

F. No. 2/2020/ (Dir. I/A)/NTC/CC
Government of Pakistan
Ministry of Commerce
National Tariff Commission

Islamabad, February 15, 2021

Public Notice

Subject: **Request for imposition of 25% customs duty, 25% RD on imported Caramel Color under HS Code 1702.9020**

M/s National Chemical Pakistan, (the "Applicant"), a manufacturer of Caramel Color, has approached the National Tariff Commission (the "Commission") for enhancement of customs duty (CD) from 11% to 25% and imposition of 25% Regulatory Duty (RD) on imported Caramel Color.

2. Caramel color is a colloid. Though the primary function of caramel color is for coloration, it also serves additional functions. In soft drinks, it can function as an emulsifier to help inhibit the formation of certain types of "floc" and its light protective quality can aid in preventing oxidation of the flavoring components in bottled beverages. Caramel Color is made by heat treatment of carbohydrates (sugars), in general in the presence of acids, alkalis, or salts, in a process called caramelization. Its color ranges from pale yellow to amber to dark brown. It is produced from commercially available nutritive sweeteners consisting of fructose, dextrose, glucose, invert sugar, sucrose, malt syrup, molasses, starch hydrolysates, and fractions thereof. Caramel color is used in many commercially produced foods and beverages, including brown bread, buns, chocolate, cookies, cough drops, chocolate-flavored confectionery and coatings, custards, decorations, fillings and toppings, potato chips, dessert mixes, doughnuts, fish and shellfish spreads, frozen desserts, fruit preserves, ice cream, and more.

3. The Commission has initiated an enquiry and would welcome views/suggestions and proposals from all parties having interest in the business relating to or associated with the imports, exports, manufacturing, marketing and use of Caramel Color imported under HS Code 1702.9020. Views/suggestions may be sent within 10 days of issuance of this public notice, to the Secretary, NTC, 4th Floor, State Life Building No.5, Blue Area, Islamabad.

4. A public hearing on the issue is scheduled to be held online on February 22, 2021 at 11:00 a.m. on Zoom Application (Zoom link will be generated and sent to the interested parties who registered themselves for hearing).

5. Further, all parties having an interest in the business relating to or associated with the import, export, manufacturing, marketing and use of Caramel Color are hereby advised to get themselves registered with the Commission latest by February 18, 2021 for participation in the public hearing by providing names of the participants with their telephone numbers (Cell/Land Line), email addresses and fax numbers to the Secretary NTC on the Fax No. 051-9221205. For any further inquiry please contact Assistant Director (Inv-I) at 051-9244490. All interested parties may submit their comments and suggestions in writing. The comments and suggestions may be supported with requisite information and documentary evidence(s), which must be sent to the National Tariff Commission before hearing. The views not supported with reliable documentary evidence (s) shall not be considered.

(Ali Muhammad Shah)
Secretary, NTC