No. EDB/SD-I/BUDGET/2025-26

Government of Pakistan

Engineering Development Board

1st Floor, EDB Building, 5-A, Constitution Avenue, F-5/1, Islamabad Tel:051-9203965, Fax: 051-9206161, Web: www.engineeringpakistan.com

December 24, 2024

SUBJECT: <u>COMPETITIVENESS & EFFICIENCY IMPROVEMENT EXERCISE</u> BUDGET YEAR 2025-26

In order to enhance competitiveness and rationalize cost of doing business of the Engineering Industry and to make it a major player of the economy, Engineering Development Board has initiated Competitiveness and Efficiency Improvement Exercise under the following objectives/ guiding principles, for the Fiscal Year 2025-26:

- i. Encourage local manufacturing
- ii. Removal of tariff anomalies between Raw materials & Finish goods
- iii. Rationalization of duties i.e. CD, ACD and RD
- iv. Creation of new tariff lines as per the requirement of Industry
- v. Incentivize the local industry through targeted concession (5th Sch./ SROs)
- vi. And to encourage exports
- O2. All stake-holders are requested to prepare their proposals, as per enclosed proforma, on MS Excel Sheet (do not use any other format) and send to EDB positively by 30.01.2025. It is suggested that while formulating proposals, provisions of the existing customs tariff rates/ laws/ SROs may carefully be studied.
- 03. It is pertinent to mention that proposals must be supported by statistical data etc. and duly justified with market analysis. Any proposal without proper justification and information/data as per attached format shall not be considered.
- 04. Soft copy of Excel format is available on EDB website <u>www.engineeringpakistan.com</u> link under "Budget Exercise 2025-26".
- 05. The soft copies to be e-mailed on following addresses.
 - engrkbali@edb.gov.pk
 - haroon567g@gmail.com

Best regards,

(Engr. Khuda Bukhsh) Sr. General Manager (SD-I)

051-9205898

Encl.: as above.

List of Circulation

A. CHANGES IN CUSTOMS TARIFF RATES

| | S No |
|-----------------------------------|--|
| hamber(s) | Name of Proposing S. No. Individual/Association/C PCT Code |
| | PCT Code |
| | Product Description |
| PCT Code | Proposed |
| CD (%) | |
| ACD(%) | Existing Rate of Duty 2024-2025 |
| RD(%) | e of Duty |
| CD (%) ACD(%) RD(%) Sth Sch./CFTA | 2024-2025 |
| CD (%) | Pr |
| ACD(%) | oposed Ra |
| RD(%) | Proposed Rate of Duty 2025-26 |
| 0 (%) ACD(%) RD(%) 5th Sch. | |
| or in Tariff | Suggested to be changed through SRO |
| Rationale | _ |

Annex-1

Budget & Competitiveness (2025-26)

A. DETAIL OF LOCAL MADE PRODUCTS:

| ocal inc | The land of the children are properly for Drotton! Concording |
|----------|---|
| | |

Annex-II

| S. No. Finished PCT Head Finished Product;s Installed Annual Sale Current Year Sale Previous Year Qty of Estimated totat CAF Value in If imported under any SRO Product;s Capacity Production (Qty Production (Qty Value Qty Value Commercially Country domand USD/ Rs. SRO No. Duty (%) SRO No. Duty (%) SRO No. Duty (%) SRO No. Duty (%) SRO No. Capacity SRO No. Duty (%) SRO No. Capacity SRO No. Duty (%) Capacity Capacity Capacity Country domand Capacity Capacity Country domand Capacity Capac | | | | |
|--|-------|-------------------------|-------------------|--------------------|
| PCT Head Finished Product;s Installed Annual Sale Current Year Sale Previous Year Commercilally Capacity Production (Oty Oty Value Oty Value Competing product Capacity Production (Oty Oty Value Oty Value Competing product Capacity | | | 1 2 | S |
| Finished Product;s Installed Annual Sale Current Year Sale Previous Year Oty of Capacity Production (Oty (Single Shift with UoM) Oty Value Oty Value competing product Basis) | | Description | Product:s | Finished |
| Finished Product;s Installed Annual Sale Current Year Sale Previous Year Oty of Capacity Production (Oty (Single Shift with UoM) Oty Value Oty Value competing product Basis) | | | | PCT Head |
| Annual Sale Current Year Sale Previous Year Cty of Commercilally with UoM) Qty Value Oty Value competing product | | | Local Price/ Unit | Finished Product;s |
| Sale Current Year Sale Previous Year Cty of commercilally. Oty Value Oty Value competing product | | (Single Shift Basis) | Capacity | Installed |
| Current Year Sale Previous Year Oty of Commercilally Imported Competing product | | with UoM) | Production (Qty | Annual |
| Sale Previous Year Oty of commercitally imported competing product | 157 | Qty | | Sale Curr |
| re Previous Year Qty of Commercilally Imported Competing product | (0) | Value | | ent Year |
| Value Qty of | 101 | Оty | | Sale Prev |
| At any or the second second second | 101 | Value | | |
| Estimated total CaF Value in If Imported under any SRO country demand USD/Rs. SRO No. Duty (%) (12) (13) (14) (15) | (111) | competing product | commercitally | City of |
| C&F Value in If imported under any SRO USD/ Rs. SRO No. Duty (%) [13] [14] [15] | (12) | | country demand | Estimated total |
| SRO No. Duty (%) | [13] | | USD/ KS. | C&F Value in |
| Under any SRO Duty (%) | (14) | SRO No. | | If imported |
| | (15) | Duty (%) | | under any SRO |

Qty & Value of finished product exported, if any, during FY 2023-24 and/ or 2024-25 Exports as a percentage of total production

(16) (17)

B. DETAILS OF IMPORTED RAW MATERIALS:

| | | | | | | | | | | 1.1 | 1-1 | (-2) | 111 |
|------------------------------------|-----------------------|----------------|-----------|--------------|--------------|---|------------|-----------|---------------|-----|------------|---------------------------|-----|
| (61) | (14) (17) | 1 (12) | (11) | (10) | (9) | (8) | (7) | (6) | (5) | (4) | (2) | (2) | = |
| | 0.00 | | | | | Value | Qty | | | | | Section of the section of | |
| | - | | | | | Material | | | | | _ | Description | |
| anv | | | | | 1 | | 20 10 10 | P1 000000 | 0011901100 | | _ | material 5 | |
| Of the Items | | iaxes | Sales Tax | Customs Duty | USD/RS. | % of total cost of Input | % of to | produced | Consumed | | _ | 1 | _ |
| | | • | 1 | | | | 0000 | City City | Philippi day. | 00 | TCI TRAC | mput | 20. |
| ed under any SKO Alternative use | If imported under any | Other Duties & | Rate of | Rate of | C&F Value in | (Coeff Unit of Production as C&F Value in | Coeff Ilmi | | Annual Otu | 525 | I DOT HAND | | |
| | Mile and a second | | | | | | | | | | | | |

Whether this raw material is manufactured locally as well. If Yes, provide name/ address of main manufacturer (s) Also state reason for not using locally available raw material

D. DETAILS MANPOWER EMPLOYED:

C. DETAILS INVESTMENT:

