### NATIONAL TARIFF COMMISSION MINISTRY OF COMMERCE GOVERNMENT OF PAKISTAN

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# APPLICATION UNDER NATIONAL TARIFF COMMISSION ACT, 2015 FOR TARIFF TO IMOROVE COMPETETIVENESS OF THE DOMESTIC INDUSTRY/EXPORTERS

- 1. This Questionnaire has been designed to seek information from the applicant in order to assess and evaluate the level of competitiveness of the Pakistani exporters and to recommend the Federal Government for appropriate change in tariff and other trade measures for improving the competitiveness.
- 2. Attach copies of the latest audited/un-audited accounts along with the accounts of two preceding years. A copy of half-yearly accounts may also be provided.
- 3. If required, additional paper can be used to ensure that the requisite information is provided to the fullest possible extent. If there is any difficulty in filling up this form, please contact to the Secretary National Tariff Commission (Ph.051-9202839).
- 4. After filling in the form as required it should be despatched to the National Tariff Commission on the following address, together with prescribed fee (non refundable) in shape of bank draft amounting to Rs.20,000 (if paid up capital of applicant unit is upto Rs.50 million) and Rs.30,000/- in all other cases.

Secretary, National Tariff Commission, 4<sup>th</sup> Floor, State Life Building No.5 Blue Area, ISLAMABAD.

## A. <u>APPLICANT'S PROFILE</u>

- 1. Name and address (with telephone, fax number. and e-mail.):

  (Name of one or more executives concerned may also be stated for follow up correspondence).
- 2. Date of commencement of:
  - a) Trial production;
  - b) Commercial production; and
  - c) Exports, if any.
- 3. Operational status of the industrial Unit (Running / Closed):
  - (if closed, give date of closure along with reasons)
- 4. Please attach a list of names and addresses of other domestic manufacturers, exporters and of relevant trade bodies.

### B. **PRODUCT DETAILS/PROFILE**

- 1. a) Description;
  - b) PCT Heading;
  - c) Composition;
  - d) Uses:
- 2. Sizes, grades, specifications and types being manufactured:
  - a) By your Unit;
  - b) By other domestic Units, (if any); and
  - c) Process flow chart/diagram of manufacturing process;

## C. <u>DOMESTIC TARIFF/TAX DUTY STRUCTURE ON IMPORTS</u>

#### Table-I

	Current Year	Last Year	The Year Before
I. On Import of Finished goods:			
HS Code			
i. Customs Duty			
ii. Sales Tax on imports			
iii. Federal Excise duty			
iv. Any other import duty/taxes			
II. On local production of finished			
goods:			
i. Sales Tax			
ii. Federal Excise duty			
iii. Local/provincial taxes (if any)			
III. *Imported Raw materials/inputs:			
i. HS Code			
ii. Customs Duty			
iii. Sales Tax on imports			
iv. Federal Excise duty			
v. Any other import duties			
IV. **Locally procured raw materials/			
inputs:			
i. Sales Tax			
ii. Federal Excise duty			
iii. Local/provincial taxes (if any)		.1	

<sup>\*</sup> Indicate separate information for each input if major inputs are more than one.

<sup>\*\*</sup> Indicate separate information for each input if local major inputs are more than one

## DOMESTIC TARIFF/TAX DUTY STRUCTURE ON EXPORTS

## Table-II

		Current Year	Last Year	The Year Before
I.	On Export of Finished goods:			
i.	HS Code			
ii.	Export Duty			
iii.	Any Scheme(Rebate/Duty			
	Drawbacks/Refund on import duties			
iv.	Any other taxes			
II.	*On Export of Inputs/raw materials:			
i.	HS Code			
ii.	Export Duty			
iii.	Any Scheme(Rebate/Duty			
	Drawbacks/Refund on import duties			
iv.	Any other taxes			

<sup>\*</sup> Indicate separate information for each input if major inputs are more than one.

#### D. **OVERVIEW OF THE POTENTIAL FOREIGN MARKETS:**

- 1. Major export markets of this product(s) in the world
- 2. Export destinations of the product(s) under consideration
- 3. Major competitors (countries) of the product(s) in the global markets;
- 4. Sizes, grades, specifications and types being manufactured By Foreign producers who are competitors in the domestic and export market along with HS Classification.
- 5. Process flow chart/diagram of manufacturing process by your international competitors (if different from your manufacturing process)
- 6. Please provide country-wise/region-wise descriptive details i.e. related market dynamics, potential for Pakistani exporters and factors discouraging Pakistani export in entering these markets etc.
- 7. Tariff/duty structure applicable to your exports in the major/potential export market(s) as per Table-III *Note: Provide the above mentioned information if available.*

## TARIFF/DUTY STRUCTURE APPLICABLE AT EXPORT DESTINATION

#### Table-III

	<u>Description</u>	Current Year	Last Year	The Year Before
I.	Applicable on Products from Pakistan;			
i.	HS code			
ii.	Customs Duty (MFN)			
iii.	Any preferential rate (PTA)			
iv.	Sales Tax/VAT on imports			
v.	Any other import duty			
II.	Applicable on other Exporting			
	Countries			
i.	HS code			
ii.	Customs Duty (indicate the name of			
	preferential/concessionary rate, if any			
iii.	Any other import taxes			
III.	domestically manufactured Products (in			
	<b>Importing Countries ):</b>			
i.	Sales Tax/VAT			
ii.	Local/provincial taxes (if any)			

# E. PROBLEMS / ISSUES RELATED TO TARIFF AND OTHER TRADE MEASURES

	PROBLEMS / ISSUES RELATED TO TARIFF AND OTHER TRADE MEASURES
1.	Is the tariff structure applicable to your product adversely affecting the exports of the product concerned? If yes, please state the details. (Customs duty on raw materials, inputs, finished goods, capital goods etc.). Please provide the detailed tariff structure in Table-I above;
2.	What tariff structure is applicable to the producers of same/similar product in their countries, supplying these products to same export $market(s)$ .
3.	Please indicate other trade issues/barriers which are discouraging the technology up gradation.
4.	Please briefly suggest appropriate measures/policy interventions to improve the competitiveness of your product(s);
	QUALITY AND STANDARDS APPLICABLE TO THE PRODUCT IN THE MAJOR / POTENTIAL EXPORT DESTINATION(S)
1.	Please provide a brief description of factors creating competitive disadvantage to your exports e.g. SPS, TBT, preferential tariff for competitors etc;
2.	Indicate the quality and standards being required in major export destinations of your product. Do you meet all these standards? If not, indicate the reasons;
3.	Regulations at major destinations of export;  i. Applicable to the imports from all sources (Details of such regulations and how these affect your exports to that country)
	<ul> <li>Applicable on all sources of imports, globally or regionally (Details of such regulations and how these affect your exports to that country)</li> </ul>

F.

	iii. Sources of imports regulations, if any (Details of such regulations and how these affect your exports to that country)
4.	Briefly state the requirements of institutional setup /legal framework deemed necessary for compliance of the aforesaid standards and quality regimes.
	SECTORAL EXPORT PROFILE
1.	Does current Tax/Tariff/Trade Policy related measures applicable to your sector encouraging the export of high value added products from the domestic value chain;
2.	If no, please indicate what measures are required for encouraging the exports of value added sector/products.
3.	Any other suggestion for encouraging the exports of products.
1.	ECONOMIES OF SCALE  State the role of the domestic market (if any) of the product in question in achieving the economies of scale.
2.	In your view, how the domestic market of the product in question can achieve the economies of scale?
3.	What is your assessment on the level of competition in the domestic market vis-a-vis imports if any?
4.	Details of capacity and production please specify accounting year( calendar/financial)

G.

H.

## Table-III

(Tonne/Lit/No. etc)

Name of the product*									
Year	Capacity**	Production	Capacity Utilization (%)						
Current year									
Previous year									
Year Before									

<sup>\*</sup> Give details of all products/bi-products being manufactured.

#### 5. TOTAL DOMESTIC MARKET IN PAKISTAN

#### **Table-IV**

(Tonne/Lit/No. etc)

Name of the product*								
Year	Sales by the Applicant	Sales by other Units	Import	Total Domestic Market				
Current year								
Previous year								
Year Before								

<sup>\*</sup>Give details

## 5. TOTAL EXPORT MARKET

## Table-IV

(Tonne/Lit/No. etc)

Name of the product*								
Year Exports by Exports by other Export by other Total Exp								
	the Applicant	Units	countries	Market				
Current year								
Previous year								
Year Before								

<sup>\*</sup>Give details

I. Breakup of cost to make and sell of the product at appendix-I and cost of raw materials/inputs/components and packing materials at appendix-II

# J. MARKET PRICE OF THE PRODUCT(S) OF THE APPLICANTS UNIT.

1. In domestic market for each grade/type

<sup>\*\*</sup> Indicate whether on single/double/triple shift basis.

- 2. In international markets (country-wise) where applicant exports for each grade/type
- 3. What was the price in international markets (country wise) where the Applicant(s) were not compete due to high price

## K. LANDED COST (COUNTRY-WISE) DURING LATEST THREE YEARS

#### Table-VI

(PLEASE PROVIDE ESTIMATED FIGURES IF THERE HAVE BEEN NO OR DISCONTINUED SALES DURING THIS PERIOS)

(US\$ tonne/litre/No. etc.)

			(OB\$ tollie)	1111 e/140. etc.)
Year	Ex-factory	CIF Price	Duty and	Landed
	price of		Taxes	Cost
	importing			
	country			
a) Year Current				
b) Last year				
c)The year before				

#### **CERTIFICATE**

I certify that the information given above is true to the best of my knowledge and belief. I undertake to furnish documentary and other evidence when called upon to do so to substantiate the information contained above.

Place Signature

Date Name & designation with seal

## COST TO MAKE AND SELL OF THE PRODUCT UNDER REVIEW

Type/r	provide information for the last three years separately	-	-	•			.g
S.No		Domes	stic Sales	Expo	rt Sales	Total	Sales
1	Sales of Goods	Quantity (Units)	Value (Rs)	Quantity (Units)	Value (Rs)	Quantity (Units)	Value (Rs)
	1.1 Sales to un-related customers 1.2 Sales to related customers (other than subsidiary companies) 1.3 Sales to subsidiary companies 1.4 Internal transfer (please describe basis for valuation) 1.5 Total Sales	(Cinto)		(Cinco)		(0.1110)	(18)
2	COST OF GOODS SOLD						
2.1	Quantity produced (specify unit of measurement	nt)	Variable Co	ost	Fixed Cost	r	Гotal Cost
2.2	<ul> <li>i. Raw and packing material – local</li> <li>ii. Raw and packing material – imported</li> <li>iii. Salaries and wages</li> <li>iv. Overheads details</li> <li>a. Stores, spares/supplies</li> <li>b. Electricity</li> <li>c. Gas/fuel</li> <li>d. Repair and maintenance</li> <li>e. Depreciation</li> <li>f. Miscellaneous/other expenses</li> </ul>	d					
2.3	Total Cost of Production						
2.4	Plus opening stock						
2.5	Available for sale (2.3+2.4)						
2.6	Less closing stock						
2.7	Cost of goods sold (2.5-2.6)						
3. 4.	Gross profit on sales (1.5-2.7)						
4.	<ul> <li>Selling, administrative and financial expenses</li> <li>4.1 Selling expenses</li> <li>4.2 Administrative expenses</li> <li>4.3 Financial expenses</li> </ul>						

**Note:** All items of income & expenditure should be reconcilable with Annual Audited Accounts. In case more than one products are produced and sold, a statement showing the results for the product under review and all other products be prepared to reconcile the results with audited accounts.

Cost to make and sell (2.7+4)

Net Profit on sales (1.5-5)

5.

6.

## Appendix-II

# 2 <u>Cost of Raw Materials/Inputs/Components and Packing Materials</u>

Please provide information on cost of inputs/components/raw and packing materials as per following format

## COST OF IMPORTED/LOCALLY PROCURED RAW MATERIALS/INPUTS/ COMPONENTS AND PACKING MATERIALS FOR PRODUCTION OF PRODUT UNDER REVIEW

(Specify unit of measurement e.g tonne, Kg. litre etc.)

Description	H.S	Quantity	C&	ζF	Cus	toms	S.T	Other	Landed	Quantity	Cost
of inputs	code.	procured	Price	e in	D	uty	(Rs)	taxes/duties	Cost	required to	per unit
with unit of		(MT/Kg)	US\$	Rs.	Rate	Value		(pl.	(Rs)	produce	of
measurement						(Rs)		specify)		one unit of	output
										output	(Rs)
Imported inputs/components/raw materials											
Local inputs/co	ompone	nts/raw mate	erials								