Government of Pakistan Ministry of Commerce National Tariff Commission

Islamabad December 28, 2015

Public Notice

Subject: - Subject: Notice to Invoke Section 8(a) (ii) of National Tariff Commission Act, 2015 to Improve the Competitiveness of Domestic Industry.

- 1. The Government of Pakistan has reformed and revamped National Tariff Commission (the "Commission") and enacted the National Tariff Commission Act, 2015 (the "Act"). Under the Act, the functions of the Commission have been enhanced which, inter alia, include advising the Federal Government on improving the competitiveness of the domestic industry through tariff and other trade measures. The Commission through this notice hereby invokes provisions of Section 8 (a) (ii) of National Tariff Commission Act, 2015 to improve the competitiveness of the domestic industry. The Commission is of the view that in order to enhance the competitiveness of the domestic industry the provisions of the WTO Agreements and Rules and the needs of the domestic industry should be considered.
- 2. Competitiveness of the domestic industry can be improved, *inter alia*, by:
 - Reducing cost of production that makes a firm (sector) competitive with its competitors
 offering similar goods in international markets, which can otherwise eliminate them with
 price competition. Cost reduction may be achieved by supply of inputs, raw materials and
 machinery at lower prices,
 - ii. Providing assistance to the domestic industry to produce sophisticated and high value added goods, which are currently engaged in the production of primary or secondary / low value added goods,
 - iii. Encouraging the manufacturing units to operate at the optimal level of capacity utilization in order to become competitive. It helps minimizing fixed cost per unit,
 - iv. Compliance to standards in accordance with WTO Agreements on Sanitary and Phytosanitary Measures (SPS) and Technical Barriers to Trade (TBT) etc. for any product to be sold in the domestic / international markets specially those of developed economies,
 - v. Achieving economies of scale, the industry needs to install large capacity units to produce volumes and meet market demand within specified time period.
- 3. In case the domestic industry needs assistance from the Commission for improving its competitiveness, it may apply to the Commission through the Secretary, National Tariff Commission, 4th Floor, State Life Building No. 5, Blue Area, Islamabad. After detailed analysis of a case, the Commission would forward its recommendations to the Federal Government for improving competitiveness of the concerned industry.

(Muhammad Shahid) Secretary NTC