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MAWANI

SAUDI PORTS AUTHORITY

Circular No. (6) of 2025

To:

• All Shipping Agents CC:

- Zakat, Tax and Customs Authority
- Federation of Saudi Chambers
- All Operating Companies at Ports

<u>SUBJECT:</u> Implementation of Pallet Use for Loading and Stowing Imported Goods via Containers at the Kingdom's Ports

With reference to the circular issued by the Saudi Ports Authority No. (31) for the year 2021 and Circular No. (2) for the year 2022 regarding the implementation of pallet use for loading and stowing imported goods via containers at the Kingdom's ports.

As part of the ongoing collaboration between the Saudi Ports Authority and the Zakat, Tax and Customs Authority concerning the application of pallet use in the loading and stowage of containerized imports at the Kingdom's ports (Which is a flat wooden structures specifically designed for loading goods) the significance of using these pallets lies in their essential role in facilitating handling and unloading operations from containers. This, in turn, contributes to reducing cargo clearance times, minimizing the risks of cargo loss or damage during loading, handling, and unloading processes, and ensuring the safety of port personnel and workers. Moreover, the use of pallets enhances the efficiency of inspection procedures, security checks, and other on-site operations carried out at the ports.

Therefore, the following measures shall be implemented: First:

Starting from June 1, 2025, the implementation of pallet use for the shipping and stowage of all goods imported via containers to the Kingdom's ports will commence gradually over the course of one year. After this transitional period, pallet use will become mandatory. Second:

The following goods imported via containers to the Kingdom's ports are exempt from the mandatory pallet requirement:

- Bulk dry or liquid materials loaded directly onto their transport means, such as wheat and other grains, cement, gypsum, and petroleum products.
- Raw materials shipped in large "jumbo" bags that are difficult to place on pallets.
- Heavy machinery and equipment, production lines, power generators, and industrial vehicles.

- Metal products shipped in the form of large rolls, coils, or flat sheets.
- Steel rebar, large pipes, scaffolding, and similar items.
- Raw blocks of marble, stone, alabaster, and granite (prior to manufacturing).

Third:

Requests for exemption may be considered for goods that, due to their specific nature, cannot reasonably be loaded onto pallets during shipping. These requests must be submitted formally to the General Authority for Ports, including a detailed description of the goods subject to exemption. Each request will be reviewed in coordination with the Zakat, Tax and Customs Authority for appropriate decision-making.

Fourth:

Failure to comply with the requirement to use pallets for containerized imports into the Kingdom's ports will result in the imposition of penalties and fines in accordance with applicable laws and regulations in the Kingdom.

The Authority hereby issues this announcement to emphasize the responsibility of all shipping agents to inform all importers and shipping lines so they, in turn, may notify their clients of the pallet usage requirements for the shipping and stowage of all goods imported via containers to the Kingdom's ports.

You are requested to comply and act accordingly.

Vice President for Regulation Yousef Bin Mohammed Al-Hosan