

**Tariff rationalisation body may be formed**

The government is likely to constitute a tariff rationalisation committee for comprehensive changes in customs tariff on the import of raw materials, inputs, intermediary goods and finished products used by local manufacturing industries and sectors. Sources told Business Recorder here on Monday that the tariff rationalisation committee (TRC) may be headed by Dr Manzoor Ahmad, former Pakistan's Ambassador to the World Trade Organisation. The TRC may comprise officials from Ministry of Commerce and Federal Board of Revenue (FBR) and representatives of Federation of Chamber of Commerce and Industry (FPCCI) and others.

According to the sources, after constitution of committee the TRC would carryout the tariff rationalisation exercise and ensure minimum duty on raw materials/inputs consumed by local industries, higher duties on imported items which are locally manufactured and determination of duties and taxes on the import of finished products and intermediary goods. The committee would also determine duty on items imported by different sectors and industries. The product wise analysis would also be done in this regard.

The committee would also review the existing Pakistan Customs Tariff for this purpose. To provide incentive to exports, the committee may identify certain raw materials, used in export related sectors. The existing rate of customs duty on raw materials falling under different PCT codes may be exempted or rationalised.

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