakat, Tax and Customs Authority) under the authorization issued by the Legal Affairs and Compliance Agency of the Authority numbered (...). On the date 19/03/1445 AH, the defendant, the owner of the institution / attended to be present. National ID number (...), and when the lawsuit was presented to the representative of the defendant and asked about



what was requested in the previous hearing, he answered: The report and the lab results have been submitted in the law. When the committee asked the defendant about the fate of the violating items that were released.

By committing not to act? He answered: It is available with us, and we have not acted on it. After reviewing the response memo submitted by the plaintiff, it became clear that the answer does not address the committee's question. The committee is asking whether the issuing authority of the attached letter number (...) has been contacted. dated 13/05/1443 AH, and to verify its accuracy, and to attach their statement regarding that? The representative of the plaintiff responded to that: We request an extension to respond to the committee's request. The committee decided on it: Approval of the plaintiff's representative's request and granting him a deadline until 25/07/2024 to verify the attached letter from the defendant, which indicates the release of the shipment.

On Thursday, July 25, 2024, the committee held its hearing, and upon calling the parties to the case, (...) National ID number (...) As a representative of the (Zakat, Tax and Customs Authority) under the authorization issued by the Legal Affairs and Compliance Agency of the Authority numbered (...). On the date 19/03/1445 AH, the defendant, the owner of the institution / ... attended her presence. National ID number (...) After verifying the parties to the case, the committee decided to proceed with the case, and after reviewing the laboratory results attached by the plaintiff number (...) (...) (...), and the response from the authority that was requested in the last hearing, which included the following: "The relevant administration has communicated with the specifications and standards authority, and their response was as follows:" Attached is the test report issued by the conformity laboratory with number .. On the date 30/10/2020, which shows the product compliance based on the attached authority's statement and the attached Saudi specifications statement that confirms the clearance of the product based on the report received from the attached compliance laboratory... as well as the Saudi specifications letter No. 3075/A dated 13/5/1442H, which requests the clearance of the shipment based on the result issued by the compliance laboratory.

Since the Saudi specifications are the competent authority for the conformity of goods and oversee the private laboratories, they requested the clearance of the shipment. Since the specifications' letter addressed only one report, while the other items were not mentioned in their letter as indicated above, and since the reports number (...) and the number (...) and the number (...) I clarified that the violation was in (the tag and the requirements of the statement card), and it is one of the procedural violations that do not affect the product or consumer safety. Therefore, the committee decided to rule on the case.



Grounds:



Since a decision was previously issued by His Excellency the Minister of Finance No. (1830) dated 10/3/1437 AH, communicated by the circular of His Excellency the Governor No. (220/21/M) dated 18/03/1437 AH, which states in paragraph (1) that "if the reason for not approving the clearance from the laboratory is not substantial, the incident is considered a customs violation," and upon reviewing the circumstances and details of the case and the documents attached to its file and the lawsuit filed by the Zakat, Tax and Customs Authority and what was presented in the pleadings before the committee, it became clear that the laboratory result received by customs in reports No. (...) and the number (...) and the number (...) On the date of 13/10/2016, which included non-compliance in terms of labeling and the requirements of the data card and connection parties, this is a procedural violation that does not relate to essential specifications affecting the health and safety of the consumer or user, nor does it involve commercial fraud, based on the correspondence received from the General Administration of Customs Affairs, number (000052) and number (046502). Therefore, the action taken does not constitute a crime of customs smuggling as described in articles (143, 142) of the Unified Customs Law, but rather falls under the customs violations mentioned in article (141) of the same law, with penalties specified in articles (31, 30) of the executive regulations of the Unified Customs Law.

Decision:

The defendant institution is not convicted ... , Commercial Register No. (...) I owned it / ... - Saudi nationality - National ID number (...) In person for customs smuggling, due to insufficient evidence.

A decision that can be appealed within thirty days from the date it is communicated to the concerned parties.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

(The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.)



The Customs Appeals Committee in Riyadh

Decision No. CTR-2023-140395
Case No. PC-2022-140395

Keywords:

Customs - Constraints - Bond Commitment - Mixers - Non-compliance with specifications - Longitudinal water flow rate - Non-conviction

Summary:

The Public Prosecution has demanded that the Third Customs Committee in Riyadh convict the importer due to the presence of a shipment (mixers) that was released under a commitment not to dispose of it until it is approved by the competent authority. After examining the sample in the laboratory, the report indicated that it did not comply, and the importer was notified of the result through several correspondences, but he did not respond. Where it was established for the first instance committee that the differences between the requirements and the laboratory results are minor and do not affect the quality and specifications of the product, and the sample passed all other technical and procedural tests, the committee concluded that the incident constitutes a customs violation according to Article (141) of the Unified Customs Law. This means that the importer is not convicted and is obliged to pay a fine for violating customs procedures.

Document:

- [Article 141 of The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- [Article 142 of The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Article (31/6) of [the Executive Regulations of the Customs law issued by Ministerial Decision No. \(2748\) dated 25/11/1423 AH.](#)

Facts:

The facts of this case are summarized in that the Zakat, Tax and Customs Authority filed its lawsuit against the importer/ institution ..., commercial registration number (...). The summary is as follows: A shipment of (mixers) belonging to the defendant arrived via the dry port customs in Riyadh, under import declaration number (...). On 03/11/1439 AH, it was released under a commitment not to dispose of it until it is approved



by the competent authority, and after examining the sample from the laboratory, the response included in report number (...) was received. and the number (...) On 08/08/2018, due to non-compliance with the longitudinal water flow rate test, the gradient water rate test, and pressure resistance, the importer was notified of the result through several correspondences, but he did not respond.

On Wednesday, 14/06/1445 AH, the committee held its hearing to consider the remotely held case. A representative of the authority attended (...), identity number (...), authorization issued by the Legal Affairs and Compliance Agency with number (...). On the date 19/03/1445 AH, no representative of the defendant attended despite being notified by the secretariat through automated systems and the mechanisms it follows (via the Hayad System). The General Secretariat of the Customs Committees confirmed that this law notifies the defendant automatically according to the operational rules of the customs committees and other relevant regulations and instructions. Therefore, the committee decided to proceed with the case. When asked by the representative of the authority about the attached statement of claim, it was noted that it lacks the specification of the type and value of the violating item, the type of violation, the number and date of the import declaration, the number and date of the laboratory result, the amount of fines requested, and the amount of customs duties. The response was that the type of the violating item is (mixers), its value is (132,603) riyals, and its customs duties are (6,631) riyals. The violation consists of (testing the longitudinal water flow rate and testing the gradient water flow rate and pressure resistance), and the laboratory result numbers (...), dated 08/08/2018, and the import declaration number (...), dated 03/11/1439 AH. After reviewing the case file, the committee decided to close the door for pleading and deliberation in preparation for issuing the decision.

Grounds:

After reviewing the Unified Customs Law, and after examining the case documents and reviewing the lawsuit submitted by the authority, the jurisdiction is established for this committee to consider the lawsuit, which necessitates accepting the lawsuit in form.

On the merits, and since the laboratory results attached to the case file indicate that the violation consists of (testing the longitudinal water flow rate, testing the gradient water rate, and pressure resistance) and the differences are minor between the requirements and the laboratory results and do not affect the quality and specifications of the product, and the sample passed all other technical and procedural tests, and the concerned party or their representative did not attend the hearing to defend themselves regarding the allegations against them, the committee concluded that the incident is a customs violation according to Article (141) of the Unified Customs Law, with penalties specified in Article (31/6) of its executive regulations, and fined in accordance with the nature of the violation and the value of the offending item, which does not rise to the level of the customs smuggling crime described in Article (142) of the same law, and after reviewing the decision of His Excellency the Minister of Finance No. (1830) dated 10/03/1437



AH, communicated by Circular No. 120/21/100 dated 18/03/1437 AH. Based on the above, and after study and deliberation, the committee unanimously decided the following:

Decision:

- 1-Non-conviction/ ..., commercial registration number (...) In person with customs smuggling.
- 2- Obliging it to pay a fine for violating customs procedures in the amount of (1,000) one thousand riyals, in accordance with Article (31/6) of the executive regulations of the unified customs law.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

(The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.)



The Customs Appeals Committee in Riyadh

Decision No. CTR-2023-104171
Case No. AC-2022-104171

Keywords:

Customs - Constraints - Bond Commitment - Shoes - Non-compliance with specifications - Tear resistance - No conviction

Summary:

The Public Prosecution has demanded that the Third Customs Committee in Riyadh convict the importer due to the existence of a shipment (shoes) that was released under a commitment not to dispose of it until it is approved by the competent authority. After testing the sample in the laboratory, the report indicated that it did not meet the tear resistance standards. The importer was notified of the result through several correspondences, but he did not respond. And since the first instance committee has established from the laboratory results that the violation is procedural and does not affect the quality and specifications of the product, the committee concluded that the incident is considered a customs violation according to Article (141) of the Customs law. This means that the importer is not convicted and is obliged to pay a fine for violating customs procedures.

Document:

- [Article 141 of The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- [Article 142 of The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- [Article \(31/6\) of the Executive Regulations of the Customs law issued by Ministerial Decision No. \(2748\) dated 25/11/1423 AH.](#)

Facts:

The facts of this case are summarized in that the Zakat, Tax and Customs Authority filed its lawsuit against the importer/company ..., commercial registration number (...). The summary is as follows: A shipment of



(shoes) belonging to the defendant arrived through the Islamic Port of Jeddah customs, under import declaration number (...). On 07/12/1436 AH, it was released under a commitment not to dispose of it until it is approved by the competent authority. After examining the sample from the laboratory, the response included in report number (04176) dated 07/10/2015 AD stated that it did not comply in terms of tear resistance. The importer was notified of the result through several correspondences, but he did not respond.

On Tuesday, 06/06/1445 AH, the committee held its hearing to consider the case conducted remotely. A representative of the authority attended (...), identity number (...), authorization issued by the Legal Affairs and Compliance Agency with number (...). dated 19/03/1445 AH, and I attended (...) Identity number (...) Agency number (...) License to practice law No. (...) As an attorney for one of the partners in the defendant company, the committee decided to proceed with the case, and when asked by the representative of the authority, the statement of claim registered under number (...) For the year 1440 AH, it lacks requests from the authority, and the specification of the type and value of the violating item, the type of violation, the number and date of the import declaration, the number and date of the laboratory result, the amount of fines required to be imposed, and the amount of customs duties, and the case file lacks the laboratory result. The response was; I request the conviction of the defendant for the crime of customs smuggling, and a fine equivalent to three times the value of the shipment, and a confiscation equivalent to the value of the shipment, and the type of the violating item (shoes), and its value (443,955) riyals, and its customs duties (22,198) riyals, and the violation is represented in (we request a grace period to provide the committee with the laboratory result and specify the types of violations), and the import declaration number (286989) dated 07/12/1436 AH. When asked about the defendant's agency's response to the lawsuit and whether you have a copy of the articles of incorporation, it replied: I attached a response memo under Hayad System, and the company has had its record canceled and one of the partners has passed away (...) According to the death record, we request a grace period to provide the committee with the articles of incorporation and the power of attorney issued to me by one of the partners, which is (...) Accordingly, the committee has given both parties in the case a deadline to submit the required documents in the next hearing, informing them that if the required documents are not submitted, the case will be decided based on the files attached to the case file.

On Wednesday, corresponding to 14/06/1445 AH, the committee held its hearing to consider the case conducted remotely. A representative of the authority attended (...), identity number (...), authorization issued by the Legal Affairs and Compliance Agency with number (...). dated 19/03/1445 AH, and I attended (...) Identity number (...) Agency number (...) License to practice law No. (...) As an attorney for one of the partners in the defendant company, the committee decided to proceed with the case. When asked by the representative of the authority about what was requested in the previous hearing regarding the attachment of the laboratory results? answered: The laboratory result has been attached to the case file, number (4176) 24/12/1436 AH, and the violation is represented by (tear resistance). When asked the attorney of the



defendant about what was requested in the previous hearing? She answered: The required document has been attached in Hayad System, and after reviewing the case file, the committee decided to close the door to the pleadings and deliberations in preparation for issuing the decision.

Grounds:

After reviewing the Unified Customs Law, and after examining the case documents and the statement of claim submitted by the authority, the jurisdiction is established for this committee to consider the case, which necessitates the acceptance of the claim in form.

On the merits, and since the laboratory results attached to the case file indicate that the violation is procedural, as the differences between the requirements and the laboratory results are minor and do not affect the quality and specifications of the product, and the sample passed all other technical and procedural tests, the committee concluded that the incident is a customs violation according to Article (141) of the Unified Customs Law, with penalties specified in Article (31/6) of its executive regulations, and a fine commensurate with the nature of the violation and the value of the contraband item, which does not rise to the level of the customs smuggling crime described in Article (142) of the same law. After reviewing the decision of His Excellency the Minister of Finance No. (1830) dated 10/03/1437 AH, communicated by Circular No. 120/21/100 dated 18/03/1437 AH. Based on the above, and after study and deliberation, the committee unanimously decided the following:

Decision:

- 1- Non-conviction of the institution ..., commercial registration number (...). In person with customs smuggling.
- 2- Obliging it to pay a fine for violating customs procedures in the amount of (1,000) one thousand riyals, in accordance with Article (31/6) of the executive regulations of the unified customs law.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

(The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.)



The Customs Appeals Committee in Riyadh

Decision No.

CTR-2024-170981

Case No.

PC-2023-170981

Keywords:

Customs - Constraints - Bond Commitment - Ready-made Clothes - Non-compliance with specifications - Raw material components and color fastness - No conviction

Summary:

The Public Prosecution has demanded that the Third Customs Committee in Riyadh convict the importer due to the existence of a shipment (ready-made clothes) that was released under a commitment not to dispose of it until it is approved by the competent authority. After examining the sample in the laboratory, the report indicated that it did not meet the standard specifications, and the importer was notified through several letters, but he did not respond. Where it was established for the first instance committee that the violation is procedural and does not affect the safety and quality of the product, the committee concluded that the incident is a customs violation according to Article (141) of the Customs law. This means that the importer is not convicted and is obliged to pay a fine for violating customs procedures.

Document:

- [Article 141 of The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- [Article 142 of The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- [Article 143 of The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- [Article \(31/6\) of the Executive Regulations of the Customs law issued by Ministerial Decision No. \(2748\) dated 25/11/1423 AH.](#)



Facts:

The facts of this case are summarized as follows: The Zakat, Tax and Customs Authority filed its lawsuit against the importer (Institution ...), commercial registration number (...), the summary of which is as follows: A shipment of (ready-made clothing) belonging to the aforementioned importer has arrived through the Islamic Port of Jeddah customs, under import declaration number (83966) dated 09/05/1432 AH, and was released under a commitment not to dispose of it until it is approved.

From the competent authority, and after examining the sample by the laboratory, the report number (T-11-03598) dated 27/04/2011 stated that it does not comply with the standard specifications in terms of (raw material components - color fastness to washing - color fastness to dry cleaning), and the importer was notified through several letters, but he did not respond. On Wednesday, corresponding to 03/09/1445 AH, the committee held its hearing to consider the remotely convened case, and upon calling the parties to the case, the representative of the authority attended (...), national ID number (...), by virtue of a delegation from the Legal Affairs and Compliance Agency issued under number (...). On the date 19/03/1445 AH, no representative of the defendant attended despite being notified by the General Secretariat of the Zakat, Tax, and Customs Committees through the automated systems and mechanisms it follows (via Hayad System). The General Secretariat of the Zakat, Tax, and Customs Committees confirmed that this law notifies the defendant automatically in accordance with the operational rules of the Zakat, Tax, and Customs Committees, and other relevant regulations and instructions. Therefore, the committee decided to proceed with the case. When asked about the attached lawsuit list in the case file, the representative of the authority stated that it lacks specifying the type and value of the violating item, the type of violation, the number and date of the laboratory result, the amount of fines requested, and the amount of customs duties. He responded that the type of the violating item is (ready-made clothing), its value is (56,659) riyals, and its customs duties are (2,835) riyals. The violation consists of (raw material components, color fastness for washing, and color fastness for dry cleaning), the laboratory result number is (3598), dated is 23/05/1432 AH. After reviewing the case file, the committee decided to close the door for pleading and deliberation in preparation for issuing the decision.

Grounds:

After reviewing the Unified Customs Law, and after examining the case documents and reviewing the lawsuit submitted by the authority, the jurisdiction is established for this committee to consider the lawsuit, which necessitates accepting the lawsuit in form.

On the merits, the committee's review of the case file revealed that the violating item is (ready-made clothing), and the violation according to laboratory report number (T-11-03598) dated 27/04/2011, is in (material components - color fastness to washing - color fastness to dry cleaning), which are procedural



violations that do not affect the safety and quality of the product. The sample passed all other technical and procedural tests, leading the committee to consider the incident a customs violation, according to Article (141) of the Unified Customs Law, which states that: Except for cases considered as smuggling as stipulated in Article (143) of this law "law", and in accordance with the provisions of the applicable international agreements, a financial penalty shall be imposed according to the rules set forth in the executive regulations of this law "law" for the following violations: Import and export violations. 2- Violations of customs data. 3- Violations of transit goods. 4- Violations of warehouses. 5- Violations of the areas supervised by customs. 6- Temporary entry violations. 7- Violations of re-export. 8-Any other customs violations. After reviewing the decision of His Excellency the Minister of Finance No. (1830) dated 10/03/1437 AH, communicated by circular No. (120/21/100) dated 18/03/1437 AH, the committee found that the violation does not amount to a crime of customs smuggling as described in Article (142) of the same law. Rather, the actions of the defendant are considered a violation of what is stated in Article (31/6) of the executive regulations of the Unified Customs Law, which specified the penalties for customs violations according to the provisions of ministerial decisions and instructions issued under the "law", with a fine of no less than (500) and no more than (1,000) riyals, and penalizing them in proportion to the nature of the violation and the value of the contraband item. Based on the above, and after study and deliberation, the committee unanimously decided the following:

Decision:

- 1- Conviction of the defendant/ Institution ..., Commercial Registration No. (...) In person for the crime of customs smuggling.
- 2- Obliging it to pay a fine for violating customs procedures in the amount of (1,000) one thousand riyals.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

(The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.)



The Customs Appeals Committee in Riyadh

Decision No. CFR-2023-235460
Case No. PC-2024-235460

Keywords:

Customs - Constraints - Bond Commitment - Clothing - Non-compliance with specifications - Weight per square meter - No conviction

Summary:

The first instance claim of the Zakat, Tax and Customs Authority in Riyadh condemns the importer for customs smuggling due to the seizure of a shipment (clothes). And since the first instance committee has established through the laboratory result that there is a non-compliance in terms of weight per square meter, which is a procedural violation that does not relate to essential specifications affecting the health and safety of the consumer or user. This means that the importer is not convicted in person of customs smuggling and is obliged to pay a fine for violating customs procedures.

Document:

- Article 141 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Article (142) of [the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (143) of [the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (30) of [the Executive Regulations of the Customs law issued by Ministerial Resolution No. \(2748\) dated 25/11/1423 AH.](#)
- Article (31) of [the executive regulations of the customs law issued by Ministerial Decision No. \(2748\) dated 25/11/1423 AH.](#)

Facts:

The facts of this case are summarized in that the Zakat, Tax and Customs Authority filed its lawsuit and the requests contained therein against the importer (Institution ...), commercial registration number (...), and the lawsuit statement included the following summary: A shipment (clothes) belonging to the defendant arrived via the Al-Batha customs under import declaration number (...). On 15/04/1435 AH, it was released



under a commitment not to act until it is approved by the competent authority, and a sample was presented to the laboratory, and the response was received in report number (...) The date 27/04/1435 AH includes non-compliance in terms of weight per square meter, and the importer was contacted, but he did not respond to the customs.

Accordingly, the committee held its hearing on Monday, 29/07/2024, and upon calling the parties to the case, ... attended, national ID number (...). As a representative of the (Zakat, Tax and Customs Authority) under the authorization issued by the Legal Affairs and Compliance Agency of the Authority with number .././../... On the date 19/03/1445 AH, the defendant did not attend despite being notified, which deprived him of the opportunity to defend himself. Therefore, the committee decided to proceed with the case, and after reviewing the case documents and evidence, and deliberating with the members, the committee decided to rule on the case based on the available evidence.

Grounds:



Since a decision was previously issued by His Excellency the Minister of Finance No. (1830) dated 10/3/1437 AH, communicated by the circular of His Excellency the Governor No. (220/21/M) dated 18/03/1437 AH, which states in paragraph (1) that "if the reason for not approving the clearance from the laboratory is not substantial, the incident is considered a customs violation," and upon reviewing the circumstances and details of the case and the documents attached to its file and the lawsuit filed by the Zakat, Tax and Customs Authority and the arguments presented before the committee, it became clear that the laboratory result received by customs No. (...) The date 27/04/1435 AH, which includes non-compliance in terms of weight per square meter, is a procedural violation that does not relate to essential specifications affecting the health and safety of the consumer or user, and does not involve commercial fraud, based on the correspondence received from the General Administration of Customs No. (...) And the number (...), therefore, the act of dealing with it is not considered to be involved in the crime of customs smuggling described in Articles (143, 142) of the Unified Customs Law, but rather falls under the provisions of customs violations stated in Article (141) of the same law, with penalties specified in Articles (31, 30) of the Executive Regulations of the Unified Customs Law.

Based on what has been mentioned, the committee concluded that the incident falls under the category of procedural customs violations that do not directly affect the safety and health of the consumer and do not rise to the level of customs smuggling as stated in the lawsuit filed by the Zakat, Tax and Customs Authority. Accordingly, the committee, after study and deliberation, unanimously decided as follows:



Decision:

1-Non-conviction / Institution ..., Commercial Registration No. (...), present for customs smuggling.

2- He is obliged to pay a fine for violating customs procedures amounting to (1000) one thousand riyals in accordance with Article 31/6 of the executive regulations of the unified customs law.

A decision that can be appealed within thirty days from the date it is communicated to the concerned parties.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

(The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.)



The Customs Appeals Committee in Riyadh

Decision No. CFR-2024-237366
Case No. PC-2024-237366

Keywords:

Customs - Constraints - Bond Commitment - Cables - Non-compliance with specifications - Labeling and declaration card requirements and connection terminals - No conviction

Summary:

The Tax, Zakat, and Customs Authority's demand to condemn the importer for customs smuggling due to the seizure of a shipment (cables). And where it was established for the first instance committee that the laboratory result includes non-compliance in terms of labeling and the requirements of the data card and connection ends, which is a procedural violation that does not relate to essential specifications affecting the health and safety of the consumer. This means that the importer is not convicted in person of customs smuggling and is obliged to pay a fine for violating customs procedures.

Document:

- Article 141 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Article (142) of [the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (143) of [the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (30) of [the Executive Regulations of the Customs law issued by Ministerial Decision No. \(2748\) dated 25/11/1423 AH.](#)
- Article (31) of [the Executive Regulations of the Customs law issued by Ministerial Decision No. \(2748\) dated 25/11/1423 AH.](#)

Facts:

The facts of this case are summarized in that the Zakat, Tax and Customs Authority filed its lawsuit and the requests contained therein against the importer (Institution...), commercial registration number (...). The lawsuit statement in case number (1750) for the year 1440 AH included the following summary: A shipment of (cables) belonging to the defendant arrived via the King Abdulaziz Port customs under import declaration



number (...). On the date 04/01/1438 AH, it was granted under a commitment not to act until it is approved by the competent authority, and upon presenting the sample to the laboratory; the response was received in report number (...) and the number (...) and the number (...). On 13/10/2016, it was noted that there was a non-compliance regarding the labeling and requirements of the data card and connection parts. The importer was contacted, but he did not respond to the customs.

Accordingly, the committee held its hearing on Wednesday, 03/07/2024, and upon calling the parties to the case, (...) attended. National ID number (...) As a representative of the (Zakat, Tax and Customs Authority) under the authorization issued by the Legal Affairs and Compliance Agency of the Authority numbered (...). On the date 19/03/1445 AH, the defendant, the owner of the institution, attended his presence/ National ID number (...) After verifying the parties to the case, the committee decided to proceed with the case, and when the case was presented to the defendant and he was asked about the fate of the shipment, he replied: A letter from the Saudi Standards, Metrology and Quality Organization has been attached, stating the clearance of the shipment, and it is included in the case file. When the case was presented to the plaintiff's representative and asked what the essence of your claim is, since the defendant submitted a letter indicating the release of the shipment from the competent authority, which is the Saudi Standards, Metrology and Quality Organization attached to the case documents, he replied: The report attached to the accompanying letter from the Saudi Standards, Metrology and Quality Organization came later, and we request an extension to communicate with the relevant authority to verify the accuracy of the attached letter. After reviewing the documents and examining the letter from the Saudi Standards, Metrology and Quality Organization No. (...) dated 13/05/1442 AH where it referred to the report issued by the laboratory (...) with number ... dated 10/01/1438 AH, and to the report issued by the conformity laboratory number (...) dated 30/10/2020, and the request to release the shipment. The committee decided on it: Approval of the plaintiff's representative's request and granting him a period of 9 working days until 17/07/2024 to verify the attached letter from the defendant, which states the release of the shipment.

On Wednesday, July 17, 2024, the committee held its hearing, and upon calling the parties to the case, (...) National ID number (...) As a representative of the (Zakat, Tax and Customs Authority) under the authorization issued by the Legal Affairs and Compliance Agency of the Authority numbered (...). On the date 19/03/1445 AH, the defendant, the owner of the institution / ... attended her presence. National ID number (...), and when the lawsuit was presented to the representative of the defendant and asked about what was requested in the previous hearing, she answered: The report and the lab results have been submitted in the law. When the committee asked the defendant about the fate of the violating items that were released.

By committing not to act? He answered: It is available with us, and we have not acted on it. After reviewing the response memorandum submitted by the plaintiff, it became clear that the answer does not address the committee's question. The committee is asking whether the issuing authority of the attached letter No. (3075) dated 13/05/1443 AH was contacted to verify its authenticity, and whether their response regarding



that was attached. When this was presented to the plaintiff's representative, he answered: We request an extension to respond to the committee's request. The committee decided on it: Approval of the plaintiff's representative's request and granting him a deadline until 25/07/2024 to verify the attached letter from the defendant, which indicates the release of the shipment.

On Thursday, July 25, 2024, the committee held its hearing, and upon calling the parties to the case, (...) National ID number (...) As a representative of the (Zakat, Tax and Customs Authority) under the authorization issued by the Legal Affairs and Compliance Agency of the Authority numbered (...). On the date 19/03/1445 AH, the defendant, the owner of the institution / ... attended to be present. National ID number (...) After verifying the parties to the case, the committee decided to proceed with the case, and after reviewing the laboratory results attached by the plaintiff number (...) (...) (...) And in response to the authority that was requested for him in the last hearing, which included the following: "Communication was made with the Standards and Metrology Authority by the relevant administration, and their response was as follows:" Attached is the test report issued by the conformity laboratory with number SR215414- and date 30/10/2020, which shows the conformity of the product based on the attached statement from the authority and the attached statement of Saudi specifications that confirms the clearance of the product based on the report received from the conformity laboratory with SR215414, as well as the Saudi specifications letter number 3075/A and date 13/5/1442H, which requests the clearance of the shipment based on the result issued from the conformity laboratory. Since the Saudi specifications are the competent authority in the conformity of goods and supervise the private laboratories, they requested the clearance of the shipment. Since the specifications letter they received only referred to one report, while the other items were not mentioned in their letter as stated above, and since the reports number (...) and the number (...) and the number (...) I clarified that the violation was in (the tag and the requirements of the statement card), and it is one of the procedural violations that do not affect the product or consumer safety. Therefore, the committee decided to rule on the case.

Grounds:

Since a decision was previously issued by His Excellency the Minister of Finance No. (1830) dated 10/3/1437 AH, communicated by the circular of His Excellency the Governor No. (220/21/M) dated 18/03/1437 AH, which states in paragraph (1) that "if the reason for not approving the clearance from the laboratory is not substantial, the incident is considered a customs violation," and upon reviewing the circumstances and details of the case and the documents attached to its file and the lawsuit filed by the Zakat, Tax and Customs Authority and what was presented in the pleadings before the committee, it became clear that the laboratory result received by customs in reports No. (..) and the number (...) and the number (...) The date 13/10/2016, which includes non-compliance in terms of labeling and the requirements of the data card and connection parties, is a procedural violation that does not relate to essential specifications



affecting the health and safety of the consumer or user, and does not involve commercial fraud, based on the correspondence received from the General Administration of Customs Affairs No. (...) And the number (...), therefore, the act of dealing with it is not considered to be involved in the crime of customs smuggling described in Articles (143, 142) of the Unified Customs Law, but rather falls under the provisions of customs violations stated in Article (141) of the same law, with penalties specified in Articles (31, 30) of the Executive Regulations of the Unified Customs Law.

Based on what has been mentioned, the committee concluded that the incident falls under the category of procedural customs violations that do not directly affect the safety and health of the consumer and do not rise to the level of customs smuggling as stated in the lawsuit filed by the Zakat, Tax and Customs Authority. Therefore, the committee, after study and deliberation, unanimously decided the following:

Decision:

1-Non-condemnation of the importer / (Institution ...), commercial registration number (...), for its owner / ... Saudi nationality - National ID number (...), present at customs smuggling.

He is obliged to pay a fine for violating customs procedures amounting to (1000) one thousand riyals in accordance with Article 31/6 of the executive regulations of the unified customs law.

A decision that can be appealed within thirty days from the date it is communicated to the concerned parties.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

(The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.)



The Customs Appeals Committee in Riyadh

Decision No. CFR-2024-235436
Case No. PC-2024-235436

Keywords:

Customs - Constraints - Bond Commitment - Electrical Appliances - Non-compliance with Specifications - Light Flux - No Conviction

Summary:

The Tax, Customs and Zakat Authority's demand to condemn the importer for customs smuggling due to the seizure of a shipment (electrical devices). The first instance committee established that the laboratory result received by the customs indicates non-compliance in terms of luminous flux, which is a procedural violation that does not relate to essential specifications affecting the health and safety of the consumer or user, nor does it involve commercial fraud. This means that the importer is not convicted in person of customs smuggling and is obliged to pay a fine for violating customs procedures.

Document:

- Article 141 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Article (142) of [the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (143) of [the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (30) of [the rules for the work of zakat, tax, and customs committees issued by Royal Order No. \(25711\) dated 08/04/1445 AH.](#)
- Article (31) of [the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. \(25711\) dated 08/04/1445 AH.](#)

Facts:

The facts of this case are summarized in that the Zakat, Tax and Customs Authority filed its lawsuit and the requests contained therein against the importer (Institution ...), commercial registration number (...). The summary of her lawsuit in case number (55576/2/147/1445) for the year 1445 AH included the following:



A shipment (electrical appliances) belonging to the defendant arrived via the Islamic Port of Jeddah customs under import declaration number (...). On 25/06/1432 AH, it was released under a commitment not to act until it is approved by the competent authority, and a sample was presented to the laboratory, and the response was received in report number (...) June 13, 2011, which included non-compliance in terms of luminous flux, and the importer was contacted but did not respond to the customs.

Accordingly, the committee held its hearing on Monday, 15/07/2024, and upon calling the parties to the case, ... attended, of Saudi nationality, with national ID number (...). As a representative of the Zakat, Tax and Customs Authority under the authorization issued by the Legal Affairs and Compliance Agency of the Authority numbered (.../.../.../...) On the date 19/03/1445 AH, the defendant or their representative did not attend despite being notified, so the committee decided to rule on the case based on the documents available to it.

Grounds:



Since a decision was previously issued by His Excellency the Minister of Finance No. (1830) dated 10/3/1437 AH, communicated by the circular of His Excellency the Governor No. (220/21/M) dated 18/03/1437 AH, which states in paragraph (1) that "if the reason for not approving the clearance from the laboratory is not substantial, the incident is considered a customs violation," and upon reviewing the circumstances and details of the case and the documents attached to its file and the lawsuit filed by the Zakat, Tax and Customs Authority and what was presented in the pleadings before the committee, it became clear that the laboratory result received by customs in report No. (...) June 13, 2011, which includes non-compliance in terms of luminous flux, is a procedural violation that does not relate to essential specifications affecting the health and safety of the consumer or user, nor does it involve commercial fraud, based on the correspondence received from the General Administration of Customs No. (000052) dated 13/05/1442 AH and No. (...) 16-05-1442 AH and thus the act of disposing of it is not considered to be involved in the crime of customs smuggling as described in Articles (143, 142) of the Unified Customs Law, but rather falls under the provisions of customs violations stated in Article (141) of the same law, with penalties specified in Articles (31, 30) of the Executive Regulations of the Unified Customs Law.

Based on what has been mentioned, the committee concluded that the incident falls under the category of procedural customs violations that do not directly affect the safety and health of the consumer and do not rise to the level of customs smuggling as stated in the lawsuit filed by the Zakat, Tax and Customs Authority. Therefore, after study and deliberation, the committee unanimously decided the following:



Decision:

Not condemning the importing institution ... Commercial Register No. (...) In person with customs smuggling.

2- She is obliged to pay a fine for violating customs procedures amounting to (1000) one thousand riyals in accordance with the provisions of Article (31/6) of the executive regulations of the unified customs law.

A decision that can be appealed within thirty days from the date it is communicated to the concerned parties.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

(The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.)



The Customs Appeals Committee in Riyadh

Decision No. CFR-2023-235446
Case No. PC-2024-235446

Keywords:

Customs - Constraints - Bond Commitment - Ready-made Clothes - Non-compliance with specifications - Washing Information - No Conviction

Summary:

The Public Prosecution demands that the 1st First Instance Customs Committee in Riyadh convict the importer of customs smuggling due to the seizure of a shipment (ready-made clothing). And where it was established for the first instance committee that the laboratory result received by the customs, which included non-compliance regarding washing instructions, is not present, and it is a procedural violation that does not relate to essential specifications affecting the health and safety of the consumer or the user. This means that the importer is not convicted in person of customs smuggling and is obliged to pay a fine for violating customs procedures.

Document:

- Article 141 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Article (142) of [the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (143) of [the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraph (6) of Article (31) of [the Executive Regulations of the Customs law issued by Ministerial Resolution No. \(2748\) dated 25/11/1423 AH.](#)
- Article (30) of [the rules for the work of zakat, tax, and customs committees issued by Royal Order No. \(25711\) dated 08/04/1445 AH.](#)
- Article (31) of [the rules of operation of the Zakat, tax, and customs committees issued by Royal Order No. \(25711\) dated 08/04/1445 AH.](#)



Facts:



The facts of this case are summarized in that the Zakat, Tax and Customs Authority filed its lawsuit and the requests contained therein against the importer (Institution ...), commercial registration number (...). The summary of her lawsuit in case number (55785/2/147/1445) for the year 1445 AH included the following: A shipment (ready-made clothes) belonging to the defendant arrived via the Islamic Port of Jeddah customs under import declaration number (...). On 27/11/1433 AH, it was released under a commitment not to act until it is approved by the competent authority, and a sample was presented to the laboratory, and the response was received in report number (...). On 20/10/2012, it was noted that the non-compliance regarding washing instructions was not present, and the importer was contacted, but he did not respond to customs.

Accordingly, the committee held its hearing on Thursday, 18/07/2024, and upon calling the parties to the case, ... attended, of Saudi nationality, with national ID number (...). As a representative of the Zakat, Tax and Customs Authority under the authorization issued by the Legal Affairs and Compliance Agency of the Authority numbered (...). On the date 19/03/1445 AH, the defendant or their representative did not attend despite being notified, so the committee decided to rule on the case based on the documents available to it.

Grounds:



Since a decision was previously issued by His Excellency the Minister of Finance No. (1830) dated 10/3/1437 AH, communicated by the circular of His Excellency the Governor No. (220/21/M) dated 18/03/1437 AH, which states in paragraph (1) that "if the reason for not approving the clearance from the laboratory is not substantial, the incident is considered a customs violation," and upon reviewing the circumstances and details of the case and the documents attached to its file and the lawsuit filed by the Zakat, Tax and Customs Authority and what was presented in the pleadings before the committee, it became clear that the laboratory result received by customs in report No. (...) On 20/10/2012, it was stated that the non-compliance regarding the washing instructions is not present, which is a procedural violation that does not relate to essential specifications affecting the health and safety of the consumer or user, and does not involve commercial fraud, based on the correspondence received from the General Administration of Customs No. (...) On 13/05/1442, and number (...) 16/05/1442 AH and thus the act of disposing of it is not considered to be involved in the crime of customs smuggling as described in Articles (143, 142) of the Unified Customs Law, but rather falls under the provisions of customs violations stated in Article (141) of the same law, with penalties specified in Articles (31, 30) of the Executive Regulations of the Unified Customs Law.

Based on what has been mentioned, the committee concluded that the incident falls under the category of procedural customs violations that do not directly affect the safety and health of the consumer and do not



rise to the level of customs smuggling as stated in the lawsuit filed by the Zakat, Tax and Customs Authority. Accordingly, the committee, after study and deliberation, unanimously decided as follows:

Decision:

1-Non-condemnation of the importer / (Institution ...), commercial registration number (...), for its owner / ... In person with customs smuggling.

She is obliged to pay a fine for violating customs procedures amounting to (1000) one thousand riyals in accordance with the provisions of Article (31/6) of the executive regulations of the unified customs law.

A decision that can be appealed within thirty days from the date it is communicated to the concerned parties.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

(The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.)



The Customs Appeals Committee in Riyadh

Decision No. CR-2023-202585
Case No. PC-2023-202585

Keywords:

Customs - Constraints - Bond Commitment - Concentrated Juices - Non-compliance with specifications - Lack of export permit - Conviction

Summary:

Demanding the Zakat, Tax and Customs Authority to cancel the first instance decision No. (CSR-2022-2692), issued by the second First Instance Customs Committee in Riyadh, which convicted the importer of customs smuggling and imposed a fine of one thousand riyals. And where it was established for the appellate committee that no actions related to the incident subject to the lawsuit were attributed to the company's representative based on the first instance decision, and that the goods in question are not prohibited in their type and nature, but the prohibition on their entry was due to their non-compliance with certain required specifications. This means; to uphold what was decided by the 1st instance ruling against the appellant regarding the conviction for customs smuggling and the ruling for confiscation with a modification of the fine amount.

Document:

- Paragraphs 2 and 4 of Article (145) of the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH.

Facts:

This is to consider the appeal submitted by/ ..., ID number (...), in his capacity as an attorney for/ Company ... According to agency number (...) issued on 12/02/1444 AH, and as an attorney for/ ... According to agency number (...) On the date 26/03/1445 AH, against the first instance Decision No. (CSR-2022-2692), issued by the third First Instance Customs Committee in Riyadh, ruling as follows:

1-Conviction of the defendants/ ..., commercial registration number (...), and their legal representative/ ..., national ID number (...), present for customs smuggling.

2-Obligating it to a customs fine equivalent to twice the value of the violating items, an amount of (58,494.15) fifty-eight thousand four hundred and ninety-four riyals and fifteen halalas.



3-Confiscation of smuggled goods.

Since the appellant was notified of the Decision subject to the appeal on 02/12/1444, and submitted the appeal on 15/12/1444, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment consisting of (concentrated juices - juice from fruits with added sugar) belonging to the importer through the Islamic Jeddah customs under import declaration number (...). On the date 09/09/1441 AH, after suspicion arose regarding the documents and declared data, a request was made to approximate container number (...). Upon inspection, it became clear that the first item (concentrated juices with added sugar) with a quantity of (6,440) cartons was not present in the container, as well as the discrepancy in the quantity of the second item (fruit juice with added sugar) where the recorded amount in the statement and invoices was (5,128) cartons while the actual number was (1,920) cartons. It was also found that there were four items restricted for export, which are (15) kilograms of white flour, (675.80) green and black olives, (42) liters of extra virgin olive oil, and (65) cartons of potato chips and corn puffs, which were not declared in the statement and invoices and are among the items restricted for export. Accordingly, the first instance committee issued its decision as previously mentioned, convicting the defendants of customs smuggling and obliging them to the associated penalties based on the company's failure to declare the discovered items and its attempt to introduce imports into the Kingdom without declaring them and without subjecting them to inspection and testing procedures to ensure their compliance with the approved Saudi specifications, which constitutes customs smuggling based on the provisions of Article 142 of the Unified Customs Law.

Upon reviewing the statement of appeal submitted by the attorney of the appealing company, the appellate customs committee noted that the public prosecutor has filed his case against the company ... Commercial Register No. (...) ... National ID number (...) Although he is not related to the case at all, as his role was limited to attending the hearing hearing on 28/05/1442 AH and representing the company by virtue of his power of attorney, and as the public lawsuit statement defined his capacity ... that he is the general manager of the company ... The commercial register number (...) And since this commercial register has no relation to this lawsuit whatsoever, nor is it concerned with export according to the customs declaration (...) On 19/09/1441 AH regarding the container subject to this lawsuit, and due to the absence of the commercial registration mentioned above in this lawsuit, the status of the defendant is consequently negated... Additionally, it was argued that the decision subject to the appeal was contrary to the approved data, as the first paragraph of the decision stated the conviction of the defendants/ Company ..., Commercial Registration No. (...) and its legal representative/ ..., national ID number (...). In-person with customs smuggling, and this commercial register has nothing to do with the appellant at all, and the decision subject to the appeal was issued obliging the company to pay a customs fine equivalent to twice the value of the violating items, an amount of (58,494.15) fifty-eight thousand four hundred and ninety-four riyals and



fifteen halalas. Considering the detailed valuation report of the violating items, which included a total value of the violating items amounting to (2,900 riyals), therefore, if the decision is correct, the fine would be an amount of (5,800 riyals). Moreover, the decision subject to the appeal ignored the defenses presented despite the clarity of the circumstances of the error, as the company's processing of the export request and shipping of the goods through the port of Jeddah coincided with several precautionary measures to confront the Coronavirus at the beginning of the total lockdown. Although it did not rise to the level of force majeure, it would not be outside the scope of emergency circumstances. Despite the company's conviction in the provisions of the law, its necessity to assign the importer for the export process in its name was not a neglect on its part but rather a matter of necessity. It becomes clear that the material element was flawed since the importer is the one who initiated the export process based on the letter directed from him to the company, in which the importer states that the customs broker whom the company authorized at his request made mistakes in the input operations and requests to address customs to explain the circumstances of that error, as well as his other letter in which he commits to adhering to all the grounds accounted for in the statement in dispute. The moral element is also absent, as the violation was the result of several sequential reasons in which the company was not free to act. The company obligated the importer to implement all the guarantees previously agreed upon with him, and the company communicated with customs on 02/09/2020 after learning the details of the incident through the importer based on his letter directed to the company. In addition to the above, the volume of the items registered for export indicates that they are personal, non-commercial quantities, making it impossible for the company to attempt to smuggle them in case of assuming bad faith. The memorandum concluded with a request for a ruling on the lack of standing of the defendant/ ... In this case, the ruling acquits the defendant company ..., and it requests a precautionary measure: Correction of the fine imposed in the decision.

On 16/02/1445 AH, through the email of the General Secretariat of the Zakat and Tax Committees, the Public Prosecution was contacted and requested to respond in case number: ... Within a maximum period of five days, and the prosecution did not respond within the specified time.

On Wednesday, corresponding to 17/04/1445 AH, the Customs Appeals Committee in Riyadh held its hearing to consider the submitted appeal against the first instance decision No. (CSR-2022-2692), issued by the Second First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the company's representative and the company's manager, and the lack of response from the prosecution regarding it, the Appeals Committee decided to rule on the subject of the two appeals submitted in light of the documents contained in the case file to form its conviction and decide on it, based on the reasons on which the appeal was based and the failure of the Public Prosecution to provide the Appeals Committee with its response to the submitted appeals after it was enabled to exercise its right to respond without any answer from it.



Grounds:



Whereas, regarding the appeal submitted by the legal representative of the company, which is based on the absence of any relationship of that representative in the facts of the case in question, it has become clear to the appellate committee regarding the accusations directed against the company's manager ... The first instance committee that issued the decision has refrained from discussing the charges against him to arrange for his conviction within the text of its decision. Since no actions related to the incident in question have been attributed to him based on the first instance decision, the conclusion is that there is no reason to convict him of customs smuggling with the company. This is evidenced by the committee's dismissal of the discussion of the accusation against him, and the only thing mentioned in the first instance decision regarding him is merely questioning him about the ownership of the shipment for the company, and that the error occurred from the customs broker. Therefore, his conviction in the text of the decision is not based on a valid foundation.

As for the objection to the company's conviction, there is no reproach against the appellate authority for taking the reasons of the decision subject to appeal without addition whenever it sees that these reasons suffice to negate the need for any new arguments, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. Therefore, it is necessary to state that the defenses presented do not affect the outcome of the decision, which makes the appeal unsupported and thus must be rejected. However, the appellate committee noted that the committee issuing the decision had ruled to calculate the customs fine on the importer by applying paragraph (4) of Article (145) of the Unified Customs Law, which applies to prohibited goods. Since the imported goods are not prohibited in their nature and type, but their entry was banned due to non-compliance with certain required specifications, this committee decides to apply paragraph (2) of Article (145) of the Unified Customs Law, contrary to what was ruled in the first instance decision. Consequently, this committee concludes to calculate the amount of the customs fine and the confiscation fee to be equivalent to the value of the contraband items as recorded in the seizure report by the Jeddah Port Customs on 26/6/1442 AH, which explicitly listed the contraband items and specified their value at (2,900) riyals. Therefore, the appellate customs committee concluded to report the following:

Decision:

Acceptance of the appeal in form, from the applicant/ ... , ... National ID number (...) Company, commercial registration number (...), against the first instance Decision number (CSR-2022-2692) issued by the 1st First Instance Customs Committee in Riyadh.

2- Rejection of the appeal submitted by/ ... Subject, and in support of what was decided by the 1st instance ruling against the appellant regarding the conviction for customs smuggling and the ruling for confiscation limited to the contraband items of the shipment and nothing else, with the amendment of the amount of



the customs fine imposed to be equal to the value of the contraband items, making the total amounts claimed from the appealing company an amount of (2,900) two thousand nine hundred riyals.

3- Acceptance of the appeal submitted by/ ... National ID number (....) Subject, and overturning all that the first instance decision ruled against him, and that is for the reasons and grounds stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CTR-2024-222595
Case No. PC-2023-222595

Keywords:

Customs - Constraints - Bond Commitment - Natural Gel Glycerin Tools - Non-compliance with specifications - Lack of information about the shipment - Conviction

Summary:

The importer requests a reconsideration of the decision of the First Instance Customs Committee in Jeddah, number (987) for the year (1440 AH), which condemned the importer and imposed a customs fine equivalent to twice the value of the violating shipment and a customs fine equivalent to the value of the shipment as a confiscation fee. Where it was established for the first instance committee that the supporting document did not provide new, influential, and convincing data for the committee to overturn the previous decision of the customs committee, and that the request for reconsideration did not comply with the reasons stipulated by the law for accepting the request. This means; the request for a reconsideration of the subject is rejected.

Document:

- Article (200) of [the Judicial Procedures law issued by Royal Decree No. \(M/1\) dated 22/01/1435 AH.](#)
- Article (40) [Rules for the work of Zakat, tax, and customs committees issued by Royal Order No. \(25711\) dated 08/04/1445 AH.](#)
- Article (48) [Rules for the work of Zakat, tax, and customs committees issued by Royal Order No. \(25711\) dated 08/04/1445 AH.](#)

Facts:

The (Foundation ...) has advanced. , Commercial Register No. (...) Request for a reconsideration of the decision of the First Instance Customs Committee in Jeddah No. (987) for the year (1440 AH), where the facts of the case are summarized as follows: A shipment of (natural gel glycerin tools) belonging to the aforementioned importer arrived through the customs of King Abdulaziz International Airport, under import declaration number (...). On the date 17/08/1432 AH, it was stated that the origin of the shipment is



the country (India) and its total value amounted to (35,979) thirty-five thousand nine hundred seventy-nine riyals. Inquiring about the status of the shipment with Saudi Airlines under letter number (...). dated 01/05/1437 AH, and the supplementary letter number (...) On the date 20/06/1437 AH, including the statement that there is no information about the shipment, and when the data follow-up committee searched for the shipment in the warehouses and the customs yard, it was not found, and accordingly, the seizure report number (...) was recorded. dated 25/03/1438 AH.

Accordingly, the First Instance Customs Committee in Jeddah issued number (987) for the year (1440 AH), ruling as follows:

- 1-Condemnation / (Foundation ...) , Commercial Register No. (...) Absent with customs smuggling.
- 2-Obligating it to a customs fine equivalent to twice the value of the violating shipment, amounting to (71,958) seventy-one thousand nine hundred and fifty-eight riyals.
- 3-Obligating it to a customs fine equivalent to the value of the shipment as a confiscation fee, amounting to (35,979) thirty-five thousand nine hundred seventy-nine riyals, bringing the total fine to an amount of (107,937) one hundred seven thousand nine hundred thirty-seven riyals.

On 04/10/2023, the plaintiff submitted a request for a petition regarding the aforementioned first instance decision, and the committee reviewed the request and all attached documents.

On Sunday, 08/08/1445 AH, the committee held its hearing to consider the remotely held case. A representative of the authority attended (...), ID number (...), by virtue of a delegation from the Legal Affairs and Compliance Agency issued under number (...). On the date 19/03/1445 AH, and attended (...), national identity number (...), under the agency number (...), in his capacity as the petitioner, and after verifying the parties to the case, the committee decided to proceed with the case. When the committee asked the representative of the petitioner, when did you learn of the final decision against your client? He answered: On the date 19/02/1445 AH, the petition was submitted on the date 18/03/1445 AH, and when asked the representative of the plaintiff about the justification for requesting a reconsideration? He answered: First, the ruling is in absentia, and we were not properly represented in the hearing, and we were not properly notified. When asking the representative of the authority about what he heard? He answered: The institution claims that there is no evidence of customs evasion, and the response to this is that the disappearance of the shipment falls under the responsibility of the importer alone, especially since its disappearance occurred in the inspection area and the customs procedures for it have not been completed. The first instance beneficiary of its disappearance is the importer alone, so the authority has no interest in taking it and hiding it from the concerned party. Consequently, the responsibility arises on which the crime of customs smuggling is based according to Article (142) of the Unified Customs Law, as in this incident there was an attempt to introduce goods into the country in violation of the applicable legislation without paying the customs duties either fully or partially. It cannot be argued that there was no intent since the shipment belongs to the importer and is under his responsibility, and the reliance on the letter from the director of the Jeddah shipping station, which states that there is no information about the shipment, does



not exempt from responsibility and punishment; rather, it confirms that. This necessitates imposing the maximum penalties on those who committed this violation. The institution claims that based on the letter from the director general of King Abdulaziz Airport Customs, which states that the shipment is under the responsibility of the customs broker, the response to this is that what the letter contains is merely a confirmation of the responsibility of the importer and the one who authorized him, which is the customs broker, and the broker would not have completed all the procedures for the shipment without obtaining authorization from the importer and referring to him in all its procedures. The authority confirms that the contractual relationship between the institution and the customs broker is not related to it, and any party harmed by that relationship has the right to seek recourse against the other by proving the damage. Based on the customs authorization issued by the institution to the customs broker, which includes carrying out all customs procedures regarding the shipment in question, full responsibility arises accordingly. The institution claims that the reason for not clearing the shipment is that it did not comply with the specifications, which is a non-essential matter, and the response to this is that the shipment was not referred for examination by the accredited laboratories due to its disappearance in the inspection area. How can it be argued that it complies with the specifications and standards without evidence to prove that? The authority confirms that the institution's request to approve the violation falls within customs violations without rising to the level of the crime of customs smuggling, which is merely an implicit acknowledgment of its commission of the incident in question. This confirms the authority's desire to uphold the first instance decision issued against it, convicting it and imposing the maximum penalties accordingly. The authority confirms that all that the institution referred to and attached in its case, including letters and correspondence, had previously been presented to the first instance committee and is included in the case file. The letter from the broker sent to customs is merely a letter confirming that the items in question are restricted items, and it requires completing all customs procedures for their entry into the country according to what customs sees fit from clearance letters from the accredited competent authorities or conducting tests and examinations to ensure their compliance with the approved specifications and standards. This did not happen as the shipment was lost in the inspection area and is under the responsibility of the importer. After reviewing the case file, the committee decided to close the door for pleading and deliberation in preparation for issuing the decision.

Grounds:

Upon reviewing the case file, the committee found that the case is a request for a reconsideration of the decision of the First Instance Customs Committee in Jeddah, number (987) for the year (1440 AH).

After reviewing Articles (40/48) of the rules governing the work of Zakat, tax, and customs committees issued by Royal Order No. (25711) dated 08/04/1445 AH, which stated that "1 - Any party to the case has



the right to request a reconsideration of the final decisions issued by any of the chambers." Paragraph (2) of the same article specifies how to file a request for reconsideration.

Upon reviewing the letter submitted by the attorney of the applicant, which states (that the status of the declaration is concluded by the customs), it became clear that this letter was sent from the customs broker to the customs and included explanations between the customs departments requesting information about the shipment. Since the essence of the case focuses on the loss of the shipment in the customs area and the authority has initiated a case accusing the applicant of customs smuggling, this indicates that the letter relied upon did not provide new, significant, and convincing information to the committee to overturn the previous decision of the customs committee.

Since the request for a petition for reconsideration targets rulings that have acquired finality and the authority of *res judicata*, the legislator intended to grant them immunity to protect them from instability and disruption, except for reasons and justifications that the legislator has explicitly stated in Article (200) of the Judicial Procedures law, which stipulates that "1- Any of the parties has the right to request a reconsideration of final rulings in the following cases:"

A - If the ruling was based on documents that were later found to be forged, or was based on a testimony issued - by the competent authority after the ruling - that it was a false testimony.

B- If the applicant obtained conclusive documents in the case after the ruling, it was impossible for him to present them before the ruling.

G - If the opponent commits fraud that could affect the ruling.

D - If the ruling decided on something that the litigants did not request or ruled more than what they requested.

H - If the wording of the ruling contradicts itself.

And - if the ruling is in *absentia*.

Z - If the ruling is issued against someone who was not properly represented in the case.

2- Anyone who considers the ruling to be a burden on him and has not been involved in the case may request a review of the final judgments.

Since the request for reconsideration is subject to the provisions of Article (200) of the Judicial Procedures law, and Articles (40/48) of the Rules of Work of Zakat, Tax, and Customs Committees.

Based on the above, and after study and deliberation, the committee unanimously decided the following:

Decision:

Acceptance of the request for reconsideration submitted by/ Institution ..., Commercial Registration Number: (...) In form, and rejected it in substance for the reasons stated.

A decision that can be appealed within (30) days from the day following the date of its receipt.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

(The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.)



The Customs Appeals Committee in Riyadh

Decision No. CFR-2024-232391
Case No. PC-2024-232391

Keywords:

Customs - Constraints - Bond Commitment - Building Publisher - Non-compliance with specifications - Indication of origin - Conviction

Summary:

The Zakat, Tax and Customs Authority filed a lawsuit before the 1st First Instance Customs Committee at the General Authority of Customs, and the first instance decision No. (CFR-2022-2511) for the year 2022 was issued, convicting the importer in absentia of customs smuggling, imposing a customs fine on him, and obliging him to pay an amount equivalent to the value of the contraband item as a substitute for confiscation. The Appeals Committee found that one of the conditions for requesting a reconsideration was met, which is the emergence of influential documents in the case, and the failure of the importer to review the customs or return the shipment to the customs yard; as a result, the importer was convicted of customs smuggling, fined, and obliged to pay an amount equivalent to the value of the contraband item as a substitute for confiscation.

Document:

- Article (56) of [the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article 142 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Paragraphs 4 and 5 of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (200) of [the Judicial Procedures law issued by Royal Decree No. \(M/1\) dated 22/01/1435 AH.](#)
- Article (201) from [The Judicial Procedures law issued by Royal Decree No. \(M/1\) dated 22/01/1435 AH.](#)



Facts:



The facts of this case can be summarized in that the Zakat, Tax and Customs Authority filed its lawsuit and the requests contained therein against the importer (Institution ...) Commercial register number (...), and the summary of its lawsuit included the following: The shipment (building cranes) returned to the defendant through the dry port customs under import declaration number (...) On the date 12/09/1430 AH, it was allowed with a commitment not to act until the origin indication was confirmed, and he was addressed to return the shipment to the customs area, but he did not respond to the customs.

The plaintiff filed a lawsuit before the 1st First Instance Customs Committee at the General Authority for Customs, and the first instance decision No. (CFR-2022-2511) for the year 2022 was issued, ruling as follows:

- 1-Condemnation of the importer (Institution ...) Commercial register number (...), present at customs smuggling.
- 2-Obligating him to a customs fine equivalent to the value of the violating item in the amount of (66,604) sixty-three thousand and thirty-six riyals.
- 3- Obliging him to pay an amount equivalent to the value of the violating item as a confiscation fee, amounting to (66,604) sixty-six thousand six hundred and four.

Riyals, making the total amount claimed an amount of (133,208) one hundred thirty-three thousand two hundred eight Riyals.

On Monday, the 1st First Instance Customs Committee opened its hearing, and by calling the parties to the case, ... attended, in her capacity as a representative of the Zakat, Tax, and Customs Authority under the authorization issued by the Legal Affairs and Compliance Agency of the Authority numbered (...). On the date 7/3/1443 AH, the defendant did not attend despite being notified. Since the defendant did not attend the first hearing, the committee decided to postpone the hearing. If he does not attend the next hearing or someone representing him, the committee will consider the case and will issue a decision based on the documents available to the committee. Therefore, the committee decided: The request has previously been made for the plaintiff to inform about the customs officials visiting the importer's warehouses to verify the establishment's indication. Please respond within 5 days. The hearing has been postponed to 24/11/2022, as a final deadline.

On Monday, 03/11/2023, the committee held its hearing to consider the petition submitted by/ Foundation ... Against the decision (CFR-2022-2511) for the year 2022, and after the committee reviewed the request for the petition and its justifications, and since one of the first instance matters to be decided before entering into the subject of the petition is to ensure the validity of the submitted petition in accordance with the provisions of the Sharia litigation law, the committee decided to accept the request for the petition.

On Monday, March 25, 2024, the committee held its hearing, and upon calling the parties to the case, ... appeared, national ID number (...). As a representative of the defendant (the Zakat, Tax and Customs



Authority) under the authorization issued by the Legal Affairs and Compliance Agency of the Authority numbered (...). On the date 19/03/1445 AH, the defendant / ... attended, with national ID number (...), and before the hearing began, the present representative of the defendant left and was waited for but did not return. The committee decided to postpone the hearing to the date 28/03/2023 AD.

On Thursday, March 28, 2024, the committee held its hearing and upon calling the parties to the case, ... appeared, national ID number (...). As a representative of the (Zakat, Tax and Customs Authority) under the authorization issued by the Legal Affairs and Compliance Agency of the Authority numbered (...). dated 19/03/1445 AH,

The defendant did not attend despite being notified, and the defendant was informed by the secretariat through automated systems and the mechanisms it follows (via Hayad System) and other automated systems. The General Secretariat of the Customs Committee confirmed that this law notifies the defendant automatically in accordance with Article Nine of the Rules of Procedure for Customs Committees and other relevant regulations and instructions. Therefore, the defendant did not attend the second hearing, which deprived him of the opportunity to defend himself. Consequently, the committee decided to proceed with the case and to rule on the case based on the documents available to it.

Grounds:

Upon reviewing the petition submitted by the institution ... Against the decision (CFR-2022-2511) for the year 2022, which was issued in person to both parties of the case. Therefore, the request for reconsideration is procedurally accepted as it was submitted within the legal timeframe according to Article (201) of the Judicial Procedures Law, which states: The period for filing a request for reconsideration is thirty days, starting from the day the applicant becomes aware of the forgery of documents or the court ruling that the testimony is forged, or when the documents specified in paragraph (b) of Article (two hundred) of this law appear, or when fraud is discovered. The deadline in the cases specified in paragraphs (d, e, f, g) of Article (two hundred) of this law starts from the time the ruling is communicated, and the deadline for paragraph (2) of Article (two hundred) of this law starts from the date of knowledge of the ruling. One of the first instance matters that must be resolved before entering the subject of the petition is to ensure the validity of the petition submitted in accordance with the provisions of the Sharia litigation law, and where the petitioner submitted his petition requesting: Acceptance of the petition and cancellation of the decision subject to the petition, and ruling to reconsider the case due to its issuance in absentia against the petitioner. Thus, one of the conditions for the petition for reconsideration mentioned in Article (200) of the Judicial Procedures law issued by Royal Decree No. (M/1) dated 22/01/1435 AH has been fulfilled. 1- Any of the parties has the right to request a reconsideration of the final judgments in the following cases: A - If the ruling was based on documents that were later found to be forged, or was based on a testimony issued - by the competent authority after the ruling - that it was a false testimony. B- If the applicant obtained conclusive documents in the case after the ruling, it was impossible for him to present them before the ruling. G - If the



opponent commits fraud that could affect the ruling. D - If the ruling decided on something that the litigants did not request or ruled more than what they requested. H - If the wording of the ruling contradicts itself. And - if the ruling is in absentia. Z - If the ruling is issued against someone who was not properly represented in the case.. And due to the emergence of influential documents in the case, and after reviewing the case documents and its papers, and deliberating with the members, it was accepted that the decision number (CFR-2022-2511) did not mention the presence of the defendant at the hearings despite his attendance. Therefore, the request was accepted, and upon reviewing the case, it was found that a date was set for the applicant, and it was reported that he attended the first hearing's first date and left before the case was considered, and he did not attend the second hearing despite being notified, which led the committee to proceed with the case based on the documents available to them. After reviewing the documents, it was found that the quantity of the shipment for which the origin indication is required to be established according to the customs declaration is (4342) units, with a value of (66604) riyals. Since there is a seizure report attached to the case indicating that (1060) units were seized, this means that the origin indication was not established for the remaining quantity, which is (3282). It was also noted that there is a response memorandum from the plaintiff stating that they did not establish a correction of the violation subject to the case. After studying the case papers, the committee observed that the importer did not review the customs or return the shipment to the customs yard during the past period, which implies that he acted with the shipment that was not permitted for clearance, which he committed to the customs not to act upon until the laboratory result appeared. However, it was handed over to the importer at his request to keep it in his warehouses. His action with the shipment that was not finally cleared is considered a violation of Article (56) of the Unified Customs Law, and the action regarding the goods that were not permitted for clearance is considered customs smuggling according to what is stated in Article (142) of the Unified Customs Law. Smuggling is the act of introducing or attempting to introduce goods into the country or removing or attempting to remove them in violation of the applicable legislation without paying customs duties (fees) in whole or in part, or contrary to the provisions of prohibition or restriction in this law (law) and other regulations and laws. Paragraph (4) of Article (145) of the Unified Customs Law states that "the crime of customs smuggling or its equivalent is punishable by an amount not less than the value of the goods and not exceeding three times their value, and imprisonment for a period of not less than six months and not exceeding three years, or by one of these two penalties." Paragraph (5) of Article (145) of the Unified Customs Law states, "The goods subject to the violation shall be confiscated or a judgment shall be issued equivalent to their value if they are not seized." Accordingly, the committee, after study and deliberation, unanimously decided as follows:



Decision:

1- Acceptance of the request for a reconsideration of the procedures and on merits.

2-Condemnation of the importer (Institution ...) Commercial register number (...), present at customs smuggling.

3-To impose a fine equivalent to the value of the violating item in the amount of (50,344) fifty thousand three hundred and forty-four riyals.

4-Obligating it to pay an amount equivalent to the value of the violating item as a confiscation fee of (50,344) fifty thousand three hundred and forty-four riyals, making the total amount claimed (100,688) one hundred thousand six hundred and eighty-eight riyals.

A decision that can be appealed within thirty days from the date it is communicated to the concerned parties.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

(The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.)



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-231532
Case No. PC-2024- 231532

Keywords:

Customs - Constraints - Bond Commitment - Frames - Non-compliance with specifications - Rolling tests - No conviction

Summary:

The importer is requesting the cancellation of the first instance decision No. (CFR-2024-204473) issued by the 1st First Instance Customs Committee in Riyadh, which convicted the importer of customs smuggling and imposed the associated penalties. The appellate committee has established that the trader's act of re-exporting the goods subject to the commitment is considered part of his obligation to the commitment not to dispose of them. This means; the annulment of the first instance decision, and the ruling of not convicting the importer.

Document:

- Article (163) of [the Code of Criminal Procedure issued by Royal Decree No. \(M/2\) dated 22/01/1435 AH.](#)

Facts:

This is to consider the appeal against the first instance decision number (CFR-2024-204473) issued by the 1st First Instance Customs Committee in Riyadh, submitted by the attorney/..., National ID number (...), Law license number (...), in his capacity as the attorney for the legal representative of the company/..., National ID number (...), under the agency number (...). Issued on 08/10/1445 AH.

The facts of this case are summarized by the arrival of a shipment (tires) belonging to the appellant company through the customs of Jeddah Islamic Port under import declaration number (...). On 15/02/1443 AH, it was allowed under a commitment not to act until the result of the competent authority appeared, and after presenting the sample to the laboratory, the response indicated non-compliance regarding rolling resistance. The first instance committee issued its Decision convicting the company of customs smuggling and imposing the associated penalties as stated in the Decision subject to appeal, based on the fact that the laboratory result indicated that the item did not comply with the specifications due to failing the (rolling) tests, which are technical violations that affect the quality and safety of the product. Considering that the



company did not respond to the customs administration and did not return the item, this indicates its action with it, which constitutes the company's behavior as a crime of customs smuggling as stipulated in Article (142) of the Unified Customs law.

Upon reviewing the objection list submitted, the appellate customs committee found that it included a summary stating that the company committed to the Bond Commitment not to dispose of the shipment by re-exporting it immediately after the laboratory result showed non-compliance.

According to the fixed dates in the customs re-export declaration issued on 07/11/2021, this customs declaration includes all the data of the re-exported item, its type, quantity, and all necessary data that matches the customs release statement under which the goods were imported. The regulation concluded with a request to accept the appeal in form, and in the subject, directing whoever is concerned to set a date for a session in this case for pleading and overturning the Decision issued by the 1st First Instance Customs Committee regarding what it ruled, and ruling again to dismiss the public prosecution's claim.

And I request the response from the appellee on 07/02/2024 and to enable her to exercise her right to respond for a period of (45) days, and she did not submit the required answer. Based on paragraph (1) of Article (35) of the rules of operation of the Zakat, tax, and customs Committees, the committee decided to rule on the case in light of the documents available to it.

After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based.

Grounds:

After reviewing the unified customs law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the zakat, tax, and customs committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the relevant regulations and laws.

Since the appellant was notified of the first instance Decision on 22/01/2024, and submitted the appeal on 07/02/2024, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law.

After reviewing the case file and its contents, and considering the defenses presented by the parties, and since the subject of the case is based on the handling of the shipment subject to the commitment, and since the importing company has argued for the re-export of the shipment according to re-export statement number (....) On 08/11/2021, the customs judiciary has established that the trader's act of re-exporting the goods subject to the commitment is considered part of his obligation to the commitment not to dispose of them, which leads to the collapse of the basis on which the company was convicted of customs smuggling. Therefore, this committee decides to annul the first instance decision and rule that the importer is not guilty of the crime of customs smuggling.



Decision:

First: Acceptance of the appeal in form, from the applicant/ ..., commercial registration number (...), against the first instance Decision number (CFR-2024-204473) issued by the 1st First Instance Customs Committee in Riyadh.

Second: In the subject, the cancellation of the first instance Decision, and the ruling of not convicting the importer of the crime of customs smuggling, for the Grounds and considerations stated in this Decision.

This decision is final; according to the provisions of paragraph (Second) of Royal Order No. (25711) dated 08/04/1445 AH.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-227731
Case No. PC-2023-227731

Keywords:

Customs - Constraints - Bond Commitment - Henna - Non-compliance with specifications - High ash content - Conviction

Summary:

The claim of the Zakat, Tax and Customs Authority to annul the first instance decision No. (CFR-2023-111495) issued by the 1st First Instance Customs Committee in Riyadh. The judge ruled not to convict the importer of customs smuggling, while imposing a fine of one thousand riyals. The appeals committee established that the laboratory result issued by the Food and Drug Authority indicated that the product (henna) in question did not comply due to the high ash content, and it is noted that the sample is not henna but a mixture of plants, including indigo. This observation is considered a substantial technical violation that cannot be rectified or corrected. This means; the annulment of the first instance decision, and ruling again to convict the importer of customs smuggling, and punishing him with a confiscation equivalent to the value of the contraband item, and imposing a customs fine.

Document:

- Article 142 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Paragraphs (2) and (5) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraph (1) of Article (35) of [the Rules for the Work of Zakat, Tax, and Customs Committees issued by Royal Decree No. \(25711\) dated 08/04/1445 AH.](#)

Facts:

This is to consider the appeal submitted by the Zakat, Tax and Customs Authority, against the first instance Decision No. (CFR-2023-111495) issued by the 1st First Instance Customs Committee in Riyadh.

The facts of this case are summarized by the arrival of a shipment (henna) through the Islamic Port of Jeddah customs under import declaration number (...). On the date 17/07/1433 AH, it was allowed based on a



commitment not to act until the result of the competent authority appeared. Upon examining the sample by the Food and Drug Authority, the response indicated non-compliance due to the high ash content and that the sample was not henna but a mixture of plants, including kohl. The customs authority communicated with the importer, but he did not respond. The first instance committee issued its Decision not to convict the importer of customs smuggling, imposing a fine of one thousand riyals, based on the lack of submission of the analysis result by the prosecution, and that one of the conditions for conviction is the presence of conclusive evidence that leaves no room for doubt. Due to the importer's failure to adhere to the commitment taken against him, the first instance committee deemed the incident a violation of customs procedures and decided to limit itself to what was stated in the text of the appealed Decision.

Upon reviewing the statement of appeal submitted, the appellate customs committee found that it includes a summary stating that what the First Instance Committee mentioned in its reasoning about the absence of a result from the competent authority for analyzing the sample is incorrect, as the result from the Food and Drug Authority number (...) On the date 19/08/1433 AH, it was indicated that the item (henna) in the lawsuit does not match "due to the high ash content, and it is noted that the sample is not henna but a mixture of plants, including the indigo plant." Attached in the case file.

Page number (11), which shows the result of the competent authority indicating that the item contains technical violations affecting the quality of the product and the health and safety of the consumer, which necessitates a conviction for customs smuggling. Therefore, it requests the acceptance of the appeal in procedures and on merits and the conviction of the defendant for customs smuggling according to the provisions of Article (142) of the Unified Customs law, and obliging her to pay a customs fine equivalent to three times the value of the goods, and obliging her to pay an amount equivalent to the value of the goods as a confiscation substitute.

And I request the response from the appellee on 11/12/2023 and enabling her right to reply for a period of (45) days without submitting the required answer, and based on paragraph (1) of Article (35) of the rules of operation of the Zakat, tax, and customs Committees, the committee decided to rule on the case in light of the documents available to it.

After reviewing the case file and the appeal submitted by the authority, the committee found that the case is ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what has been presented to form its conviction and to rule on it in light of the reasons on which the appeal was based.

Grounds:

After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws.



Since the appellant was notified of the first instance Decision on 16/11/2023, and submitted the appeal on 11/12/2023, this entails the acceptance of the appeal in form for being submitted by a party with standing within the prescribed period for its conduct as stipulated in Article (163) of the Unified Customs law.

It is established that the importer committed not to dispose of the shipment and was requested to return it according to the laboratory results from customs without any response from him, which indicates his disposal of the shipment. Furthermore, the laboratory result attached to the case file issued by the Food and Drug Authority under number (...) On the date 19/08/1433 AH, it was indicated that the item (henna) in the lawsuit is non-compliant "due to the high ash content, and it is noted that the sample is not henna but a mixture of plants including indigo." These observations mentioned in the laboratory report are considered substantial technical violations that cannot be rectified or corrected, which means that the importer's action with the shipment, which is laden with the observations mentioned in the laboratory report, constitutes a customs smuggling crime according to Article (142) of the Unified Customs Law, which states that: Smuggling is the act of bringing goods into the country or attempting to bring them out, or attempting to take them out in violation of the applicable laws without paying taxes.

Customs duties, either wholly or partially, or contrary to the provisions of prohibition or restriction contained in this "law" and other regulations and laws, which leads to the acceptance of the appeal in substance and the annulment of the first instance decision as concluded, and ruling again to convict the appellant of customs smuggling in accordance with Article (142) of the Unified Customs law, and imposing a customs fine equivalent to the value of the violating item in accordance with Article (145/2) of the Unified Customs law, and obliging it to pay a confiscation equivalent to the value of the violating item in accordance with Article (145/5) of the same law, based on the import statement which indicates that the violating item (henna) has a value of (8,868) eight thousand eight hundred and sixty-eight riyals, and is subject to a customs duty of (5%). Accordingly, the appellate committee concluded the following report:

Decision:

First: Acceptance of the appeal in form, from the appellant / Zakat, Tax and Customs Authority, against the first instance Decision No. (CFR-2023-111495) issued by the 1st First Instance Customs Committee in Riyadh.

Second: In the matter, the cancellation of the first instance Decision, and ruling again to convict the importer of customs smuggling, and punishing him with a confiscation equivalent to the value of the contraband item, and imposing a customs fine equivalent to the value of the contraband item, for the Grounds and considerations stated in this Decision.

This decision is final; according to the provisions of paragraph (Second) of Royal Order No. (25711) dated 08/04/1445 AH.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-203290
Case No. PC-2023-203290

Keywords:

Customs - Constraints - Bond commitment - Non-compliance with specifications - No export permit - No conviction

Summary:

The request of the Zakat, Tax and Customs Authority to cancel the first instance decision No. (CFR-2023-102797) issued by the 1st First Instance Customs Committee in Riyadh, which ruled not to convict the importer of customs smuggling while obliging him to pay a fine of one thousand riyals. And where it was established for the appellate committee through the statement of the competent administration that the commitment and request are settled according to their law. This means; to annul the first instance decision in all that it ruled, and to rule again to dismiss the case.

Document:

- Article 163 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\)](#).

Facts:

This is to consider the appeal submitted by the Zakat, Tax and Customs Authority, against the first instance Decision No. (CFR-2023-102797) issued by the 1st First Instance Customs Committee in Riyadh.

The facts of this case are summarized by the arrival of a shipment (henna) through the Islamic Port of Jeddah customs under import declaration number (...). On the date 11/10/1433 AH, I was granted permission based on a commitment not to act until the results of the examination by the competent authority appeared, and upon examining the sample by the laboratory, the report number (...) was received. On 13/09/2012, which included non-compliance in terms of mechanical and physical tests, the importer was addressed by customs, but he did not respond. The first instance committee issued its Decision not to convict the importer of customs smuggling while obliging him to pay a fine of one thousand riyals, as stated in the text and Grounds for the Decision subject to appeal, which is referred to in order to avoid repetition.

Upon reviewing the statement of appeal submitted, the appellate customs committee found that it includes a summary indicating that the remarks in the inspection report state that the small parts of the toy pose a



choking hazard, which constitutes a technical violation affecting consumer safety. Therefore, the shipment is classified as prohibited goods according to Article (24) of the Unified Customs Law.

The act of disposing of the shipment released under a guarantee is considered a violation of the provisions of Article (56) and Article (142) of the Unified Customs Law. Therefore, the authority requests the conviction of the institution for customs smuggling and obliges it to pay a customs fine equivalent to three times the value of the goods and to pay an amount equivalent to the value of the goods as a confiscation substitute. And I request the response from the appellee on 23/07/2023 and enabling her to exercise her right to respond for a period of (45) days without submitting the required answer, and based on paragraph (1) of Article (35) of the rules of operation of the Zakat, Tax, and Customs Committees, the committee decided to rule on the case in light of the documents available to it.

After reviewing the case file and the appeal submitted by the authority, the committee found that the case is ready for a Decision in its current state after being informed of the facts of the case and the sufficiency of what has been presented to form its conviction and rule on it in light of the Grounds on which the appeal was based.

Grounds:

After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws.

Since the appellant was notified of the first instance Decision on 02/07/2023, and submitted the appeal against the Decision on 20/07/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law.

And since it is established according to what is included in the electronic file of the case that the Zakat, Tax and Customs Authority submitted on 26/12/2023 its statement indicating that upon inquiry from the relevant department, it was informed that: The commitment and request are settled according to our law," which leads to the cancellation of the first instance decision in all that it ruled, and the ruling is renewed to dismiss the authority's lawsuit according to its statement that the commitment and request are settled according to the authority's automated system. Accordingly, the appellate committee concluded to report the following:

Decision:

First: Acceptance of the appeal in form, from the appellant / Zakat, Tax and Customs Authority, against the first instance Decision No. (CFR-2023-102797) issued by the 1st First Instance Customs Committee in Riyadh.

Second: In the matter, the first instance decision is annulled in all that it ruled, and the case is dismissed again.

This decision is final; according to the provisions of paragraph (Second) of Royal Order No. (25711) dated 08/04/1445 AH.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-225491
Case No. PC-2023-225491

Keywords:

Customs - Constraints - Bond commitment - Non-compliance with specifications - Suspended lighting bulbs
- Protection against accidental contact with live parts - Conviction

Summary:

Request of the Zakat, Tax and Customs Authority to cancel number (CSR-2023-110470) issued by the Second First Instance Customs Committee in Riyadh, which ruled not to convict the importer of customs smuggling while obliging him to pay a fine for violating customs procedures. Where it was established for the appellate committee that the violation relates to the non-compliance of the sample in terms of (protection against accidental contact with electrified parts) according to the report of the sample examination results, and since the observation related to the shipment is considered a type of technical violations that affect the product and the safety of its use. This means; the annulment of the first instance decision and a ruling of conviction with a customs fine equivalent to twice the fees and a confiscation fee.

Document:

- Article 142 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Article (153) of [the Code of Criminal Procedure issued by Royal Decree No. \(M/2\) dated 22/01/1435 AH.](#)

Facts:

This is to consider the appeal against the first instance Decision No. (CFR-2023-110470) issued by the 1st First Instance Customs Committee in Riyadh. Since the appellant was notified of the first instance Decision on 02/10/2023, and submitted the appeal on 23/10/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the prescribed period for its submission as stipulated in Article (163) of the Unified Customs law.



The facts of this case are summarized by the arrival of a shipment (hanging light bulbs) through the Al-Batha customs under import declaration number (...). On the date 11/03/1434 AH, I was granted permission based on a commitment not to act until the results of the examination by the competent authority appeared, and upon examining the sample by the laboratory, the report number (...) was received. On 10/02/2013, it was noted that there was non-compliance regarding protection against accidental contact with electrified parts, and the importer was addressed with the result by the customs, but he did not respond. The first instance committee issued its decision not to convict the importer of customs smuggling, while obliging him to pay a fine for violating customs procedures, as stated in the text and reasons for the decision subject to appeal, which is referred to in order to avoid repetition.

Upon reviewing the appeal submitted by the customs committee, it was found that it included a summary stating that the observation made in the laboratory report is considered a technical violation affecting the quality and safety of the product, and that the shipment is classified as prohibited goods, and any action contrary to the commitment is considered customs smuggling according to Article (142) of the Unified Customs Law. The appeal concluded with a request to accept the appeal and to convict the importer of customs smuggling and impose a customs fine equivalent to three times the value of the goods, as well as the equivalent of its value as a confiscation fee.

After reviewing the case file and the appeal submitted by the appellant and the response from the appellee regarding it, the committee found that the case is ready for a Decision in its current state after being informed of the facts of the case and the sufficiency of what has been presented to form its conviction and to rule on it in light of the Grounds on which the appeal was based.

Grounds:

After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws.

It is established in the rules of litigation that the proper application of the law is an obligation on the authority examining the case, and it must be applied ex officio without the need for a request from the parties. Therefore, the authority examining the case has broad discretion in assessing the facts and giving them the appropriate description and correct classification without being bound by the classification of the prosecution or its opponent, in light of what it is convinced of and the state of the evidence and the inferences drawn from it, relying on it and using it as a basis for its ruling, as long as the documents related to it within the case file do not contradict what has been inferred and what its conviction has settled on to resolve the dispute, and that its inference is sound, reasonable, and leads to the result it has reached. This is in accordance with what is stated in Article (153) of the Criminal Procedure law, which stipulates that "the



court is not bound by the description contained in the indictment and must give the act the description it deserves, even if it contradicts the description in the indictment...". According to the report on the results of the sample examination, the violation in question relates to the non-compliance of the sample regarding (protection against accidental contact with electrified parts). The observation related to the shipment in question is considered a type of technical violations that affect the product and the safety of its use, which leads to the conviction of the importer for customs smuggling when it is not returned to the customs area after the examination results appear, based on what is stipulated in Article (142) of the Unified Customs Law and the associated penalties as will be stated in the ruling. Accordingly, it concluded.

Decision:

First: Acceptance of the appeal in form, submitted by the General Authority of Zakat and Tax and Customs, against the first instance Decision No. (CSR-2023-110470) issued by the Second First Instance Customs Committee in Riyadh.

Second: The subject is the cancellation of the first instance decision and the ruling convicting the institution ..., commercial registration number (...), of the crime of customs smuggling concerning the item (LED bulbs), and imposing a customs fine equivalent to twice the customs duties for this item, and a confiscation fee equivalent to the value of the contraband item amounting to (28,591) twenty-eight thousand five hundred and ninety-one riyals, making the total amount claimed (31,450.10) thirty-one thousand four hundred and fifty riyals and ten halalas, for the reasons and considerations stated in this decision.

This decision is final; according to the provisions of paragraph (Second) of Royal Order No. (25711) dated 08/04/1445 AH.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-226857
Case No. PC-2023-226857

Keywords:

Customs - Constraints - Bond Commitment - Foodstuffs - Non-compliance with specifications - Product contamination with plastic pieces - No conviction

Summary:

The importer's request to cancel the decision of the 1st First Instance Customs Committee in Riyadh No. CFR-2023-103762, which convicted the importer of customs smuggling. And where it was established for the appellate committee that the laboratory report was presented as a possibility and did not definitively conclude that the shipment in question was unfit for human consumption. This means; canceling the first instance decision and obliging him to pay a fine for violating customs procedures.

Document:

- [Article \(153\) of the Code of Criminal Procedure issued by Royal Decree No. \(M/2\) dated 22/01/1435 AH.](#)
- [Article \(163\) from The Unified Customs Law for the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (31/6) of [the executive regulations of the customs law issued by Ministerial Decision No. \(2748\) dated 25/11/1423 AH.](#)

Facts:

This is to consider the appeal against the first instance Decision number (CFR-2023-103762) issued by the 1st First Instance Customs Committee in Riyadh, submitted by the agent (...), civil registration number (...), under agency number (...).

As for the facts of this case, they are summarized by the arrival of a shipment (electric heater) through the customs of Jeddah Islamic Port under import declaration number (...). On the date 29/05/1437 AH, it was granted under a commitment not to act until the result of the competent authority appears, and after examining the sample by the Food and Drug Authority, the response was received in report number (...) On



29/05/1437 AH, which included non-compliance regarding the potential contamination of the product with plastic pieces that may pose a risk to the consumer according to the warning announced on the website of the General Authority for Food and Drug, the importer was addressed by the customs with the result, but he did not respond. The first instance committee issued its Decision to convict the importer of customs smuggling and impose the associated penalties, as stated in the text and Grounds for the Decision subject to appeal, which is referred to in order to avoid repetition.

Upon reviewing the objection list submitted, the appellate customs committee found that it included a summary indicating that the administration did not allow the appellant to access the report of the General Authority for Food and Drug until after the judgment session had concluded, and that the appellant company coordinated with the General Authority for Food and Drug in a voluntary withdrawal of some products from the Saudi market that bore the same operation number as the shipment included in the import statement (...) and they were indeed destroyed by the company (...) It was indeed destroyed by the company (...) (...) This proves the absence of criminal intent in the incident subject to the lawsuit, and the reason for the non-compliance of the item in question is due to (the possibility of contamination with plastic pieces) according to the report of the General Authority for Food and Drug Administration. It is clear from the wording in the aforementioned report that the analyses conducted by the authority on the goods did not show any violations or non-compliance, and that the inclusion of the term (possibility) in the report indicates doubt in its content, and that "if evidence is subject to doubt, the inference is invalid." It concluded with a request to cancel the Decision subject to the appeal and to rule again on the inadmissibility of the lawsuit in form due to lack of jurisdiction, and for the Grounds presented. Upon reviewing the response memorandum submitted by the appellant against the appeal, it became clear that it included a summary of the objection to the acceptance of the appeal in form due to the expiration of the statutory period, and that the appellant did not comply with the commitment taken upon her and did not return the shipment to the customs area. Additionally, the report from the General Authority for Food and Drug proved that the product was not safe, and that no goods can be destroyed without customs supervision according to the provisions of Article (56) in paragraph (c) of the Unified Customs Law. It concluded with a request to reject the appeal in form due to the expiration of the statutory period, and in the alternative, to reject the appeal and uphold the first instance decision in all its provisions.

Upon reviewing the appellant's comments on what was stated in the response memorandum submitted by the appellee, it became clear that it included a summary that repeated what was presented in the appeal statement. It concluded with a request to hold a hearing - in person or remotely - to explain the company's position before the committee, and to annul the Decision subject to the appeal and rule again on the inadmissibility of the case in form due to lack of jurisdiction, and for the Grounds presented. After reviewing the case file and the appeal submitted by the appellant and the response of the committee regarding it, the committee found that the case is ready for a decision in its current state after being informed of the facts of



the case and the sufficiency of what has been presented to form its conviction and to rule on it in light of the reasons on which the appeal was based.

Grounds:



After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws. Since the appellant was notified of the first instance Decision on 29/10/2023, and submitted the appeal against the Decision on 26/11/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law. It is established in the rules of litigation that the proper application of the law is an obligation on the authority examining the case, and it must be done on its own initiative without the need for a request from the parties. Consequently, the authority examining the case has broad discretion in assessing the facts and giving them the appropriate description and correct classification without being bound by the classification of the prosecution or its opponent, in light of what it is convinced of and the state of the evidence and the inferences drawn from it, relying on it and using it as a basis for its ruling, as long as the documents related to it within the case file do not contradict what has been inferred and what its conviction and belief have settled on to resolve the dispute, and that its inference is sound, reasonable, and leads to the result it has reached. This is in accordance with what is stated in Article (153) of the Criminal Procedure law, which stipulates that "the court is not bound by the description contained in the indictment and must give the act the description it deserves, even if it contradicts the description in the indictment..." Furthermore, according to what is stated in report number (...) The court is not bound by the description in the lawsuit and must give the act the description it deserves, even if it contradicts the description in the lawsuit... It has been established in customs jurisprudence that a conviction against the importer is not proven unless the reasons for not allowing its clearance are verified, and this verification must be certain and definitive, not based on doubt and possibility. It is established that the laboratory report was presented as a possibility and did not definitively state that the shipment in question is unfit for human consumption, which does not establish certainty of the violation of the shipment in question. The appellant has submitted evidence of the destruction of the items subject to "possibility" of violation by virtue of the company's letter ... (...) The issuance dated 10/02/2020, and that the authority did not dispute the validity of its destruction of the contraband item, but rather disputed its consideration in light of the absence of a customs representative, which collectively indicates the absence of criminal intent on the part of the importer. Therefore, it is decided to accept the appeal in procedures and on merits, to annul the first instance Decision subject to the appeal, and to rule again not to convict the appealing company of customs smuggling. However, since the importer violated the commitment taken upon them and acted with the shipment without notifying customs, it is determined that the importer's action constitutes a violation governed by Article (31/6) of the



Executive Regulations of the Unified Customs law, and a financial penalty of (1000) one thousand riyals is imposed in accordance with what that article stipulates. Accordingly, the committee concluded to report the following:

Decision:

First: Acceptance of the appeal in form, from the applicant/ ..., commercial registration number (...), against the first instance Decision number (CFR-2023-103762) issued by the 1st First Instance Customs Committee in Riyadh.

Second: In the matter of canceling the first instance decision, and ruling not to convict the importer of the crime of customs smuggling, and obliging him to pay a fine for violating customs procedures amounting to (1000) one thousand riyals according to Article (6/31) of the executive regulations of the unified customs law, for the reasons and considerations stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-231028

Case No. CF-2024-231028

Keywords:

Customs - Constraints - Bond commitment - Electric heater - Non-compliance with specifications - Source connection and external flexible cords - No conviction

Summary:

The request of the Zakat, Tax and Customs Authority to cancel the decision of the First Third Customs Committee in Riyadh No. (CTR-2023-164226), which ruled not to convict the importer of customs smuggling while obliging him to pay a fine for violating procedures. The appellate committee established that the importer's action with the shipment after being notified by the authority of its clearance demonstrates the good faith of the importer and the absence of any criminal intent on his part according to what the law requires to hold the importer criminally liable. This means; to uphold the first instance decision as stated.

Document:

- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal against the first instance Decision number (CTR-2023-164226) issued by the Third First Instance Customs Committee in Riyadh, submitted by the Zakat, Tax and Customs Authority.

As for the facts of this case, they are summarized by the arrival of a shipment (electric heater) through the customs of Jeddah Islamic Port under import declaration number (...). On the date 19/12/1432 AH, I was granted permission based on a commitment not to act until the results of the examination by the competent authority appeared, and upon examining the sample by the laboratory, the report number (...) was received. On 22/04/1435 AH, since the sample is compliant, and based on this result, it was found that the relevant customs authority sent a notification to the defendant stating that she has the right to dispose of the



shipment. However, the plaintiff argued that the result mentioned in the referred notification is incorrect, and that the correct result according to report number (...) On 11/01/1433 AH, which included the non-compliance of the sample in terms of the source connection and the external flexible cords, the first instance committee issued its Decision not to convict the importer of customs smuggling, obliging him to pay a fine for violating customs procedures amounting to one thousand riyals, as stated in the text and Grounds for the Decision subject to appeal, which is referred to in order to avoid repetition.

Upon reviewing the appeal committee's objection list, it became clear that it included a summary stating that the committee justified its Decision by asserting that the original assumption is that any notifications sent to the importer are considered valid, and that the importer acted on the shipment according to the notification received from the authority. Therefore, the authority indicates that the shipment consists of (heaters) that arrived in more than one model, and five analysis requests were issued. The first laboratory report indicated that one of the models did not comply on 13/01/1433 AH. Consequently, the defendant was notified at that time not to act on the shipment and to return it according to the bond commitment signed by him. Regarding the notification of compliance for the other model, which the defendant relies on, the report was issued on 22/4/1435 AH. Therefore, it is evident that the importer did not respond to the customs authority in a timely manner regarding the non-compliance of the sample and did not adhere to the signed commitment, which clearly indicates the defendant's actions regarding the shipment and his violation of the signed commitment. What the importer did constitutes an attempt at customs smuggling in accordance with Article (142) of the Unified Customs Law. It concluded by requesting that the importer be convicted of customs smuggling and obligated to pay a customs fine equivalent to the value of the violating shipment and to be obligated to pay the equivalent amount of the value of the violating shipment as a confiscation allowance. Upon requesting a response from the Appellee on 28/01/2024 and allowing it (45) days to respond, but it failed to provide the required response, and based on Article 35 paragraph (1) of the Zakat, Tax and Customs Committees Regulations, the Committee decided to adjudicate the case in accordance with the documents available at its disposal. Having reviewed the case file and the appeal filed by the Appellant, the Committee found that the case has become ready for adjudication as such after the Committee was informed of the facts of the case and the sufficiency of what was submitted to form its conviction and adjudicate the case in light of the grounds on which the appeal was based.

Grounds:

After reviewing the unified customs law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the zakat, tax, and customs committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the relevant regulations and laws. Since the appellant was notified of the first instance Decision on 28/12/2023, and submitted the appeal against the Decision on 25/01/2024, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its conduct as stipulated in



Article (163) of the Unified Customs law. Since there is no blame on the reviewing authority for accepting the reasons for the decision subject to appeal without adding anything whenever it sees in these reasons what suffices to omit any new arguments, because in its support of the decision based on its reasons, it implies that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. This is not affected by what the appellant argued that the shipment consists of (heaters) that came in more than one model, and accordingly, five analysis requests were issued, and the first laboratory report stated that one of the models did not comply, and another report was issued for one of the models confirming compliance with the specifications. The importer acted with the shipment based on the letter sent to him from the Jeddah Islamic Port Customs attached to the case file, which stated that the shipment was cleared and that the importer could dispose of the goods. Since the rulings of conviction are based on certainty and assurance, not on doubt, suspicion, and conjecture, it cannot be held against the appellant the customs error in the notification. Moreover, the importer's action with the shipment after being notified by the authority of its clearance indicates the good faith of the importer and the absence of any criminal intent on his part, as required by the law to hold the importer criminally liable. Therefore, it is necessary to conclude that the defenses presented do not affect the outcome of the decision, which makes the appeal unsupported and necessitates its rejection. Accordingly, the committee concluded to report the following:

Decision:

First: Acceptance of the appeal in form, submitted by the General Authority of Zakat and Tax and Customs, against the first instance Decision No. (CTR-2023-164226) issued by the Third First Instance Customs Committee in Riyadh.

Second: He was rejected on the subject, and that is for the reasons and considerations stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-229359

Case No. PC-2023-229359

Keywords:

Customs - Constraints - Bond Commitment - Instant Coffee - Non-compliance with specifications - Subject to registration as a herbal product - No conviction

Summary:

The demand of the Zakat, Tax and Customs Authority to cancel the decision of the Second First Instance Customs Committee in Riyadh No. (CSR-2023-111368), which ruled not to convict the importer of customs smuggling while imposing a fine on him. And since it has been established to the appellate committee that the reasons for the decision subject to appeal are sufficient to support its ruling, it is necessary to state that the defenses presented do not affect the outcome of the decision. This means; to uphold the first instance decision as stated.

Document:

- [Article 163 of the Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)

Facts:

To consider the appeal against the first instance decision (CSR-2023-111368) issued by the Third First Instance Customs Committee in Riyadh.

As for the facts of this case, they are summarized by the arrival of a shipment (electric heater) through the customs of Jeddah Islamic Port under import declaration number (...). On the date 06/11/1430H, it was allowed based on a commitment not to act until the result of the competent authority appears, and upon examining the sample, the response was received in letter number (10012) dated 23/01/1431H, which included the text of the need from it: We hope that it will not be allowed due to its registration as a herbal product, and entry is prohibited until the manufacturing company is registered and its products are registered with the General Authority for Food and Drug. The importer was addressed by customs, but he did not respond. The first instance committee issued its decision not to convict the importer of customs



smuggling, obliging him to pay a fine of one thousand riyals, as stated in the text and reasons for the decision subject to appeal, which is referred to in order to avoid repetition. Upon reviewing the appeal submitted, the customs appellate committee found that it includes a summary stating that the violation is technical according to the statement of the General Authority for Food and Drug. Thus, the shipment is considered prohibited goods for violating the regulations and instructions in force in the Kingdom according to Article (24) of the Unified Customs Law. Furthermore, the actions taken by the importer are considered an attempt at customs smuggling according to Article (17/143) of the same law. The appeal concluded with a request to accept the appeal in procedures and on merits, to convict the importer, and to impose a customs fine equivalent to three times the value of the goods, as well as to confiscate the goods or rule for an amount equivalent to their value if they are not seized. After reviewing the case file and the appeal submitted by the authority, the committee found that the case is ready for a Decision in its current state after being informed of the facts of the case and the sufficiency of what has been presented to form its conviction and rule on it in light of the Grounds on which the appeal was based.

Grounds:



After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws. Since the appellant was notified of the first instance Decision on 13/12/2023, and submitted the appeal on 26/12/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law. Since there is no reproach against the reviewing authority for taking the Grounds of the Decision subject to the appeal without adding anything whenever it sees that these Grounds are sufficient to negate the need for any new arguments, because in its support, based on its Grounds, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those Grounds contained. And since the Grounds for the Decision subject to the appeal are sufficient to support its ruling, it is necessary to state that the defenses presented do not affect the outcome of the Decision, which makes the appeal without any supporting basis, thus necessitating its rejection. Therefore, the appellate committee concluded to report the following:

Decision:

First: Acceptance of the appeal in form, submitted by the General Authority of Zakat and Tax and Customs, against the first instance Decision No. (CSR-2023-111368) issued by the Second First Instance Customs Committee in Riyadh.

Second: He was rejected on the subject, and that is for the reasons and considerations stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-228127
Case No. PC-2023-228127

Keywords:

Customs - Constraints - Bond commitment - Two types of red pepper - Non-compliance with specifications
- Mycotoxins - No conviction

Summary:

The importer requests the cancellation of the decision of the second First Instance Customs Committee in Riyadh No. (CSR-2023-108628), which convicted the importer of customs smuggling. Since it has been established for the appellate committee that the importer has re-exported the entire shipment, this entails the collapse of the basis on which the importer was convicted of customs smuggling. This means; to cancel the first instance decision in all that it ruled.

Document:

- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal against the first instance Decision number (CSR-2023-108628) issued by the 1st First Instance Customs Committee in Riyadh, submitted by the owner of the institution(...), civil registration number (...).

As for the facts of this case, they are summarized by the arrival of a shipment (two types of red pepper) through the customs of King Abdulaziz Port under import declaration number (...). On the date 09/04/1438 AH, it was allowed under a commitment not to act until the result of the examination by the competent authority appeared. After examining the sample by the General Authority for Food and Drug, a response was received on 16/07/1438 AH, stating non-compliance due to containing mycotoxins above the permissible limit. The importer was notified of the result by customs, but he did not respond. The first instance committee issued its decision to convict the importer of customs smuggling and impose the associated penalties, as stated in the text and reasons for the decision subject to appeal, which is referred to in order to avoid repetition.



Upon reviewing the objection list submitted, the appellate customs committee found that it included a summary stating that the shipment in question was re-exported under re-export declaration number (...). The date 11/11/1438 AH from the customs of King Abdulaziz Port, and it concluded with a request to cancel the first instance decision. Upon reviewing the response memorandum submitted by the appellant, the appellate customs committee found that it included a summary stating that the shipment in question had indeed been re-exported under re-export declaration number (...). On 11/11/1438 AH, the commitment is settled and completed. After reviewing the case file and the appeal submitted by the appellant and the response of the committee regarding it, the committee found that the case is ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what has been presented to form its conviction and to rule on it in light of the reasons on which the appeal was based.

Grounds:

After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws.

Since the appellant was notified of the first instance Decision on 12/12/2023, and submitted the appeal on 21/12/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law. After the appellate committee reviewed the attachments submitted by both parties to the case, in addition to the response from the authority confirming that the commitment has been settled and concluded, and since it was found that the importer re-exported the violating shipment, and since the first instance decision concluded with a report of conviction for customs smuggling based on the importer's actions regarding the violating shipment, and since it was established that the importer re-exported the entire shipment, this undermines the basis on which the importer was convicted of customs smuggling. Therefore, this committee concludes to annul the first instance decision in all its provisions and to rule that the importer is not guilty of the crime of customs smuggling, considering the dispute regarding the shipment in question to be resolved due to the established re-exportation as per the authority's certificate attached to the case file. Accordingly, the committee concluded with the following report:

Decision:

First: Acceptance of the appeal in form, from the applicant/ Institution ..., commercial registration number (...), against the first instance Decision number (CSR-2023-108628) issued by the second First Instance Customs Committee in Riyadh.

Second: In the subject, the cancellation of the first instance Decision, and the ruling of not convicting the importer of the crime of customs smuggling, for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-227436
Case No. PC-2023-227436

Keywords:

Customs - Constraints - Bond Commitment - Plastic Toys - Non-compliance with specifications - Failure to pass the sample for theoretical tests - No conviction

Summary:

The importer requests the cancellation of the decision of the 1st First Instance Customs Committee in Riyadh No. (CSR-111116-2022), which ruled not to convict the importer of customs smuggling while obliging him to pay a fine for violating customs procedures. And since it has been established to the appellate committee that the reasons for the decision subject to appeal are sufficient to support its ruling, it is necessary to state that the defenses presented do not affect the outcome of the decision. This means; to uphold the first instance decision as stated.

Document:

- Article 163 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\)](#).

Facts:

This is to consider the appeal against the first instance Decision number (CSR-111116-2022) issued by the Second First Instance Customs Committee in Riyadh, submitted by/..., National ID number (...), in his capacity as the owner of the establishment.

As for the facts of this case, they are summarized by the arrival of a shipment (electrical tools) through the Al-Batha customs according to import declaration number (...). On the date 11/10/1436 AH corresponding to 27/7/2015 AD, it was allowed under a commitment not to dispose of it until the result of the competent authority appeared. Upon examining the sample, the report number (P-15-00345) dated 5/8/2015 stated that the sample did not pass the theoretical tests (classification of tariff data), and the report number (P-15-00346) dated 8/5/2015 stated that the sample did not pass the theoretical tests. The customs authority communicated with the importer to return the shipment, but he did not respond. The first instance committee issued its decision not to convict the importer of customs smuggling, obliging him to pay a fine



for violating customs procedures in the amount of (2,000) two thousand riyals, as stated in the text and reasons for the decision subject to appeal, which is referred to in order to avoid repetition.

Upon reviewing the appeal submitted by the owner of the institution, the customs appeals committee found that it includes a summary stating that he had authorized a clearance office to import the goods and clear them customs-wise and to bring them into the country legally according to the applicable customs regulations, provided that he supplies them with a mandate from him and all the required documents for import. This indeed happened, but this office did not implement what was agreed upon, as it acted without referring to the owner of the institution and imported goods multiple times without the owner's knowledge. It became clear that it exploited the opportunity of the mandate and the commitment not to act and repeatedly photographed the commitment and the analysis agency several times. The statement concluded with a request to verify the date of the Ministry of Commerce's approval dated of the import declaration. Upon reviewing the response memorandum submitted by the authority, the appellate customs committee found that it includes a summary stating that the relationship between the institution and the customs broker is a contractual relationship in which the authority is not a party, and that any affected party has the right to seek recourse against the other by proving the damage or exploitation as claimed. Furthermore, based on the customs authorization issued by the institution to the customs broker, which includes carrying out all customs procedures regarding the shipment in question, this entails full responsibility, and it cannot be argued that the documents are incomplete or forged given the material elements of the crime of customs smuggling. The authority added that the shipment has a direct connection with the consumer as it affects their health and financial resources due to the purchase of goods that do not meet specifications and standards. Therefore, the authority requests the rejection of the appeal submitted by the institution ... And support for the first instance Decision in all that it ruled. After reviewing the case file and the appeal submitted by the appellant and the response of the committee regarding it, the committee found that the case is ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what has been presented to form its conviction and to rule on it in light of the reasons on which the appeal was based.

Grounds:

After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws. Since the appellant was notified of the first instance Decision on 26/11/2023, and submitted the appeal on 05/12/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law.



Since there is no reproach against the authority reviewing the appeal for taking the reasons of the decision subject to the appeal without addition whenever it sees that these reasons suffice to avoid presenting anything new, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. This is not affected by what the appellant mentions of defenses that do not contradict the established fact represented in the arrival of the shipment in violation under the name of the importing institution and its handling of it after it was established that its clearance was not permitted according to the laboratory reports related to the import statement prepared for the shipment subject to the case, considering that the customs transaction related to completing the procedures for bringing the shipment into the country requires the importer to observe the general duty required by the customs law regarding the importer when dealing with the incoming shipment, which is embodied in complying with everything required by the customs law and other related regulations regarding the clearance of the shipment, thus necessitating not to act with it in any way except after its approval and permission to act with it. Therefore, the violation by the importer of that duty by acting with the shipment without regard to the matter of permission for its entry into the country constitutes a behavior contrary to that general duty, which is also presumed to be known to him, which does not negate the validity of attributing the customs violation to the importing institution. Additionally, customs has no concern in the relationship that binds the customs broker with the importer when applying the customs law, and the importer is responsible for claiming from anyone who alleges harm from him. Since the reasons for the decision subject to the appeal are sufficient to support its ruling, it is necessary to determine that the defenses presented do not affect the outcome of the decision, which makes the appeal without a supporting basis, necessitating its rejection. Accordingly, the customs appellate committee concluded to report the following:

Decision:

First: Acceptance of the appeal in form from the applicant/ institution ..., commercial registration number (...), owned by/ ..., national ID number (...), against the first instance Decision number (CSR-111116-2022), issued by the 1st First Instance Customs Committee in Riyadh.

Second: The appeal is rejected on the merits, and the first instance Decision is upheld, for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-226239
Case No. PC-2023-226239

Keywords:

Customs - Constraints - Bond Commitment - Cream - Non-compliance with specifications - Failure to specify the source of rennet - No conviction

Summary:

Request of the Zakat, Tax and Customs Authority to cancel the decision of the Third First Instance Customs Committee in Riyadh No. (CTR-2022-126686), which ruled not to convict the importer of customs smuggling and to impose a fine for violating customs procedures. And since the appellate committee has established the difficulty of determining that the violation mentioned in the report is a technical violation, it is necessary to conclude that the defenses presented do not affect the outcome of the decision. This means; to uphold the first instance decision in all that it ruled.

Document:

- [Article 163 of the Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)

Facts:

To consider the appeal against the first instance decision (CTR-2022-126686) issued by the Third First Instance Customs Committee in Riyadh.

As for the facts of this case, they are summarized by the arrival of a shipment (cream) through the Islamic Port of Jeddah customs under import declaration number (50713) dated 29/03/1433 AH, which was allowed under a commitment not to dispose of it until the results of the examination by the competent authority appeared. After examining the sample by the General Authority for Food and Drug, a response was received in letter number (1426/J/N/G) dated 07/07/1433 AH, stating non-compliance due to the lack of determination of the source of rennet, and due to the lack of review to date. The importer was notified of the result by the customs, but he did not respond. The first instance committee issued its decision not to convict the importer of customs smuggling and obliged him to pay a fine for violating customs procedures amounting to five thousand riyals, as stated in the text and reasons for the decision subject to appeal, which



is referred to in order to avoid repetition. Upon reviewing the appeal committee's objection list, it became clear that it included a summary stating that the violation related to the shipment in question is considered a technical violation that affects the quality of the product due to its direct connection to the consumer, which necessitates a ruling of conviction. Thus, the shipment is classified as prohibited goods according to Article (24) of the Unified Customs Law, and the action regarding the shipment released under a guarantee is considered a violation of Article (56) and Article (142) of the Unified Customs Law. It concluded with a request to convict the importer of customs smuggling and to impose a customs fine equivalent to three times the value of the goods, and to obligate them to pay an amount equivalent to the value of the goods as a confiscation substitute. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based.

Grounds:

After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws.

Since the appellant was notified of the first instance Decision on 24/10/2023, and submitted the appeal against the Decision on 12/11/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law. Since there is no reproach against the reviewing authority for taking the reasons of the decision subject to appeal without adding anything whenever it sees in these reasons what suffices to avoid presenting anything new, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. Moreover, what the appellant mentioned about the violation stated in the report being a technical violation does not affect this, as looking at the report numbered (1426/J/N/G) dated 07/07/1445 AH corresponding to 28/05/2012 AD, which included non-compliance due to the lack of determination of the source of rennet and the lack of review until this date, it becomes clear that the report was limited to stating that the sample was non-compliant due to the lack of determination of the source of rennet, without any specification or detail regarding the laboratory result on which the statement of the Food and Drug Authority was based, making it difficult to assert that the violation stated in the report is a technical violation. Therefore, it is necessary to conclude that the defenses presented do not affect the outcome of the decision, which makes the appeal without supporting evidence, necessitating its rejection. Accordingly, the customs appellate committee concluded the following report:



Decision:

First: Acceptance of the appeal in form, submitted by the General Authority of Zakat and Tax and Customs, against the first instance Decision No. (CTR-2022-126686) issued by the Third First Instance Customs Committee in Riyadh.

Second: He was rejected on the subject, and that is for the reasons and considerations stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-226729
Case No. PC-2023-226729

Keywords:

Customs - Constraints - Bond Commitment - Mixed Coffee - Non-compliance with specifications - Failure to write the name in Arabic - No conviction

Summary:

The importer is requesting the cancellation of the decision of the 1st First Instance Customs Committee in Riyadh No. (CSR-112048-2023), which convicted the importer of customs smuggling. And where it was established for the appellate committee that the observations made in the laboratory report are among the non-essential observations that do not affect consumer fraud and the safety of using the product. This means; canceling the first instance decision and obliging him to pay a fine for violating customs procedures.

Document:

- Article (153) of [the Code of Criminal Procedure issued by Royal Decree No. \(M/2\) dated 22/01/1435 AH.](#)
- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (31/6) of [the executive regulations of the customs law issued by Ministerial Decision No. \(2748\) dated 25/11/1423 AH.](#)

Facts:

This is to consider the appeal against the first instance Decision number (CSR-112048-2023) issued by the second First Instance Customs Committee in Riyadh.

As for the facts of this case, they are summarized by the arrival of a shipment (various coffee) through the Islamic Port of Jeddah Customs under import declaration number (90222) dated 11/06/1436 AH corresponding to 01/04/2015 AD. It was released based on a commitment not to dispose of it until the result of the competent authority appears. Upon examining a sample of (fitness coffee blend), the response indicated non-compliance with the phrase (fitness coffee blend) as it is a promotional phrase. Upon



examining a sample of (original coffee blend), the response indicated that the sample did not pass the specification related to writing the product name in Arabic on the package. The importer was contacted by customs to return the shipment, but he did not respond. The first instance committee issued its Decision to convict the importer of customs smuggling and impose the associated penalties, as stated in the text and Grounds for the first instance Decision subject to appeal, which is referred to in order to avoid repetition.

Upon reviewing the statement of appeal submitted, the appellate customs committee found that it includes a summary indicating that the result of the report shows that the sample did not pass. The report clarifies that the violation is procedural and not substantive, as handled by customs and the committee, noting that it can be corrected in the product data card. As for the other tests of the product, they have been passed, and the test that was not passed is one of the procedural tests that do not rise to the level of a crime or an attempt at the crime of customs smuggling. The appealing institution demands the application of the circular regarding the mechanism for dealing with goods that do not meet specifications and the application of the procedures taken as long as the violation is procedural and does not affect the health or safety of the consumer nor impact the quality of the product. Based on the above, the appealing institution requests the cancellation of the contested Decision.

Upon reviewing the response memorandum submitted by the authority, the appellate customs committee found that it summarizes that the institution's claim is entirely incorrect because the institution first instantaneously did not respond to the customs upon receiving notifications sent to it via the officially registered addresses it provided. It is not possible for any shipment to exit through the customs outlet and be temporarily cleared without taking a commitment not to act until the laboratory results are received. Therefore, denying those notifications and claiming their invalidity is rejected considering that the document exists and was previously presented in the case file before the First Instance Committee. As for what the appellant claims that the violation is procedural and not technical, the authority indicates that the product in question is food (coffee), which is a material that has a direct connection with the consumer as it affects their health and financial resources due to the purchase of goods that do not comply with the approved specifications and standards. This confirms that it is a technical and substantive violation that directly affects the health of its consumers and cannot be considered merely a procedural violation as the institution mentioned. The authority confirms that the Grounds justified by the appellant do not exempt it from imposing a penalty on it, especially since the items in question do not comply with the specifications and standards. Based on the above, the authority requests the committee to reject the appeal and uphold the first instance Decision in all that it ruled. After reviewing the case file and the appeal submitted by the appellant and the authority's response to it, the committee found that the case is ready for a Decision in its current state after informing the committee of the facts of the case and the sufficiency of what has been presented to form its conviction and rule on it in light of the Grounds on which the appeal was based.



Grounds:



After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws.

Since the appellant was notified of the first instance Decision on 24/10/2023, and submitted the appeal against the Decision on 23/11/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law. Whereas it is established in the rules of litigation that the proper application of the law is an obligation on the authority examining the case, and it shall rule on its own without the need for a request from the parties, thus the authority examining the case has broad discretion in assessing the facts and giving them the appropriate description and correct classification without being bound by the classification of the prosecution or its opponent, in light of what it is convinced of and the state of the evidence and the inferences drawn from it, relying on it and taking it as a basis for its ruling as long as the documents related to it within the case file do not contradict what has been inferred and what its conviction has settled on to resolve the dispute, and that its inference is sound, reasonable, and leads to the result it has reached, which is consistent with what Article (153) of the Criminal Procedure law states, which stipulates that "the court is not bound by the description contained in the indictment and must give the act the description it deserves, even if it contradicts the description in the indictment..."; and whereas according to the report of the result of examining the sample (Fitness Coffee Blend), the violation in question relates to the recording of the phrase (Slimming Coffee Blend), which is an advertising phrase, and the result of examining the sample (Original Coffee Blend) was linked to the failure to record the name of the product in Arabic on the package. Since these violations have been established by the customs appellate court's practice as non-essential observations that do not affect consumer deception and the safety of using the imported product, especially since the samples have passed other fields of testing, it follows that the importer's action regarding the product in question, which is burdened with such an observation, constitutes in reality a consideration of it as a procedural observation that does not rise, in the case of dealing with the shipment with its existence, to classify the importer's action with the shipment as being burdened with that observation as constituting customs smuggling. Therefore, it is decided to annul the first instance Decision in all that it ruled against the importer. However, since the importer violated the commitment taken from him and acted with the shipment without notifying customs, it is decided to consider the importer's action a violation governed by Article (31/6) of the executive regulations of the Customs law, which results in imposing a financial penalty on the importer of (500) five hundred riyals for each violating item, making the total amount demanded from the importer (1,000) one thousand riyals, in application of what Article (31/6) of the executive regulations of the Customs law stipulates. Accordingly, the committee concluded to report the following:



Decision:

First: Acceptance of the appeal in form, from the applicant/ Institution ..., commercial registration number (...), against the first instance Decision number (CSR-112048-2023) issued by the second First Instance Customs Committee in Riyadh.

Second: In the subject, the cancellation of the first instance decision, and the ruling of not convicting the importer of the crime of customs smuggling, and imposing a fine for violating customs procedures in the amount of (500) five hundred riyals for each violating item, making the total amount claimed by the importer (1,000) one thousand riyals, according to Article (6/31) of the executive regulations of the unified customs law.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-230325
Case No. PC-2024-230325

Keywords:

Customs - Constraints - Bond Commitment - Fish - Non-compliance with specifications - Sample not found
- No conviction

Summary:

The demand of the Zakat, Tax and Customs Authority to cancel the decision of the Third First Instance Customs Committee in Riyadh No. (CTR-2023-104162), which ruled not to convict the importer of customs smuggling while obliging him to pay a customs fine. And where it was established for the appellate committee that the statement from the Food and Drug Authority came without any specification or detail regarding the sample, making it difficult to assert that the violation mentioned in the report is a technical violation. This means; to uphold the first instance decision as stated.

Document:

- Article 163 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\)](#).

Facts:

To consider the appeal against the first instance decision (CTR-2023-104162) issued by the Third First Instance Customs Committee in Riyadh.

As for the facts of this case, they are summarized by the arrival of a shipment (fish) through the Islamic Port of Jeddah customs under import declaration number (190529) dated 15/08/1434 AH, which was allowed under a commitment not to dispose of it until the result of the competent authority appeared. After examining the sample by the General Authority for Food and Drug, a response was received in letter number (2356) dated 07/10/1434 AH, stating non-compliance due to the sample not being found and the lack of review and fulfillment of the required. The importer was addressed by customs, but he did not respond. The first instance committee issued its decision not to convict the importer of customs smuggling, obliging him to pay a fine of one thousand riyals, as stated in the text and reasons for the decision subject to appeal, which is referred to in order to avoid repetition.



Upon reviewing the statement of appeal submitted, the customs appellate committee found that it includes a summary indicating that the violation is technical. Thus, the shipment in this case is considered prohibited goods based on the letter from the competent authority, which indicates its violation of the regulations in force in the Kingdom. Furthermore, "the administration prohibits under the provisions of this law (law) or any other law (law) or decision the entry of prohibited or violating goods or their exit or transit, and it also prohibits the entry of restricted goods or their exit or transit except with approval issued by the competent authorities in the state," according to the text of Article (24) of the Unified Customs Law. Additionally, the act of the importer bringing in foodstuffs without approval from the competent authority is considered an attempt at customs smuggling under what is stipulated in Article (142) of the same law. The appeal concluded with a request to accept the appeal in procedures and on merits, to convict the importer of customs smuggling, and to impose a fine equivalent to three times the value of the goods and to confiscate the goods or rule what is equivalent to their value if they are not seized. After reviewing the case file and the appeal submitted by the authority, the committee found that the case is ready for a Decision in its current state after being informed of the facts of the case and the sufficiency of what has been presented to form its conviction and rule on it in light of the Grounds on which the appeal was based.

Grounds:



After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws. Since the appellant was notified of the first instance Decision on 25/12/2023, and submitted the appeal against the Decision on 08/01/2024, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its conduct as stipulated in Article (163) of the Unified Customs law.

Whereas upon reviewing the appellate committee of the decision subject to appeal issued by the 1st instance committee, it became clear that there was a material error in the statement of the commercial registration number of the importer within the narrative of the decision, stating that it was number (...). And whereas upon the committee's review of the attachments to the case and considering the document of the permit and the request for preparation and inspection related to the customs declaration of the shipment subject to the case, it became clear that the commercial registration number mentioned in that document was number (...), which necessitates correcting the commercial registration number of the importer related to the shipment subject to the case within the narrative of this decision. And whereas there is no reproach on the appellate authority for adopting the reasons of the decision subject to appeal without addition whenever it finds in these reasons what suffices to omit any new mention, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. And this is not affected by what the appellant mentioned in its appeal



statement regarding the goods being prohibited goods, as this is rejected, considering that the shipment subject to the case consists of goods restricted by a clearance permit and are not prohibited by nature. As for what was raised regarding the claim that the violation is technical based on the statement of the Food and Drug Authority, this is rejected because the report included that the sample was not found and due to the lack of review and fulfillment of the required until its date, and thus it is not possible to establish the conviction against the importer in the absence of the sample at the examining authority and the lack of review of it. And since the statement of the Food and Drug Authority came without any specification or detail regarding the sample, it is difficult to assert that the violation mentioned in the report is a technical violation. And whereas judgments should be based on knowledge and certainty, not on suspicion and conjecture. And whereas what the customs committee has established in principle number (15) of the set of customs principles derived from the decisions of the customs committees states that: "The conviction against the importer is not established except after verifying the reasons for not allowing the clearance," and principle number (37) which states that: The result of the sample shipment issued by the examining authority, which included non-compliance for reasons that the importer can rectify or for not reviewing the examining authority, does not constitute a case of substantial violations and thus does not rise to the level of a customs smuggling crime. Since the reasons for the decision under appeal are sufficient to support its ruling, it is necessary to state that the defenses presented do not affect the outcome of the decision, making the appeal unsupported and thus must be rejected. Accordingly, the appellate committee concluded to report the following:

Decision:

First: Acceptance of the appeal in form, submitted by the General Authority of Zakat and Tax and Customs, against the first instance Decision No. (CTR-2023-104162) issued by the Third First Instance Customs Committee in Riyadh.

Second: He was rejected on the subject, and that is for the reasons and considerations stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-202259
Case No. PC-2022-126900

Keywords:

Customs - Constraints - Bond Commitment - Shampoo - Non-compliance with specifications - Non-compliance with the conditions and requirements for the clearance of cosmetics - No conviction

Summary:

The importer requests the cancellation of the decision of the 1st First Instance Customs Committee in Riyadh No. (CSR-2022-2700), which convicted the importer of customs smuggling. Since it has been established for the appellate committee that the case file and the authority's response lack a written letter to initiate the customs case, it is determined by the appellate committee that the dispute regarding the shipment related to the facts of the case does not exist at all. This means; to cancel the first instance decision in all that it ruled.

Document:

- [Article \(66\) of the Judicial Procedures law issued by Royal Decree No. \(M/1\) dated 22/01/1435 AH.](#)
- [Article 150 of the Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)

Facts:

This is to consider the appeal submitted by/..., national ID number (...). As an agent for/..., national ID number (...), as the owner of the institution ..., commercial registration number (...), based on the agency number (...). On 11/11/1444 AH, against the first instance Decision number (CSR-2022-2700) issued by the Second First Instance Customs Committee in Riyadh, ruling as follows:

- 1- Conviction of the defendant/ Institution ..., Commercial Registration No. (...) In person with customs smuggling.
- 2-Obligating it to pay a customs fine equivalent to the value of the violating item (shampoo, softening preparations, soap) in the amount of (94,001) ninety-four thousand and one riyals.



3- Obliging it to pay an amount equivalent to the value of the violating item (shampoo, softening preparations, soap) as a confiscation fee amounting to (94,001) ninety-four thousand and one riyals.

Since the appellant was notified of the Decision subject to the appeal on 21/05/2023, and submitted the appeal on 21/06/2023, this entails the acceptance of the appeal in form as it was submitted by a person with standing within the prescribed period for its submission as stipulated in Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment (shampoo - softening agents - soap) through the customs of Jeddah Islamic Port according to import declaration number (...). Date 22/10/1438 AH, it was granted under a commitment not to act until the result of the competent authority appears, and upon presenting the sample to the Food and Drug Authority, the response was received in report number (...) The date 06/01/1439 AH includes the inability to approve the clearance of cosmetics due to non-compliance with the conditions and requirements for the clearance of cosmetics issued by the General Authority for Food and Drug. The importer was informed of the result, but he did not respond. The first instance committee issued its Decision as stated in its ruling based on the fact that the importer did not review the customs to return the shipment after the report from the competent authority showed that the sample did not comply. Consequently, the importer was found guilty of customs smuggling for his actions regarding the shipment contrary to the commitment taken from him based on what was stated in Article (142) of the Unified Customs law, and penalties were imposed on the importer as stated in the ruling of the Decision subject to appeal. Upon reviewing the objection list submitted by the appellant, the customs appellate committee found that its summary mentioned that the case lacks a letter from the esteemed Governor of the General Authority for Customs to initiate the lawsuit "the lawsuit release list". Additionally, the case documents lack the final detailed result of the analysis, as it only referred to the report number without having an original in the documents. Furthermore, the case documents lack a record of the incident in violation of Article (129) of the Unified Customs law, and the importer was not notified by customs to return the shipment to the customs area. The incident represents a procedural violation rather than a technical one, as the documents did not show any risks related to consumer safety and health, and there is no suspicion of commercial fraud against the consumer. The Decision was issued in absentia, which led to a violation of the right to defense, in addition to the expiration of the lawsuit due to amnesty under Royal Order No. (61877) dated 27/10/1442 AH. The list concluded with a request to accept the appeal in procedures and on merits and to annul the first instance Decision.

A response memorandum from the authority was received through the Automated System of the Secretariat dated 06/09/2023, which summarized that the requests were included in the minutes of the session approved during the litigation, in accordance with Article (66) of the Law of Judicial Procedures. The indictment also indicated that the institution violated Article (142) of the Unified Customs Law. Based on what was stated in the statement from the competent authority – the Food and Drug Authority – it is not



permissible to import goods into the Kingdom of Saudi Arabia, and the act committed by the importer is considered an attempt to commit a customs smuggling crime. The customs authority notified the institution to return the shipment through several notifications, the last of which was in the year 1436 AH, attached to the case file, but it did not respond, which implies its actions and breach of the signed bond commitment. The memorandum added that the violation mentioned in the laboratory report is a technical violation that causes negative effects on consumers and affects their financial resources. The institution was also legally notified by the Secretariat, and a representative of the institution attended the session held on 25/12/2012, but he did not attend again, waiving his right to present his defenses. Regarding the royal pardon, the application of the provisions of the pardon is the responsibility of the regions' emirates and judicial authorities. The memorandum concluded with a request to reject the appeal submitted and uphold the first instance Decision in all its provisions.

On Tuesday, July 16, 2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against the first instance Decision No. (CSR-2022-2700) issued by the Second First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a Decision in its current state after the committee was informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the Grounds on which the appeal was based and the response of the authority to it.

Grounds:

It has been established from the case documents that there is no record of the initiation of the customs case against the importer regarding the facts attributed to him. The first instance Decision stated that the committee would decide on the case based on the documents available in its file, after a request was made to the representative of the plaintiff to provide the committee with a letter initiating the case against the importer, as recorded in the session report dated Thursday, 10/11/2022. The appellate committee addressed the case as stated in the Decision. Upon reviewing the case file, the appellate committee found no evidence related to the existence of the customs case filed by the authority as required by the regulations, particularly concerning the shipment related to the import declaration associated with the case facts. The authority's response to the appellant regarding the absence of the customs case initiation letter merely stated, "The requests were included in the session report approved during the pleading before the committee, in accordance with Article (66) of the Procedural Law," which pertains to the provisions for initiating a case. The customs regulations stipulate that a letter initiating the case must be issued upon a written request from the (Director General), as stated in Article 150 of the Unified Customs Law, which results in the invalidation of the proceedings due to non-compliance with the requirements set by the regulations as a fundamental condition for the validity of the dispute. The authority's response regarding the absence of the customs case initiation letter did not address the inquiry, as it merely reiterated what was



stated in the Procedural Law regarding the initiation of the case and what should be asked of those reviewing the case to investigate its initiation. The inquiry was specifically about the existence of the written letter required by the regulations as a fundamental prerequisite for initiating the customs case before considering the subject of correcting its initiation. Since the case file and the authority's response lacked the submission of that written letter to initiate the customs case, the appellate committee concluded that the dispute had not been established at all regarding the shipment related to the case facts. The authority is responsible for pursuing the initiation of the case against the importer and filing the case against him after taking the necessary legal procedures and conditions required by the regulations for the validity of initiating the case and its subsequent consideration by the customs Committees. Therefore, the customs appellate committee concluded with the following report:

Decision:

- 1- Acceptance of the appeal in form, submitted by/ Institution ..., commercial registration number (...), owned by/ ..., national ID number (...), against the first instance Decision number (CSR-2022-2700) issued by the second First Instance Customs Committee in Riyadh.
- 2- In the matter of its acceptance, and the annulment of the first instance Decision in all that it ruled, for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-229751
Case No. PC-2023-229751

Keywords:

Customs - Constraints - Bond Commitment - Foodstuffs - Non-compliance with specifications - Coliform bacteria - No conviction

Summary:

The importer's request to cancel the decision of the 1st First Instance Customs Committee in Riyadh No. (CFR-2023-103648), which convicted the importer of customs smuggling. Where it has been established to the appellate committee that the appellant argues the death of the owner of the institution based on the attached death certificate in the case file number (...), and since the case pertains to the importing institution, and the institution does not enjoy an independent financial liability as it is affiliated with its owner and linked to him, based on Article (159) of the Unified Customs Law. This means; the cancellation of the first instance decision.

Document:

- [Article 159 of the Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- [Article 163 of the Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)

Facts:

This is to consider the appeal against the first instance Decision number (CFR-2023-103648) issued by the 1st First Instance Customs Committee in Riyadh, submitted by the owner of the institution(...), civil registration number (...).

As for the facts of this case, they are summarized by the arrival of a shipment (food items) through the customs of Jeddah Islamic Port under import declaration number (365057) dated 30/02/1436 AH, which was allowed under a commitment not to dispose of it until the results of the examination by the competent authority appear. After examining the sample by the General Authority for Food and Drug, the response was received in report number (...) On 13/05/1436 AH, it was reported that there was a non-compliance due to



the presence of coliform bacteria at a rate of 450 cells/gram, which is higher than the maximum allowable limits in the microbiological standards for tea M.Q.S 19998/1016, which states that coliform bacteria should not exceed 100 cells/gram. The importer was notified of the result by customs, but he did not respond. The first instance committee issued its Decision to convict the importer of customs smuggling and to impose the associated penalties, as stated in the text and Grounds for the Decision subject to appeal, which is referred to in order to avoid repetition. Upon reviewing the objection list submitted, the appellate customs committee found that it included a summary of the argument for the dismissal of the case due to the death of the owner of the importing entity. It concluded with a request to accept the appeal, overturn the first instance decision, and rule again for the dismissal of the case and its termination due to the death of the owner of the importing entity. Upon reviewing the response memorandum submitted by the appellant against the appeal, it became clear that it included a summary of the argument for the inadmissibility of the appeal in form due to the expiration of the statutory period, and that the owner of the establishment had submitted a request to convert the establishment into a company on 19/07/1437 AH, which makes the appellant's argument regarding the loss of the right incorrect, as the death of the owner of the establishment occurred after its conversion into a company. Additionally, the violation related to the shipment in question is considered a technical violation that affects the quality of the product, and the handling of the shipment contrary to the commitment made regarding it constitutes customs smuggling under what is stipulated in Article (142) of the Unified Customs Law. It concluded with a request to dismiss the appeal in form due to the expiration of the statutory period, and in the alternative, to rule to reject the appeal and uphold the first instance decision in all its provisions. After reviewing the case file and the appeal submitted by the appellant and the response of the committee regarding it, the committee found that the case is ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what has been presented to form its conviction and to rule on it in light of the reasons on which the appeal was based.

Grounds:

After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws.

Since the appellant was notified of the first instance Decision on 28/11/2023, and submitted the appeal on 26/12/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law. Whereas the appellate customs committee, upon reviewing the case file and its attachments, and whereas the appellant argues the death of the owner of the establishment based on the attached death certificate in the case file numbered (...), and whereas the case pertains to the importing establishment, and that the establishment does not



enjoy independent financial liability as it is tied to its owner, based on Article (159) of the Unified Customs Law which states that: The heirs are not responsible for the payment of fines imposed on the deceased from each of their shares of the estate, unless they are partners in smuggling, and the lawsuit is dropped in the event of the violator's death, which results in the dismissal of the lawsuit against the owner of the importing establishment. Accordingly, the committee concluded with the following report:

Decision:

First: Acceptance of the appeal in form, from (...), commercial registration number (...), owned by (...), civil registration number (...), against the first instance Decision number (CFR-2023-103648), issued by the 1st First Instance Customs Committee in Riyadh.

Second: In the matter of his acceptance, and the cancellation of the first instance decision for the proven death of the owner of the institution ..., commercial registration number (...), for the reasons and considerations stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-222741
Case No. AC-2022-102552

Keywords:

Customs - Constraints - Bond Commitment - Tea Thermos - Non-compliance with specifications - Asbestos content - No conviction

Summary:

The importer is requesting the cancellation of the decision of the 1st First Instance Customs Committee in Riyadh No. (CFR-2023-102552), which convicted the importer of customs smuggling and imposed a customs fine and confiscation compensation. And where it was established for the appellate committee by the authority's acknowledgment of the conformity of the shipment and the payment of the commitment taken on the importing institution. This means; to cancel the first instance decision regarding what was ruled.

Document:

- [Article 142 of the Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- [Article 163 of the Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)

Facts:

This is to consider the appeal submitted by/..., national ID number (...). As the owner of the institution ..., commercial registration number (...), against the first instance Decision number (CFR-2023-102552), issued by the 1st First Instance Customs Committee in Riyadh, whose ruling states the following:

1-Conviction of the importer company ..., commercial registration number (...), in person for customs smuggling.

2-To impose a customs fine equivalent to the value of the violating item, an amount of (20,983) Twenty thousand nine hundred and eighty-three riyals.



3-Obligating him to pay an amount equivalent to the value of the violating item as a confiscation fee of (20,983) Twenty thousand nine hundred and eighty-three riyals, making the total amount claimed (41,966) forty-one thousand nine hundred and sixty-six riyals.

Since the appellant was notified of the Decision subject to the appeal on 10/09/2023, and submitted the appeal against the Decision on 05/10/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its conduct according to what is stipulated in Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment (tea) through the Al-Batha customs according to import declaration number (...). On the date 08/04/1439 AH, it was granted based on a commitment not to act until the result of the competent authority appears, and upon examining the sample, the report number (...) was received. On 28/02/2018, it was noted that there was a non-compliance regarding the asbestos content, and the importer was contacted but did not respond. The first instance committee issued its decision based on the understanding that the importer did not return the non-compliant shipment to the customs area, which implies his handling of it. Furthermore, his handling of the shipment that was not finally cleared is considered customs smuggling according to Article 142 of the Unified Customs Law, and penalties were imposed on the importer as stated in the decision subject to appeal. Upon reviewing the objection list submitted by the owner of the importing institution, the appellate customs committee found that its summary mentioned that the result of the examination of the customs declaration in question was valid and that the commitment taken on the institution had been fulfilled. The list concluded with a request to annul the decision under appeal. A response memo from the authority was received through the automated system of the secretariat dated 09/11/2023, which included a summary confirming the validity of what the importer claimed regarding the conformity of the shipment and the payment of the commitment taken on it. On Tuesday, February 20, 2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party regarding Decision (CFR – 2023 - 102552), issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a Decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the Grounds on which the appeal was based and the response of the authority to it.

Grounds:

Whereas the appellate committee, upon reviewing the contents of the case file and the appeal submitted by the importer, which indicates that the shipment has been re-examined and matched, and whereas the authority's statement in its response memorandum confirmed the matching of the shipment and the importer's payment of the related bond commitment, and whereas the first instance decision concluded



with a conviction based on the importer's actions regarding the violating shipment, and since the matching of the shipment and the payment of the related bond have been established, the appellate committee concluded that this leads to the collapse of the basis on which the importer was convicted of customs smuggling, which necessitates considering the dispute regarding the shipment as resolved with the authority's acknowledgment of the shipment's compliance and the payment of the guarantee taken on the importing entity. Furthermore, the appellate committee noted the material error in the wording of the first instance decision regarding the name of the owner of the importing entity, which requires correction to be as stated in the wording of this decision. Since this correction does not affect the outcome reached by this decision, the appellate committee concluded to report the following:

Decision:

- 1- Accepting the appeal in form, submitted by / Institution ..., Commercial Registration No. (...) To its owner / ..., national ID number (...), against the first instance decision number (CFR-2023-102552), issued by the 1st First Instance Customs Committee in Riyadh.
- 2- In the matter of its acceptance, and the annulment of the first instance Decision in all that it ruled, and considering the dispute between the importer and the authority regarding the shipment subject to the lawsuit as concluded, for the Grounds and justifications stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-186897
Case No. PC-2022-123364

Keywords:

Customs - Constraints - Bond Commitment - Lighting Requirements - Non-compliance with specifications
- Bulb cover size and electrical capacity - No conviction

Summary:

The importer requests the cancellation of the decision of the 1st First Instance Customs Committee in Riyadh No. (CFR-2022-2070), which convicted the importer of customs smuggling and imposed a customs fine and confiscation compensation. And since the appellate committee has established that the violation of that type covered by the attached laboratory report within the case file is of the nature of procedural observations that are not substantive and do not affect consumer deception and the safety of product use. This means; to annul the first instance decision in all that it ruled.

Document:

- Article (153) of [the Code of Criminal Procedure issued by Royal Decree No. \(M/2\) dated 22/01/1435 AH.](#)
- [Article \(31/6\) of the executive regulations of the customs law issued by Ministerial Decision No. \(2748\) dated 25/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by (...), national ID number (...), in his capacity as the owner of the institution (...), commercial registration number (...), against the first instance Decision number (CFR-2022-2070), issued by the 1st First Instance Customs Committee in Riyadh, which ruled as follows:

- 1-Condemnation of the importer (Institution ...) Commercial register number (...), present at customs smuggling.
- 2-Obligating him to a customs fine equivalent to the value of the violating items, an amount of (24,587) twenty-four thousand five hundred eighty-seven riyals.



3- Obliging him to pay an amount equivalent to the value of the violating items as a confiscation fee of (24,587) twenty-four thousand five hundred and eighty-seven riyals, making the total amount claimed (49,174) forty-nine thousand one hundred and seventy-four riyals.

Since the appellant was notified of the Decision subject to the appeal on 12/03/2023, and submitted the appeal on 14/03/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its execution according to what is stipulated in Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment consisting of (accessories) belonging to the importer through the Al-Batha customs under import declaration number (...). On the date 26/04/1437 AH, it was allowed based on a commitment not to act until the result appears from the competent authority, and after presenting the sample to the laboratory, the response was received in report number (...) On 09/03/2015, and number (...) On 08/03/2015, it was noted that there was a non-compliance regarding the size of the lamp cover, electrical capacity, and ease of access to live parts. The importer was addressed to return the shipment to the customs area, but he did not respond. The first instance committee issued its decision based on the fact that the importer did not return the shipment to the customs area, which he committed not to dispose of until it was approved by the competent authority. This implies that he acted with the unapproved shipment, which is considered customs smuggling according to Article (142) of the Unified Customs Law, with penalties specified in Article (145) of the same law.

Upon reviewing the objection list submitted by the owner of the importing institution, the appellate customs committee found that its summary stated that the violations were procedural and did not affect consumer health and safety, nor did they rise to the level of a customs smuggling crime. Rather, they were considered procedural violations according to the executive regulations of the law. Additionally, the shipment was old and the institution had not been notified about it. The customs office was reviewed to pay (1,000) one thousand riyals for the procedural declaration and to settle the matter, but no response was received from customs regarding it. The list concluded with a request for a ruling of not guilty for the institution regarding the allegations against it.

A response memorandum from the authority was received via the automated system on 21/05/2023, summarizing that the commitment signed by the institution stated that no action should be taken in any form except after notification from the authority granting its approval from the competent authority. The institution was notified through several letters sent to the addresses registered with the authority, indicating that the shipment did not comply and that it should be returned; however, it did not respond, thereby violating the signed commitment. It would have been more appropriate for the institution to communicate and respond to the authority instead of acting on the shipment and violating the commitment, which constitutes customs smuggling according to Article (142) of the Unified Customs Law. Based on the



laboratory report, the violation is technical due to the deception involved for consumers and affects their financial resources due to purchasing goods that do not meet specifications, which is contrary to Article Two of the Anti-Commercial Fraud law. Additionally, customs smuggling crimes are intentional crimes that require both the material and moral elements to be present, which were available in the case at hand. The memorandum concluded with a request to reject the appeal submitted by the institution ... And support for the first instance Decision in all that it ruled.

On Thursday, 18/4/2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party regarding Decision number (CFR-2022-2070), issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a Decision in its current state after the committee was informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the Grounds on which the appeal was based and the response of the authority.

Grounds:

It is established in the rules of litigation that the proper application of the law is an obligation on the authority examining the case, and it must be done on its own initiative without the need for a request from the parties. Consequently, the authority examining the case has broad discretion in assessing the facts and giving them the appropriate description and correct classification without being bound by the classification of the prosecution or its opponent, in light of what it is convinced of and the state of the evidence and the inferences drawn from it, relying on it and using it as a basis for its ruling, as long as the documents related to it within the case file do not contradict what has been inferred and what its conviction and belief have settled on to resolve the dispute, and that its inference is sound, reasonable, and leads to the result it has reached. This is in accordance with what is stated in Article (153) of the Criminal Procedure law, which stipulates that "the court is not bound by the description contained in the indictment and must give the act the description it deserves, even if it contradicts the description in the indictment..." Furthermore, according to what is stated in report number (...) On 09/03/2015, and number (...) dated 08/03/2015 AD, which includes non-compliance in terms of the size of the lamp cover, electrical capacity, and ease of access to live parts, and since the case file only included one report, which is numbered (...). The date 08/03/2015, which included the laboratory's observation on the sample under examination regarding the item under test (ease of access to live parts), and since there was no response from the authority nor a report from the laboratory regarding the seriousness of adhering to this violation when using the product to refute what the appellant claims that the observation is related to the items that were subject to testing, in reality, the observations were procedural and do not rise to the level of being considered customs smuggling. Therefore, it cannot be definitively concluded that what was observed constitutes a technical observation that results from the importer's action with the non-compliant item, which carries that violation, committing the crime of customs intimidation. Accordingly, this committee has decided to consider the violation regarding that item



covered by the laboratory report attached to the case file as one of the procedural non-essential observations that do not affect consumer fraud and the safety of using the product in question, especially since the sample has passed other testing fields. Therefore, it has been decided to impose a penalty for violating customs procedures on it in the amount of (1000) one thousand riyals for that item based on what is stipulated in Article (31/6) of the executive regulations of the Unified Customs Law. As for the other item mentioned in the laboratory report, which was not attached to the case file, it was noted through the statement of appeal that the violations related to the items covered by the shipment are considered procedural violations that do not rise to the level of customs smuggling. It was established through the documents that what was subjected to testing were two items, and the committee's findings regarding the first item related to the laboratory report mentioned earlier have been previously achieved. Therefore, this committee concludes regarding the other item by taking into account what was inferred from the appellant's acknowledgment in the statement of appeal of the existence of a procedural violation on the other item. Since the authority did not provide in its response anything that contradicts what this committee inferred regarding the appeal submitted concerning what was investigated in this regard, it has been decided to impose a penalty for violating customs procedures concerning the other item based on what is stipulated in Article (31/6) of the executive regulations of the Unified Customs Law. Accordingly, the appellate committee concluded to report the following:

Decision:

- 1- Acceptance of the appeal in form from the applicant/ institution ..., commercial registration number (...), owned by/ ..., national ID number (...), against the first instance Decision number (CFR-2022-2070), issued by the 1st First Instance Customs Committee in Riyadh.
- 2- In the matter of its acceptance, and the annulment of the first instance Decision in all that it ruled against the appellant, and that for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-227929
Case No. PC-2023-227929

Keywords:

Customs - Constraints - Bond Commitment - Covers - Non-compliance with specifications - Minimum tire speed - Conviction

Summary:

The importer's request to cancel the decision of the First Instance Customs Committee in Dammam No. (1303 for the year 1440), which convicted the importer of customs smuggling. And where it was established for the appellate committee that the inspection report was issued by an unlicensed entity and does not indicate that the sample has obtained a certificate of conformity with the specifications and standards in the Kingdom. This means; to uphold the first instance decision in all that it ruled.

Document:

- [Article 163 of the Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)

Facts:

This is to consider the appeal submitted by..., national ID number (...), in his capacity as an attorney for/..., under power of attorney number (...), against the first instance decision number (1303 for the year 1440) issued by the 1st First Instance Customs Committee in Dammam.

As for the facts of this case, they are summarized by the arrival of a shipment (tires) through the customs of King Abdulaziz Port under import declaration number (...). On the date 08/09/1434 AH, it was allowed under a commitment not to act until the result of the competent authority appeared. Upon examining the sample, the report number (2283) dated 20/09/1434 AH was received, indicating that item number (4) did not comply with the standard specifications due to the minimum tire speed. The first instance committee issued its decision to convict the importer of customs smuggling and to impose the associated penalties as stated in the text and reasons of the decision subject to appeal, which is referred to in order to avoid repetition.



The appellate customs committee, upon reviewing the submitted statement of appeal, found that it includes a summary indicating that the laboratories that conducted the examination had their contracts terminated by customs due to their incompetence. This is evident in the report they issued regarding the goods in question, where the report contradicted what was endorsed on it and was limited to a superficial examination. Additionally, their report contained a typographical error that could have been corrected as it does not affect the specifications of the product itself, and the items were found to be compliant with the practical tests conducted on them in China. These laboratories are accredited in the Kingdom for their competence and integrity, and the attorney of the appellant stated.

Also, the establishment ceased its activity on 07/07/1438 AH and was paying the rent for the warehouse to store the tires, waiting to be contacted to either destroy the goods or re-export them. Consequently, the tires were damaged due to being left under the sun for a long time, which deteriorates the rubber, and also due to poor storage since tires require special shelves. Therefore, the appellant's attorney requests the annulment of the first instance decision and the release of his client from the lawsuit, granting his client the right to amicable settlement and allowing him to destroy the tires in question.

The Zakat, Tax and Customs Authority stated in its response memorandum that the importer was notified by several letters from customs at the addresses registered with the authority, indicating that the shipment did not comply and that he was required to return it based on the commitment he signed. However, he did not respond. Additionally, the shipment was from the year 1434 AH, and during this long period, the importer did not adhere to the commitment taken from him and did not respond to customs letters. It would have been more appropriate for him to communicate with customs and respond instead of acting with the shipment. Furthermore, acting with this shipment is considered customs smuggling according to Article (142) of the Unified Customs Law, which defined smuggling as follows: Smuggling is the introduction or attempt to introduce goods into the country or to remove them, or an attempt to remove them in violation of the applicable legislation, without paying the customs duties "fees" in whole or in part, or contrary to the provisions of prohibition or restriction contained in this law "law" and other laws and laws." Article (143/17) of the same law states that: " The following falls under the definition of smuggling in particular: ... 17- The handling of the released goods temporarily according to Article (56, paragraph B) of the law "law" without the approval of the competent authority, and that the crime of customs smuggling is one of the intentional crimes that must have both the material and moral elements for its occurrence, which are present in this incident. In addition, Article (5) of the rules of work of the zakat, tax, and customs committees does not relate to claims arising from customs smuggling, which makes the appellant's request in this regard misplaced. Therefore, the authority requests the rejection of the appeal and the affirmation of the first instance decision in all that it ruled. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based.



Grounds:



After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws.

Since the appellant was notified of the first instance Decision on 16/10/2023, and submitted the appeal against the Decision on 15/11/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law. Since there is no reproach against the reviewing authority for accepting the reasons for the decision subject to appeal without adding anything whenever it sees that these reasons suffice to avoid presenting anything new, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. This is not affected by what the appellant's attorney mentioned, that he was paying the warehouse rent to store the tires, waiting to be contacted to destroy the goods or re-export them, and that they were damaged due to being left under the sun for a long time. It is established by law that the burden of proof is on the one who claims, and since the importer did not provide evidence of his communication with customs or the existence of the shipment with him, this defense is merely a vague statement that must be disregarded because it is assumed that he should communicate with customs to know the outcome; otherwise, he bears the responsibility for his actions contrary to what he committed to. Moreover, the validity of the first instance decision is not undermined by what the appellant's attorney mentions about the goods being subjected to laboratory testing in China and found to comply with the technical regulations and standard specifications approved in the Kingdom of Saudi Arabia, as this defense is not considered since the inspection report was issued by an unlicensed entity and does not indicate that the sample obtained a certificate of conformity with the specifications and standards in the Kingdom. Therefore, it is necessary to conclude that the defenses presented do not affect the outcome of the decision, which makes the appeal unsupported and necessitates its rejection. Accordingly, the appellate committee concluded to report the following:

Decision:

First: 1- Acceptance of the appeal in form from the applicant/ institution ..., commercial registration number (...), against the first instance decision number (1303) for the year 1440 AH, issued by the 1st First Instance Customs Committee at the Al-Bathaa customs.

Second: The appeal is rejected on the merits, and the first instance decision is upheld in all that it ruled, for the reasons and considerations stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-228205
Case No. PC-2023-228205

Keywords:

Customs - Constraints - Bond Commitment - Oil Filters - Non-compliance with specifications - Outlet for combating valve test depletion - No conviction

Summary:

The importer requests the cancellation of the decision of the second First Instance Customs Committee in Riyadh No. (CSR-2023-104189), which convicted the importer of customs smuggling. And since it has been established to the appellate committee that the authority stated that it is working in coordination with the importer to destroy the violating goods, which is a matter outside the lawsuit, and waiting for it unnecessarily prolongs it without justification, with sufficient grounds established to rule on it. This means; to cancel the first instance decision regarding what was ruled.

Document:

- [Article 163 of the Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)

Facts:

To consider the appeal against the first instance decision (CSR-2023-104189) issued by the Third First Instance Customs Committee in Riyadh.

As for the facts of this case, they are summarized by the arrival of a shipment of (oil filters) through the Jeddah Islamic Port customs under import declaration number (335280) dated 24/02/1438 AH, which was allowed under a commitment not to dispose of it until the results of the examination by the competent authority appeared. Upon examination of the sample by the laboratory, the report number (19111669) dated 15/11/2015 AD was received, indicating non-compliance regarding the opening and outlet for the anti-drain valve tests, static burst pressure, and particle filtration using efficiency calculations and the ability to prevent contamination. The importer was notified of the result by the customs, but he did not respond. The first instance committee issued its decision to convict the importer of customs smuggling and impose



the associated penalties, as stated in the text and reasons for the decision subject to appeal, which is referred to in order to avoid repetition.

Upon reviewing the objection list submitted, the appellate customs committee found that it included a summary stating that the institution did not act on the shipment in question according to the commitment it signed, and that it is still ready to deliver the shipment in violation to the authority. It concluded with a request to accept the appeal and annul the first instance decision. Upon reviewing the response memorandum submitted by the appellant, the appellate customs committee found that it included a summary stating that communication had been made with the obligated party - attached is the communication record - and he indicated that he would begin the procedures for the destruction process. After reviewing the case file and the appeal submitted by the appellant and the response of the committee regarding it, the committee found that the case is ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what has been presented to form its conviction and to rule on it in light of the reasons on which the appeal was based.

Grounds:

After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws. Since the appellant was notified of the first instance Decision on 27/11/2023, and submitted the appeal on 23/12/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law.

Whereas the appeal submitted by the importer was based on the premise that the institution did not act regarding the shipment subject to the lawsuit according to the commitment it signed, and that it is still willing to deliver the shipment in violation to the authority, it requests the annulment of the first instance decision. The parties to the lawsuit were asked to arrange for an inspection of the shipment subject to the lawsuit. Given the appellant's response to the request for inspection and the authority's statement attached to the case file dated 01/04/2024, indicating that contact was made with the importer and that the request for destruction is under process based on the communication report prepared on 26/03/2024, and since the essence of the case revolves around the handling of the shipment subject to the commitment, and since the importer denied this, and the authority is able to verify otherwise, and it does not deny the validity of his claim - according to the last memorandum it attached - but stated that it is working in coordination with the importer to destroy the violating goods, which is a matter outside the lawsuit, and waiting for it unnecessarily prolongs the case without justification, with sufficient grounds established for a ruling in it; this committee concludes to accept the appeal on its merits and annul the first instance decision in all that it ruled. Accordingly, the appellate customs committee concluded with the following report:



Decision:

First: 1- Acceptance of the appeal in form from the applicant/ institution ..., commercial registration number (...), owned by/ ..., national ID number (...), against the first instance Decision number (CSR-2023-104189), issued by the 1st First Instance Customs Committee in Riyadh.

Second: 2- In the matter of its acceptance, and the annulment of the first instance Decision in all that it ruled, for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-222711
Case No. PC-2023-222711

Keywords:

Customs - Constraints - Bond Commitment - Candy - Non-compliance with specifications - Non-compliant food products - No conviction

Summary:

The request of the Zakat, Tax and Customs Authority to cancel the decision of the 1st First Instance Customs Committee in Riyadh No. (CSR-2023-104444), which ruled not to convict the importer of customs smuggling while obliging him to pay a fine for violating customs procedures. And since it has been established to the appellate committee that the reasons for the decision subject to appeal are sufficient to support its ruling, it is necessary to state that the defenses presented do not affect the outcome of the decision. This means; to uphold the first instance decision as stated.

Document:

- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by the General Authority for Zakat and Tax, against the first instance Decision No. (CSR-2023-104444) issued by the Second First Instance Customs Committee in Riyadh.

The facts of this case can be summarized by the arrival of a shipment (17 types of candy) through the Jeddah Islamic Port Customs under import declaration number (189229) dated 05/09/1436 AH, which was allowed under a commitment not to dispose of it until the results from the competent authority were revealed. After examining the sample by the Food and Drug Authority, a report was issued (number 201509092726106) dated 25/11/1436 AH, indicating that the following items did not comply: (Nerds candy with watermelon and cherry flavor - Wonka Nerds candy with grape and strawberry - Wonka Rants candy - Wonka fruit-flavored powder candy - Gobstoppers candy - Nerds Beach Wildberry candy - Wonka candy with apple, watermelon, lemon, and cherry flavors - Original Wonka Spree candy - Bottle Caps candy) due to the lack of flavor specification and type, and for not completing the required information. The report



also indicated that the following items did not comply: (Wonka fruit-flavored candy - Gobstoppers candy - Wonka Rainbow candy - Wonka Sweetarts Roll candy) due to the mismatch between the Arabic and English labels regarding flavors and types, the presence of the phrase "does not contain artificial flavors," and for not completing the required information. Additionally, the Food and Drug Authority's report indicated that the following items did not comply: (Snickers chocolate with milk - Snickers almond and caramel covered in chocolate - Twix chocolate wafer bars) due to changes in natural properties caused by poor storage and transport, as they were placed in a non-refrigerated container. The report also stated that the item (Pepsi soft drink) did not comply due to containing calcium citrate, and there was no evidence provided to prove the safety of the product containing this substance, and for not completing the required information. The importer was contacted by customs to return the shipment, but he did not respond. The first instance committee issued its Decision not to convict the importer of customs smuggling, obliging him to pay a fine for violating customs procedures amounting to (17,000) seventeen thousand, based on classifying the violations mentioned in the report as procedural violations that do not amount to smuggling, and fining the importer one thousand riyals for each non-compliant item, as stated in the ruling and Grounds for the Decision subject to appeal to prevent repetition. Upon reviewing the statement of appeal submitted, the customs appellate committee found that it includes a summary indicating that the attached report from the Food and Drug Authority in the case file showed that the violating items in the case (various foods) do not comply due to several different violations as stated in that report. All these violations are considered technical and affect the quality of the product, posing a risk to the health and safety of the consumer, which necessitates a conviction for customs smuggling. Additionally, the shipment consists of prohibited goods according to Article (24) of the Unified Customs law, and the handling of the released shipment under a guarantee is considered a violation of Article (56) and constitutes a customs smuggling crime under Article (142) of the Unified Customs law. Therefore, the authority requests the conviction of the institution for customs smuggling and obliges it to pay a customs fine equivalent to three times the value of the goods and to pay an amount equivalent to the value of the goods as a confiscation substitute. After reviewing the case file and the appeal submitted by the authority, the committee found that the case is ready for a Decision in its current state after being informed of the facts of the case and the sufficiency of what has been presented to form its conviction and rule on it in light of the Grounds on which the appeal was based.

Grounds:

After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws. Since the appellant was notified of the first instance Decision on 13/09/2023, and submitted the appeal on 05/10/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law.



Since there is no reproach against the reviewing authority for taking the Grounds of the Decision subject to the appeal without adding anything whenever it sees that these Grounds are sufficient to negate the need for any new arguments, because in its support, based on its Grounds, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those Grounds contained. And since the Grounds for the Decision subject to the appeal are sufficient to support its ruling, it is necessary to state that the defenses presented do not affect the outcome of the Decision, which makes the appeal without any supporting basis, thus necessitating its rejection. Therefore, the appellate committee concluded to report the following:

Decision:

First: Acceptance of the appeal in form, submitted by the General Authority of Zakat and Tax and Customs, against the first instance Decision No. (CSR-2023-104444) issued by the Second First Instance Customs Committee in Riyadh.

Second: The appeal is rejected on the merits, and the first instance Decision is upheld in all that it ruled, for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-229822
Case No. PC-2023-229822

Keywords:

Customs - Constraints - Bond Commitment - Frozen Meats - Non-compliance with specifications - Presence of E. coli bacteria - No conviction

Summary:

The importer requests the cancellation of the decision of the 1st First Instance Customs Committee in Riyadh No. (CSR-2023-111981), which convicted the importer of customs smuggling. Where it was established for the appellate committee that the Zakat, Tax and Customs Authority, in its response memorandum attached to the case file, confirmed the validity of what the importer claimed regarding the re-export of the shipment in question and that the commitment has been fulfilled and completed. This means; to cancel the first instance decision in all that it ruled.

Document:

- [Article 163 of the Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)

Facts:

This is to consider the appeal against the first instance Decision number (CSR-2023-111981) issued by the 1st First Instance Customs Committee in Riyadh, submitted by the agent (...), civil registration number (...), under agency number (...).

As for the facts of this case, they are summarized by the arrival of a shipment (electric heater) through the customs of Jeddah Islamic Port under import declaration number (...). On the date 20/11/1437 AH, it was granted under a commitment not to act until the result of the competent authority appears, and after examining the sample by the Food and Drug Authority, the response was received in report number (...) On 26/01/1438 AH, it was stated that there was non-compliance due to the presence of E. coli or 175 and Salmonella bacteria, which violate the specification (M Q H 2015/1016). The importer was notified of the result by the customs, but he did not respond. The first instance committee issued its Decision to convict the importer of customs smuggling and impose the associated penalties, as stated in the text and Grounds for the Decision subject to appeal, which is referred to in order to avoid repetition. Upon reviewing the



objection list submitted, the appellate customs committee found that it included a summary stating that the entire shipment had been re-exported under re-export declaration number (...). On 29/03/1438 AH corresponding to 28/12/2016 AD, the request for acceptance of the appeal was concluded, and the first instance decision was overturned regarding the ruling of non-conviction.

Upon reviewing the response memorandum submitted by the appellant, the appellate customs committee found that it included a summary confirming the validity of the importer's claim regarding the re-export of the shipment for the customs declaration (...). On 20/11/1437 AH, by virtue of re-export statement number (...). On 29/03/1438 AH, and that the commitment is settled and completed. After reviewing the case file and the appeal submitted by the appellant and the response of the committee regarding it, the committee found that the case is ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what has been presented to form its conviction and to rule on it in light of the reasons on which the appeal was based.

Grounds:

After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws.

Since the appellant was notified of the first instance Decision on 21/12/2023, and submitted the appeal on 27/12/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law. Whereas the appellate customs committee, upon reviewing the case file and its attachments, and whereas the importer has submitted a re-export of the shipment under re-export declaration number (...). On 29/03/1438 AH corresponding to 28/12/2016 AD, and since the Zakat, Tax and Customs Authority in its attached response memorandum in the case file confirmed the validity of what the importer claimed regarding the re-export of the shipment in question and that the commitment has been fulfilled and completed, this leads to the collapse of the basis on which the first instance decision of conviction for customs smuggling was built, which necessitates the cancellation of the first instance decision in all its provisions. Accordingly, the committee concluded with the following report:

Decision:

First: Acceptance of the appeal in form, from the applicant/ Institution ..., commercial registration number (...), against the first instance Decision number (CSR-2023-111981) issued by the second First Instance Customs Committee in Riyadh.

Second: In the subject, the cancellation of the first instance decision in all that it ruled, and that for the reasons and considerations stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CSR-2024-238992
Case No. PC-2024-238992

Keywords:

Customs - Constraints - Imported items - No conviction

Summary:

The importer's request for reconsideration of the decision of the Third First Instance Customs Committee in Riyadh No. (CTR-2022-1620), which convicted the importer of customs smuggling and imposed a customs fine and confiscation compensation. And where it was established for the appellate committee that the applicant submitted with his request what proves that the laboratory result attached to the main case file is not attributed to the shipment imported by him. This means; to cancel the first instance decision in all that it ruled.

Document:

- Article (200) of [the Judicial Procedures law issued by Royal Decree No. \(M/1\) dated 22/01/1435 AH.](#)

Facts:

This is to consider the request for reconsideration of the decision issued by the Third First Instance Customs Committee in Riyadh under number (CTR-2022-1620); and since the case has met the prescribed legal conditions, it has been submitted to the General Secretariat of the Zakat, Tax, and Customs Committees under the above number on 27/06/2024.

As for the facts of this case, they can be summarized as follows: (...) National ID number (...) An application for a request for reconsideration of the decision of the Third First Instance Customs Committee in Riyadh numbered (CTR-2022-1620), which states the following: -1-Condemnation of the importer institution ..., commercial registration number (...), present for customs smuggling. 2-Obligating him to a customs fine of (75,265) seventy-five thousand two hundred and sixty-five Saudi riyals, equivalent to the value of the item not permitted for clearance by the competent authority. 3- Obligating him to pay an amount equivalent to the value of the item as a confiscation fee amounting to (75,265) seventy-five thousand two hundred and



sixty-five Saudi Riyals, making the total amount claimed (150,530) one hundred and fifty thousand five hundred and thirty Saudi Riyals.

Where the petitioner submitted a petition for reconsideration in which he mentioned the following summary: The invalidation of the reasoning and the absence of criminal intent in the customs smuggling case.

On Monday, September 16, 2024, the committee held its hearing to consider the case, and upon calling the parties to the case, attended/..., in her capacity as the attorney for the requesting party under a power of attorney, a copy of which is attached in the case file. And he attended... as a representative of the Zakat, Tax, and Customs Authority, under a mandate attached with a copy in the case file. When asked about the request of her client, the representative of the applicant replied that it does not deviate from what is stated in her submitted list to the General Secretariat of the Tax Committees. In response to the representative of the Zakat, Tax, and Customs Authority, he stated that he requests the rejection of the petition submitted by the petitioner on procedural grounds based on Articles (200) and (201) of the Legal Procedures law. When asked by the attorney of the petitioner if she had any other statements, she replied in the negative. Accordingly, the committee decided to close the door of pleading in the case.

Grounds:

After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws. The committee, after reviewing the papers and documents included in the case file, and the requests and defenses presented by its parties, found that the petitioner submitted a request for reconsideration of decision No. (CTR-2022-1620) issued by the Third First Instance Customs Committee in Riyadh. According to Article (200) of the Judicial Procedures law issued by Royal Decree No. (M/1) dated 22/01/1435 AH, which stated that: 1- Any of the parties has the right to request a reconsideration of the final judgments in the following cases: A - If the ruling was based on documents that were later found to be forged, or was based on a testimony issued - by the competent authority after the ruling - that it was a false testimony. B- If the applicant obtained conclusive documents in the case after the ruling, it was impossible for him to present them before the ruling. G - If the opponent commits fraud that could affect the ruling. D - If the ruling decided on something that the litigants did not request or ruled more than what they requested. H - If the wording of the ruling contradicts itself. And - if the ruling is in absentia. Z - If the ruling is issued against someone who was not properly represented in the case. Anyone who considers the ruling to be a burden on him and has not entered or intervened in the case has the right to request a review of the final judgments. And where it was established for the committee after reviewing the submitted request and the documents contained in the case file subject to the petition, as well as the decision issued therein, it



became clear that the conviction of the accused was based on the laboratory results indicating that the imported items did not meet the specifications. And since the petitioner has submitted with his request evidence proving that the laboratory result attached to the main case file does not correspond to the shipment imported by him, and because attributing the violation of the imported items by the accused to the specifications requires conclusive evidence of the violation of the safety principle; as it is established by law and jurisprudence that the original state of incidental attributes is non-existence. For these reasons, and after deliberation, the committee unanimously decided as follows:

Decision:

Acceptance of the petition for reconsideration submitted by/ ... (Unique number ...), and the cancellation of the decision of the third First Instance Customs Committee in Riyadh number (CTR-2022-1620) and the ruling of non-conviction of the institution ... (Unique number...) smuggling.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CTR-2024-169903
Case No. PC-2023-169903

Keywords:

Customs - Customs Duties - Bond commitment - Molasses - Non-compliance with specifications - Non-compliance due to failure to meet the checklist conditions for tobacco products - No conviction

Summary:

The Public Prosecution's demand for the conviction of the importer, for the arrival of a shipment (molar) belonging to the institution under his authority according to import declaration number (8598) dated 28/10/1440 AH. And since the first instance committee established that the laboratory did not provide the final result of the technical specifications, which is a substantive document affecting the case in terms of conviction or acquittal, considering that the statement of claim was based on that, it is deemed a failure on the part of the plaintiff to prove her case. This means that the importer is not convicted of customs smuggling and is obliged to pay a customs fine.

Document:

- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This case was referred to the Third First Instance Customs Committee in Riyadh after the committees at the customs ports were dissolved based on the decision of His Excellency the Minister of Finance No. (275) dated 18/1/1442 AH, and according to the text of Article (162) of the Unified Customs Law, this committee is responsible for considering the case.

The facts of this case are summarized in that the Public Prosecution in the Hafr Al-Batin Governorate filed its lawsuit against the defendant/ ... , ... Nationality, National ID number (...) The summary is as follows: A shipment of (moassel) belonging to the institution affiliated with the defendant arrived through the Al-Ruqai customs, under import declaration number (8598) dated 28/10/1440 AH. It was released under a



commitment not to dispose of it until it is approved by the competent authority. After examining the sample by the General Authority for Food and Drug, the response included in letter number (70555) dated 04/12/1440 AH stated that the sample does not comply with the verification checklist for tobacco products. The sample was also examined by the laboratory, where the response included in report number (238) for the year 2019 AD stated that the sample is acceptable and suitable for consumption. Accordingly, a seizure report number (287895) dated 07/08/1443 AH was prepared.

On Tuesday, 04/07/1445 AH, the committee held its hearing to consider the remotely held case, and upon calling the parties to the case, the representative of the prosecution attended (...) Identity number (...), by virtue of a mandate issued by the head of the public prosecution issued under number (...). On the date 8/10/1443 AH, the defendant did not attend despite being notified by the General Secretariat of the Zakat, Tax, and Customs Committees through the automated systems and mechanisms it follows (via Hayad System). The General Secretariat of the Zakat, Tax, and Customs Committees confirmed that this law automatically notifies the defendant in accordance with the operational rules of the customs committees and other relevant regulations and instructions. Therefore, the committee decided to proceed with the case. When the prosecutor was asked if the case file lacked the bond commitment upon which the indictment was based regarding the defendant's actions, and whether the prosecution had any documents to present, he replied: The commitment is electronic and recorded on the import statement number (185), and when asked if the case file included the passing of the goods in question through technical and procedural tests, whether the prosecution has results that contradict what was attached, he answered: We do not have anything and we suffice with what has been presented in the case file. After reviewing the case file, the committee decided to close the door to the pleadings and deliberations in preparation for issuing the decision.

Grounds:

After reviewing the Unified Customs Law, and after examining the case documents and reviewing the indictment submitted by the Public Prosecution in the Governorate of Hafr Al-Batin, the jurisdiction is established for this committee to consider the case, which necessitates accepting the case in form.

On the merits, and since the case file lacks the detailed final result from the laboratory that specifies the type of violation, which is the document that the lawsuit relied upon, stating that the defendant violated it by handling the goods in a manner contrary to the bond commitment based on the laboratory result, the case file included the sample passing the technical and procedural tests and the attached report (238) for the year 2019, as for the letter from the General Authority for Food and Drug Number (...) The date 04/12/1440 AH did not indicate the type of violation and merely stated that the sample did not comply with the conditions of the tobacco products checklist. The result did not indicate any violation of the technical tests,



nor did it relate to the quality and specifications of the product, considering it a customs violation that does not rise to the level of a customs smuggling crime. Since the final laboratory result for the technical specifications was not provided, which is a crucial document affecting the case in terms of conviction or acquittal, and since the lawsuit was based on that, it is considered a failure on the part of the plaintiff to prove her case. If the defendant's innocence is not proven with certainty and definitively, and if his guilt is not established with certainty and definitively, then only doubt remains, and doubt is not sufficient for conviction; rather, it is interpreted in favor of the defendant. There must be conclusive evidence for conviction in a manner that does not allow for possibility and doubt. Based on the principle of Sharia law that people are not given their claims but rather the burden of proof is on the claimant, which the plaintiff failed to provide in this case, the committee concluded that the alleged smuggling incident attributed to the defendant, as described in Article (142) of the Unified Customs Law, does not exist. After reviewing Article (31/6) of the executive regulations of the Unified Customs Law, and after reviewing the decision of His Excellency the Minister of Finance No. (1830) dated 10/03/1437 AH, communicated by circular No. (120/21/100) dated 18/03/1437 AH. Based on the above, and after study and deliberation, the committee unanimously decided the following:

Decision:

1-Non-conviction/ ... , ... Nationality, National ID number (...) In person for customs smuggling, due to insufficient evidence.

2- To impose a customs fine in the amount of (1,000) one thousand riyals, in accordance with Article 31/6 of the Executive Regulations of the Unified Customs law.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

(The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.)



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-170612
Case No. PC-2022-123521

Keywords:

Customs - Constraints - Dogs - No Conviction

Summary:

The importer's request to cancel the first instance decision No. (89/1) for the year 1439 AH, issued by the 1st First Instance Customs Committee in Riyadh, which convicted the importer of customs smuggling and obligated him to a customs violation and a confiscation fee. And since the appellate committee has established that the authority did not provide with its response any evidence confirming the appellant's connection to the smuggling operation. This means; to cancel what was decided by the 1st instance ruling against the appellant without anything else.

Document:

- Article (142) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (143/6) of [the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (144) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (145/4) of [the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (145/5) of [the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (154) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (31) of [the executive regulations of the customs law issued by Ministerial Decision No. \(2748\) dated 25/11/1423 AH.](#)



Facts:



This is to consider the appeal submitted by/..., national ID number (...), against the first instance decision number (89/1) for the year 1439 AH, issued by the 1st First Instance Customs Committee in Riyadh, whose ruling is as follows:

1- Condemnation of the citizen ... Under passport number (...), in absentia for customs smuggling, and the employee..., civil registration number (...). In person regarding the customs smuggling as stated in the facts and Grounds for the Decision.

2-Obligating the mentioned parties to jointly pay a customs fine equivalent to the value of the seized items, an amount of (54,650) fifty-four thousand six hundred and fifty riyals.

3-To obligate the mentioned parties to jointly pay the value of the confiscated items, an amount of (54,650) fifty-four thousand six hundred and fifty riyals as a substitute for confiscation, in accordance with the provisions of Article (145/5) of the Unified Customs law, and for the customs to return the confiscated items to their source, making the total fines demanded from the mentioned parties (109,300) one hundred nine thousand three hundred riyals.

4- Not confiscating the means of transport of type (...) Plate No. (...) As explained by the Grounds.

Since the appellant was notified of the Decision subject to the appeal on 22/06/2020, and submitted the appeal on 13/07/2020, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established by Article (163) of the Unified Customs law.

As for the facts of the case, they can be summarized as follows: On 24/03/1435 AH, a car of type (...) was brought to the Kingdom. The board number (...) is led by ... Accompanying him is the citizen ... The nationality according to the passport with the number (...), through the modern customs, and the car was automatically transferred to the customs supervisor ... The one who took the customs clearance card for the car found that it was referred to the live animals department for inspection and crossed out the referral to the animals and signed the clearance card without inspecting the car, handing the card to the driver in preparation for the car's departure to the customs yard. At that point, the gate inspector noticed that there was a crossing out on the clearance card and saw cages (birds and dogs) inside the car and reported it to the shift supervisor, and the car was returned. Upon inspection, a total of (4750) birds, (20) parrots, (30) pigeons, and (17) dogs were found, and a seizure report was issued with the number (...). On the date 24/03/1435 AH, and upon investigating the parties involved in the case, it became clear that the cages and the birds and animals they contained were not hidden, as they were placed in an open manner, and the citizen acknowledged ... with the proceeds of the seized items and that he purchased them from ... For the purpose of trade, the customs authority has returned the seized items to their source after collecting a fine for violating procedures and obtaining a commitment from the driver not to repeat this in the future. The



first instance committee issued its Decision as stated in its ruling based on the fact that the customs officer ... The cancellation of the transfer on the referral form to the live media department for inspection, and signing it upon completing the car procedures constitutes a breach of his job duties, which makes his action a participation in the criminal responsibility stipulated in Article (144) of the Unified Customs law. His action is also considered customs smuggling according to the provisions of Articles (142) and (143) of the same law, and it has led to the application of penalties against the defendant as stated in the ruling of the Decision.

Upon reviewing the objection list submitted by the appellant, the customs appeal committee found that its summary mentioned that the procedure followed in the customs during times of heavy traffic of vehicles allows for the approval of the cancellation of the conversion form to live means to prevent congestion and accumulation of vehicles, with the approval of the head of the shift. In many previous cases, when such a situation is discovered, the customs administration is notified, and it then directs the specialists to apply a violation of customs procedures by returning the seized items to their source after paying the financial fine and obtaining a commitment not to repeat this in the future, in accordance with Article (31) of the executive regulations of the unified customs law, which was done in this case. It is inconceivable that a violation of customs procedures would be applied, the fine collected, and the seized items returned to their source with a commitment taken from the perpetrators, and then a Decision is issued convicting the appellant of customs smuggling. The appellant also stated that he is willing to confront the owner of the seized items and confirm that there is no relationship between them and no interest that would require facilitating the entry of the seized items, as the First Instance Committee did not request the owner of the seized items to attend the session to confront the appellant and verify his relationship with the appellant, despite the presence of addresses clarified in the seizure report. He also stated that he is neither a partner nor an assistant in the smuggling of the seized items, and none of the actions stipulated in Article (154) of the unified customs law apply to him, and thus the criminal liability stipulated in Article (144) of the same law has not been established against him. Furthermore, following this case, he was convicted of the crime of customs smuggling, and the customs conducted an investigation with him, and a Decision was issued to transfer him from the Al-Haditha customs to the General Administration of Auditing at the Customs Authority headquarters in Riyadh, as his actions were in good faith and did not involve any intent to facilitate the entry of the seized items, and he did not commit any of the acts of customs smuggling. The list concluded with a request to accept the appeal in form for being submitted within the legal period, and to rule that the appellant is not guilty of the crime of customs smuggling according to the Grounds he mentioned.

A response memo from the authority was received via the Automated System of the Secretariat dated 07/03/2023, which summarized that the customs employee had breached his job duties by canceling a transfer on the referral form to the live means department for inspection and signing off on the vehicle's clearance procedures. Investigations also indicated that the cages were not hidden but were exposed, in



addition to the fact that the case is fundamentally about customs smuggling, represented by the defendants' attempt to introduce goods in violation of the necessary customs procedures as stipulated in Article (142) of the Unified Customs law, and Article (143) in paragraph (6) of the same law. Based on what has been mentioned, customs smuggling penalties outlined in Article (145) in paragraphs (5-4) of the same law must be applied. It has also been established that the elements of the crime of customs smuggling exist against the defendants due to their attempt to introduce goods whose entry into the country is restricted. The memo concluded with a request to reject the appeal submitted by ... And support for the first instance Decision in all that it ruled. On Thursday, April 18, 2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against decision No. (89/1) for the year 1439 AH, issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in its current state after the committee was informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based and the response of the authority to it.

Grounds:

Whereas the appellate committee, upon reviewing the appeal submitted by the concerned party and the contents of the case file, found that the reasons stated in the first instance decision for convicting the appellant of customs smuggling were based on the employee's failure to fulfill his duties and the instructions communicated to him regarding the completion of the vehicle inspection procedures. The response of the authority to the submitted appeal confirmed what the first instance decision concluded regarding the appellant, referring to the reasons stated in the first instance decision for convicting the appellant by mentioning his failure to follow the necessary duties during the vehicle inspection, especially since the investigation results showed that the cages were exposed and not hidden; thus, what the defendant did was an attempt to smuggle goods as indicated in the authority's response. It is established that for the conviction of the appellant for customs smuggling to be valid, it is necessary to clarify the appellant's involvement in the smuggling operation as either a perpetrator or an accomplice by explaining the relationship that connects him with the owner of the seized goods claimed to be smuggled. Merely failing to fulfill the duties of inspecting the vehicle is not sufficient on its own to prove the appellant's involvement in completing the customs smuggling operation and to consider him a perpetrator or accomplice, as long as the prosecution has not provided strong evidence or indications that prove the appellant's relationship in arranging the smuggling operation as a perpetrator or accomplice with the other person involved in the circumstances of the case. The authority did not provide with its response any evidence that confirms the appellant's relationship with the smuggling operation as previously established, and it merely reiterated what was included in the reasons for the first instance decision regarding the conviction of the employee, considering his failure to fulfill his duties, which proved insufficient to establish



the conviction against the appellant. The authority is responsible for holding its employees accountable disciplinarily and behaviorally if it sees their failure to perform their duties and follow its instructions. Therefore, the appellate committee concluded the following report:

Decision:

1- The acceptance of the appeal in form, submitted by/ ..., national ID number (...), against the first instance decision number (89/1) for the year 1439 AH, issued by the 1st First Instance Customs Committee in Riyadh.

2- In the matter of its acceptance, and the annulment of what was decided by the 1st instance ruling against the appellant, without anything else, for the reasons and considerations stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-227629
Case No. PC-2023-227629

Keywords:

Customs - Constraints - Birds - Hideout - Conviction

Summary:

The importer requests the cancellation of the decision of the 1st First Instance Customs Committee in Riyadh No. (CTR-2023-121158), which convicted the importer of customs smuggling. And since the appellate committee has established that the reasons for the decision subject to appeal are sufficient to support its ruling, it is necessary to state that the defenses presented do not affect the outcome of the decision. This means; upholding the first instance decision as stated and canceling paragraph (4).

Document:

- [Article 143 of the Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- [Article 163 of the Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)

Facts:

To consider the appeal against the first instance decision (CTR-2023-121158) issued by the Third First Instance Customs Committee in Riyadh.

The facts of this case can be summarized as follows: while the defendant was approaching King Fahd Bridge, on a vehicle of type (...). The vehicle with plate number (...) was subjected to inspection, which resulted in the discovery of (618) canaries whose entry into the kingdom was restricted. They were found hidden inside the vehicle's roof cavity after it was dismantled, and their presence was not declared by the defendant before the inspection of her vehicle. She also acknowledged that the seized items belong to her personally, and there is a previous seizure report numbered (...). On the date 23/09/1438 AH, a report was prepared regarding the incident with the number (...). On 27/06/1441 AH, the First Instance Committee issued its Decision to convict the importer of customs smuggling and to impose the associated penalties, as stated in the text and Grounds for the Decision subject to appeal, which is referred to in order to avoid repetition.



Upon reviewing the objection list submitted, the appellate customs committee found that it included a summary stating that based on Article (142) of the Unified Customs law, it does not apply to the incident in question because the aforementioned article did not mention the importation of live birds, as the birds were not first instantaneously prohibited, but rather due to a temporary reason, and the prohibition would cease once the reason is removed, which necessitates the cancellation of the Decision under appeal. Additionally, the quantity mentioned in the Decision is incorrect as the quantity is close to a hundred birds; the vehicle in which the quantity was seized cannot accommodate all that quantity of birds, and the appellant did not intend to smuggle the seized items, and that their inclusion in the vehicle was to ensure the safe arrival of the birds. It concluded with a request to cancel the first instance Decision in paragraphs (2, 3, and 4), and to apply paragraph (145/3) instead of paragraph (145/4). And I request the response from the appellee on 10/12/2023 and to enable her right to respond for a period of (45) days without submitting the required answer, and based on paragraph (1) of Article (35) of the rules of operation of the Zakat, tax, and customs Committees, the committee decided to rule on the case in light of the documents available to it. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based.

Grounds:

After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws.

Since the appellant was notified of the first instance Decision on 12/11/2023, and submitted the appeal against the Decision on 10/12/2023, this entails the acceptance of the appeal in form for being submitted by a party with standing within the prescribed period for its conduct as stipulated in Article (163) of the Unified Customs law. Furthermore, there is no reproach against the authority reviewing the appeal for adopting the Grounds for the Decision subject to the appeal without addition whenever it finds in these Grounds sufficient justification to refrain from introducing anything new, as its support is based on its Grounds indicating that it did not find in the objections raised against it anything that warrants a response beyond what those Grounds contained. Moreover, the argument presented by the appellant in its appeal that the seized items are not prohibited materials is rejected, considering that the Unified Customs law has defined the crime of customs smuggling in Article (142) as follows: ". Smuggling is the introduction or attempt to introduce goods into the country or to remove them, or an attempt to remove them in violation of the applicable legislation, without paying the customs duties "fees" in whole or in part, or contrary to the provisions of prohibition or restriction contained in this law "law" and other laws and laws." Article (143) of



the same law states that: " The following falls under the definition of smuggling in particular: 6 - The smuggling of goods in the entry or exit of the customs circle without declaring them, which proves that what the appellant has done is considered customs smuggling under the law. As for the claim that the quantity mentioned in the Decision is incorrect and that the actual number is approximately one hundred birds, this is an unsupported statement as the appellant first instancely acknowledged in the seizure report that the number of seized items is (618). Regarding the claim that hiding the birds inside the vehicle's cavity was for their protection and not for smuggling, hiding the seized items inside the cavity only confirms her knowledge that they are materials not permitted for import. The committee, upon reviewing the case file and the seizure reports and the investigation with the importer, found that the First Instance Committee imposed a prison sentence and confiscation of the means of transport used in the smuggling. Considering the type of shipment and its value, and since this is the first time the importer has been convicted of customs smuggling, the committee decided to disregard the prison sentence and cancel the paragraph related to the confiscation of the means of transport from the Decision. Since the Grounds for the Decision under appeal are sufficient to support its ruling, it is necessary to determine that the defenses presented do not affect the outcome of the Decision, which makes the appeal unsupported and necessitates its rejection. Accordingly, the committee concluded to report the following:

Decision:

First: Acceptance of the appeal in form, from the applicant/ ... , ... Nationality, residence number (...), against the first instance Decision number (CTR-2023-121158), issued by the Third First Instance Customs Committee in Riyadh.

Second: He rejected the subject and upheld the first instance decision regarding the conviction for customs smuggling, the imposed customs fine, and the confiscation of the seized items in the case, while dismissing the prison sentence, and canceling the fourth paragraph of the first instance decision related to the confiscation of the means of transport, for the reasons and considerations stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-178932
Case No. PC-2022-94544

Keywords:

Customs - Constraints - Marking Pens - Conviction

Summary:

The importer's request to cancel the decision of the Third First Instance Customs Committee in Riyadh No. (CTR - 2022 - 1884), which convicted the importer of customs smuggling, imposing a customs fine and confiscation compensation. And where it has been established to the appellate committee that the appellant's mention of his request for the referral in a regular manner through the site (...) does not affect the validity of the decision. This is because it does not contradict the established principle of importing those prohibited items for which he was convicted in the decision under appeal. This means; to uphold the first instance decision as stated.

Document:

- [Article \(142\) of the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by/ ..., national ID number (...), against the first instance Decision number (CTR - 2022 - 1884), issued by the third First Instance Customs Committee in Riyadh, which ruled as follows:

- 1-Condemnation/ ..., Saudi nationality, ID number: (...) (...) In person with customs smuggling, according to Article (142) of the Unified Customs law.
- 2-Obligating him to a customs fine of (1,000) one thousand riyals for each pen, totaling (10,000) ten thousand riyals according to Ministerial Decision No. (2597) dated 24/07/1439 AH.
- 3-Confiscation of the seized items subject to the lawsuit, in accordance with Article (145/5) of the same law.

Since the appellant was notified of the Decision subject to the appeal on 05/04/2023, and submitted the appeal on 02/05/2023, this entails the acceptance of the appeal in form for being submitted by a person



with standing within the prescribed period for its conduct as stipulated in Article (163) of the Unified Customs law.

As for the facts of the case, they can be summarized as follows: a postal package arrived from (...) Through the carrier (...) In the name of the defendant, and while the customs inspector was inspecting the shipment under bill number (...) and listed in the import statement number (...) and it is reported that it consists of (marker pens) with a total of (10) pens containing cameras and storage units, and a seizure report was prepared with the number (...). On 16/04/1443 AH, the First Instance Committee issued its Decision as stated in its ruling, based on the fact that the seized items are considered prohibited from entering the Kingdom, and attempting to smuggle them in unlawfully is considered customs smuggling under Article (142) of the Unified Customs law. Upon reviewing the objection list submitted by the appellant, the appellate customs committee found that its summary mentioned that the committee issued its Decision in absentia without hearing his statements and allowing him to defend himself. It was noted that he attended the session, but the members of the panel were not present, and that the crime of customs smuggling is absent in the incident subject to the lawsuit due to the lack of both its material and moral elements, considering that the shipment was from the site (...) and which he requested in an orderly manner through the website. The appellant also points out that there is no crime or punishment except by text, and that the original assumption about a person is good faith. The memorandum concluded with a request to accept the objection in form, and to reconsider the Decision and rule again of non-conviction for the crime of customs smuggling and to cancel the imposed fine, and to suffice with the confiscation of the order. On Thursday, January 4, 2024, the Customs Appeals Committee in Riyadh held a session to consider the appeal submitted by the concerned party regarding Decision (CTR - 2022 - 1884), issued by the Third First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a Decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it.

Grounds:

Since there is no reproach against the reviewing authority for taking the reasons of the decision subject to the appeal without addition whenever it sees that these reasons suffice to avoid presenting anything new, because in its support, based on its reasons, it implies that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. Moreover, the appellant's mention in his statement that the decision was issued in absentia against him does not detract from this, as it is established through the narration of the facts of the first instance decision that he was notified of the dates of the two sessions held on Wednesday, 11/02/1444 AH, and Sunday, 20/03/1444 AH, without his attendance at those sessions. Additionally, the appellant's request for the transmission in a regular manner through the website (...) does not undermine the validity of the decision. This is because it does not contradict the established principle of importing those prohibited items for which he was convicted in the



decision under appeal. Since the reasons for the decision under appeal are sufficient to support its ruling, it is necessary to state that the defenses presented do not affect the outcome of the decision, which makes the appeal unsupported and therefore must be rejected. Accordingly, the appellate committee concluded to report the following:

Decision:

1. Acceptance of the appeal in form, submitted by/ ... National ID number (...), against the first instance Decision number (CTR – 2022 - 1884), issued by the Third First Instance Customs Committee in Riyadh.
2. In the subject, his rejection and the support of the first instance Decision in all that it ruled, for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The First Instance Customs Committee in Jeddah Governorate

Decision No.

CFR-2024-235519

Case No.

PC-2024-235519

Keywords:

Customs - Customs Duties - Indian medicine - Non-declaration - Conviction

Summary:

The Public Prosecution demands that the 1st First Instance Customs Committee in Jeddah convict the importer of customs smuggling after he was caught trying to bring in a number of prohibited medicine bottles (PHENSEDYL) without declaring them. Where a total of (168) bottles of medicine with a capacity of (16800) milliliters were found in his bag at King Abdulaziz International Airport. Where it has been established for the first instance committee that these materials are of the restricted categories that require the approval of the competent authorities for entry, and that he has attempted to smuggle them, which constitutes an attempt to smuggle according to the provisions of Article (142) of the Customs Law. Consequently: Condemnation of the importer and obliging him to pay a fine equivalent to the value of the seized goods and confiscation of the goods in question.

Document:

- Article 142 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Article 143 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Paragraphs (2) and (5) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Where the letter from the Chief Public Prosecutor in Jeddah Governorate No. (...) was received. On the date 21/10/1445 AH and the requests mentioned therein, and based on Article (162) of the Unified Customs Law, this committee is responsible for considering the case.

On the merits, that during the arrival of the defendant ... - Indian nationality - Passport number (...) Upon passing through the customs of King Abdulaziz International Airport, while the defendant was passing



through the security screening gate, the inspecting officer became suspicious of the defendant, who was carrying a navy blue bag with tag number (...). He was referred to secondary inspection, and during the manual inspection, he was found with (168) plastic bottles of medicine named (PHENSEDYL) with a capacity of (16800) milliliters, which were placed in a bag and sealed, noting that he did not declare them and has previous records. Accordingly, a seizure report number (...) was prepared. dated is 28/07/1445 AH. Accordingly, the committee held its hearing on Wednesday, July 17, 2024, and upon calling the parties to the case, ... National ID number (...), in his capacity as a representative of the plaintiff under the authorization issued under number (...), dated 08/10/1443 AH, and the defendant did not attend despite being notified by the secretariat through the automated systems and mechanisms followed by it (via Hayad System) and other automated systems. Therefore, the committee decided to rule on the case based on the documents available to it.

Grounds:



It is established by the aforementioned seizure report in the facts of this case that a total of (168) plastic bottles of medicine bearing the name (PHENSEDYL) with a capacity of (16800) milliliters were seized.

Given that the seized items are restricted categories that require the approval of the relevant authorities for their clearance, the seizure of these materials with the mentioned individual without declaring them is considered an attempt at smuggling. Article (142) of the Customs Law states that "smuggling is the act of bringing or attempting to bring goods into the country or taking them out or attempting to take them out in violation of the applicable legislation without paying the customs duties in whole or in part, in violation of the prohibitions or constraints set forth in this law and other regulations," which is represented by the attempt to introduce these prohibited items. Furthermore, Article (143) of the same law states that "the act of smuggling includes the bypassing of goods in entering or exiting the customs area without declaring them and taking goods out of the customs areas without completing their customs procedures, as well as transporting prohibited and restricted goods or possessing them without providing evidence supporting their importation or lawful passage." Additionally, paragraph (2) of Article (145) of the same law states that "for other goods, the penalty shall be a fine of not less than twice the customs duties due and not exceeding the value of the goods, and imprisonment for a period of not less than one month and not exceeding one year, or one of these two penalties." Moreover, Article (145/5) of the same law stipulates the confiscation of the goods subject to smuggling or a ruling equivalent to their value in case they are not seized.

Accordingly, the committee, after study and deliberation, unanimously decided as follows:



Decision:

1 Conviction of the defendant ... - Indian nationality - Passport number (...) In person with customs smuggling.

2 Obliging him to pay a fine equivalent to the value of the seized items in the case.

Seizure of the seized items subject to the lawsuit.

May Allah's blessings and peace be upon our Prophet Muhammad and upon his family and companions.

(The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.)



The Customs Appeals Committee in Riyadh

Decision No.

CSR-2024-237880

Case No.

PC-2024-237880

Keywords:

Customs - Constraints - Zamzam Water - No Declaration - Conviction

Summary:

The Public Prosecution has demanded that the second First Instance Customs Committee in Riyadh convict the importer due to the presence of seized items consisting of (355 Zamzam water bottles) found hidden inside the side drawers of the bus and within the cavities of the bus, covered with iron sheets. And where it was established for the committee, based on the seizure report, that there was an attempt to remove the seized items, which constitutes customs smuggling based on the text of Article (142) of the Customs law. This means; convicting the importer and obliging him to pay a customs fine and confiscating the seized items subject to the lawsuit.

Document:

- [Article 142 of The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- [Paragraphs 1 and 5 of Article \(145\) of the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

The facts of this case are summarized by the arrival of the list submitted by the Public Prosecution in the Al-Ahsa Governorate, number (60663) dated 07/11/1445 AH, which included that the defendant left the Al-Bathaa customs driving the bus with license plate number (E/35644). Upon searching the bus, (355 Zamzam water bottles) were found hidden inside the side drawers of the bus and within the cavities of the bus, covered with a metal sheet. Consequently, a seizure report number (...) was prepared. dated is 08/07/1445 AH. The plaintiff requests to prove the defendant's conviction and to impose a penalty of imprisonment and a customs fine, to confiscate the seized items, to rule for an amount equivalent to the value of the means of transport, and to impose a stricter penalty.



On Monday, 30/09/2024, the committee held its hearing to consider the case, and upon calling the parties to the case, the public prosecutor/..., assigned to the public prosecution by the authorization issued by the head of the public prosecution in the Riyadh region under number (...). On the date 08/10/1443 AH, the defendant or their representative did not attend despite being duly notified. When the public prosecutor was asked about the indictment submitted in this case, he replied that it does not differ from what was stated in the indictment filed with the General Secretariat of the Zakat, Tax, and Customs Committees. When asked by the public prosecutor if he had any other statements, he replied in the negative, and accordingly, the committee decided to close the door to the pleading and deliberation.

Grounds:

After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws. In terms of form; after the committee reviewed the subject of the lawsuit, it was established that this dispute is one of the customs disputes, and it is considered one of the disputes within the jurisdiction of this committee. It is also established from the documents of the case that the plaintiff filed the lawsuit with standing, which necessitates the acceptance of the lawsuit in form.

On the merits, the committee found that the defendant was in possession of (355 Zamzam water bottles) which were hidden inside the side drawers of the bus and within the cavities of the bus, covered with a metal sheet according to the seizure report number (...). dated 08/07/1445 AH.. According to Article (142) of the Unified Customs Law, which states that: Smuggling is the introduction or attempt to introduce goods into the country or to remove them, or an attempt to remove them in violation of the applicable legislation, without paying the customs duties "fees" in whole or in part, or contrary to the provisions of prohibition or restriction contained in this law "law" and other laws and laws." Article (144) of the same law states that: "He is considered criminally responsible in particular: The original actors. 2- Partners in crime. 3- The interveners and instigators. 4- Holders of smuggled materials. 5- Owners of the means of transport used in smuggling... 6- Owners and tenants of shops and places where smuggled materials were deposited..." as stated in paragraph (1) of Article (145) of the same law that: The penalty for the crime of customs smuggling or what is considered equivalent shall be a fine of not less than twice the customs tax (fees) due and not exceeding three times the customs tax (fees) or twice the value of the goods, whichever is higher, and imprisonment for a period of not less than one month and not exceeding one year, or one of these two penalties. Confiscation of goods subject to smuggling or a ruling equivalent to their value in case they are not seized. Based on the above and since it is established for the committee according to the seizure report of the case that the defendant was found in possession of (355 bottles of Zamzam water). Accordingly, the defendant's attempt to remove the seized items constitutes customs smuggling, which leads to the conviction of the defendant for customs smuggling, obliging him to pay a customs fine equivalent to three



times the customs duties of the seized items, and obliging him to pay an amount equivalent to the value of the means of transport used and prepared for smuggling, and confiscating the seized items subject to smuggling, and rejecting the other requests. Regarding the request to intensify the penalty, and since the case file does not include any evidence of final judgments issued against the defendant, and regarding the request to impose a prison sentence, and because the prison sentence is a deprivation of liberty and its effects extend to others, the committee concluded that what has been issued against him is sufficient and rejected the other requests. As for the absence of the defendant or their representative at the hearing of the case despite the confirmation of their legal notification, and since Article (20) of the rules of operation of the Zakat, Tax, and Customs Committees states that: If the defendant or their attorney or representative is notified of the lawsuit or the hearing date - according to Article (12) - or if they or their attorney or legal representative submitted a defense memorandum and did not attend, or if they or their attorney or representative attended any hearing and then absented themselves thereafter, the decision issued against them is considered in their presence. Since the defendant did not provide an excuse justifying their absence from the committee hearing held to consider their case, and since the committee found that the case is suitable for resolution based on what is available in its file, it concludes by issuing its decision in the case under consideration in the presence of the defendant. For these reasons, and after deliberation, the committee unanimously decided as follows:

Decision:

First: Conviction of the defendant / ... Passport ... and the number (...) Smuggling.

Second: Obligation of the defendant/ ... Passport ... and the number (...) With a fine equivalent to three times the customs duties of the seized items.

Third: Obligation of the defendant/ Passport ... and the number (...) Equivalent to the value of the means of transport used, prepared, and equipped for smuggling.

Fourth: Seizure of the confiscated items subject to smuggling.

Fifth: Respond to all other requests.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.



Customs duties



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-202159
Case No. PC-2023-202159

Keywords:

Customs - Customs Duties - Administrative - Collection of Customs Duties - Presence of amounts in credit balances paid to exporters in advance of import - Safety of customs procedures

Summary:

The request of the Zakat, Tax and Customs Authority to cancel the decision issued by the Third First Instance Customs Committee in Riyadh No. (CTR-2023-139483), which ruled the validity of the Authority's approach in demanding the collection of the customs duties stated in the collection decision. And where it was established for the appellate committee that there were amounts in credit balances paid to the exporters in advance of the import, which should have been added to the actual or due price, and were not declared to the authority, resulting in discrepancies in value that lead to the loss of part of the customs and tax fees due to the state treasury. This means; the affirmation of the first instance Decision in all that it ruled.

Document:

- Article 127 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No.M/41 \(03/11/1423 AH\).](#)
- Article (1) of [the executive regulations of the customs law issued by Ministerial Resolution No. \(2748\) dated 25/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by the owner of the institution/ ..., national ID number (....) against the first instance decision number (CTR-2023-139483) issued by the third First Instance Customs Committee in Riyadh regarding the objection to the collection decision number (12919/165/1442) for the year 1442 AH..

As for the facts of this case, it is summarized that the Zakat, Tax and Customs Authority found, after subsequent auditing of the institution, that it did not comply with the customs policies and procedures



related to the customs declaration regarding the customs value of the imported items. The concerned party declared the shipments at a value lower than the actual value discovered in the bank statements, which led to a loss in the customs duties owed to the state treasury amounting to (11,218,043) eleven million two hundred eighteen thousand and forty-three riyals. Accordingly, the authority issued collection decision number (../../..). For the year 1442 AH, the institution filed its claim before the third First Instance Customs Committee, which issued its decision subject to appeal, ruling that the authority's approach in demanding the collection of the customs duties stated in the collection decision was valid, as outlined in the text and reasons of the first instance decision subject to appeal, which is referred to in order to avoid repetition.

Upon reviewing the statement of appeal submitted, the customs appellate committee found that it includes a summary stating that the customs relied during the audit on an irregular method for evaluating imported goods, which is considering that the customs value of the goods is the external transfers from the suppliers. This is incorrect because Article (1/Third) stipulated the bases for customs valuation and limited them to six methods that are applied in order, none of which includes relying on external transfers from suppliers. Furthermore, the bases for determining value depend on evaluating the goods in each transaction separately, and it is not possible to determine a customs value for different transactions over a certain period based on the total transfers from suppliers. According to commercial and accounting transactions, it cannot be said that the transfers to suppliers during a certain period represent the value of the imported goods, as it is possible that the external transfers from suppliers during a certain period are lower (debit balances) or higher (credit balances). Debit balances appear in the case of deferred purchases, and credit balances appear when part of the goods that have already been paid for has not arrived. The customs assumption that the value of transfers during a certain period equals the value of the goods received in the same period holds true only in the case of purchase and payment at the same time without any time gap between import and payment, which is not conceivable in the field of trade in general and international trade in particular. Additionally, the institution clarified to customs and the customs committee that the reason for the difference between the external transfers from suppliers and the values declared to customs is the existence of credit balances for the institution with suppliers, and it submitted documents supporting this. Moreover, customs did not seize any documents or other invoices with higher values for the institution's imports other than what was declared to customs during clearance. Furthermore, the transfers related to suppliers of exempt goods coming from the UAE indicate that they are higher than the values declared to customs. Is it conceivable that the institution would present low values to customs for goods exempt from duties? This confirms the institution's claim that the differences in transfers are due to credit balances the institution has with suppliers. The regulation added that credit balances do not represent part of the value for customs purposes of imported goods and do not affect it either by reduction or addition. Furthermore, customs have fulfilled their procedures in verifying the value and adjusted the value at the time of clearance according to the data available to them. Therefore, there is no room for the application of Article (176/c) of the Unified



Customs Law due to the absence of any error in the matter under consideration. The regulation concluded with a request to cancel the first instance decision and rule that the authority is not entitled to collect differences in customs duties.

In response to the request for an answer from the authority, it submitted its reply memorandum, which included a summary stating that the law explicitly referred to the basis for determining value for customs purposes as the actual price paid or payable according to Article (1) of the executive regulations. Accordingly, the differences in amounts between the transfers to suppliers and what was declared to customs constitute the actual price paid, i.e., the value of the transaction. The subsequent audit team did not find accounting laws for the institution during their visit, which led to the inability to verify the accuracy of the customs import values. When inquiring about the difference between the value of external transfers and the value of imports according to customs records, the institution stated that the difference represented advance payments to suppliers. Therefore, the institution was requested to provide the subsequent audit team with statements from external suppliers to verify their claims, but this was not provided. A review of the financial statements for the period from 11/09/2018 to 31/12/2019, which were prepared to cover the accounting period of the institution since it was submitting an estimated zakat declaration and these are considered the first approved financial statements for the institution, shows differences between the transfers and the import data, while the statement of financial position did not contain amounts representing receivables or payables to suppliers for goods that had not arrived in the Kingdom. The authority added that the differences in transfers were for all years audited from 2016 to 2020 and were ongoing differences before the COVID-19 pandemic. Therefore, the institution's claim of having creditor balances resulting from the repercussions of the COVID-19 pandemic is not accurate. Additionally, the discovered value differences on the customs data under examination were recalculated after considering the customs data exempt from fees. The reply memorandum concluded with a request to rule to reject the appeal and uphold the first instance decision in all its provisions. After reviewing the case file and the submitted appeal, the committee found sufficient evidence to form its conviction and make a decision based on the reasons presented in the appeal.

Grounds:

After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws.

Where the dispute lies is in the Zakat, Tax and Customs Authority auditing the import data and records of the institution, revealing that the value of goods for the shipments related to some customs data does not represent the value of the goods when organizing the customs declaration during clearance. This was



discovered through international transfers to suppliers, which led to customs discrepancies. Consequently, a collection decision was issued, number (12919/165/1442) for the year 1442 AH, amounting to (11,218,043) eleven million two hundred eighteen thousand and forty-three riyals. Meanwhile, the appellant believes that the basis for calculating the discrepancies is incorrect, considering that it cannot be said that the transfers to suppliers during a certain period represent the value of the imported goods. It is possible that the external transfers to suppliers during a certain period are lower (debit balances) or higher (credit balances), and debit balances appear in the case of deferred purchases, while credit balances appear when part of the goods for which payment has already been made has not arrived. The customs assumption that the value of transfers during a certain period equals the value of goods received in the same period can only be realized in the case of purchase and payment at the same time, without any time gap between import and payment, which is not conceivable in the field of trade in general and international trade in particular.

According to Article (1) of paragraph (2/3) of the executive regulations of the Unified Customs Law for the Gulf Cooperation Council countries, which states that: Secondly - For the purposes of applying this article in calculating the value for customs purposes, the following words and phrases shall have the meanings assigned to them next to each: 3- Packaging costs: The cost of all containers (except for the containers) and covers, regardless of their type and packaging, whether it is for labor or materials used to place the goods in the packages suitable for shipping to the countries of the council," based on Article (Fourth/A/1) of the explanatory annex which stated: The price actually paid or due to be paid: 1- When determining the value of the transaction, the actual price paid or due as defined in paragraph (Second/1) of this article is considered, regardless of how it is derived; it may result from discounts, additions, or negotiations, and it may be reached by applying a specific equation. " Based on Article (Second/1) of the executive regulation of the Unified Customs Law for the Gulf Cooperation Council countries, which states that:" The price actually paid or due to be paid: It is the total amount paid or to be paid with the buyer's knowledge, to the seller or for his benefit, in exchange for the imported goods, and it is not necessarily required that the payment takes the form of a cash transfer; payment may be made by letters of credit or transferable documents, and payment may be direct or indirect, such as the buyer settling a debt owed to the seller in whole or in part. After reviewing all the case documents, and what the decision subject to appeal included in terms of facts and reasons, and since the appellant objects to the actions of the appellee in calculating the customs differences for the shipments under review according to Article (127) of the Unified Customs Law, and since it was established that there were amounts in credit balances paid to exporters in advance for imports that should have been added to the actual price paid or owed that was not declared to the authority, which led to the existence of differences in value resulting in the loss of part of the customs and tax duties owed to the state treasury. The result of the audit of the customs data from the period 2016 to 2020 confirmed the existence of customs duties due for payment amounting to (11,218,043) riyals due to the



institution's failure to comply with customs policies and procedures regarding the customs value of the items and declaring the actual transaction value during the final clearance. Upon reviewing the correspondence provided by the appellant from the suppliers and the attached financial statements, it is clear that this correspondence with the suppliers does not pertain to previous credit amounts or amounts for the transaction price, as it did not indicate that it pertains to previous shipments, in addition to the fact that the amounts do not match the difference for external transfers and the value of the shipments. The appellant did not provide a statement linking the difference in the values of the transfers to the suppliers with the values declared to customs. There is no blame on the appellate authority for taking the reasons of the decision subject to appeal without adding anything new whenever it sees that these reasons suffice without the need to present anything new, because in its support, based on its reasons, it indicates that it did not find in the objections raised anything that deserves a response beyond what those reasons included, which necessitates the conclusion that the defenses presented do not affect the outcome of the decision, making the appeal unsupported and thus must be rejected. Accordingly, the appellate customs committee concluded with the following report:

Decision:

First: Acceptance of the appeal in form from the applicant/ institution ..., commercial registration number (...), owned by/ ..., national ID number (...), against the first instance Decision number (CTR-2023-139483), issued by the third First Instance Customs Committee in Riyadh.

Second: The appeal is rejected on the merits, and the first instance Decision is upheld in all that it ruled, for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-225744
Case No. AC-2023-225744

Keywords:

Customs - Customs Duties - Collection - The costs of operations added to the product included in the shipment are not included in the calculation of the estimated value - Lack of integrity in customs procedures.

Summary:

Demanding the General Authority of Zakat, Tax and Customs to cancel the decision issued by the Third First Instance Customs Committee in Riyadh No. (CTR-136687-2023), which ruled that the Authority's approach in demanding the customs duties subject to the collection decision is not valid. Since the authority did not provide with its appeal any evidence that would reassure the committee of the validity of the authority's claim that the costs of the operations added to the product included in the shipment do not count towards the estimated value for considering the final product as exempt, given that the product is exempt from fees due to its Gulf origin. This means; upholding the first instance decision.

Document:

- Article 19 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Article 47 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Article 127 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Article 176 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)

Facts:

This is to consider the appeal submitted by the General Authority of Zakat and Tax against decision number (CTR-136687-2023), issued by the Third First Instance Customs Committee in Riyadh, which ruled that the authority's approach in demanding the customs duties subject to collection decision number (.../.../....) was not valid. The date is 03/11/1443 AH, the subject of the lawsuit.



Since the appellant was notified of the Decision subject to the appeal on 05/10/2023, and submitted the appeal against the Decision on 30/10/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its conduct according to what is stipulated in Article (163) of the Unified Customs law.

On the merits, it has become clear to the Zakat, Tax and Customs Authority after subsequent auditing through the applied inspection procedures that the imports from the company in the UAE are not eligible for exemption from customs duties, which are described as (oud oil), as they include activities that do not rely on a real manufacturing process but are limited to (packaging, wrapping, and assembly). The first instance audit results of the customs data, which included (25) customs declarations, concluded that there are customs discrepancies. Accordingly, the Zakat, Tax and Customs Authority issued collection decision number (....../.../...). For the year (1443 AH), the first instance committee issued its decision that the authority's conduct in demanding customs duties was not valid, based on the fact that the authority did not provide the legal basis for the claimed customs differences established against the importer, considering that it did not provide evidence that the packaging and wrapping operations were not included among the operations completed by the factory for the goods imported into the Kingdom from the United Arab Emirates, as detailed in the facts and reasons for the decision subject to appeal, which are referred to in order to avoid repetition.

Upon reviewing the objection list submitted by the authority, the customs appeal committee found that its summary mentioned that the Kingdom is a member of the World Trade Organization and that the global trend towards facilitating trade and shifting from inspections at ports to post-clearance audits is in accordance with international agreements, including the Trade Facilitation Agreement and the evidence issued by the World Customs Organization. Customs accepts the documents, papers, and permits submitted by importers and exporters based on the premise that what is presented is correct, in order to facilitate and expedite clearance, provided that the auditing process occurs after clearance to ensure the accuracy of the submitted documents and papers and the integrity of the procedures. If it is proven that the concerned party exploited the trust of customs, the fees and taxes that were at risk of loss will be collected for the state treasury. Therefore, the Unified Customs Law established regulatory provisions that enable the authority to apply post-clearance audits and obligated the concerned parties to retain the documents and papers for auditing purposes, specifying the statute of limitations based on Article (176) of the Customs Law. According to Article (127) of the Customs Law, which states, "The employees of the administration have the right to review the papers, documents, records, correspondence, commercial contracts, and any type of documents related directly or indirectly to customs operations, and to seize them in case of violation, at shipping and transport institutions and all natural and legal persons related to customs operations. The mentioned institutions and persons must retain all the referred papers for a period of five years from the date of completing the customs operations." Accordingly, the authority, after the post-clearance audit



through the applied inspection procedures, determined that the company's imports in the UAE are not entitled to exemption from customs duties, which bear the classification (Oud oil), as they involve activities that do not rely on a real manufacturing process but are limited to packaging, wrapping, and assembly. Consequently, it issued Collection Decision No. (32505/341/1443) for the year (1443 AH). The first instance committee justified its decision by stating that the legal basis for considering simple operations exempt from exemption under the Gulf Agreement was not clear, and it relied on the opinion of the competent administration, which is the Agreements Department, as it did not provide the legal basis for the classification of the goods in question. In this regard, we inform you that the authority issued the collection decision due to the absence of a real manufacturing process and the failure to provide evidence of a manufacturing process that grants the products UAE origin. The decision was supported by the International Cooperation Department, which is responsible for implementing agreements and ensuring that imports comply with the terms of the agreements. Therefore, it issued its decision, as it is the competent authority. The list concluded with a request to accept the authority's appeal procedurally for being submitted by a qualified person within the legal timeframe, to overturn the first instance decision No. (CTR-2023-136687) and to rule again to reject the case and support the authority's action in collecting customs duties.

A response memorandum from the appellant was received through the automated system of the secretariat on 28/12/2023, summarizing that customs accepts the documents, papers, and permits submitted by importers based on the premise that what is presented is correct according to the Trade Facilitation Agreement and the agreements of the World Trade Organization. This is a vague statement that does not relate to the subject, as the Trade Facilitation Agreement is based on reducing costs and shortening time, not on the premise that everything submitted is correct. The text of Article Two of the Unified Customs Law states that the inspection of goods must be in accordance with what is stipulated in the law. The goods were inspected by the appellant and exempted according to the submitted documents and what is stipulated in the regulations and agreements. Furthermore, the authority's claim that the appellant exploited customs' trust when clearing the goods is incorrect, as the appellant imported the goods to the Kingdom of Saudi Arabia with complete transparency and clarity and through legal means, and submitted a detailed customs declaration based on Article (47) of the Unified Customs Law and Article (19) of the same law. The authority examined the goods and cleared them after confirming the accuracy and validity of all documents related to the goods and ensuring that they were manufactured in the United Arab Emirates based on the certificates of origin for national industrial products. It decided to exempt them from customs duties accordingly. The authority's claim of not providing proof of the existence of a manufacturing process that grants the products UAE origin is refuted by the certificate of origin for national industrial products issued by the United Arab Emirates, attached to the customs declarations, which indicates that the goods in question are produced by an industrial establishment in the United Arab Emirates. The authority's reliance on its decision regarding the collection of differences is merely an opinion and not a legal text, as



acknowledged in paragraph two of its memorandum submitted to the first instance committee, which contradicts the Gulf Agreement that stipulated in Article One, paragraph (e), the treatment of goods produced in any of the Council's countries as national products. A certificate of origin was attached indicating that the goods in question are produced by an industrial establishment in the United Arab Emirates. The authority also acknowledged that the imported goods were limited to packaging, wrapping, and assembly, and the Gulf Agreement did not exclude these operations from customs exemption, which confirms that the decision to collect customs differences was contrary to this agreement. The response memorandum concluded with a request to reject the appeal and uphold the first instance decision in all its provisions.

A response was received from the authority on 03/01/2024, summarizing that the authority is, in fact, exercising its right to post-audit after accepting the submitted documents to facilitate the importers' procedures for bringing in goods. The claim by the importing company that it did not exploit those facilities is incorrect because the importer did not provide the correct documents when organizing the customs declaration during the inspection of the shipment. The packaging, wrapping, and assembly of the incoming item, which is (oud oil), do not constitute activities based on a real manufacturing process that would qualify the product to be classified as having Emirati origin. The authority's decision regarding the differences in duties is not merely an opinion but is based on what is established in international agreements concerning the operations that grant the product Emirati origin, which was not the case for the incoming product. The response concluded by reaffirming the authority's request to overturn the first instance decision and support its approach in issuing the collection decision for the disputed customs duty differences.

On Monday, April 01, 2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted against the first instance Decision No. (CTR – 2023 -136687), issued by the third First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the Appeals Committee decided that the documents presented and the contents of the case file were sufficient to form its conviction and to rule on the matter in light of the Grounds on which the appeal was based and the response of the authority regarding it.

Grounds:

Whereas there is no blame on the reviewing authority in the appeal presented before it to adopt what was concluded in the appealed decision whenever it is determined that the reasons for the decision subject to appeal are sufficient to support its ruling and that it has responded to the objections raised against the decision, and that what the authority mentions about its right to subsequent review was not the subject of the dispute, but rather the subject of the dispute was the extent to which the description of the product as (a product of Emirati origin or not) applies in order to enjoy the exemption or to withhold the exemption from it. And since the authority did not provide with its appeal what reassures the committee's conviction



of the validity of the authority's claim that the costs of the operations added to the product included in the shipment do not fall within the calculation of the estimated value for considering the final product as exempt, given that the product is exempt from fees because it is of Gulf origin as was achieved in the narration of the facts and reasons for the first instance decision subject to appeal, it is established that the reviewing authority of the case has the power to collect and understand the facts in the case by assessing the evidence presented in it and balancing it without oversight as long as its ruling has come on valid reasons sufficient to support it, and it is not required to adhere to tracking the statements and arguments of the parties and responding to them independently as long as the truth it was convinced of and presented the evidence of its acceptance implicitly refutes those statements and arguments. And since the matter is as mentioned, and since the reasons for the decision subject to appeal are sufficient to support its ruling, it is necessary to determine that the defenses presented do not affect the outcome of the decision, which makes the appeal without a supporting basis, thus it must be rejected. Accordingly, the appellate committee concluded to report the following:

Decision:

Acceptance of the appeal in form, submitted by the General Authority for Zakat and Tax and Customs, against the first instance decision No. (CTR-2023-136687), issued by the Third First Instance Customs Committee in Riyadh.

In the subject of his rejection, and the support of the first instance Decision in all that it ruled, for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CTR-2024-232966
Case No. AC-2024-232966

Keywords:

Customs - Customs Duties - Administrative - Refund of fees - The industrial exemption is governed by a mechanism that must be fully adhered to in order to obtain the exemption - Rejection of refund requests

Summary:

The taxpayer requests the First Instance Customs Committee to cancel the decision of the Zakat, Tax and Customs Authority rejecting the objection submitted by the plaintiff number (144506010854) dated 25/12/2023, related to the request for a refund of customs duties amounting to (12,403.13) twelve thousand four hundred and three riyals and thirteen halalas for the customs declaration number (115516) dated 02/06/1444 AH. Where it has been established to the first instance committee that the industrial exemption is governed by a mechanism that must be fully adhered to in order to obtain the exemption, and it has been established to the committee that the plaintiff has violated this mechanism in her procedures. This means; to uphold the defendant's decision.

Document:

- Paragraph (2) of Article (3) of the Rules for the Work of Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/04/1445 AH.
- Article (47) of the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. (M/41) dated 03/11/1423 AH.

Facts:

This is to consider the objection submitted by (...), commercial registration number (...), against the decision of the Zakat, Tax and Customs Authority to reject the objection submitted by the plaintiff number (144506010854) dated 25/12/2023, related to the request for a refund of customs duties for customs declaration number (115516) dated 02/06/1444, amounting to (12,403.13) twelve thousand four hundred and three riyals and thirteen halalas. Based on Article (3) paragraph (2/e) of the rules of operation of the customs committees effective from the date of its publication 12/04/1445, this committee is responsible for considering and deciding on objections submitted against decisions rejecting refund requests.



On 25/08/1445 AH, the plaintiff submitted her objection list to the General Secretariat of the Zakat, Tax, and Customs Committees, and its content can be summarized as follows: The plaintiff submitted a request for the refund of customs duties number (144503002021638) dated 27/03/1445 AH for the customs declaration number (115516) dated 02/06/1444 AH, which was rejected. The reason is the ineligibility for the refund of customs duties due to the non-implementation of the exemption decision number (6386) dated 25/03/1445 AH, which starts on 25/10/1444 AH, and the absence of the designation in the exemption decision number (6386) dated 23/02/1445 AH. The plaintiff then amended the date and item names in the exemption decision at the Ministry of Industry with the letter issued number (202/27/1445) dated 16/04/1445 AH. Subsequently, she filed an objection number (144506010854) dated 25/12/2023, which was also rejected on 07/02/2024. She concluded her petition by requesting the refund of customs duties amounting to (12,403.13) twelve thousand four hundred and three riyals and thirteen halalas, or allowing her to submit a new refund request to be accepted and the previous request canceled. On 05/11/1445 AH, the defendant (the authority) submitted a response memorandum, summarizing its content as follows: It has been observed that there is a discrepancy in the descriptions and units of measurement between (import invoices, customs declaration, and exemption decision). The items (description) in English on the import invoice differ from those in the exemption decision, leading to the exemption being withheld. The plaintiff submitted a request for a refund of customs duties based on exemption decision number (6386) dated 25/03/1445 AH, which indicates that its validity period is from 25/10/1444 AH to 06/11/1445 AH. Since it is established that the date of the customs declaration is 02/06/1444 AH, it is clear that the exemption decision does not apply to the customs declaration. Additionally, the plaintiff must submit a detailed customs declaration when clearing any goods – even if exempt – based on Article (47) of the Unified Customs Law. This is also supported by circular number (325/63/M) dated 26/07/1439 AH, which stated that "no shipment will be exempted if it is recorded in the import declaration in a general manner, as the exemption requires sorting the items of the declaration according to the invoice attached to the declaration, and the information recorded in the import declaration and the attached invoice must match the exemption decision completely. In case of submitting an incomplete declaration compared to what is stated in the decision, such as not specifying the size or weight... This will lead to the blocking of the exemption. In light of the above, the correctness of the authority's approach in withholding the exemption is evident, and the authority concluded its memorandum by requesting the rejection of the lawsuit filed by the plaintiff and supporting the validity of its approach in collecting customs duties. On 13/11/1445 AH, the plaintiff submitted a response memorandum summarizing its content as follows: The plaintiff wishes to inform the committee that the names of the items have been amended to match the names on the invoice in accordance with the ministerial decision issued by the Ministry of Industry No. (6386/S) dated 23/02/1445 AH. The plaintiff has included a text in the decision to notify the authority of the aforementioned decision. As for the effective date of the decision, the text of the decision states that it is valid from 15/05/2022 to 14/05/2027. It is noted that the exemption



date on the Fasah platform is effective from 15/05/2022 corresponding to 13/10/1443 AH to 14/05/2025 corresponding to 16/11/1446 AH. The plaintiff concluded her memorandum with a request for the refund of the exempt customs duties.

On Tuesday, corresponding to 19/12/1445 AH, the committee held its hearing to consider the case conducted remotely, and upon calling the parties to the case, the representative of the authority (....) attended. National ID number (....), by virtue of a mandate from the Legal Affairs and Compliance Agency issued under number (11093/1/353/1445) dated 19/03/1445 AH, and (....) attended, National ID number (....) As a representative of the plaintiff under the license to plead for the private legal entity, and after verifying the validity of their presence and confirming their status, the committee decided to proceed with the case. When asked by the representative of the plaintiff, he stated that the case is summarized in a request for the refund of customs duties due to the defendant withholding the industrial exemption issued by the Ministry of Industry. Yes When asked, the plaintiff is the one who made the first instance mistake by writing the name in the request that led to the exemption decision as blue polycarbonate plastic, and the plaintiff stated in the import declaration that the incoming material is polycarbonate, and in the invoice that the incoming material is (POLYCARBONATE). So why did those names differ even though the plaintiff is the one who named the imported material in these documents? In the first ministerial decision, blue polycarbonate was mistakenly recorded, and this was later corrected in the ministerial decision to the name polycarbonate. When asked, the plaintiff indicated that the names of the items were amended in the ministerial decision No. (6386) issued by letter No. (202/27/1445) dated 16/04/1445 AH. Upon reviewing the amendment, the committee found that it was handwritten and did not clarify the name of the person who made the amendment, their signature, and their position. It was not stamped with the ministry's seal to be considered an official document. It was requested from the specialist in the Ministry of Industry to record that, but he stated that this is sufficient, and we also have an official email from the Ministry of Industry stating that the amendment was made, sent by (....) (....) And the text that came is: The ministry has approved your request based on the following data, noting that the data on the Industrial Platform will not change and the amendment is limited to the FASAH platform. When asked, the circular (325/63/M) dated 26/07/1439 AH explicitly stated that no shipment is exempt and must be recorded in the import declaration in a general manner, as exemption requires sorting the items in the declaration according to the attached invoice, and the information recorded in the import declaration and the attached invoice must fully match the exemption decision. In case of submitting an incomplete declaration compared to what is stated in the decision (such as not specifying the size or weight, etc.), this will lead to the exemption being withheld. This circular was issued in the year (1439 AH), and the shipment for which you are requesting a refund of its fees was received in the year (1444 AH). Why was there no adherence to matching the names, especially since Article (47) of the Unified Customs Law explicitly states the necessity of submitting a detailed customs declaration even if the goods are exempt from customs duties, which includes all information that enables



the application of customs regulations. It has been adhered to, and the error is limited to the name (blue polycarbonate plastic) and has been corrected to the name (polycarbonate).

When asked about the authority's statement that your memorandum included a reference to Circular No. (325/63/M) dated 26/07/1439 AH, which stipulates that no shipment is exempt and must be recorded in the import declaration in a general manner, as the exemption requires sorting the items in the declaration according to the attached invoice, and that the information recorded in the import declaration and the attached invoice must fully match the exemption decision. In case of submitting an incomplete declaration compared to what is stated in the decision (such as not specifying the size or weight, etc.), this will lead to the exemption being withheld. So where is this circular? He answered: I will present the generalization to the committee, and I will attach it. When asked about his response to what he heard, he answered: I suffice with what I have previously submitted, and we adhere to the text of the circular mentioned above that its end will lead to the cancellation of the exemption. When asked that the source of the exemption decision is the Ministry of Industry, which later amended the title, he replied: The amendment does not apply to a previous shipment according to the aforementioned circular, especially since the exemption decision submitted was issued on 25/03/1445 AH, and the customs declaration was issued on 02/06/1444 AH, which clearly shows that the exemption decision does not apply to the customs declaration. When asked by the parties to the case if there are also two lawsuits numbered (AC-2024-233177) and (AC-2024-233182), whether they are based on the same facts and circumstances except for discrepancies in the import data, they answered: Yes, this applies to this case in all its facts except for the discrepancy in the import data number. After reviewing the case file, the committee decided to close the door to pleading and deliberation in preparation for issuing the decision.

Grounds:

After the committee reviewed the case file, it became clear that the plaintiff submitted her objection to the decision of the Zakat, Tax and Customs Authority rejecting the objection submitted by the plaintiff number (144506010854) dated 25/12/2023, related to the request for a refund of customs duties for the customs declaration number (115516) dated 02/06/1444 AH, amounting to (12,403.13) twelve thousand four hundred and three riyals and thirteen halalas, based on the exemption decision issued by the Ministry of Industry number (6386) dated 25/03/1445 AH. The committee was satisfied with the documents, memoranda, and pleadings presented during the hearings and was convinced that the case was ready for a decision. Since the industrial exemption is governed by a mechanism that must be fully adhered to in order to obtain the exemption, as clarified and published under Circular No. (325/63/M) dated 26/07/1439 AH (which regulates the industrial exemption mechanism), which explicitly stated that no shipment recorded in the import declaration in a general manner will be exempted, as the exemption requires sorting the items of the declaration according to the attached invoice, and that the information recorded in the import



declaration and the attached invoice must match the exemption decision completely. In case of submitting an incomplete declaration compared to what is stated in the decision (such as not specifying the size or weight, etc.), and this circular was issued in 1439 AH, and the shipment in question was received under import declaration No. (115516) dated 02/06/1444 AH. Since the plaintiff has full knowledge of the imported item and its commercial and technical names, she is the one who made the first instance mistake by recording the name in the application submitted to the Ministry of Industry, which issued the exemption decision under the name "Blue Polycarbonate Plastic Material," and she stated in the import declaration that the incoming item is Polycarbonate, and in the invoice that the incoming item is (POLYCARBONATE). The plaintiff neglected to ensure accuracy in the names, and she is the one who bears the responsibility for these mistakes that she committed, which led to the withholding of the exemption. Accordingly, the committee was convinced of the validity of withholding the exemption due to the discrepancy between the names of the item stated in the invoice, the import declaration, and the exemption decision according to Circular No. (325/63/M) dated 26/07/1439 AH. Regarding the plaintiff's defenses that the names of the items were modified to match the names on the invoice, the committee responds that Circular No. (325/63/M) dated 26/07/1439 AH explicitly states that no shipment recorded in the import declaration in a general manner is exempted, as exemption requires sorting the items in the declaration according to the attached invoice, and that the information recorded in the import declaration and the attached invoice must fully match the exemption decision. In the case of submitting an incomplete declaration compared to what is stated in the decision (such as not specifying the size or weight, etc.), this leads to the exemption being withheld. This circular was issued in the year 1439 AH, and the shipment for which the plaintiff is requesting a refund of Customs Duties arrived about five years after the circular, specifically on 02/06/1444 AH. The plaintiff was required to fully comply with the exemption organization mechanism. Additionally, the plaintiff is at fault as they recorded the name in the request that was issued with the exemption decision under the name of the plastic material "Blue Polycarbonate." The plaintiff also stated in the import declaration that the incoming item is polycarbonate, and in the invoice that the incoming item is (POLYCARBONATE), and it is the plaintiff who made the error that led to the withholding of the exemption. They did not provide any official document that permits the modification of previous shipments, and merely submitting a modification from the Ministry of Industry does not mean it applies to previous shipments. Furthermore, the plaintiff's objection to the modification of the industrial ministerial decision was written by hand and did not clarify the name of the person who made the modification, their signature, and their position, and it was not stamped with the ministry's seal to be considered an official document. Regarding the email, it did not explicitly mention what was modified, but rather was general and may apply to import data other than the data in question. Based on the above, and after study and deliberation, the committee unanimously decided the following:



Decision:

- 1- Acceptance of the lawsuit in form.
- 2- In the subject, the defendant's support for rejecting the requests for the refund of customs duties in this case and on the aforementioned import statement.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

(The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.)



The Customs Appeals Committee in Riyadh

Decision No. CFR-2024-233795
Case No. AC-2024-233795

The keys:

Customs - Customs Duties - Refund of fees - Fulfillment of the conditions stipulated in the rules for entitlement to a refund - Acceptance of fee refunds

Summary:

The claimant requests the First Instance Customs Committee to cancel the decision of the Zakat, Tax, and Customs Authority rejecting the objection related to the refund of customs duties. The first instance committee has established that the plaintiff has met the apparent conditions stipulated in the rules for entitlement to the refund. This is not undermined by the basis on which the defendant rejected the claim, which is that accepting a certificate of origin issued after the date of clearance may lead to manipulation of the percentages. This means; to cancel the decision of the defendant.

Document:

- Article (20) of the rules for the work of the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/04/1445 AH.

Facts:

This is to consider the case mentioned above, and since the case has met the prescribed legal conditions, it has been submitted to the General Secretariat of the Zakat, Tax, and Customs Committees under the above number on 21/03/2024.

The facts of the case are summarized as follows: (...) - Pakistani nationality - Resident ID number (...), in his capacity as the General Manager of the company (...), Commercial Registration number (.....) Under Article (12) of the company's founding contract; he filed his claim against the defendant (the Zakat, Tax and Customs Authority) contesting the decision issued by the Zakat, Tax and Customs Authority rejecting the request for a refund of customs duties submitted by the plaintiff, for customs declaration number (191) dated 02/01/2023, in the amount of (13,387.14) thirteen thousand three hundred eighty-seven riyals and fourteen halalas.



On 21/03/2024, the plaintiff (the company) submitted her objection list to the General Secretariat of the Zakat, Tax, and Customs Committees regarding the rejection of the request for a refund of customs duties for customs declaration number (191) dated 02/01/2023. The essence of her objection is that the plaintiff objects to the defendant's rejection of the refund requests. The plaintiff emphasizes that the defendant's rejection has no legal or factual basis, as the defendant has misinterpreted and misapplied the provisions of the rules of origin. The plaintiff has complied with all regulatory requirements to benefit from the refund of customs duties, including those related to proving national origin. Therefore, by rejecting the refund requests and subsequent objections, the defendant has violated the plaintiff's legal right to refund customs duties. As part of the original refund request, the plaintiff submitted the certificate of origin prepared by (...) The defendant rejected the report, and the defendant supported the rejection after the plaintiff's objection first before the defendant, despite the fact that the plaintiff proved the compliance of the origin report with Article (5) of the rules of origin and also submitted another origin report prepared by another accountant that also covers the goods related to the refund requests, conclusively proving the fulfillment of the conditions of Article (5), which is certified in the country of origin and has a branch in the Kingdom registered and licensed by the Saudi Authority for Auditors and Accountants to be a certified accountant, and the plaintiff argues that it was (...) Specifically in preparing the report on the basis that they are certified and licensed accountants in Bahrain; although its original rejection of the refund requests, the defendant acknowledged that the plaintiff did not comply with Article (5) of the rules of origin because the customs data is dated before the date of the origin report; that is, the date of the customs data for the refund requests "the customs data" is before the report (...) Despite the absence of any regulatory text governing the date of the report, the plaintiff asserts that despite the issuance of report (...) On 8/1/2023, (...) issued It also commits to stating that the period from June 2022 and thereafter, during which refund requests and customs data fall, was within the scope of the report, and this clearly and explicitly proves without any

No doubt that the report (...) Covers imported goods from November 2022 to January 7, 2023, which are related to customs data and refund requests, and therefore, in light of the commitment (...) The plaintiff sees that there is no basis for the defendant to reject the report issued by the office (...) Based on the date of issuance, there is no basis for the defendant's conclusion that the certificate of origin does not cover the rejected refund requests subject to objection. Based on the above, we reiterate to your esteemed committee that the defendant's rejection has no legal or factual basis. Since the arbitrary and irregular rejection of refund requests violated the plaintiff's legal right to recover customs duties and violated the mandatory international agreements at the level of the Gulf Cooperation Council countries, the plaintiff also points out that the defendant's arbitrariness in rejecting her claim is also reflected in the lack of seriousness in the defendant's review of the plaintiff's first instance objection and its inaccurate justification for rejecting the objection. The defendant only stated that she rejected the objection "due to the failure to meet the rules and conditions for verifying the proof of origin according to Ministerial Decision No. (3852), and the defendant



did not highlight any specific clause that she believed was not fulfilled. Finally, the plaintiff requested the acceptance of this objection in procedures and on merits, the cancellation of the defendant's decision to reject the plaintiff's objection, and granting the plaintiff the right to recover the required customs duties according to the value of the objection stated on the attached cover page, to be submitted within the statutory period of (30) days from the date of receiving the rejection response dated 21/03/2024, in accordance with the new customs committee operating rules and paragraph (b) of Article (147) of the Unified Customs Law, and to erase all its effects.

On 11/06/2024, the defendant (the authority) submitted a response memorandum that included its reply to the objection submitted by the plaintiff (the company), summarizing its content as follows: Starting and based on what is stated in the rules and conditions for verifying the proof of origin, which aim to organize the mechanism for verifying the proof of origin for shipments coming to the Kingdom and the extent to which they are granted preferential treatment or not, it was established that the plaintiff submitted the origin report for customs data dated 08/01/2023, while the date of the customs data starts from 03/11/2022 to 07/01/2023. It is clear that the date of the origin report submitted by the plaintiff is later than the date of the customs data. In light of this, the defendant communicated with the Ministry of Industry and Mineral Resources, and the response indicated that the claim for refund was not valid because the date of the origin report is later than the date of the customs data. From this standpoint, it becomes clear to you that the plaintiff is not entitled to claim a refund of the fees, and the defendant's action to collect the fees due to the state treasury is correct and in accordance with the proper law. The memorandum concluded with the defendant's request to dismiss the lawsuit filed by the plaintiff and to support the defendant's action in collecting the Customs Duties.

On 12/06/2024, the plaintiff (the company) submitted a memorandum in response to what was stated in the memorandum of the defendant (the authority), summarizing its content as follows: The plaintiff confirms her objection to the defendant's decision to reject the refund requests. The plaintiff confirms that she has responded to the claim of the defendant - as stated above - in the lawsuit submitted to your committee, which reflects the defendant's failure to review the plaintiff's lawsuit. The plaintiff asserts that the defendant's rejection has no legal or factual basis. Where there is no condition in the rules and conditions for verifying the proof of origin that governs the date of issuance of the certificate of origin, the condition is limited only to the requirement that the certificate of origin must be issued by a "certified and licensed public accountant in the country of origin, with a branch in the Kingdom of Saudi Arabia registered and licensed by the Saudi Organization for Auditors and Accountants," and that it covers the imported goods and the period related to the customs data. Accordingly, the reason given by the defendant for rejecting the certificate of origin based on its issuance date has no legal basis, and the defendant's reference to the Ministry of Industry and Mineral Resources in its response memorandum regarding the non-claim for the refund of fees due to the certificate of origin being later than the customs data date, we would like to point



out to you that the Ministry of Industry and Mineral Resources has no jurisdiction or oversight over matters related to customs duties, as the defendant is the competent authority for the application, management, and collection of zakat, taxes, and customs duties, so there is no basis for rejecting the certificate of origin based on the response from the Ministry of Industry and Mineral Resources.

On 12/07/2024, the defendant (the authority) submitted a memorandum in response to what was stated in the reply memorandum submitted by the plaintiff (the company), summarizing its content as follows: Since it has been established that the certificate of origin is one of the necessary documents for the refund request, as stipulated in Article (4) of the rules and conditions for verifying the proof of origin. The importer has the right, within a period of (90) calendar days from the date of clearance of the goods, to submit a request for the refund of the cash guarantee value... It is clear that the original certificate of origin submitted with the refund requests must include the actual data and percentages for the period preceding the date of clearance, and it is not conceivable to accept a certificate of origin after the date of the customs declaration, due to the possibility of manipulating the percentages stipulated in Article (5) of the rules and conditions for verifying the proof of origin mentioned above. It was established that the plaintiff submitted the certificate of origin for the customs data prepared by the legal accountant (...) Dated 08/01/2023, while the date of the customs data starts from 03/11/2022 to 07/01/2023. The defendant has corresponded with the competent authority – the Ministry of Industry and Mineral Resources – and the response indicated that the claim for refund is not valid because the date of the certificate of origin is later than the date of the customs data. We would like to inform you that according to Article (17) of the Unified Industrial Organization Law of the Gulf Cooperation Council countries, which states that: The minister or his delegate shall take the appropriate measures to grant the industrial project all or some of the following exemptions: 1- Full or partial exemption from customs duties on the project's imports, 2- Full or partial exemption from all taxes, including income tax, in accordance with the regulations of each country, 3- Exemption of the industrial project's exports from export taxes and fees, 4- Any other exemptions agreed upon within the framework of the Cooperation Council. It is clear from this that the defendant is the implementing authority for decisions related to exemptions from customs duties issued by the ministry, which makes the plaintiff company's claim in this regard subject to rejection.

On Wednesday, September 25, 2024, the 1st First Instance Customs Committee held its hearing to consider the case convened via visual communication systems, and upon calling the parties to the case, (...) attended. National ID number (...) On behalf of the (plaintiff) under power of attorney number (...) Under the law license number (...), and attended/ (...) National ID number (...) As a representative of the Zakat, Tax and Customs Authority (the defendant) under the authorization issued by the Legal Affairs and Compliance Agency of the Authority with number (...) On the date 19/03/1445 AH, and after the committee reviewed the case file, it became clear to them that it was ready for a decision, so the committee proceeded.



When asked by the attorney of the plaintiff what he would like to add besides what he presented, he answered: By way of sufficiency, the committee directed a question to the representative of the authority (the defendant) about what she would like to add beyond what was presented, and she responded by stating sufficiency. The committee decided to close the door of the pleading and to rule on the case based on the documents it contained.

Grounds:



After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws.

As for the form: Since the plaintiff aimed in her lawsuit to object to the decision issued by the defendant rejecting the refund of customs duties, and since the dispute is one of the disputes that the committee is competent to consider and decide upon, and since it has been established to the committee that the plaintiff was notified of the rejection of the request for the refund of customs duties on 25/02/2024, and the plaintiff submitted her complaint to the defendant under number (144507004001990), and since it has been established that a notice of rejection of the complaint was issued by the defendant on 25/02/2024, this means that she has forfeited her right to extract the implicit rejection. Furthermore, it has been established that the plaintiff submitted this lawsuit on 21/03/2024, and based on Article (5) of the rules of operation of the Zakat, tax, and customs committees, which stated that: A person who has received a decision from the authority may appeal against it within (sixty) days from the day following the date of notification. The authority must decide on the appeal within (ninety) days from the date of submission. The appellant has the right to appeal within (thirty) days from the day following the date of notification of the rejection of the appeal, its partial acceptance, or the expiration of the ninety days without a decision. Do any of the following: ... B- Filing a direct lawsuit before the adjudication circuits, which leads the committee to accept the lawsuit in form. As for the absence of the defendant or their representative at the hearing of the case despite the confirmation of their legal notification, and since Article (20) of the rules of operation of the Zakat, Tax, and Customs Committees states that: If the defendant or their attorney or representative is notified of the lawsuit or the hearing date - according to Article (12) - or if they or their attorney or legal representative submitted a defense memorandum and did not attend, or if they or their attorney or representative attended any hearing and then absented themselves thereafter, the decision issued against them is considered in their presence. Since the defendant did not provide an excuse justifying their absence



from the committee hearing held to consider their case, and since the committee found that the case is suitable for resolution based on what is available in its file, it concludes by issuing its decision in the case under consideration in the presence of the defendant.

On the merits: Upon reviewing the committee's documents and the requests, defenses, and pleas presented by the parties, it became clear to the committee that the dispute is limited to the recovery of customs duties or not. Based on paragraph (c) of Article (5) of the rules and conditions for verifying the proof of origin, it states that: The submitted request must include the following terms and documents: A report from a certified and licensed accountant in the country of origin, who has a branch in the Kingdom from the Saudi Organization for Certified Public Accountants, provided that the certified accountant is different from the preparer of the annual financial statements for the factory in the country of origin, clarifying the following:

- 1- The value-added tax rate according to national origin rules.
- 2- The localization rate for industrial establishments is documented by the competent authority in the country of origin, provided that the rate is for an average of 26 weeks.

When the committee found that the plaintiff had attached a certificate of origin, it became clear from reviewing the report that the plaintiff had achieved the localization rates and added value according to the rates mentioned in the reports of the certified accountants, which are (.... /....) The two who agreed on the same entitlement, and with the committee's review of the rules and conditions for verifying the proof of origin, it became clear to the committee that the rules and conditions did not include what necessitates the defendant's interpretation that the date of the origin report must be prior to the date of the customs declaration. Since the principle is that if the words are stated in an unrestricted manner, they should remain unrestricted and not be limited by any restriction or description unless there is credible evidence to restrict them. Since the defendant's response did not include anything indicating a requirement that the date of the origin report be prior to the date of the customs declaration, and since it became clear to the committee that the defendant's rejection merely represents its understanding and interpretation of the rules, and since its interpretation of the text constitutes a restriction of an unrestricted text that is not supported by credible evidence, and because the principle is to act according to the apparent texts of the regulations and not to deviate from them except with evidence that diverts from them, and since it became clear to the committee that the plaintiff has fulfilled the apparent conditions included in the rules for entitlement to a refund, and this is not undermined by what the defendant based its rejection on, which is that accepting an origin report issued on a date later than the date of the clearance may lead to manipulation of the percentages stipulated in Article (5) of the rules and conditions for verifying the proof of origin; since Article (9) of the rules and conditions for verifying the proof of origin granted the defendant the right to



verify the validity of what was included in the refund request through several means stipulated in Article (9) of the rules; thus, the committee concludes by accepting the plaintiff's objection and canceling the defendant's decision regarding the rejection of the refund of customs duties. Based on the above, the committee unanimously decided the following:

Decision:

First: Acceptance of the lawsuit in form.

Second: Objectively:

Cancel the defendant's decision to reject the refund of the customs duties paid from (...) Commercial Register No.: related to customs declaration number: (191) On 02/01/2023, in the amount of (13,387.14) thirteen thousand three hundred eighty-seven riyals and fourteen halalas.

This decision was issued in the presence of both parties, dated of depositing the decision in the electronic law of the General Secretariat of Zakat, Tax, and Customs Committees is considered the date of receipt of a copy of the decision. This decision is considered final under Article (33) of the Rules of Procedure of the Zakat, Tax, and Customs Committees.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

(The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.)



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-202010
Case No. PC-2022-139531

Keywords:

Customs - Customs Duties - Customs differences - Submitting invoices with low values - Collecting fee differences

Summary:

The request of the Zakat, Tax and Customs Authority to cancel the decision of the Third First Instance Customs Committee in Riyadh No. (CTR-2023-139531), which ruled not to convict the importer of customs smuggling, and where the appellate committee found the evidence insufficient, and to suffice with the collection of the customs duty differences amounting to (70,054.73 riyals) for (23) import declarations. The authority stated that the institution submitted invoices with low values for the shipments, which led to the loss of customs duties. It also attached documents proving the existence of discrepancies in value, including bank transfers and account statements indicating the low declared value. The institution also missed the hearings and did not provide evidence to support its position. Consequently: Acceptance of the appeal in form and rejection of its subject, while upholding the first instance decision of non-conviction for customs smuggling and obliging the institution to pay the differences in Customs Duties.

Document:

- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (142) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraph (11) of Article (143) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by the General Authority for Zakat and Tax against the first instance Decision No. (CTR-2023-139531), issued by the Third First Instance Customs Committee in Riyadh, which ruled as follows:



- 1- Non-conviction of the institution ..., commercial registration number (...). Due to insufficient evidence.
- 2- The sufficiency of fulfilling the difference in customs duties specified in the attached Excel file from the plaintiff in the case file, amounting to (70,054.73) seventy thousand and fifty-four riyals and seventy-three halalas for a total of (23) import declarations.

Since the appellant was notified of the Decision subject to the appeal on 24/05/2023, and submitted the appeal on 18/06/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established by Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a group of shipments through the Al-Batha customs based on several import declarations, totaling (23) declarations, which were declared by the importer in the documents submitted to customs. After auditing, inspecting, and examining the documents and invoices submitted by the importer, it was found that there were customs discrepancies due to the undervaluation of the shipments compared to the actual value discovered, which led to the loss of customs duties for the state treasury according to the statement of the authority indicated in the attached Excel file, amounting to (70,054.73) seventy thousand and fifty-four riyals and seventy-three halalas. The first instance committee concluded that the case was based on the authority's claim against the importer for customs smuggling by evading the payment of the duties due on the total amounts of those declarations, finding the evidence insufficient to convict the importer of customs smuggling while obliging him to pay the differences in the customs duties owed for those declarations as detailed in the narrative of the facts and reasons for the decision subject to appeal, which is referred to in order to avoid repetition.

Upon reviewing the objection list submitted by the authority, the appellate customs committee found that its summary mentioned that the institution argued before the first instance committee that it did not notice or intentionally submit low-value invoices and that it was willing to pay the differences resulting from that when the audit team visited its premises. This confirms its intention to attempt to evade the full payment of customs duties, which the committee that issued the decision accepted. The authority indicates that it is illogical to excuse it and not condemn it merely because it expressed a willingness to pay after the incident was discovered, rather than out of a desire for settlement due to its awareness of the extent of the violation. Additionally, the institution was given time by the 1st instance committee to respond regarding the true value of these shipments, but it failed to attend and did not attach any response memorandum, which constitutes a clear confirmation of its violation of evading customs duties. The authority attached to the first instance committee a statement of the differences in low value for (23) customs declarations, in addition to providing evidence of the discovery of the low value submitted to customs compared to what was actually paid. The authority also mentions that the importer has invoices and other documents showing the true low value, including bank transfers that proved to be higher than what was submitted to customs, thus not matching the actual paid value. Furthermore, it was discovered that the value of some was lower through the supplier's account statement, which showed that the value was much higher than what was submitted



to customs. The authority states that what the first instance committee mentioned in its decision about the authority attaching a new lawsuit list after archiving and after the ruling was pronounced, accusing the institution of customs smuggling, is incorrect, as the lawsuit was first instancely filed as a customs smuggling case for (23) import declarations, and the mention of (21) import declarations was a mistake. The authority clarified in all hearings of the committee held and through email and its supplementary memorandum submitted to it that the number of declarations is (23) customs declarations, all related to the customs smuggling case, and that they were part of the documents with the complete file from the beginning of the lawsuit. The authority argues that the incident is considered customs smuggling according to what is stipulated in articles (142) and (143/11) of the Unified Customs Law, and that the importer has committed a clear violation of the law and intentionally evaded customs duties; this results in the loss of funds to the state treasury. Moreover, customs smuggling crimes are intentional crimes that must have both the material and moral elements, which were present in the incident under consideration, as the importer evaded the full payment of customs duties. The memorandum concluded with the authority's request to overturn the first instance decision in all its provisions, condemn the importer, and obligate him to pay a customs fine equivalent to the value of the shipment and to compensate for the value of the shipment as a confiscation equivalent.

On Thursday, July 11, 2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against Decision number (CTR-2023-139531), issued by the Second First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a Decision in its current state after the committee was informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the Grounds on which the appeal was based and the response of the authority.

Grounds:

Whereas there is no reproach against the reviewing authority for taking the reasons of the decision subject to the appeal without adding anything whenever it sees that these reasons are sufficient to negate the need for any new arguments, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. This is not undermined by what the authority mentions regarding an objection to the decision by stating that the first instance committee included in the decision that the authority attached a new lawsuit that included that the basis of the lawsuit against the importer is a request to convict him of customs smuggling, confirming that this was its first instance request in the lawsuit. This is similar to the fact that this defense does not change the outcome reached by the decision, considering that it is established through the narration of its facts and reasons that the outcome reached by the 1st instance committee of not convicting the importer of customs smuggling was due to the insufficiency of the evidence to convict the importer. This



outcome was after the first instance committee established in its decision that it addressed the lawsuit ultimately after it encompassed the lawsuit and was aware of it, that it was regarding a customs smuggling lawsuit filed by the authority against the appellant concerning what it claims is the failure to pay the due fees for the imports related to the facts of the lawsuit. It has been established to it after investigating the lawsuit that it does not include what proves the authority's demand to convict the importer of customs smuggling for fees that have not been paid for those imports, and it was satisfied with obligating him to pay what he failed to pay of those fees without the failure to pay them being sufficient to justify attributing the crime of customs smuggling to him as the authority was demanding. Since the reasons for the decision subject to the appeal are sufficient to support its ruling, it is necessary to state that the defenses presented do not affect the outcome of the decision, which makes the appeal unsupported and thus must be rejected. Therefore, the appellate committee concluded to report the following:

Decision:

- 1- Accepting the appeal in form, submitted by / The Zakat, Tax and Customs Authority, against the first instance decision No. (CTR-2023-139531), issued by the Third First Instance Customs Committee in Riyadh in the case filed by it against / The Institution ..., Commercial Registration No. (...).
- 2- In the subject, his rejection and the affirmation of the first instance Decision in all that it ruled, and that is for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-175022
Case No. PC-2022-139492

Keywords:

Customs - Customs Duties - Carpets - Submitting incorrect invoices - Conviction

Summary:

The importer requests the cancellation of the first instance decision issued by the Third First Instance Customs Committee in Riyadh, No. (CTR-2022-1729), which convicted the importer of customs smuggling and imposed a customs fine and the value of confiscation compensation. Where it was established for the appellate committee that the committee issuing the decision was aware of the facts of the case and issued its decision in light of its conviction, relying solely on what was presented to it to reach the conclusion that its decision arrived at. Consequently: And the affirmation of the first instance Decision in all that it ruled.

Document:

- [Article 142 of The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- [Article 163 of The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)

Facts:

This is to consider the appeal submitted by/..., national ID number (...). As an attorney for the owner of the institution / ... According to agency number (...) On the date 07/11/1443 AH, against the first instance Decision No. (CTR-2022-1729), issued by the third First Instance Customs Committee in Riyadh, ruling as follows:

- 1- Condemnation/ Institution ..., Commercial Registration Number (...) In person with customs smuggling.
- 2-Obligating it to a customs fine equivalent to twice the value of the violating item in the amount of (400,020) four hundred thousand and twenty riyals, according to Article (145/4) of the Unified Customs Law.



3- Obliging it to its value as a confiscation compensation amounting to (200,010) two hundred thousand and ten riyals, according to Article (145/5) of the same law.

Since the appellant was notified of the Decision subject to the appeal on 05/01/2023, and submitted the appeal on 02/02/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established by Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment consisting of (carpets) belonging to the importer through the customs of Jeddah Islamic Port under import declaration number (209427) dated 22/09/1436 AH. It was found that the importer attached incorrect invoices, which resulted in the loss of part of the customs duties, as the value of the shipment amounted to (200,010) riyals with customs duties of (24,241) riyals. A customs duty of (14,119) riyals should have been collected, which created a significant difference between the actual price of the shipment and the low price declared in the invoice submitted to customs. The first instance committee issued its decision based on the fact that submitting a false invoice that differs from the actual discovered invoice, while concealing the correct invoice, to evade paying the actual customs duties, and issuing two invoices for the same shipment with different values and submitting them to two different authorities, one to the Zakat, Tax and Customs Authority with a low value and the other containing the correct value submitted in the country of export, represents an attempt at customs smuggling according to Article (142) of the Unified Customs Law, and imposed penalties on the appellant as stated in the text of its decision, with details provided in the narrative of the facts and reasons for the decision subject to appeal, which is referred to here to avoid repetition.

Upon reviewing the objection list submitted by the representative of the institution's owner, the customs appellate committee found that its summary reflects the importer's claim that he submitted the original invoices along with the required documents and papers for each import declaration. It is the responsibility of the customs department to provide evidence for invoices that are less than the due customs value. Additionally, the existence of a high invoice does not prove its validity, and the invoices claimed to be valid due to their issuance from the exporting company were submitted to customs by the informant (...). Due to a lawsuit between the importing institution and the informant before the General Court in Medina, the attorney of the owner of the institution stated that the acknowledgment of the attorney of the importing company regarding the company preparing two invoices, one submitted to Saudi customs and the other with a higher value submitted to Turkish customs in order to obtain assistance from the Turkish government, does not constitute an acknowledgment from the importer of the existence of false invoices. Furthermore, the subsequent audit management did not address the details of the documents submitted by the informant and the differences they contained. Additionally, the decision subject to appeal clearly lacked clarity in stating the procedures for resolving the dispute regarding the valuation of the goods according to what the law stipulates concerning the valuation in the event of a dispute between customs and the importer. It also contained reasons that relied on suspicion and conjecture to determine guilt in order to



collect the difference in value, considering that the first instance committee did not take any action against the attorney of the Turkish company who is aware of all the manipulations in the invoices that occurred in the foreign country of export. The appeal memorandum also states that the importing company submitted all the documents it had to customs and did not conceal them, especially since the informant did not prove that the company received any of the invoices that were in his possession. The petition concluded with the appellant's request to annul the decision subject to appeal, in addition to his request for a written analysis and interpretation from the General Administration of Subsequent Audits in customs regarding how the valuation was determined and the reason for considering the invoices submitted by the informant as the correct invoices. He also requests, as a precaution, to provide him with all relevant documents and the study of the value adjudication committee regarding the data in question.

A response memorandum from the authority was received via the automated system of the secretariat dated 02/04/2023, which summarized that the institution had submitted documents matching the shipping invoices, certificate of origin, and packing list, which contradict the reality when compared to the invoices obtained from the laboratory concerning the same data for the low-value invoices. This can only be explained as an attempt to reduce the customs duties that should be paid to customs. The importer's claim of ignorance regarding the higher-value invoices is merely an attempt to evade responsibility for not providing the correct invoices. The importer has the right to refer to the exporting company to claim any damages he alleges to have occurred due to the incorrect invoices issued by them. Regarding the appellant's claim that the authority did not follow the procedures for verifying the goods, it is not related to the incident as it involves customs smuggling due to the presence of low-value invoices after discovering the correct invoices. The authority concluded its response by requesting the rejection of the appeal submitted by the appellant and the affirmation of the first instance decision in all its provisions. On Tuesday, June 25, 2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party regarding Decision No. (CTR-2022-1729), issued by the 1st First Instance Customs Committee at the Al-Batha Customs. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a Decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in its current condition.

Grounds:

Where the appellant seeks to submit his appeal for the purpose of requesting the annulment of the first instance decision subject to the appeal number (CTR-2022-1729) issued against the importing company, which convicted it of customs smuggling and imposed a customs fine and the confiscation fee ruled against the appellant as stated in the text of the first instance decision under consideration, based on the claim that the importer submitted the original invoices attached with the required documents and papers pertaining to each import declaration, and that the burden of proof for presenting invoices lower than the due customs



value of the imported goods lies with the customs administration, and the informant (...) He is involved in changing the invoices for the benefit of the Turkish company, and this was due to a lawsuit between the importing institution and the informant before the General Court in Medina. The acknowledgment of the attorney of the exporting company that they prepare two invoices, one for Saudi customs and the other for Turkish customs, was aimed at obtaining assistance from the Turkish government, and this does not imply an acknowledgment from the importer of the existence of false invoices. Additionally, the subsequent audit department did not address the details of the documents submitted by the informant and the differences they contained. Furthermore, the decision lacked clarity in stating the procedures for resolving the dispute regarding the valuation of the goods, which contradicts what the law stipulates regarding the valuation in the event of a dispute between customs and the importer. The decision also included reasons based on suspicion and conjecture to determine guilt for the purpose of collecting the difference in value, considering that the first instance committee did not take any action against the attorney of the Turkish company, who is aware of all the manipulations in the invoices that occurred in the foreign country of export. The appeal memorandum states that the importing company submitted all the documents it had to customs and did not conceal them, especially since the informant did not prove that the company received any of the invoices that were in his possession. The statement of appeal concluded with a request to annul the contested decision, in addition to requesting a written analysis and interpretation from the General Administration of Subsequent Audits in customs regarding how the valuation was determined and the reason for considering the invoices submitted by the informant as the correct invoices. It also requests, as a precaution, to provide all relevant documents and for the value dispute committee to study the data in question.

Since there is no reproach against the appellate authority for taking the reasons of the decision subject to appeal without adding anything whenever it sees that these reasons are sufficient to negate the need for any new submissions, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. As for what the appellant mentions regarding his requests for a written interpretation from the General Administration for Subsequent Audits in Customs on how to determine the assessment, as well as an explanation for why the invoices submitted by the informant are considered the correct invoices, in addition to providing him with the study of the valuation committee and all related documents, these are new requests that were not previously raised before the first instance committee, and they are also requests that do not concern the customs judiciary after it has settled its conviction regarding its ruling on the importer after confirming that the committee issuing the decision was aware of the facts of the case and issued its decision in light of what it was convinced of, being satisfied with what was presented to it to reach the conclusion that its decision arrived at. Therefore, the appellate customs committee concluded to disregard these requests, and thus the committee concluded to report the following:



Decision:

1- Acceptance of the appeal in form, from the applicant/ Institution ..., commercial registration number (...), against the first instance Decision number (CTR-2022-1729) issued by the second First Instance Customs Committee in Riyadh.

2- In the subject, his rejection and the affirmation of the first instance Decision in all that it ruled, and that is for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2023-142304
Case No. PC-2022-141765

Keywords:

Customs - Customs Duties - Aluminum sheets - Undeclared - Conviction

Summary:

The importer requests the cancellation of the decision of the Third First Instance Customs Committee in Riyadh No. (69/3) for the year 1443 AH, which convicted the importer of customs smuggling and obliged him to pay a fine equal to twice the customs duties and equivalent to the value of the shipments. The appellate committee allowed the attorney of the concerned party to submit a detailed statement of appeal in response to his request when considering the case, without him providing what was previously requested. This means; the affirmation of the first instance Decision in all that it ruled.

Document:

- Article (188) of the Judicial Procedures law issued by Royal Decree No. (M/1) dated 22/01/1435 AH.

Facts:

This is to consider the appeal submitted by/..., national ID number (...). As an attorney for/ ... Turkish nationality - Residence number (...) On behalf of the company ... Commercial Register No. (...) According to agency number (...) On the date .../.../..., against the first instance Decision No. (69/3) for the year 1443 AH, issued by the third First Instance Customs Committee in Riyadh, which ruled as follows:

- 1-Conviction of the importer company ..., commercial registration number (...), in person for customs smuggling.
- 2-Obligating it to a fine equal to twice the customs duties based on the actual value of the number of aluminum facades.
- 3- Obliging it to the equivalent value of the shipments according to the actual value of the number of aluminum facades.

Since the appellant was notified of the decision subject to the appeal on .../.../... and submitted the appeal on .../....., this entails the acceptance of the appeal in form as it was submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law.



As for the facts of the case, they are summarized by the arrival of a shipment consisting of (aluminum sheets) according to the import declaration number (...). dated .../.../... where the importer stated in the invoices submitted to customs that the quantity received (NOS1) and the value of the shipment (18,616) US dollars, and upon reviewing the documents, it was found that the number mentioned in the import declaration is (16) packages, which indicates the suspicion of smuggling an additional quantity not included in the invoice submitted to the authority at the beginning with the declaration. The first instance committee issued its decision as stated in its ruling based on the fact that the quantity mentioned in the packing statement represents the number of seven fronts loaded in (16) packages and not one front as declared in the invoice since the number of (6) fronts was not declared. Since the packing statement actually reflects the number of fronts actually loaded, it should match the commercial invoice. Therefore, what the importer did is considered an attempt at customs smuggling, which resulted in the loss of part of the customs duties to the state, because the failure to declare and state the actual incoming shipment according to the invoices and the import declaration is considered a form of customs smuggling based on what is stated in Article (11/143) of the Unified Customs Law, which makes the incident customs smuggling according to the provisions of Article (142) of the same law.

Upon reviewing the objection list submitted by the appellant company's representative, the customs appellate committee noted that evidence will be provided to prove that the basis for the decision under appeal is incorrect due to an unintentional error from the source compared to the quantity in the purchase invoice. Additionally, three price quotations for aluminum from local factories and three price quotations from foreign factories from the same country of origin will be submitted to demonstrate that the price on the invoice corresponds to the same quantity and weight, confirming the existence of a quantity of seven in the packing statement. The list concluded with a request to overturn the first instance decision in all that was ruled against the company due to the absence of a customs smuggling crime for reasons that will be detailed in a comprehensive list, and to rule in favor of the importer and recover the differences that occurred from customs compared to what was paid in the customs declaration.

A response memo from the authority was received through the Automated System of the secretariat dated .../.../... The summary included that the appellant did not provide reasons for his objection to the decision subject to the appeal as indicated by Article (188) of the Judicial Procedures law, which shows that the defendant's memorandum is devoid of reasons and requests for objection to the decision. Therefore, it is considered not properly drafted according to the law. The petition concluded with a request to reject the appeal and uphold the first instance decision in all its provisions.

On Tuesday, .../.../..., the Customs Appeals Committee in Riyadh held its hearing to consider the appeal submitted by the concerned party against decision number (...). For the year ... Issued by the Third First Instance Customs Committee in Riyadh, and after reviewing the case file and the appeal submitted by the appellant, the committee found that the case is ready for a decision in its current state after the committee was informed of the facts of the case and the sufficiency of what was presented to form its conviction and



rule on it after the appellate committee requested the appellant's representative, after opening the floor for pleadings, to submit a detailed statement of appeal as requested in his raised appeal so that responses could be exchanged between him and the prosecution. Since the appellant's representative mentioned in the request to raise his appeal attached to the case file that he would submit a detailed list including substantial reasons for the appeal against the decision, the appellate committee contacted in its hearing held to consider the appeal on .../.../... On behalf of the appellant ... National ID number (...) He asked him if he had the detailed list of the appeal reasons as mentioned? He replied that it had not been prepared due to the lack of communication with him regarding the appeal submitted a long time ago, and therefore the committee granted him a deadline that ends at the close of business on Sunday .../.../... To submit his list, he also mentioned that this period is not enough considering that he has lost communication with the company he is representing. The committee responded that this matter is not within its purview and that it is a private relationship between the principal and his attorney, and it is assumed that the statement of appeal was submitted in detail at the time of the appeal request. Therefore, the appellate committee did not respond to his request for an extension, as he did not provide any answer to what was requested of him after being granted that extension. Upon reviewing the appellate committee's file, it was found that there was no response from him to what was requested after he was given the opportunity to present everything he had regarding the appeal under consideration. Accordingly, the appellate committee decided that the documents contained in the case file were sufficient to rule on the subject of the submitted appeal.

Grounds:



Whereas, upon reviewing the appeal submitted by the attorney of the appellant, the appellate committee found that there were no substantive reasons for contesting the decision other than what the attorney of the appellant generally mentions, that the basis on which the decision subject to appeal was made is incorrect due to an unintentional error from the source. It was mentioned that price offers will be submitted from local and foreign factories to prove the validity of what was stated in the packing statement, and that a detailed list of reasons for the appeal will be submitted. The appellate committee allowed the attorney of the concerned party to submit a detailed statement of appeal in response to his request when considering the case, without him providing what was requested as previously stated. Therefore, the appeal submitted in its current state, and in light of what was mentioned, did not include anything that necessitates a correction of the decision or a commentary on it, given the failure of the attorney of the appellant to provide the detailed reasons for contesting the decision under consideration or the defenses that the attorney of the appellant claims exist by stating that the basis on which the decision subject to appeal is incorrect. Consequently, the appellate committee concluded the following report:



Decision:

- 1- Acceptance of the appeal in form, submitted by / Company ... Commercial registration number (...), against the first instance Decision number (69/3) for the year 1443 AH, issued by the Third First Instance Customs Committee in Riyadh.
- 2- The appeal is rejected on the merits, and the first instance Decision is upheld in all that it ruled, for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-201821
Case No. PC-2022-154332

Keywords:

Customs – Customs Duties - Aluminum windows and doors – Items not listed on the invoice – No conviction

Summary:

The importer's request to cancel the decision of the Second First Instance Customs Committee in Riyadh No. (CSR-2022-4525), which convicted the importer of customs smuggling and obligated him to pay a fine equivalent to the value of the discovered items and their confiscation. Where it was established for the appellate committee that there is a letter addressed from the company to the Al-Khafji Customs dated 25/10/2020, and that the seizure report showed that the import declaration prepared for the incident was dated 01/11/2020, which supports the side of the company's lack of intention to deliberately conceal the materials that were not declared and to pay the due fees. This means; canceling the decision of the first instance committee, and considering the behavior of the importer in not fully declaring the imports of the shipment as a customs violation.

Document:

- Article (30/2) of [the Executive Regulations of the Customs law issued by Ministerial Resolution No. \(2748\) dated 25/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by/..., national ID number (...). As an agent for/..., national ID number (...). According to agency number (...) dated .../.../... , authorized by/ ... , resident ID number (...) As the Chairman of the Board at the company ... According to agency number (...) On .../.../..., issued by the electronic services of the Ministry of Justice, against the first instance Decision No. (CSR-2022-4525), issued by the second First Instance Customs Committee in Riyadh, ruling as follows:

- 1- Conviction of the defendant ... Commercial register number (...), present at customs smuggling.
- 2- He is obliged to pay a customs fine equivalent to the value of the discovered items, an amount of (14,606.52) fourteen thousand six hundred and six riyals and fifty-two halalas.
- 3- Seizure of the discovered items subject to the lawsuit.



Since the appellant was notified of the decision subject to the appeal on .../.../... and submitted the appeal on .../....., this entails the acceptance of the appeal in form as it was submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of goods consisting of 63 aluminum windows and 2 aluminum doors through the Al-Khafji outlet according to statistical statement number (...). dated .../.../... all of which originated from the State of Kuwait, and upon actual inspection of the shipment, it was found that there are several items not mentioned in the invoice, which are as follows: Locks and door accessories number (9071) nine thousand and seventy-one made in Italy, and a dust-proof rubber with a length of 10300m made in the UAE, and a rubber for windows with a length of 150m made in China, and wooden boards number (24) twenty-four boards made in Indonesia, and aluminum profiles number (10) made in Kuwait. This was not disclosed by the company, and therefore an import statement was created for the foreign items in violation under statement number (...) dated .../.../..., and the value of the seized items was estimated at (14,606.52) fourteen thousand six hundred and six riyals and fifty-two halalas, and a report of the incident was prepared under report number (...) dated .../.../..., and the first instance committee issued its decision as stated in its ruling based on the fact that the defendant's failure to declare the discovered items led to the loss of the due customs duties and deprived the state treasury of its entitlements on imports, and that introducing them without declaring them constitutes customs smuggling based on Article (142) of the Unified Customs Law.

Upon reviewing the objection list submitted by the company's attorney, the appellate customs committee found that its summary mentioned that the first instance committee stated in the reasons for its decision that the company was involved in smuggling tobacco, which was not proven, making its decision flawed and subject to cancellation. Additionally, the committee did not correctly classify the incident in question, as the customs declaration number (...) was invoiced on .../.../... The statement number (...) that the committee believes is in violation was invoiced on .../.../... which indicates that the invoices are correct, but the shipment that the committee considers to be in violation was loaded with the shipment that it considers correct. Additionally, the material element, which is essential for the commission of the customs smuggling crime in the criminal procedure law, was not present in the incident, as the company sent a letter to the director of the Al Khobar customs regarding the invoice in question on .../.../... This indicates care and a lack of intent to smuggle, in addition to the fact that the amount of customs duties for the quantity that the committee believes was smuggled did not exceed (800) eight hundred riyals, and that the company is classified as one of the large importing companies that imports (5000) five thousand containers annually. Is it logical and reasonable for them to start smuggling goods with such a small customs duty amount despite having the invoice? The appeal concluded with a request to accept the appeal in form and to annul the decision issued by the second First Instance Customs Committee in Riyadh.

On Wednesday, .../.../..., the Customs Appeals Committee in Riyadh held its hearing to consider the appeal submitted by the concerned party against decision number (CSR-2022-4525), issued by the Second First



Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, and noting that the Public Prosecution had not responded after being requested to reply to the appeal submitted on .../.../... And granting her a period of (45) days without a response from her until the date of this hearing, which leads the appellate committee to determine that the case has become ready for adjudication in its current state after the committee has been informed of the facts of the case and the sufficiency of what has been presented to form its conviction and to rule on it in light of the grounds on which the appeal was based and the conduct of the public prosecution in failing to respond to the plaintiff's appeal after being granted her right to defense and her failure to do so.

Grounds:

After reviewing the first instance decision and what was stated in the objection list, the appellate committee found that there was a letter addressed from the company to the Al-Khafji Customs dated 25/10/2020, and that the seizure report showed that the import declaration related to the incident was dated 01/11/2020, which supports the company's lack of intention to deliberately conceal the materials that were not declared and to pay the due fees regarding them, especially since the total due fees amount to (800) eight hundred riyals, which is an amount that does not motivate someone in the company's situation to evade paying those fees that are claimed to be attempted to evade. Since these combined evidences reinforce the invalidity of attributing the crime of customs evasion for not paying the due fees as concluded in the first instance decision subject to appeal, it is decided to consider the behavior of the importing company regarding the circumstances of not fully declaring the shipment as warranting a customs fine against it in the amount of (5000) five thousand riyals for committing a customs violation in accordance with Article (30/2) of the executive regulations of the Unified Customs Law. Accordingly, the committee concluded to report the following:

Decision:

- 1- Acceptance of the appeal in form, from the applicant/ Institution ..., commercial registration number (...), against the first instance Decision number (CSR-2022-4525) issued by the second First Instance Customs Committee in Riyadh.
- 2- In the matter of its acceptance, and the cancellation of the decision of the first instance committee regarding the company's conviction for customs smuggling and the penalties resulting from that, and the decision to release the confiscated shipment after paying the due fees for it, for the reasons and considerations stated in this decision.
- 3- The behavior of the importer in not fully declaring the imports of the shipment is considered a customs violation, and a customs fine of (5000) five thousand riyals will be imposed for the reasons and considerations stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CTR-2024-170400

Case No. PC-2023-170400

Keywords:

Customs – Customs Duties - Vehicle violations – Incorrect data entry – No conviction

Summary:

The Public Prosecution has requested the Third First Instance Customs Committee in Riyadh to convict the importer due to the chassis number stated in the import declaration not matching what is present in reality. The first instance committee has confirmed that there is no evidence of tampering with the chassis number engraved on the bus. This means that the importer is not convicted and is not required to pay a fine for violating customs procedures.

Document:

- Article (141) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (142) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (143) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (31/6) of [the executive regulations of the customs law issued by Ministerial Decision No. \(2748\) dated 25/11/1423 AH.](#)

Facts:

This case was referred to the Third First Instance Customs Committee in Riyadh after the committees at the customs ports were dissolved based on the decision of His Excellency the Minister of Finance No. (275) dated 18/1/1442 AH, and based on the text of Article (162) of the Unified Customs Law, this committee is responsible for considering the case. On the merits, and while the bus was arriving at the customs of the Port of Duba to the export section, after inspection by the customs inspector of the re-export statement number (...). On the date 16/10/1441 AH, for goods imported under the import declaration number (...). dated 23/09/1440 AH, belonging to the source (Company ...) The Savior Company ... For customs clearance,



it was noted that the chassis number stated in the import declaration does not match what is present in reality, as the chassis number in the import declaration is (...) The actual chassis number recorded on the bus in the re-export statement is (...) Accordingly, a seizure report No. (...) was prepared. dated is 29/11/1441 AH. On Monday, dated 19/06/1445 AH, the committee held its hearing to consider the remotely held lawsuit, and the representative of the prosecution attended (...). Identity number (...) by a mandate issued by the Attorney General numbered (...). On the date 08/10/1443 AH, the defendant did not appear despite being notified by the secretariat through automated systems and the mechanisms it follows (via Hayad System). The General Secretariat of the Customs Committees confirmed that this law notifies the defendant automatically according to the operational rules of the Zakat, Tax, and Customs Committees and other related regulations and instructions. Therefore, the committee decided to proceed with the case. When asked by the public prosecutor, the indictment included a breach of a customs item due to an error in the chassis number. What is the restriction that the defendant is trying to break? The lawsuit also did not include the chassis number recorded on the bus, and the error may have been committed by the customs broker responsible for organizing and submitting the import declaration. I request a respite, and after reviewing the case file, the committee decided to close the door to pleading and deliberation in preparation for issuing the decision.

Grounds:



After reviewing the Unified Customs Law, and after examining the case documents and reviewing the indictment submitted by the Public Prosecution in the province of Daba, the jurisdiction is established for this committee to consider the case, which necessitates the acceptance of the case in form.

On the merits, after the committee reviewed the case file, it found no evidence of tampering with the chassis number and the modification of the number engraved on the bus, which, if present, would constitute a breach of the record, considering that the chassis number indicates the model year and specifications and has an impact on customs duties. However, in the case under investigation, it is clear that the error is material and may have been made by the customs broker when entering the import data, as indicated in the import declaration chassis number (...). The actual chassis number registered on the bus in the re-export statement (...) In violation of the statement received, and since these buses were not cleared and were returned to their source due to non-compliance with specifications, and the case file did not include anything indicating the non-export of the violating bus itself, as well as the customs accepted the customs declaration despite the chassis number being different, and the letter from the Zakat, Tax and Customs Authority is addressed to the Public Prosecution indicating the defendant's attempt to evade customs duties, and as long as this bus was not cleared, there are no duties at risk of loss. Based on all of this, the committee has formed a conviction beyond any doubt that the case, in its current circumstances, does not amount to the crime of customs smuggling as stated in (142) and (143) of the Unified Customs Law, and falls under the customs violations mentioned in Article (141) of the same law, and imposing a customs violation fine



on the defendant according to Article (31/6) of the executive regulations of the Unified Customs Law, and since the concerned party or their representative did not attend the hearing to defend themselves against the charges against them. Based on the above, and after study and deliberation, the committee unanimously decided the following:

Decision:

-1-Non-conviction/ ..., commercial registration number (...) In person with customs smuggling.

He is obliged to pay a fine for violating customs procedures amounting to (1,000) one thousand riyals in accordance with Article 31/6 of the executive regulations of the unified customs law.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CFR-2024-204858
Case No. PC-2023-204858

Keywords:

Customs - Customs Duties - Vehicle violations - Model differences - No conviction

Summary:

The Public Prosecution has demanded that the First Instance Customs Committee in Riyadh convict the importer due to the presence of seized transport license plates bearing the model (2012) and the customs officer's suspicion regarding the validity of the truck's model. Upon inspection in reality, it was found to be model (2001). The first instance committee has established that the violation by the defendant, in light of the circumstances of this incident, does not rise to the level of the customs smuggling crime stipulated in Articles (142 and 143) of the Customs Law. This means that the importer is not convicted and is not required to pay a fine for violating customs procedures.

Document:

- Article (142) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (143) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (31/6) of [the executive regulations of the customs law issued by Ministerial Decision No. \(2748\) dated 25/11/1423 AH.](#)

Facts:

Where the letter from the Chief Public Prosecutor of the Province of Daba was received, number (...) On the date 28/01/1445 AH and the requests mentioned therein, and based on Article (162) of the Unified Customs Law, this committee is responsible for considering the case.

On the merits, when a truck arrives at the entrance gate of the port for registration, led by the driver/ ... -...- Border number (...) submitted the truck ownership information form to the customs employee plate number



(...). Transport license ... The nationality carries the model (2012) and with suspicion from the customs officer regarding the validity of the truck model, it was inspected on the ground and it turned out to be model (2001), therefore a seizure report number (...) was prepared. dated 04/08/1444 AH. Accordingly, the committee held its hearing on Wednesday, 03/01/2024, and upon calling the parties to the case, attended/..., national ID number: (...) As a representative of the plaintiff under the authorization issued under number (...), dated 08/10/1443 AH, and the defendant attended through the agency (...). Under identity number (...) According to the external agency certified by the Ministry of Foreign Affairs No. (...), and upon presenting the lawsuit to the defendant's attorney, and upon questioning him about it, he answered: A response memorandum was submitted attached to the case file requesting to dismiss the case for the reasons stated in the memorandum. When the committee asked the defendant's representative, it was mentioned in the memorandum that there is a royal pardon for the defendant in the year 1444 AH. Do you have this document to attach to the lawsuit? He answered: I don't have a document, but the amnesty instructions apply to it. When asked by the committee, the defendant's representative answered whether any legal rulings had been issued against your client: No rulings have been issued in this regard. When asked by the committee, the defendant's representative answered whether your client was referred to the competent courts regarding the forgery: I don't know about that. When the committee asked the defendant if he had any other statements, he replied: No, I have no other statements. When the committee asked the prosecutor whether there were any legal rulings against the defendant, he replied: I request a deadline to provide information for the next hearing. The committee decided to postpone the hearing. On Thursday, January 11, 2024, the committee held its hearing, and upon calling the parties to the case, attended/..., national ID number: (...) As a representative of the plaintiff under the authorization issued under number (...), dated 08/10/1443 AH, and the defendant attended through the agency (...). Under identity number (...) According to the external agency certified by the Ministry of Foreign Affairs No. (...), and after reviewing the case documents, and upon questioning the committee representative of the plaintiff about what he requested a postponement for in the previous hearing regarding whether there were any legal rulings issued against the defendant, he answered: Request an extension to provide the committee regarding whether a ruling has been issued against the defendant. When asked by the committee, the defendant's representative answered whether any legal rulings had been issued against your client: He was not referred to the court, and no judgment was issued against him in that regard. The committee decided on it: Approval of the plaintiff's representative's request to inform the committee about the referral of the defendant to the competent court and whether legal rulings have been issued against him. On Thursday, January 18, 2024, the committee held its hearing, and upon calling the parties to the case, attended/..., national ID number: (...) As a representative of the plaintiff under the authorization issued under number (...), dated 08/10/1443 AH, and the defendant attended through the agency (...). Under identity number (...) According to the external agency certified by the Ministry of Foreign Affairs No. (...), and after reviewing the case documents, and upon questioning the committee to the plaintiff's representative about what he requested a



postponement for in the previous hearing regarding referring the defendant to the competent court and whether there have been any legal rulings issued against him? He answered: The relevant administration of the Public Prosecution has been addressed, and no response has been received so far. After reviewing the case file and documents and hearing the defenses, and since the committee did not clarify the referral of the defendant to the Sharia court to know the Sharia rulings before issuing the decision and the delay in responding to it. The committee decided to rule on the case based on the documents available to it.

Grounds:

The committee reflects on the papers and documents included in the case file, and since it was not clear to the committee whether the defendant was referred to the Sharia court to know the Sharia rulings before issuing the decision and the delay in responding to it, the committee deemed that the violation by the defendant, in light of the circumstances of this incident, does not rise to the crime of customs smuggling as stipulated in Articles (142 and 143) of the Customs Law, and the incident is classified as a violation of customs procedures, with a customs fine of (1000) one thousand riyals, in accordance with Article (31/6) of the executive regulations of the Unified Customs Law.

Decision:

- 1- The defendant's acquittal (...) Number (...), present at customs smuggling.
- 2- She is obliged to pay a fine for violating customs procedures amounting to (1000) one thousand riyals in accordance with the provisions of Article (31/6) of the executive regulations of the unified customs law.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

(The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.)



The Customs Appeals Committee in Riyadh

Decision No. CTR-2024-167800
Case No. PC-2023-167800

Keywords:

Customs - Customs Duties - Moassel - Lack of conviction

Summary:

The Public Prosecution's demand for the conviction of the importer for customs smuggling, for the arrival of a shipment found in his possession consisting of ("26" molasses cherries – one cherry tobacco – 2 kilograms of snuff – an amount of "8,550" Saudi riyals). And where it was established for the first instance committee that there was nothing in the case file indicating its approval from the competent examination authority, and whether it conforms to the specifications and standards or not, and it was not settled in its mind that the seized items were introduced by the accused himself or smuggled into the kingdom in an unlawful manner. This means that the importer is not convicted and the seized items subject to the lawsuit are not confiscated.

Document:

- [Article 142 of The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)

Facts:

This case was referred to the Third First Instance Customs Committee in Riyadh after the committees at the customs ports were dissolved based on the decision of His Excellency the Minister of Finance No. (275) dated 18/01/1442 AH, and based on the text of Article (162) of the Unified Customs Law, this committee is responsible for considering the case.

On the merits, a letter was received at the Jazan Port Customs from the commander of the Border Guard Sector in Al-Dayer, number (...). On the date 07/05/1442 AH, which includes the arrest of the defendant (...), ... Nationality, according to the resident ID number (...), in the site named (...), where he was found in possession of ("26" honeyed cherries – one cherry smoke – 2 kilograms of snuff – an amount of "8,550" Saudi riyals), and a seizure report No. (233285) was prepared on 14/05/1442 AH.. On Wednesday, 12/07/1445 AH, the committee held its hearing to consider the remotely convened case, and upon calling



the parties to the case, the representative of the prosecution attended (...) Identity number (...) by virtue of a mandate from the Attorney General issued under number (...) On the date 08/10/1443 AH, the defendant did not attend despite being notified by the secretariat through automated systems and the mechanisms it follows (via Hayad System). The General Secretariat of the Customs Committees confirmed that this law notifies the defendant automatically according to the operational rules of the customs committees and other relevant regulations and instructions. Therefore, the committee decided to proceed with the case. When asked if the public prosecutor had any additions to what was stated in the lawsuit, he replied: There is none, and after reviewing the case file, the committee decided to close the door to the pleadings and deliberations in preparation for issuing the decision.

Grounds:

After reviewing the Unified Customs Law, and after examining the case documents and reviewing the indictment submitted by the Public Prosecution in the Governorate of Al-Dayer, the jurisdiction is established for this committee to consider the case, which necessitates the acceptance of the case in form.

On the merits, and upon the committee's review of the case file, the indictment, and the incident report, it became clear that the report lacks a specification of the distance between the place of seizure and the customs surveillance area defined in Article (2) in paragraphs (9/10), which delineate the customs zone and the customs line. This led the committee to conclude that the seizure was outside the defined customs surveillance area of (10) kilometers from the customs line into the Kingdom, according to Ministerial Decision No. (158) dated 15/01/1424 AH. Consequently, it is evident that the seizure was internal, and the attached seizure report in the case file - upon which the indictment was based - did not indicate that the defendant had introduced, attempted to introduce, or smuggled the seized items into the Kingdom, according to Article (142) of the Unified Customs Law. Given the circumstances as mentioned, and since the seized items are of the types (tobacco and cigarettes), and there is no indication in the case file that they were approved by the competent inspection authority, nor whether they comply with specifications and standards, the committee did not find it established that the seized items were introduced by the defendant himself or smuggled into the Kingdom unlawfully. The evidence and documents presented are not deemed sufficient by the committee to convict the defendant of customs smuggling, considering that Article (142) of the Unified Customs Law defined smuggling as follows: "Entering or attempting to enter goods into the country illegally," which has not been conclusively and decisively proven to the committee, considering that rulings are based on certainty and conviction, not on doubt, suspicion, or conjecture, and any doubt is interpreted in favor of the accused. Furthermore, it has not been proven to the committee that the defendant has any prior offenses. Based on the above, and after study and deliberation, the committee unanimously decided the following:



Decision:

1-Non-conviction / ... , ... Nationality, under the resident ID number (...), in person for customs smuggling due to insufficient evidence of the smuggling of the seized items as stated in the facts and reasons.

2-Confiscation of the seized items subject to the lawsuit.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

(The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.)



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-171158
Case No. PC-2022-123735

Keywords:

Customs – Customs Duties - Moassel – Hidden in the truck – Conviction

Summary:

The request of the Zakat, Tax and Customs Authority to cancel the first instance decision No. (60) for the year 1440 AH, which convicted the importer of customs smuggling and obligated him to pay a customs fine and confiscate the seized items subject to the lawsuit. And where it was established for the appellate committee that the authority did not mention the existence of an error in the application of the law and its request was limited to merely requesting confirmation of what it had previously requested regarding sentencing the defendant to a prison term of three months. This means; support for the first instance Decision in all that it ruled.

Document:

- Article 163 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Paragraphs (4), (5), and (6) of Article (145) of [the Unified Customs Law for the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by the General Authority for Zakat and Tax against the first instance decision No. (60) for the year 1440 AH issued by the 1st First Instance Customs Committee in Al-Hudayda, which ruled as follows:

Condemnation (...) – ... The nationality is present by starting customs smuggling.

2-Obligating him to a customs fine of (34,040) thirty-four thousand and forty riyals.

3- Seizure of number (14) boxes of Mazaya molasses with a capacity of (1) kilogram, with a total weight of (14) kilograms, and number (29) cartons of Mazaya molasses with a total weight of (14.5) kilograms seized.

4-Not confiscating the Saudi truck type Mercedes number (...).



Since the appellant was notified of the Decision subject to the appeal on 21/01/2019, and submitted the appeal against the Decision on 08/02/2019, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time period established for its conduct according to what is stipulated in Article (163) of the Unified Customs law.

As for the facts of the case, it can be summarized that the Saudi truck of the Mercedes type arrived carrying the plate number (...) To the modern customs led by the driver / ..., and after subjecting the truck to inspection procedures, a total of (14) boxes of Mazaya molasses with a capacity of (1) kilogram were found, with a total weight of (14) kilograms, and (29) boxes of Mazaya molasses with a total weight of (14.5) kilograms, found inside the kitchen cabinet on the right side of the truck. A seizure report No. (1) was prepared on 24/04/1440 AH, and the first instance committee issued its decision as stated in its text based on its reliance on the provisions of Article (142) of the Unified Customs Law, and arranged its penalties as stated in the text of its decision based on Article (145) in paragraphs (4-5-6) of the same law.

Upon reviewing the objection list submitted by the authority, the appellate customs committee noted that its summary mentioned that the decision was presented to the legal department of the authority's office, and that the General Authority for Customs is appealing the decision. The list concluded with a request to refer the case to the appellate committee to uphold the customs decision in paragraphs (1-2-3-4) and to sentence the defendant to three months in prison as stated in the requests of the General Authority for Customs' lawsuit. On Wednesday, 24/4/2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party regarding Decision No. (60) for the year (1440 AH), issued by the 1st First Instance Customs Committee at the Al-Batha Customs. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a Decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in its current condition.

Grounds:

The Customs Appeals Committee found that the ultimate goal of the request made by the Zakat, Tax, and Customs Authority in its appeal was to reconsider the decision subject to the appeal in order to sentence the defendant to three months in prison, confirming what was stated in its request within the lawsuit. Since the authority reviewing the case has full power to determine what it sees as a penalty that aligns with the circumstances and context of the case and the behavior of the perpetrator of the punishable act, and since the authority did not mention any error in the application of the law in this regard and limited its request to merely confirming what it had previously requested regarding sentencing the defendant to three months in prison, this leads the Appeals Committee to disregard the request of the Zakat, Tax, and Customs Authority due to its lack of substantive reasons to examine and investigate what the Zakat, Tax, and Customs Authority requested regarding the review of the imposed penalty. Accordingly, the Appeals Committee concluded the following report:



Decision:

1- Acceptance of the appeal in form from the appellant / the Zakat, Tax and Customs Authority, against the first instance Decision No. (60) for the year 1440 AH, issued by the 1stFirst Instance Customs Committee in Al-Haditha.

2- In the subject, his rejection and the affirmation of the first instance Decision in all that it ruled, and that is for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CFR-2024-205288
Case No. PC-2023-205288

Keywords:

Customs - Customs Duties - Raw tobacco - Non-declaration - Conviction

Summary:

The Public Prosecution demands that the Third First Instance Customs Committee in Riyadh convict the importer of customs smuggling after seizing (30,000) kg of the best brand tobacco. And since it has been established to the first instance committee that the seized goods are items that are subject to high customs duties upon import, in addition to being restricted goods that require approval from the relevant authority to enter the Kingdom. This means that the importer is convicted of customs smuggling and is obliged to pay a customs fine and the confiscation of the seized items in the case.

Document:

- Article (142) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraphs (6, 12, 13) of Article (143) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraph (1,5) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

Where the letter from the Chief Public Prosecutor in Jeddah Governorate No. (...) was received. On the date 21/02/1445 AH and the requests mentioned therein, and based on Article (162) of the Unified Customs Law, this committee is responsible for considering the case.

On the merits, the Public Prosecution received a letter from the Director of Administrative Investigations in the Makkah region, number (7282) dated 15/04/1445 AH, concerning an ongoing case regarding a gang operating outside the port that imports tobacco products as ordinary goods. This organization managed to create a shipping bill for containers number (...). and the number (...) Coming from Germany, coordination was carried out with the institution ... (The cooperating party in the case) to complete the customs clearance



procedures, and where the administrative investigation letter ensured the facilitation of customs procedures and the passage of the two containers according to the security plan and their delivery to the representative of the administrative investigation to apprehend the recipient of the shipment. They were enabled to do so and received the two containers to complete the process of apprehending the defendant in the act. After completing the apprehension, the containers were returned, and on 19/05/1442 AH, the contents of the two containers were counted and seized, which were found to contain (1200) cartons weighing (30,000) kg containing (tobacco) of the brand (...). Accordingly, a seizure report No. (366338) was prepared on 03/12/1444 AH.

Accordingly, the committee held its hearing on Wednesday, 03/01/2024, and upon calling the parties to the case, ... attended as a representative of the plaintiff by virtue of the authorization issued under number (...), dated 08/10/1443 AH, and the defendant or their representative did not attend despite being notified, thus missing the opportunity to defend themselves. Therefore, the committee decided to rule on the case based on the documents available to it.

Grounds:

It is established by the seizure report as mentioned above in the facts of this case that a quantity of (30,000) kg of tobacco brand "Best" was seized. Given that the seized goods are subject to high customs duties upon import, and since they are restricted goods that require approval from the relevant authority to enter the Kingdom. Where Article (142) of the same law states that "smuggling is the introduction or attempted introduction of goods into the country or their exit or attempted exit from it in violation of the applicable legislation without paying customs duties in whole or in part or in violation of the prohibitions or constraints contained in this law and other laws," and where paragraphs (13, 12, 6) of Article (143) of the same law stipulate that the smuggling includes the exceeding of goods in entry or exit from the customs circle without declaring them and transporting prohibited and restricted goods or possessing them without providing evidence supporting their importation or lawful passage or transporting or possessing goods subject to customs authority without a legal document, and where Article (145/1) of the same law states that a penalty is imposed for the crime of customs smuggling or what is equivalent if the smuggled goods are subject to high customs duties with a fine of not less than double the due customs duties and not exceeding three times the customs duties or double the value of the goods, whichever is higher, and imprisonment for a period of not less than one month and not more than one year or one of these two penalties. Where paragraph (5) of Article (145) of the same law stipulates the confiscation of goods subject to smuggling or a ruling equivalent to their value in case they are not seized. Accordingly, the committee, after study and deliberation, unanimously decided as follows:



Decision:

1. Conviction—... Nationality - National ID number (...), present at customs smuggling.

2 Obliging him to pay a customs fine equivalent to twice the value of the seized goods.

Seizure of the seized items subject to the lawsuit.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

(The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.)



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-178593
Case No. AC-2023-178593

Keywords:

Customs - Customs Duties - Silver - Non-declaration - Conviction

Summary:

The importer's request to cancel the decision of the Third First Instance Customs Committee in Riyadh No. (CTR-2022-2079), which convicted the importer of customs smuggling, and since the appellate committee found that the defenses presented by the appellant do not affect the outcome reached by the decision under appeal. Consequently: And the affirmation of the first instance Decision in all that it ruled.

Document:

- [Article 163 of The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)

Facts:

This is to consider the appeal against the first instance decision number (CTR-2022-2079) issued by the Third First Instance Customs Committee in Riyadh in case number (AC-2020-90486), submitted by/..., ... Since the appellant was notified of the first instance Decision on 16/01/2023, and submitted the appeal against the Decision on 16/02/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law.

As for the facts of this case, they can be summarized as follows: a vehicle of type (...) was presented. The board number is (...) Dubai, from the United Arab Emirates to the Al-Batha customs led by the driver/ ... , ... During the inspection by the customs officer, a box containing various banknotes was found, along with a quantity of silver estimated at (52) silver bars weighing (52) kilograms. Additionally, cash amounting to (150,000) one hundred fifty thousand UAE dirhams was discovered, as well as (6) gold bars weighing (466.6) grams. Upon a personal search, an amount of (46,000) forty-six thousand UAE dirhams was found that had not been declared prior to the search. A seizure report numbered (3731) was issued on 06/02/1434 AH. The first instance committee issued its decision number (18) for the year 1435 AH, convicting the driver of attempting to commit a customs smuggling crime and imposing the related penalties. Consequently, he



submitted a request for a plea against the decision issued against him before the third First Instance Customs Committee, which issued its decision not to accept the case in form, as stated in the text and reasons of the decision subject to appeal, to avoid repetition. Upon reviewing the appeal committee's objection list, it became clear that it includes a summary stating that the reason for not submitting the request for reconsideration on time is the existence of an ongoing case in the criminal court in Al-Ahsa regarding the same subject, filed against the appellant, in which a ruling was issued in his favor dismissing the plaintiff's (customs) case. The ruling was issued under document number (35243661) dated 15/05/1435 AH, which is after the issuance of the customs committee's decision in Al-Batha number (18) dated 07/02/1435 AH. The appeal concluded with a request for reconsideration of the case. Upon reviewing the response memorandum submitted by appellee, the appellate customs committee found that it includes a summary confirming the invalidity of the petition request, which necessitates the rejection of the case in form. It concluded with a request to dismiss the appeal and uphold the first instance decision, while reserving the authority's right to provide further responses and clarifications before the closure of the hearing. After reviewing the case file and the appeal submitted by the appellant and the response of the committee regarding it, the committee found that the case is ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what has been presented to form its conviction and to rule on it in light of the reasons on which the appeal was based.

Grounds:

After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws.

Since there is no reproach against the reviewing authority for taking the Grounds of the Decision subject to the appeal without adding anything whenever it sees that these Grounds are sufficient to negate the need for any new arguments, because in its support, based on its Grounds, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those Grounds contained. And since the Grounds for the Decision subject to the appeal are sufficient to support its ruling, it is necessary to state that the defenses presented do not affect the outcome of the Decision, which makes the appeal without any supporting basis, thus necessitating its rejection. Therefore, the appellate committee concluded to report the following:



Decision:

First: Acceptance of the appeal in form, from the applicant/ ... , ... Nationality, residence number (...), against the first instance Decision number (CTR-2022-2079), issued by the Third First Instance Customs Committee in Riyadh.

Second: The appeal is rejected on the merits, and the first instance Decision is upheld in all that it ruled, for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CTR-2024-230211
Case No. PC-2024-230211

Keywords:

Customs - Customs Duties - Electronic cigarettes - Non-declaration - Conviction

Summary:

The Public Prosecution demands that the First Instance Customs Committee convict the importer of customs smuggling after he was caught with (465 electronic cigarettes), which were found hidden inside the fuel tank cavities, and (20 packs of cigarettes) found at the foot position of the passenger seat, which were not declared. And where it was established for the first instance committee that the seized items are of the types whose entry into the Kingdom is restricted except with the approval of the competent authorities and have high fees, as attempting to bring them in without declaring them is considered customs smuggling. The implication is that the defendant is convicted and obliged to pay a customs fine, the confiscation of the seized contraband related to the case, the confiscation of the means of transport, and the dismissal of the imprisonment penalty.

Document:

- Article (142) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (145) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraph (6) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This case was referred to the Third First Instance Customs Committee in Riyadh after the committees at the customs ports were dissolved based on the decision of His Excellency the Minister of Finance No. (275) dated 18/01/1442 AH, and based on the text of Article (162) of the Unified Customs Law, this committee is responsible for considering the case.



On the merits, the defendant presented (...) ... Nationality, according to national ID number (...), to the Khafji customs, driving the vehicle of type (...) Model (2014) color (White), the plate number is (...), and upon inspection, a total of (465 electronic cigarettes) were found hidden inside the fuel tank cavities, and (20 packs of cigarettes) were found at the foot position of the passenger seat and were not declared, therefore, a seizure report number (389247) was prepared on 19/04/1445 AH.

On Sunday, 05/10/1445 AH, the committee held its hearing to consider the remotely convened case, and upon calling the parties to the case, the representative of the Public Prosecution attended (...). Identity number (...), by virtue of a mandate from the Attorney General issued under number (...). On the date 08/10/1443 AH, the defendant did not attend despite being notified by the secretariat through automated systems and the mechanisms it follows (via Hayad System). The General Secretariat of the Customs Committees confirmed that this law notifies the defendant automatically in accordance with the operational rules of the customs committees and other relevant regulations and instructions. Therefore, the committee decided to proceed with the case, and after reviewing the case file, the committee decided to close the door for pleading and deliberation in preparation for issuing the decision.

Grounds:



After reviewing the Unified Customs Law, and after examining the case documents and reviewing the indictment submitted by the Public Prosecution in the Al Khobar Governorate, the jurisdiction is established for this committee to consider the case, which necessitates the acceptance of the case in form.

On the merits, since the facts of the seizure mentioned in the indictment indicate that the seized items consist of (465 electronic cigarettes - 20 packs of tobacco) according to the seizure report number (...). dated is 19/04/1445 AH. Given that (smoke and electronic cigarettes) are items whose entry into the Kingdom is restricted except with the approval of the competent authorities and with high fees, as attempting to bring them in without declaring them is considered customs smuggling according to Article (142) of the Unified Customs Law, which states that "smuggling is the introduction or attempt to introduce goods into the country or their exit or attempt to exit them in violation of the applicable legislation without paying customs duties in whole or in part or in violation of the prohibitions or constraints contained in this law and other regulations." According to Article (one hundred and forty-five) of the same law, which stated the following: Without prejudice to any more severe penalty provided for by other effective texts in the state, smuggling and similar acts, as well as the attempt to commit either of them, shall be punished as follows: 1- If the smuggled goods are subject to high customs "fees" taxes, the penalty shall be a fine of not less than twice the customs "fees" tax due and not exceeding three times the customs "fees" tax, or twice the value of the goods, whichever is higher, and imprisonment for a period of not less than one month and not exceeding one year, or one of these two penalties..... 5- Confiscation of goods subject to smuggling or ruling equivalent to their value if not seized. The committee found that the means of transport was used to conceal smuggled



goods, as they were found hidden inside the fuel tank cavities, which are not usual places to put such items, and were not declared to customs. Consequently, the committee decided to confiscate the means of transport, in accordance with Article (one hundred and forty-five) paragraph (six) of the Unified Customs Law, which stated: 6- Confiscation of means of transport, tools, and materials used in smuggling, except for public transport means, such as ships, airplanes, trains, and public cars unless they have been prepared or rented for this purpose, or ruling equivalent to their value in case they are not seized. Since the concerned party or their representative did not attend the hearing to defend themselves against the allegations made against them, and acknowledging the possibility of imposing a prison sentence, and considering the consistency of the punishment and the mitigating and aggravating circumstances, and since imprisonment is one of the penalties that deprives freedom and its effects extend to others, the committee finds the penalties imposed on them to be sufficient. Based on the above, and after study and deliberation, the committee unanimously decided the following:

Decision:

Conviction of the defendant / ..., ... Nationality, under national ID number (...), present in customs smuggling according to Article (142) of the Unified Customs Law.

2-Obligating it to pay a customs fine equivalent to twice the value of the customs duties, according to Article (145/1) of the same law.

Seizure of the seized items in violation of the case, according to Article (145/5) of the same law.

4-Confiscation of the means of transport, in accordance with Article (145/6) of the same law.

5-Disregarding the imprisonment penalty, according to Article (145/1) of the same law.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

(The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.)



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-231386
Case No. PC-2024-231386

Keywords:

Customs - Customs Duties - Petroleum derivatives - Diesel - The percentage exceeds the allowed limit - Conviction

Summary:

The importer's request to cancel the decision of the Third First Instance Customs Committee in Riyadh No. (CTR-2024-226611), which convicted the importer of customs smuggling. The appellate committee has established that the appellant's claim in its statement regarding the customs not adhering to the principles of value calculation is unfounded, considering that the pricing of diesel was set at (2.8 Saudi Riyals) per liter, which is the price approved by the producing company after excluding the value of subsidies. Furthermore, customs is the technical authority qualified to determine the value of the imported item, which is not affected by a mere objection sent. This means; to uphold the first instance decision in all that it ruled.

Document:

- [Article 163 of The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)

Facts:

This is to consider the appeal against Decision number (CTR-2024-226611) issued by the Third First Instance Customs Committee in Riyadh, submitted by (...), National ID number (...). License to practice law number (...), in his capacity as the agent of the owner of the institution/ ..., national ID number (...), based on the agency number (...). Issued on 29/05/1445 AH.

As for the facts of this case, they can be summarized as follows: The institution exported a shipment through the Al-Batha customs, declaring it as (preparations added to cement, tiles, or concrete "construction material treatment chemicals"). Samples were referred to the laboratory, and the result was positive, with the first sample containing (diesel) at a rate of (63.81%), and the second sample containing (diesel) at a rate of (54.93%). This percentage exceeds the permissible limit of (5%). The First Instance Committee issued its Decision to convict the institution of customs smuggling and impose the associated penalties as stated in



the Decision subject to appeal, based on the fact that diesel is considered one of the items restricted for export outside the Kingdom with the approval of the Ministry of Petroleum and Mineral Resources at that time and Saudi Aramco according to the royal order No. (355/M B) dated 25/04/1429 AH, and that attempting to export this material without obtaining the approval of the relevant authorities constitutes customs smuggling according to articles (142) and (143) of the unified customs law.

Upon reviewing the objection list submitted, the appellate customs committee found that it includes a summary indicating that there is a contradiction in the results of the laboratory analysis of the samples. The report issued by the (Compliance) laboratory confirmed that the percentage of diesel in the sample is (63.81%), while the report issued by the (...) laboratory confirmed that... The percentage of diesel in the sample is (54.93%), and these results prove the difference in the samples sent to the laboratories and their non-affiliation to a single importer. It is known that the technical guide does not differ from another technical guide except in the case of differing samples subject to analysis. The institution also argues against the specialized committee's violation of the General Director of Customs Circular No. (553/43/M) dated 20/07/1433 AH, as it only withdrew the two conflicting samples and did not analyze a weighted sample. Additionally, the customs authority violated the technical procedures in sampling as stated in the General Director of Customs Circular No. (317/11/M) dated 09/04/1435 AH, titled "Controls for Preventing the Export of Petroleum Derivatives," as the sample was taken from the shipment while it was loaded, leading to an incorrect result. Furthermore, the institution exported hundreds of trucks from the same source, which were approved except for the statement subject to this lawsuit, and this is considered evidence of the non-affiliation of the samples sent to the laboratory to the shipment in question. In addition, the customs authority violated the Principles of value calculation by estimating it arbitrarily and did not indicate any result relied upon in determining the percentage of diesel. The regulation concluded with a request to overturn the first instance Decision in all its provisions and to rule that the institution is not guilty of customs smuggling.

And I request the response from the appellee on 06/02/2024 and to enable her right to respond for a period of (45) days, and she did not submit the required answer. Based on paragraph (1) of Article (35) of the rules of work of the Zakat, Tax, and Customs Committees, the committee decided to rule on the case in light of the documents available to it. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based.

Grounds:

After reviewing the unified customs law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the zakat, tax, and



customs committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the relevant regulations and laws. Since the appellant was notified of the first instance Decision on 29/01/2024, and submitted the appeal on 04/02/2024, this entails the acceptance of the appeal in form as it was submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law.

After reviewing the case file and the documents it contained, and considering the defenses presented by the appellant, it is noted that there is no reproach against the reviewing authority for adopting the reasons for the decision subject to appeal without adding anything new, whenever it finds in these reasons sufficient justification to refrain from introducing any new evidence. This is because its support is based on its reasons, indicating that it did not find in the objections raised against it anything that warrants a response beyond what those reasons included. The appellant's claim regarding the inaccuracy of the laboratory analysis results does not undermine this, given that it is established that all samples exceeded the permissible limit of (5%) based on the royal order No. (355/M B) dated 25/04/1429 AH. Furthermore, the discrepancy between the two laboratory results is not significant, as both results were significantly above the permissible limit, which necessitates disregarding the appellant's argument in this regard. As for the appellant's mention in her statement regarding the customs not adhering to the principles of value calculation, this is refuted considering that the pricing of diesel was set at (2.8 Saudi Riyals) per liter, which is the price approved by the producing company after excluding the value of support. Moreover, customs is the competent technical authority to determine the value of the imported item, which is not affected by mere objections sent. Since the reasons for the decision subject to appeal are sufficient to support its ruling, it is necessary to conclude that the defenses presented do not affect the outcome of the decision, rendering the appeal unsupported and necessitating its rejection. Accordingly, the committee concluded to report the following:

Decision:

First: Acceptance of the appeal in form from the applicant/ institution ..., commercial registration number (...), owned by/ ..., national ID number (...), against the first instance Decision number (CTR-2024-226611), issued by the third First Instance Customs Committee in Riyadh.

Second: The appeal is rejected on the merits, and the first instance decision is upheld in all that it ruled, for the reasons and considerations stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No.

CR-2024-169878

Case No.

PC-2022-125163

Keywords:

Customs - Customs Duties - Petroleum derivatives - Kerosene at 100% - Conviction

Summary:

The request of the Zakat, Tax and Customs Authority to cancel the decision of the First Instance Customs Committee in Al-Hudayda No. (161) for the year 1440 AH, which convicted the importer of customs smuggling and obliged it to pay a customs fine and confiscate the entire shipment subject to the case. And where it was established for the appellate committee that the authority did not provide with its appeal any evidence supporting its request to confirm the existence of a case of using transportation means in smuggling as required by the law. This means; to uphold the first instance decision in all its provisions, with the amendment of paragraph (1).

Document:

- Article (142) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal submitted by the General Authority for Zakat and Tax against the first instance decision No. (161) for the year 1440 AH issued by the 1st First Instance Customs Committee in Al-Hudayda, which ruled as follows:

- 1- Condemnation/ Institution ..., Commercial Registration Number (...) In person by starting customs smuggling.
- 2- Obliging it to a customs fine of (49152) forty-nine thousand one hundred and fifty-two riyals, representing three times the value of the shipment according to the local price.
- 3- Seizure of the entire shipment subject to the case.
- 4- Not confiscating the Saudi truck number (...).



Since the appellant was notified of the Decision subject to the appeal on 15/01/2023, and submitted the appeal on 30/01/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the prescribed period for its execution as stipulated in Article (163) of the Unified Customs law.

As for the facts of the case, it can be summarized that on Thursday, 15/07/1440 AH, a Saudi truck arrived at the Al-Haditha customs carrying the license plate number (...) and exported by the company ... According to the statement issued No. (11720) dated 15/07/1440H, and based on the suspicion of the specialists at the Al-Haditha Customs, samples were taken from the shipment. The first sample was referred for analysis, and the customs received the analysis report from the conformity laboratory (422638) dated 28/03/2019, which indicated that it contained kerosene at a rate of 90%. Based on the request of the exporting trader, the second sample was sent, and the laboratory result confirmed that the sample was 100% kerosene. The first instance committee issued its decision as stated in its ruling, based on the company's export of a shipment declared in the documents as (varnish), which was proven through the analysis of the samples to be 100% kerosene, a substance whose export is restricted and requires approval from the Ministry of Petroleum and Mineral Resources. Therefore, the conduct committed constitutes grounds for convicting the company of attempting customs smuggling and entails the associated penalties. Upon reviewing the objection list submitted by the Zakat, Tax and Customs Authority, the Customs Appeals Committee noted that its summary mentioned that the attempt by the company exporting the shipment to unlawfully remove the goods in violation of the prohibitions and constraints in order to evade customs duties, or contrary to the prohibitions and constraints, constitutes an attempt at customs smuggling according to Article 142 of the Unified Customs Law. The list concluded with a request to uphold paragraphs (1, 2, 3) of the decision under appeal and to amend paragraph (4) of the decision's text to confiscate the Saudi truck number (...). Type of tank. On Thursday, January 25, 2024, the Customs Appeals Committee in Riyadh held its hearing to consider the appeal submitted by the authority against Decision (161) for the year 1440 AH, issued by the 1st First Instance Customs Committee in Al-Hudayda. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in its current state after being informed of the facts of the case and ruling on it in light of the grounds of the submitted appeal.

Grounds:

Since there is no reproach against the reviewing authority for taking the reasons of the decision subject to appeal without addition whenever it sees that these reasons suffice to avoid presenting anything new, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained, and this does not detract from what the authority requested regarding the confiscation of the means of transport, as the authority did not mention the existence of an error in the application of the law in this regard and limited its request to merely confiscating the means of transport related to the facts of the smuggling crime for which the defendant is



charged, as the law requires that the determination of the confiscation of the means of transport is linked to the extent of its use for smuggling the seized materials, such as arranging hideouts or pockets within the means of transport for use in smuggling. Accordingly, since the authority did not provide with its appeal any evidence supporting its request to confirm the existence of a case of using the means of transport in smuggling as required by the law in the manner indicated, its request for confiscation of the means of transport was devoid of a basis that complies with the correct law for determining confiscation and reviewing the lack of a ruling on it based on what the authority requested. Since the reasons for the decision subject to appeal are sufficient to support its ruling, it is necessary to determine that the defenses presented do not affect the outcome of the decision, which makes the appeal without a supporting basis, necessitating its rejection. The appellate committee noted the error in stating the commercial registration number within the text of the first instance decision by mentioning that (...) and the correct is (...). Since this observation does not affect the outcome reached by this decision, which necessitates correcting that error as will be stated in the ruling, the appellate committee concluded to report the following:

Decision:

- 1- Acceptance of the appeal in form, submitted by the General Authority for Zakat and Tax and Customs, against the first instance decision No. (161) for the year 1440 AH, issued by the 1st First Instance Customs Committee in Al-Hudayda.
- 2- In the subject, his rejection, and the affirmation of the first instance decision in all that it ruled regarding the institution, with the amendment of paragraph (1) of the text of the first instance decision to become as follows: 1- Condemnation/ Institution ..., Commercial Registration Number (...) In person by starting customs smuggling), for the reasons and considerations stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-196626
Case No. PC-2023-196626

Keywords:

Customs - Customs Duties - Petroleum derivatives - Crude oil - Non-declaration - Non-conviction

Summary:

The importer is requesting the cancellation of the decision of the second First Instance Customs Committee in Riyadh No. (CSR-2022-1536), which convicted the importer of customs smuggling and imposed a customs fine and a confiscation compensation amount. And where it was established for the appellate committee that the expert report was truncated, as the first instance decision only took into account what was stated in the paragraph regarding the report of the presence of (white oil at a rate of 100%) and overlooked the following paragraph in the report which confirmed that (no diesel, oil, or kerosene was observed in the sample). This means; to annul the first instance decision in all that it ruled.

Document:

- [Article 142 of The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- [Article 163 of The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- [Article 176 of The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)

Facts:

This is to consider the appeal submitted by/..., national ID number (...). As an attorney for the Chairman of the Board at the company ... National ID number (...), under the agency issued by the Chamber of Commerce in the Eastern Province No. (...) On the date 23/08/1444 AH, against the first instance Decision No. (CSR-2022-1536), issued by the third First Instance Customs Committee in Riyadh, ruling as follows:



1-Conviction of the defendant/company ..., commercial registration number (...), present for customs smuggling.

2-To impose a customs fine equivalent to the value of the violating item in the amount of (56,063) fifty-six thousand and sixty-three riyals.

3- Obliging him to pay an amount equivalent to the value of the violating item as a confiscation fee of (56,063) fifty-six thousand and sixty-three riyals.

Since the appellant was notified of the Decision subject to the appeal on 13/04/2023, and submitted the appeal on 09/05/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment consisting of (low-flash white solvents) belonging to the exporting company through the King Fahd Bridge customs under statistical declaration number (63395) dated 28/02/1431 AH, where the export of the shipment was allowed based on a commitment that it did not contain petroleum derivatives or restricted materials, and its value was linked to the insurance account until the analysis results appeared. Upon examining the sample by the laboratory, the report number (20109101/001) dated 16/12/2010 AD indicated that it contained petroleum materials (white spirit at a rate of 100%), contrary to what was declared in the documents submitted to customs, which are restricted materials for which the defendant did not provide a declaration from Aramco. The first instance committee issued its decision as stated in its ruling, based on the fact that the sample contained petroleum derivatives, and since the attempt to export restricted materials contrary to what was declared in the documents and restricted for export with the approval of Aramco is considered customs smuggling according to Article (142) of the Unified Customs Law, it imposed penalties against the appellant as stated in its ruling.

Upon reviewing the objection list submitted by the company's attorney, the appellate customs committee found that its summary mentioned the appellant did not receive the results of the sample analysis and only learned of the authority's claims through this lawsuit after more than (12) years. The appellant's attorney argues that the exporting company was deprived of contesting the sample analysis results due to not being notified. The appellant's attorney also denies the existence of any smuggling or customs violation since the exporting company paid the fees, and that the exporting company purchases the feedstock at the global price. Additionally, the material in question is a product of chemical processes from the original material (feedstock), and the laboratory analysis did not prove the presence of any export-restricted substances. Assuming this is correct, everything mentioned refutes the committee's basis for the decision that the company violated Article (142) of the Unified Customs Law and that the substance (white spirit) is among the restricted export materials. The appellant's attorney argues that the evidence relied upon by the 1st instance committee's ruling, represented by the (sample inspection report), contradicts its conclusion, as the



decision indicated that the imported materials were petroleum derivatives, while the sample analysis concluded that the sample did not contain petroleum substances. The exporting company also presented invoices for purchasing the feedstock at the global price before the first instance committee, and the first instance committee's request to provide proof that the materials purchased at the global price are part of the shipment is an impossible task due to their purchase and re-manufacturing through complex chemical processes. There are also letters from the Ministry of Energy and Mineral Resources stating that the products authorized for the company to export are purchased from Aramco at the global price, and there is no issue with the company exporting them according to the authorized quantities. It was previously presented to the governor's attorney to facilitate trade, and his directive was issued to allow the company to export its products as they conform to what was authorized and there is no suspicion of diesel smuggling. The company importing from the appellant is a Bahraini company contracted with the appellant to purchase a specific type, and if the exported materials contained anything contrary to what was contracted, it would have returned the materials or taken action against the exporting company. Additionally, the Bahraini customs did not record any violations or discrepancies between the authorized materials and those present in the shipment. The exporting company's attorney argues that there is no criminal intent since there is no profit for the exporting company if it purchases the feedstock at its global price and sells it at the same price. The list concluded with a request to accept the appeal and annul the first instance decision subject to the appeal. A response memo from the authority was received via the automated system of the secretariat dated 11/06/2023, summarizing that the commitment signed by the company clearly stated acceptance of the analysis results adopted by customs. In case of non-compliance with the documents submitted to customs or if it is discovered that they are restricted materials, customs has the right to consider this as an attempt at customs smuggling according to Article (142) of the Unified Customs Law. Additionally, the commitment did not include notifying the customs of the analysis result, and the company was required to communicate with customs and follow up on the shipment. The statute of limitations for customs smuggling and similar offenses is (15) years from the date of the crime according to Article (176) of the Unified Customs Law. The authority indicates that the laboratory report included the presence of petroleum materials in the sample, which are restricted from being exported outside the Kingdom. The memo concluded with a request to reject the appeal submitted by the appellant and to uphold the first instance decision in all its provisions. On Monday, 08/07/2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party against Decision number (CSR-2022-1536), issued by the second First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a Decision in its current state after the committee was informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the Grounds on which the appeal was based and the response of the authority.



Grounds:



It is established that the first instance decision based its ruling on what is contained in the attached expert report within the case file. The expert report was truncated as the first instance decision merely took into account the paragraph stating that there was a percentage of (white oil at 100%) and overlooked the following paragraph in the report which confirmed that (no diesel, petrol, or kerosene was observed in the sample). Since the authority reviewing the case has absolute power to extract the facts of the case and apply the necessary legal judgment, being the expert in the facts presented and assessing what it concludes regarding the report before it, this leads to the collapse of the basis on which the first instance decision was made to convict the importer of customs smuggling. The report of the first instance committee regarding the appellant is based on a correct understanding of the facts, as the foundation is the presumption of innocence, which is strengthened by the report's assertion of the absence of diesel, petrol, or kerosene in the sample. Accordingly, the appellate committee concluded with the following report:

Decision:

- 1- Acceptance of the appeal in form, from the applicant/ Institution ..., commercial registration number (...), against the first instance Decision number (CSR-2022-1536) issued by the second First Instance Customs Committee in Riyadh.
- 2- In the matter of its acceptance, and the annulment of the first instance Decision in all that it ruled, for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-231722
Case No. PC-2023-231722

Keywords:

Customs - Customs Duties for gold - Non-declaration - Conviction

Summary:

The importer's request to cancel the decision of the Third First Instance Customs Committee in Riyadh No. (CTR-2024-171106), which convicted the importer of customs smuggling. And where it was established for the appellate committee that the importer did not disclose the amount of gold he was carrying. This means; to uphold the first instance decision as stated.

Document:

- Article 142 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Article (143) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (145) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (151) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (163) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Article (23/8) of [the Executive Regulations of the Anti-Money Laundering law issued by Decision No. M/39 dated 25/6/1424H](#)

Facts:

This is to consider the appeal against the first instance Decision number (CTR-2024-171106) issued by the Third First Instance Customs Committee in Riyadh, submitted by/..., Civil Registration Number (...).



The facts of this case can be summarized as follows: during the arrival of the defendant, accompanied by the vehicle driver named/..... Nationality, Civil Registry Number (...) At the Al-Batha customs, during a personal search, (748) grams of gold jewelry were found, distributed inside their personal pockets, and were not declared. The defendant admitted that the ownership belongs to him personally. A seizure report No. (305090) was prepared on 05/12/1443 AH. The first instance committee issued its Decision to convict the defendant of customs smuggling and impose the associated penalties, as stated in the text and Grounds for the Decision subject to appeal, to avoid repetition.

Upon reviewing the appeal committee's objection list, it became clear that it included a summary of the argument that there was no intent or criminal purpose on his part, and that he did not hide the seized items in a concealed place but rather placed them in his personal pockets in good faith; due to his lack of knowledge of the regulations and laws. He also argued that the library employee who was with him had the intention to accept the settlement by pressing the icon for not agreeing to the settlement. The appeal concluded with a request to overturn the ruling and revert to the customs dispute settlement Decision No. (4270). And I request the response from the appellee on 12/02/2024 and to enable her right to respond for a period of (45) days, and she did not submit the required answer. Based on paragraph (1) of Article (35) of the rules of operation of the Zakat, tax, and customs Committees, the committee decided to rule on the case in light of the documents available to it. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based.

Grounds:

After reviewing the unified customs law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the zakat, tax, and customs committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the relevant regulations and laws. Since the appellant was notified of the first instance Decision on 24/01/2024, and submitted the appeal on 12/02/2024, this entails the acceptance of the appeal in form as it was submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law.

Whereas there is no reproach against the reviewing authority for taking the reasons of the decision subject to appeal without adding anything whenever it sees in these reasons what suffices to avoid presenting anything new, because in its support, based on its reasons, it implies that it did not find in the objections raised against it anything that deserves a more detailed response than what those reasons contained, and this is not undermined by what the appellant mentioned in his appeal statement that he had no intention of smuggling gold, evidenced by the fact that it was not hidden. Therefore, Article (23/8) of the executive regulations of the Anti-Money Laundering Law states that: If a traveler carries gold bars, precious metals,



gemstones, or jewelry and the like when entering or leaving the kingdom, with a value of (60,000) sixty thousand riyals or more, they must refer to customs at the port to declare it and provide the purchase invoice to verify its value. If it is found to be for commercial purposes, the Unified Customs Law and its executive regulations will apply to them, as stated in Article (142) of the Unified Customs Law. Smuggling is the introduction or attempt to introduce goods into the country or to remove them, or an attempt to remove them in violation of the applicable legislation, without paying the customs duties "fees" in whole or in part, or contrary to the provisions of prohibition or restriction contained in this law "law" and other laws and laws." Article (143) of the same law states that: " The following falls under the definition of smuggling in particular: 5 - Failure to declare in the customs circle the incoming or outgoing goods without a "competing" cargo statement, including what travelers carry of goods with a commercial nature. Therefore, the appellant's failure to disclose the amount of gold he was carrying is considered a form of customs smuggling. It is unacceptable for a gold trader in the Kingdom to be unaware of the obligation to disclose the amount of gold he possesses, as this knowledge is required by the laws and regulations related to the gold trade. As for the appellant's claim in his appeal that he intended to accept a settlement, it is rejected, considering that according to Article (151) of the Unified Customs law, which states that: A - The General Manager or his delegate, based on a written request from the concerned party, may conclude a settlement agreement in smuggling cases, whether before filing the lawsuit or during its consideration and before the issuance of the first instance ruling, by substituting for the penalties and customs fines stipulated in Article (145) of this law "law". Therefore, upon the issuance of the committee's decision, the appellant cannot return to the amicable settlement as it has lapsed with the issuance of the first instance decision. Since the reasons for the decision subject to appeal are sufficient to support its ruling, it is necessary to determine that the defenses presented do not affect the outcome of the decision, which makes the appeal unsupported and must be rejected. Accordingly, the committee concluded to report the following:

Decision:

First: Acceptance of the appeal in form, from the applicant/ ..., commercial registration number (...), against the first instance Decision number (CTR-2024-171106) issued by the third First Instance Customs Committee in Riyadh.

Second: He rejected it as a subject and upheld the first instance decision in all that it ruled, and that is for the reasons and grounds stated in this decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CTR-2024-187421
Case No. PC-2023-187421

Keywords:

Customs - Customs Duties - Mobile covers - Non-declaration - Conviction

Summary:

The Public Prosecution's demand for the conviction of the importer for customs smuggling, due to the arrival of a shipment belonging to him, and where the items listed under import declaration number (144) dated 01/12/1442 AH were suspected, and after the actual inspection, (1,250 mobile phone covers) were found that were not disclosed and fall under the tariff item (...). The drawing category (5%). And where it was established for the first instance committee that the goods received were not declared. This means; convicting the importer and obliging him to pay a customs fine and confiscating the seized items subject to the lawsuit.

Document:

- Article (142) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- Paragraphs (2) and (5) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council States issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This case was referred to the Third First Instance Customs Committee in Riyadh after the committees at the customs ports were dissolved based on the decision of His Excellency the Minister of Finance No. (275) dated 18/1/1442 AH, and based on the text of Article (162) of the Unified Customs Law, this committee is responsible for considering the case.

On the merits, a shipment returned to the importer / institution ... , Commercial Register No. (...) to its owner (...) National ID number (...) where the items listed under import declaration number (144) dated 01/12/1442 AH were suspected, and after the actual inspection, (1,250 mobile phone covers) were found



that were not disclosed and fall under the tariff item (...) The drawing category (5%), and therefore, a seizure report No. (253586) dated 01/12/1442 AH was prepared.

On Sunday, 09/07/1445 AH, the committee held its hearing to consider the remotely held case, and the representative of the prosecution attended (...), identity number (...), by virtue of a delegation from the head of the public prosecution issued under number (...). On the date 08/10/1443 AH, the defendant did not attend despite being notified by the secretariat through the automated systems and mechanisms it follows (via Hayad System). The General Secretariat of the Customs Committees confirmed that this law automatically notifies the defendant in accordance with the operational rules of the customs committees and other relevant regulations and instructions. Therefore, the committee decided to proceed with the case. When asked if the representative of the plaintiff had any additions to what was stated in the lawsuit, he replied: There is none, and after reviewing the case file, the committee decided to close the door to the pleadings and deliberations in preparation for issuing the decision.

Grounds:

After reviewing the Unified Customs Law, and after examining the case documents and reviewing the indictment submitted by the Public Prosecution in the province of Taif, the jurisdiction is established for this committee to consider the case, which necessitates the acceptance of the case in form.

On the merits, and after reviewing the case file and the motion to initiate it, it became clear that it pertains to the defendant's failure to declare (1,250 mobile phone covers) in the invoice and the import statement submitted by her, and it falls under the tariff item (...). And the tax category (5%), and its value (12,500) riyals, and since failing to declare the imported goods with the intent to evade all or part of the customs duties is considered customs smuggling according to Article (142) of the Unified Customs Law, and since the concerned party or their representative did not attend to defend themselves against the allegations despite being notified by the secretariat, and after reviewing Article (145) with its two paragraphs (2/5) of the same law, and acknowledging the possibility of imposing a prison sentence, and considering the consistency of the punishment and the mitigating and aggravating circumstances, and since the prison sentence is one of the penalties that deprives freedom and its effects extend to others, the committee sees that the penalties issued against him are sufficient, and based on the above, after study and deliberation, the committee unanimously decided the following:

Decision:

1- Condemnation/ Institution ..., Commercial Registration Number (...) In person for customs smuggling according to Article 142 of the Unified Customs law.



2-Obligating it to pay a customs fine equivalent to twice the value of the customs duties, according to Article (145/2) of the same law.

3- Seizure of the seized items in violation of the subject of the lawsuit or obligating them to their value in case they are not confiscated, according to Article (145/5) of the same law.

4- Disregarding the penalty of imprisonment.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

(The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.)



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-202380
Case No. PC-2022-139440

Keywords:

Customs - Customs Duties - Electrical transformers and their supplies - Invoice discrepancies - Conviction

Summary:

The importer requests the cancellation of the decision of the Third First Instance Customs Committee in Riyadh No. (CTR-2023-139440), which convicted the importer of customs smuggling and obligated him and the customs broker jointly to pay a customs fine equivalent to the value of the shipment. Where it was established for the appellate committee to take into account the reasons for the decision subject to appeal without adding whenever it saw that these reasons were sufficient to dispense with presenting anything new. This means; upholding the first instance decision regarding what was ruled against the appellant company.

Document:

- Article (9) of [the rules for the work of Zakat, tax, and customs committees issued by Royal Order No. \(25711\) dated 08/04/1445 AH.](#)

Facts:

This is to consider the appeal submitted by..., national ID number (...), in his capacity as an attorney for/..., passport number (...), in his capacity as a manager at the company..., commercial registration number (...), under the external power of attorney certified by the Ministry of Justice branch in Riyadh number (...). On the date 12/01/1445 AH, against the first instance Decision No. (CTR-2023-139440), issued by the third First Instance Customs Committee in Riyadh, ruling as follows:

1-Condemnation of both / Company ..., Commercial Registration No. (...), and the customs broker / ..., National ID No. (...), in solidarity in person for customs smuggling.

2-Obligating them to solidarity with a fine equivalent to twice the customs duties of the shipment, amounting to (802,205.62) eight hundred two thousand two hundred five riyals and sixty-two halalas, in accordance with Article (145/2) of the Unified Customs Law.



3- Obliging them to jointly guarantee the value of the shipment as compensation for confiscation, an amount of (8,022,056.25) eight million and twenty-two thousand and fifty-six riyals and twenty-five halalas, bringing the total amount to (8,824,261.89) eight million and eight hundred and twenty-four thousand two hundred and sixty-one riyals and eighty-nine halalas, in accordance with Article (145/5) of the same law.

Since the appellant was notified of the decision subject to the appeal on 22/05/2023, and submitted the appeal on 22/06/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the prescribed period for its execution as stipulated in Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the arrival of a shipment consisting of (electric transformers and their accessories) belonging to the importer through the customs of Jeddah Islamic Port under import declaration number (289656) dated 23/12/1431 AH, with a total value of (1,798,706) million and seven hundred and ninety-eight thousand and seven hundred and six riyals. After auditing the documents by the auditing department of the authority, another invoice matching the submitted invoice in terms of name, quantity, and weight was found, differing in value, where the value of the discovered invoice amounts to (8,022,56.25) eight million and twenty-two thousand and fifty-six riyals and twenty-five halalas. The importer was notified of the result through several correspondences, but he did not respond. The first instance committee issued its decision as stated in its ruling based on the fact that it was established that there were fabricated invoices submitted to customs that were less than the actual value through the discovery of the real invoices. The customs broker/ ... did not attend the hearings held before the first instance committee and did not provide proof of receiving the low-value invoices from the company or the intermediary. Additionally, the shipment is coming from Turkey and of Turkish origin, while the attached invoices are issued by the institution ... In the United Arab Emirates, this supports the existence of manipulation in the invoices submitted to customs, which constitutes customs smuggling according to articles (47) and (142) as well as articles (11/143) and (144) of the Unified Customs Law.

Upon reviewing the objection list submitted by the attorney of the importing company, the customs appeals committee found that its summary mentioned that the absence of the appealing company from the hearings held before the first instance committee was due to the non-receipt of some notifications, as the company had recently undergone restructuring. Additionally, the company is engaged in the activities of establishing and repairing electric power stations, transformers, and air conditioning devices, and it imports many devices and equipment necessary to carry out its activities in the Kingdom of Saudi Arabia. It has contracted with two specialized offices for customs clearance licensed by the General Authority of Customs, namely: Office ... For customs clearance and the office of the company ..., on 29/11/2010, the company imported goods worth (8,022,057) Saudi Riyals and provided the customs clearance office with all the required documents to clear the goods. The clearance office provided the company with customs declaration number



(289656) and the customs duties due for this shipment, and the amount of the duties was transferred to the office's account. After the company audited the report submitted by the General Authority for Zakat and Income, it became clear that the customs duties were completely different from the amounts recorded in its accounting law. The appealing company submitted a letter to the Governor of the General Authority for Customs on 22/11/2016, requesting the correction of import data for the financial periods of 2011 and 2012, and the request was recorded under number (22705) dated 07/03/1438 AH. Despite the company's follow-up, it was unable to find out the result of the audit department's study. On 30/06/2019, the company received the first instance decision number (391) for the year 1440 AH, issued against it, which accused it of customs smuggling. After auditing, the company discovered that the customs clearance office had submitted a fabricated invoice that did not represent the true value and issued a customs declaration different from the one provided to the company. Additionally, the company lacked standing in this case due to its failure to present the lower value invoice, and the standing first instancely belonged to the customs broker according to articles (157) and (112) of the Unified Customs Law, especially since the company had shown good faith by paying the full customs duties of the higher value to the customs broker and fulfilling all its legal obligations. Furthermore, the company did not present the lower value invoice, which negates the material element, and it paid the full amount of the higher value invoice, which supports the absence of the moral element (criminal intent) required for criminal liability. There is also no joint liability against the company for providing the documents and bank transfer receipts that prove its payment of the higher value duties and the documents that prove that the customs broker paid the lower value duties and the customs declaration that clarifies who submitted it, which shows that it did not commit any of the acts that constituted the crime. The statement concluded with a request for a ruling to dismiss the case due to the company's lack of standing in it.

A response memorandum from the authority was received via the automated system of the secretariat dated 05/09/2023, summarizing that the company was notified through several letters from customs at the addresses registered with the authority, indicating that the invoices did not match, but it did not respond. Additionally, the correspondence was from the year 1431 AH, and during this long period, the company did not respond to the customs letters. Furthermore, upon auditing the documents by the auditing department in the authority, it was found that low invoices were submitted, and correct invoices matching them were discovered at the company, indicating that the invoices submitted first instancely along with the import declaration were incorrect and fabricated and do not represent the true value of the shipment. This was done in agreement, assistance, and participation between the appealing company and the customs broker/..., which constitutes customs smuggling according to articles (47-142-143-144) of the Unified Customs Law. Moreover, customs smuggling crimes are intentional crimes that require the existence of both the material and moral elements for their occurrence, which were present in the case at hand. The memorandum concluded with a request to reject the appeal submitted by the company ... And the affirmation of the first instance Decision in all that it ruled.



On 20/09/2023, a response was received through the automated system of the secretariat from the appealing company, summarizing that the company insists on all that was stated in its previous statement of appeal regarding defenses and procedural and substantive requests. The company also stated that it has not received any notifications regarding the allegations against it, nor has it been properly interrogated or investigated. The authority has the right to prove the company's lack of response by all means of evidence. The authority mentioned in its memorandum that the company denies the invoices submitted at a low value; however, the company has acknowledged this several times and that these invoices were submitted by the customs broker. The company confirmed this through several correspondences and communications with the authority and the First Instance Customs Committee. Additionally, the burden of proof lies on the one who claims, and the oath is on the one who denies, as the existence of criminal intent has not been established. Furthermore, the authority is the one that licenses customs brokers and should be responsible for their actions towards importers. Regarding the authority's claim that the company agreed with the customs broker to seize funds owed to the state, if we assume that the company did agree with the customs broker, why did it pay the full amount of customs duties to the customs broker? The response concluded with a request to cancel the contested decision and rule to absolve the company of any responsibility, holding the customs broker fully accountable.

On Wednesday, 27/03/2024, the Customs Appeals Committee in Riyadh held its session to consider the appeal submitted by the concerned party regarding Decision number (CTR-2023-139440), issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a Decision in its current state after the committee was informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the Grounds on which the appeal was based and the response of the authority.

Grounds:

Since there is no reproach against the reviewing authority for taking the reasons of the decision subject to the appeal without addition whenever it sees that these reasons suffice to avoid presenting anything new, because in its support, based on its reasons, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those reasons contained. The appellant's claim that he was not allowed to attend the first instance committee due to not receiving some notifications is rejected, as it is established from the narration of the facts of the first instance decision that the defendant was notified through the trust via the automated systems and mechanisms followed by it in accordance with Article (9) of the rules of operation of customs committees. As for the claim of not being responsible for the collection of the fees due for the shipment subject to import under the import declaration, by shifting the responsibility to the customs broker, as he is responsible for following up on completing the procedures for the shipment and collecting the due fees from customs based on its required value, the company is responsible if it



believes that the broker is the one who caused it to fail to fulfill its obligations regarding amounts due to the public treasury by neglecting to follow up and match what was paid to the broker and what the public treasury collected to ensure that it is the fees that the importer was required to pay in full to what the public treasury deserves, which was not the case for the importer in his dealings with the shipment. Since the reasons for the decision subject to the appeal are sufficient to support its ruling, it is necessary to determine that the defenses presented do not affect the outcome of the decision, which makes the appeal without a supporting basis, thus it must be rejected. Therefore, the appellate committee concluded to report the following:

Decision:

Acceptance of the appeal in form, from the applicant/ Institution ..., commercial registration number (...), against the first instance Decision number (CTR-2023-139440) issued by the third First Instance Customs Committee in Riyadh.

In the subject of his rejection, the affirmation of the first instance Decision in all that it ruled regarding the importer, and that for the Grounds and considerations stated in this Decision.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No.

CFR-2024-170741

Case No.

PC-2023-170741

Keywords:

Customs - Customs Duties - Silver works - Concealment - Conviction

Summary:

The Public Prosecution's demand to convict the importer of customs smuggling, due to the discovery by the customs inspector of a fabric belt wrapped around the importer's waist containing silver jewelry weighing a total of (6398) grams, which was placed in a money bag and liquidated through customs. And where it was established for the first instance committee that the seized goods are those whose import is restricted in the Kingdom with permits from the competent authorities. This means; convicting the importer and obliging her to pay a customs fine and confiscating the seized items subject to the lawsuit.

Document:

- [Article 142 of The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- [Paragraphs \(6\), \(12\), and \(13\) of Article \(143\) of the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)
- [Paragraphs \(2\) and \(5\) of Article \(145\) of the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

Where the letter from the Chief Public Prosecutor in Jeddah Province No. (...) On the date 17/06/1444 AH and the requests made therein, and based on Article (162) of the Unified Customs Law, this committee is responsible for considering the case.

On the merits, it was mentioned in the seizure report No. (305173) dated 06/12/1443 AH attached to the case that while the defendant was passing / ... —... Nationality - Resident Identity Number (...), to the X-ray inspection device and by passing her bags through the device, the customs inspector became suspicious of



her, and upon opening and manually inspecting her bags, nothing noteworthy was found. Therefore, she was transferred to the self-inspection area and inspected herself by the customs inspector, where a fabric belt wrapped around her waist was found containing silver items weighing a total of (6398) grams, which were placed in a money bag and liquidated through customs. It is noted that the defendant was traveling with her brother on the same flight, for whom a seizure report number (305165) was prepared. Accordingly, the committee held its hearing on Tuesday, January 16, 2024, and upon calling the parties to the case, ... attended, national ID number (...). As a representative of the plaintiff under the authorization issued under number (...), dated 08/10/1443 AH, and the defendant did not attend or have someone represent her despite being notified, thus missing the opportunity to defend herself, the committee decided to rule on the case based on the documents available to it.

Grounds:



It is established by the seizure report as mentioned above in the facts of this case that silver items weighing a total of (6398) grams were seized by the Customs of King Abdulaziz International Airport. Since the seized items are goods whose import is restricted in the Kingdom with permits from the relevant authorities, Article (142) of the Customs Law states that "smuggling is the introduction or attempt to introduce goods into the country or their exit or attempt to exit them in violation of the applicable legislation without paying customs duties in whole or in part or in violation of the prohibitions or constraints contained in this law and other regulations." Furthermore, paragraphs (13,12,6) of Article (143) of the same law stipulate that smuggling includes the bypassing of goods in entering or exiting the customs circle without declaring them and transporting prohibited and restricted goods or possessing them without providing evidence supporting their import or lawful passage, or transporting or possessing goods subject to customs authority without legal documentation. Additionally, paragraph (2) of Article (145) of the same law states that a penalty for the crime of customs smuggling or its equivalent shall not be less than twice the customs tax "fees" due and shall not exceed the value of the goods, and imprisonment for a period of not less than one month and not more than one year or one of these two penalties. Moreover, paragraph (5) of Article (145) of the same law stipulates the confiscation of the goods subject to smuggling or a ruling equivalent to their value in case they are not seized. Accordingly, the committee, after study and deliberation, unanimously decided as follows:

Decision:

Conviction of the defendant / ... —... Nationality - Resident ID number (...), present at customs smuggling.

2 Obliging it to pay a customs fine equivalent to the value of the seized items in the amount of (33,653) thirty-three thousand six hundred and fifty-three riyals.



Seizure of the seized items subject to the lawsuit.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

(The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.)



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-226207
Case No. CF-2023-226207

Keywords:

Customs - Customs Duties - Smoke - Non-declaration - Conviction

Summary:

The importer's request to cancel the decision of the 1st First Instance Customs Committee in Riyadh No. (CFR-2023-162907), which condemned the importer. And since it has been established to the appellate committee that the reasons for the decision subject to appeal are sufficient to support its ruling, it is necessary to state that the defenses presented do not affect the outcome of the decision, which makes the appeal without any supporting basis, and it must be rejected. This means; to uphold the first instance decision in all that it ruled.

Document:

- [Zakat, Tax and Customs Committees Regulations issued by Royal Decree No. \(25711\) dated 08/04/1445 AH.](#)
- [The Unified Customs Law for the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

This is to consider the appeal against the first instance decision number (CFR-2023-162907) issued by the Third First Instance Customs Committee in Riyadh, submitted by the attorney/ ... Residence number (...).

The facts of the case can be summarized as follows: while the police of the governorate of Fifa were conducting their fieldwork, a two-cabin pickup truck (2001) with license plate number (...) was stopped. The color is white, led by the defendant, and the vehicle was suspected and searched by the customs inspector, who found (677) smoke cherries of the type (Shamlan) hidden behind the rear seat. It is noted that the accused did not declare them before the search, and a seizure report No. (...) was prepared. On 20/03/1444 AH, the First Instance Committee issued its Decision to convict the importer of customs



smuggling and to impose the associated penalties, as stated in the text and Grounds for the Decision subject to appeal, which is referred to in order to avoid repetition.

Upon reviewing the objection list submitted, the appellate customs committee found that it included a summary of the appellant's claim that he had been hired by the person named / ..., and that he was unaware that smoking was prohibited, and that the decision imposed the maximum fine on him and he does not have the financial ability to pay it, concluding with a request to cancel the fine.

After reviewing the case file and the appeal submitted by the appellant, the committee found that the case was ready for a decision in its current state after being informed of the facts of the case and the sufficiency of what was presented to form its conviction and rule on it in light of the reasons on which the appeal was based.

Grounds:

After reviewing the Unified Customs law of the Gulf Cooperation Council countries issued by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Order No. (25711) dated 08/4/1445 AH, and the related regulations and laws.

Since the appellant was notified of the first instance Decision on 19/10/2023, and submitted the appeal against the Decision on 11/11/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law.

The appellate committee noted the existence of a material error in stating the name of the prosecution authority within the narrative of the first instance ruling subject to appeal, mentioning that it is (the General Authority for Zakat and Tax and Customs). Upon reviewing the case file, it became clear that the public prosecution was initiated by the prosecution authority represented by (the Public Prosecution in the Governorate of Faifa), which necessitates correcting the name of the prosecution authority within the narrative of this ruling. There is no blame on the appellate authority for adopting the reasons of the ruling subject to appeal without addition whenever it sees that these reasons suffice to negate the need for any new information, as its support is based on its reasons, indicating that it did not find in the objections raised any grounds that warrant a more detailed response than what those reasons contained. The defenses presented by the appellant do not affect the outcome reached by the ruling subject to appeal. Since the reasons for the ruling subject to appeal are sufficient to support its decision, it is necessary to state that the defenses presented do not affect the outcome of the ruling, which makes the appeal unsupported and necessitates its rejection. Accordingly, the committee concluded to report the following:



Decision:

First: Acceptance of the appeal in form, from the applicant/ ..., commercial registration number (...), against the first instance Decision number (CFR-2023-162907) issued by the 1st First Instance Customs Committee in Riyadh.

Second: He rejected it as a subject and upheld the first instance decision in all that it ruled, and that is for the reasons and grounds stated in this decision.

This decision is final; according to the provisions of paragraph (Second) of Royal Order No. (25711) dated 08/04/1445 AH.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No. CR-2024-203054
Case No. PC-2022-127403

Keywords:

Customs - Customs Duties - Smoke - Statement discrepancy - No conviction

Summary:

The importer's request to cancel the decision of the Second First Instance Customs Committee in Riyadh No. (CSR-2022-4464), which convicted the importer of customs smuggling and imposed a customs fine and confiscation of the seized items subject to the lawsuit. Where it has been established for the appellate committee that the basis for the conviction report must be based on credible evidence and indications that confirm the validity of attributing the crime of smuggling to the importer, thereby achieving a departure from the presumption of innocence, and where the prosecution and customs control did not present anything that would justify disregarding the presumption of innocence as previously established. This means; to cancel the first instance decision in all that it ruled.

Document:

- [Article 168 of The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)

Facts:

This is to consider the appeal submitted by/..., national ID number (...). As an agent for/..., national ID number (...), under the power of attorney number (...). On 24/12/1444 AH, issued by the electronic services of the Ministry of Justice, against the first instance Decision No. (CSR-2022-4464), issued by the second First Instance Customs Committee in Riyadh, ruling as follows:

- 1- Conviction of the defendant/ ..., national ID number (...), in absentia for customs smuggling.
- 2- Obliging him to a customs fine equivalent to twice the value of the customs duties on tobacco (17,128,500) seventeen million one hundred and twenty-eight thousand five hundred riyals.
- 3- Seizure of the quantity of (cigarettes) confiscated in the case.



Since the appellant was notified of the Decision subject to the appeal on 21/06/2023, and submitted the appeal on 16/07/2023, this entails the acceptance of the appeal in form for being submitted by a person with standing within the time frame established by Article (163) of the Unified Customs law.

As for the facts of the case, they are summarized by the receipt of a letter from the Director General of the Jeddah Islamic Port Customs No. (18862) dated 22/07/1443 AH, which includes that the institution ... For selling products, commercial registration number (...) The property belonging to the defendant submitted a request for the re-export of (3) containers for which no customs declaration was submitted. Upon reviewing the bill of lading for the containers, it was found that the item listed was spare parts for machines. Upon inspecting the shipment, it became clear that it consisted of (cigarettes). Additionally, the owner of the establishment submitted different invoices regarding the actual quantity, and the type of cigarettes that were seized did not carry tax stamps or numerical codes on the packets, nor did they have the usual packaging. A seizure report was prepared with customs declaration number (280132) dated 08/06/1443 AH. The value of the contraband item amounted to (8,564,250) eight million five hundred and sixty-four thousand two hundred and fifty riyals. The first instance committee issued its Decision as previously mentioned, convicting the importer of customs smuggling and obliging him to the associated penalties based on the fact that the importer attempted to introduce restricted goods with the approval of the competent authorities without paying their customs duties, which constitutes customs smuggling according to Article (142) of the Unified Customs law.

Upon reviewing the objection list submitted by the appellant's agent, the customs appeals committee found that its summary mentioned that his client did not import the shipment mentioned in the case (cigarettes) but rather received an incorrect shipment labeled (ice cream cone machine), which he did not request or even pay for. Following this, his client authorized a customs clearance office to complete the procedures for receiving the incorrect shipment and returning it to its country of origin, where his client followed all legal procedures for the return of the incorrect shipment. The goods are present in visible and clear containers, and there is no indication of an attempt to hide them or evade their display. His client's actions are considered a procedural "violation" and not a crime of customs smuggling, and the violation here is procedural and not substantive as dealt with by customs and the customs committee, and it does not rise to the level of a crime or an attempt at customs smuggling. Furthermore, the criminal intent is absent in this incident, and the assessment of the fine in a lump sum is not in accordance with any Principles or conditions. The list concluded with a request to accept the appeal, annul the contested Decision, and acquit his client of the charges against him.

On Monday, 08/07/2024, the Customs Appeals Committee in Riyadh held its hearing to consider the submitted appeal regarding the first instance decision No. (CSR-2022-4464) issued by the Second First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, and noting the lack of response from both the customs and the public prosecution after the public



prosecution was requested to respond to the submitted appeal and inquire from the public prosecution and the authority as the enforcement body on 15/08/1445 regarding whether the three containers had not left the customs area at all or if they had been released previously and the importer then wanted to re-export them. When did the re-export procedures for the three containers begin? Was this request made after the customs authorities discovered the actual content of the containers? They were given a period of (14) days without a response from them until the date of this hearing, which leads the appellate committee to decide that the case is ready for a ruling in its current state after the committee has been informed of the facts of the case and the sufficiency of what has been presented to form its conviction and to rule on it in light of the reasons on which the appeal was based and the conduct of the public prosecution and the authority as the customs control body in not responding to the plaintiff's appeal and answering the questions raised after they were enabled to exercise their right to respond and answer, and their failure to do so.

Grounds:

Where the appellant seeks to annul the first instance Decision issued against him for customs smuggling on the grounds of smuggling a quantity of cigarettes and to acquit him of that charge and the consequences of his conviction, and that the most that can be held against the importer is to consider his conduct as constituting a violation of customs procedures, which consists of requesting the re-export of three containers for which no customs declaration was submitted, based on the claim that the shipment received under the documents is (an ice cream cone machine) and that it is a shipment that does not belong to him, and therefore he requested its re-export through the customs broker. The facts of the case do not indicate any attempt to conceal the true nature of the goods received for smuggling, and that what indicates the absence of intent to smuggle is the importer's non-receipt of them and his initiation of re-export procedures for the shipment to its source without benefiting from it. In order to achieve what the appellant claims regarding his lack of involvement with the seized cigarette shipment and his involvement in an attempt to smuggle it, the appellate committee, on (25/02/2024) corresponding to (15/08/1445), communicated with both the Public Prosecution and Customs as the authority responsible for the seizure to provide information regarding what the appellant mentions, especially what he argues about his request for re-export before the incident was discovered by the customs authority. Since there was no response from the Public Prosecution or the customs authority after giving them time to respond to what the appellant claims to clarify the invalidity of his conviction for customs smuggling as stated in the first instance Decision, it is established that the authority reviewing the case has the power to understand the facts to achieve the case brought before it. The Public Prosecution and the customs authority did not provide anything that negates what the appellant argues regarding the non-ownership of the shipment by him, as evidenced by his request to re-export the shipment that does not belong to him, especially since this occurred – apparently – before the incident was discovered, which leads to the conclusion that the importer did not intend to attempt to



smuggle the seized goods (cigarettes). The principle in establishing a conviction is that it should be based on credible evidence and indications that confirm the validity of attributing the crime of smuggling to the importer, which leads to the disregard of the presumption of innocence. Since the Public Prosecution and the customs authority did not provide anything that would justify disregarding the presumption of innocence as previously established, this committee concludes that the evidence is insufficient to establish the validity of attributing customs smuggling to the importer and rules not to convict the importer of the charge against him of customs smuggling for the shipment of (cigarettes). It was established through what the appellant mentions that the shipment does not belong to him because he did not pay for it and that what was specifically his instead, without it reaching him, is (an ice cream cone machine); this leads to treating the seized cigarettes according to what is stipulated in the provisions of Chapter Fourteen of the Unified Customs law under Article (168). Since the matter is as mentioned, the appellate committee concluded to report the following:

Decision:

- 1- Acceptance of the appeal in form from the applicant/ ..., national ID number (...), against the first instance Decision number (CSR-2022-4464) issued by the second First Instance Customs Committee in Riyadh.
- 2- In the matter of its acceptance, and the annulment of the first instance Decision in all that it ruled against the appellant, and this is for the Grounds and considerations stated in this Decision.
- 3- The action taken by the Customs Authority regarding the seizures in accordance with the provisions of Chapter Fourteen of the Unified Customs law under Article (168).

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.



The Customs Appeals Committee in Riyadh

Decision No.

CFR-2023-235390

Case No.

PC-2023-235390

Keywords:

Customs - Customs Duties - Nicotine conditions - Non-declaration - Conviction

Summary:

The Public Prosecution's demand for the conviction of the importer, as the bag belonging to him was suspected and was referred for manual inspection, where 290 envelopes of nicotine weighing 8628 grams were seized with him. The first instance committee established that the seized items are goods with high customs duties upon import, in addition to being restricted items, which require approval from the relevant authorities for clearance. This means; convicting the importer and obliging him to pay a customs fine and confiscating the seized items subject to the lawsuit.

Document:

- Article 142 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Article 143 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Paragraph (5,1) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH.](#)

Facts:

Where the letter from the Chief Public Prosecutor in Jeddah Province No. (...) On the date 16/10/1445 AH and the requests made therein, and based on Article (162) of the Unified Customs Law, this committee is responsible for considering the case.

On the merits, on Sunday, March 3, 2024, the Saudi Airlines flight number (...) arrived. At King Abdulaziz International Airport, while placing luggage on the baggage conveyor and during its inspection by the customs inspector, the black bag was suspected and a barcode sticker was placed on it to be tracked by the security inspector as it exited through the airport terminal gates. After the bag arrived at the baggage claim conveyor, the defendant ... - Pakistani nationality - Passport number (...) Upon receiving the bag, he noticed



a label and removed it. While exiting through the security sensor gate, he became suspicious of the bag, and it was referred for manual inspection, where he was found in possession of 290 envelopes of narcotics weighing 8628 grams. A seizure report number (...) was prepared. dated is 22/08/1445 AH.

Accordingly, the committee held its hearing on Tuesday, 16/07/2024, and upon calling the parties to the case, ... attended, national ID number (...). As a representative of the plaintiff under the authorization issued under number (...) The date is 08/10/1443 AH, and the defendants or their representatives did not attend despite being notified, thus missing the opportunity to defend themselves. Therefore, the committee decided to rule on the case based on the documents available to it.

Grounds:

It is established by the aforementioned seizure report in the facts of this case that 290 envelopes of Noctin were seized, weighing 8628 grams.

Given that the seized goods are of high customs duty upon import, and since they are restricted items that require approval from the relevant authorities for clearance, the seizure of these materials with the mentioned individual without declaring them is considered an attempt at smuggling. Article (142) of the Customs Law states that "smuggling is the introduction or attempted introduction of goods into the country or their removal or attempted removal from it in violation of the applicable legislation without paying the customs duties in whole or in part, contrary to the prohibitions or constraints set forth in this law and other regulations," which is represented by the attempt to introduce these prohibited items. Furthermore, Article (143) of the same law states that "the smuggling provisions include the bypassing of goods in entering or exiting the customs area without declaring them and removing goods from the customs areas without completing their customs procedures, as well as transporting or possessing prohibited and restricted goods without providing evidence supporting their lawful import or transit." Additionally, paragraph (1) of Article (145) of the same law stipulates that a penalty for the crime of customs smuggling or its equivalent shall be a fine of not less than double the customs duties due and not exceeding three times the customs duties or double the value of the goods, whichever is higher, and imprisonment for a period of not less than one month and not exceeding one year, or one of these penalties. Moreover, Article (145/5) of the same law states that the goods subject to smuggling shall be confiscated or their equivalent value shall be ruled in case they are not seized.

Decision:

- 1- Conviction of the defendant ... - Egyptian nationality - Passport number (...) in person for customs smuggling.
- 2- Obliging him to pay a fine equivalent to three times the value of the customs duties for the seized items in the case.
- 3- Seizure of the seized items in the case.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.



The Customs Appeals Committee in Riyadh

Decision No. CTR-2023-169644
Case No. PC-2023-169644

Keywords:

Customs - Customs Duties - Jewelry - Clearance before preparing the report - No conviction

Summary:

The request of the Zakat, Tax and Customs Authority to condemn the importer, as he was suspected of arriving at the hand luggage inspection device by the customs inspector, and he was stopped and the bag was manually searched, where a small package was found, and after opening it, jewelry weighing (257) grams was found inside. And since it has been established to the first instance committee that the shipment has been cleared, regarding the customs duties, they were not linked to the insurance, but the full fees were paid along with the tax, and the amount linked to the insurance pertains only to the analysis fees. This means; the importer is not convicted.

Document:

- Article 142 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)
- Article 143 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\).](#)

Facts:

The facts of this case are summarized in that the Zakat, Tax and Customs Authority filed its lawsuit and the requests contained therein against the defendant (...) -Saudi nationality- Passport number (...), and the summary of her lawsuit in case number (935) for the year 1439 AH included the following: When the defendant arrived at the hand luggage inspection device, he was carrying a bag in his hand. Upon passing it through the inspection device, he was suspected by the customs officer and was stopped for a manual search of the bag, where a small package was found. After opening it, jewelry weighing (257) grams was discovered, which the passenger had not declared. When asked why he did not declare it, he stated that he was instructed to do so by the company ... According to his statement, the company requested him not to declare them to the Riyadh airport customs and to only declare them at the domestic airport in Jeddah. The



passenger presented invoices for jewelry worth (23,265) US dollars, and a report was prepared with the number (...). dated 1439 AH.

Accordingly, the committee held its hearing on Thursday, 15/09/2022, and upon calling the parties to the case, ... attended, in her capacity as a representative of the Zakat, Tax and Customs Authority by virtue of the authorization issued by the Legal Affairs and Compliance Agency of the Authority under number (...). On the date 7/3/1443 AH, the defendant or their representative did not attend despite being notified. After the committee reviewed the case documents and communicated with the plaintiff's representative via email asking whether the customs duties and fines were linked to the insurance and why a lawsuit was initiated since the goods were cleared before the seizure report was prepared, they responded: The relevant customs authority was addressed regarding the customs duties, and it stated that it was not linked to insurance, but rather that the full fees were paid along with the tax, and the insurance-related fees pertain only to analysis costs. The committee decided to rule on the case.

Grounds:

The committee reviewed the papers and documents included in the case file, where it requested from the representative of the plaintiff via email to provide information on whether the case was concluded with immediate liquidation or not, and what happened to the jewelry—whether it was seized or not, and whether its fees were linked to insurance or handed over to the concerned party. The response indicated that after contacting the relevant customs, it was confirmed that the shipment was released. Regarding the Customs Duties, they were not linked to insurance; rather, the fees were paid in full along with the tax, and the insurance pertains only to analysis fees. Therefore, the committee found that there was no material or moral criminal intent, which negates the crime of customs smuggling as stipulated in Article (142) and Article (143) of the Unified Customs Law.

Accordingly, the committee, after study and deliberation, unanimously decided as follows:

Decision:

The defendant's acquittal/ (...) -Saudi nationality- Passport number (...), present at customs smuggling.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

(The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.)



The Customs Appeals Committee in Riyadh

Decision No. CTR-2024-204628
Case No. PC-2023-204628

Keywords:

Customs - Customs Duties - Mercury - Hidden - Conviction

Summary:

The Public Prosecution's demand for the conviction of the importer for the arrival of a vehicle of the type (Nissan Armada) belonging to him, as it was suspected after being presented to the X-ray inspection device, and upon searching it, (mercury) was found hidden in a manner that is technically difficult to detect. Where it has been established to the first instance committee that they are among the categories whose entry into the Kingdom is restricted except with the approval of the relevant authorities and with high fees, and they were not declared to customs as detailed in the seizure report. This means; convicting the importer and obliging him to pay a customs fine and confiscating the seized goods and the means of transport.

Document:

- Article 142 of [The Unified Customs Law of the Gulf Cooperation Council issued by Royal Decree No. M/41 \(03/11/1423 AH\)](#).
- Paragraph (1,5,6) of Article (145) of [the Unified Customs Law of the Gulf Cooperation Council countries issued by Royal Decree No. \(M/41\) dated 03/11/1423 AH](#).

Facts:

This case was referred to the Third First Instance Customs Committee in Riyadh after the committees at the customs ports were dissolved based on the decision of His Excellency the Minister of Finance No. (275) dated 18/1/1442 AH, and according to the text of Article (162) of the Unified Customs Law, this committee is responsible for considering the case.

On the merits, a vehicle of type (Nissan Armada), bearing the plate number (...), arrived on the ship number (...), to the customs of Jeddah Islamic Port, belonging to the defendant/..., a Sudanese national, resident ID number (...), where it was suspected after being presented to the X-ray inspection device, and upon inspection, (mercury) was found hidden in a manner that is difficult to detect, and accordingly, a seizure report number (...) was prepared. dated 13/11/1442 AH.

On Wednesday, 28/06/1445 AH, the committee held its hearing to consider the remotely convened lawsuit, and upon calling the parties to the lawsuit, the representative of the prosecution attended (...). Identity number (...), by virtue of a mandate issued by the head of the public prosecution issued under number (...). On the date 8/10/1443 AH, the defendant did not attend despite being notified by the General Secretariat of the Zakat, Tax, and Customs Committees through the automated systems and mechanisms it follows (via Hayad System). The General Secretariat of the Zakat, Tax, and Customs Committees confirmed that this law



automatically notifies the defendant in accordance with the operational rules of the customs committees and other relevant regulations and instructions. Therefore, the committee decided to proceed with the case. When asked if the representative of the plaintiff had any additions to what was stated in the lawsuit, he replied: There is none, and after reviewing the case file, the committee decided to close the door to the pleadings and deliberations in preparation for issuing the decision.

Grounds:



After reviewing the Unified Customs Law, and after examining the case documents and reviewing the indictment submitted by the Public Prosecution in Jeddah, the jurisdiction is established for this committee to consider the case, which necessitates the acceptance of the case in form.

On the merits, and since the facts of the seizure mentioned in the indictment indicate that the seized items were not declared, which is (mercury), and which was concealed in a technical manner in parts of the vehicle and in places where it is not usual to place such items, according to the seizure report number (...). On the date of 13/11/1442 AH, these are among the categories restricted from entering the Kingdom except with the approval of the relevant authorities and with high fees, and they were not declared to customs as detailed in the seizure report. Since it has not been proven to the committee that the defendant has any prior offenses, and he or his representative did not appear to defend himself against the charges against him, and while acknowledging the possibility of imposing a prison sentence, and considering the consistency of the punishment and the mitigating and aggravating circumstances, and since imprisonment is one of the penalties that deprives freedom and its effects extend to others, the committee finds the penalties issued against him to be sufficient. After reviewing articles (142) and (145) with paragraphs (1), (5), and (6) of the Unified Customs Law, and after reviewing the seizure report and the indictment and the circumstances and evidence contained therein.

Based on the above, and after study and deliberation, the committee unanimously decided the following:

Decision:

- 1- Condemnation / ..., of Sudanese nationality, resident ID number (...). In person for customs smuggling according to Article 142 of the Unified Customs law.
- 2- Imposing a customs fine equivalent to twice the customs duties, according to Article (1/145) of the same law.
- 3- Seizure of the seized items in violation of the case, according to Article (145/5) of the same law.
- 4- Seizure of the means of transport, according to Article (145/6) of the same law.
- 5- 4- Disregard the imprisonment penalty.

May Allah's peace and blessings be upon our Prophet Muhammad and upon his family and companions.

The judgment has become final due to the expiration of the objection period in accordance with paragraph (2) of Article (33) of the rules of operation of the Zakat and Tax Committees.

سبحان