Government of Pakistan Ministry of Commerce National Tariff Commission

Islamabad, February 18, 2016

Press Release

Subject: Removal of Tariff Anomaly of Paper, Paperboard and Related Items.

- 1. M/s Pakistan Association of Printing and Graphic Arts Industry (PAPGAI) has approached National Tariff Commission (NTC) and has claimed existence of anomaly in the tariff structure applicable to the imports related to printing industry. PAPGAI further claims to be representing 15,000 big and small units of printing industry, which are primarily involved, inter alia, in printing of books, copies, magazines, brochures, packaging cartons etc. The issues raised by the PAPGAI are summarized as under:
 - a. That the finished products of the Printing Industry, i.e., printed material, books, exercise books, periodicals, Quran, etc. are imported at a lower rate of customs duty (2 to 5%), whereas, the major input of the industry i.e. paper & paperboards of all kinds attracts higher rate of customs duty (10-20%). This anomalous situation encourages imports of printed material and is depriving domestic printing industry from carrying out the similar printing work in the country at much cheaper rates;
 - b. Many printing Units have shifted their businesses to the Middle Eastern countries or China/Malaysia, because of the above-mentioned anomaly;
 - c. The above tariff structure has resulted in unnecessary increase in prices of essential consumer items, i.e., medicines, books, stationery, food items, etc.
 - d. PAPGAI claims that the protection given to local manufacturers of paper & paperboard in Pakistan is the highest in the world and this protection is creating unemployment, loss of foreign exchange and great hindrance in growth and export potential of the printing industry
- 2. In the light of the above, PAPGAI has requested to reduce duty & taxes on paper & paperboard, which are the main inputs of the printing industry.
- 3. As per the Public Notice published in the leading newspapers, dated February 17, 2016, NTC has initiated an inquiry under NTC Act 2015 and under Section 10 of the said Act would welcome views, suggestions and proposals from all the stakeholders having an interest in the business relating to or associated with the import, manufacturing, exports and use of paper and paperboard and printed Items. Interested parties may sent their views/comments/ suggestions within fifteen days of publication of this public notice in newspapers, to the Secretary, NTC, 4th Floor, State Life Building No.5, Blue Area, Islamabad.
- 4. In this context, a Public Hearing is scheduled to be held on **February 26, 2016 at 11:00 a.m.** in the Committee Room on NTC, 11th Floor, State Life Building No.5, Blue Area, Islamabad.
- 5. All the stakeholders are hereby advised to get themselves registered with NTC latest by February 24, 2016 for participation in the Public Hearing by providing names of the participants with their telephone numbers (Cell/LL) and fax numbers to the Secretary NTC on fax No.051-9221205. For any further inquiry please contact Director General (Inv-II) at 051-9201846.
- 6. The stakeholders interested in the Public Hearing may submit their comments and suggestions in writing supported with authenticated information and documentary evidence(s). The views not supported with reliable documentary evidence(s) shall not be considered.

Secretary NTC