

**F. No. 01(12)/2024/Dir-II/NTC/Reclaimed Rubber
Government of Pakistan
National Tariff Commission**

Notice of Initiation of Investigation for Review of Tariff Structure of Reclaimed Rubber (PCT No, 4003.0000) and its Raw Materials, Tyre Scrap (PCT No. 4004.0020) and Tube Scrap (PCT No. 4004.0090)

National Tariff Commission (the “Commission”) received an application on December 20, 2024, under Section 9 of the National Tariff Commission Act, 2015 (the “Act”) and Rule 4 of the National Tariff Commission (Procedure) Rules, 2023 (the “Rules”) from M/s Anwer Rashid Industries (Pvt.) Ltd. (the “Applicant”) for review of tariff structure on Reclaimed Rubber (PCT No, 4003.0000) and its raw materials, Tyre Scrap (PCT No. 4004.0020) and Tube Scrap (PCT No. 4004.0090). The Applicant is a domestic producer of Reclaimed Rubber.

Applicant Request:

The Applicant requested to eliminate import duty on its raw materials (Tyre Scrap, PCT. No. 4004.0020 and Tube Scrap, PCT. No. 4004.0090) only for reclaimed rubber manufacturers. The Applicant also requested for imposition of 100% RD on the export of locally available Butyl Tube Scrap (PCT. No. 4004.0090) and 30% to 40% RD on import of Reclaim Rubber (PCT No. 4003.0000). The Applicant has based its requests on the following:

- i. There is 20% Custom Duties (CD) and 6% Additional Custom Duties (ACD) on its raw materials i.e. Tyre Scrap (PCT. No. 4004.0020) and Tube Scrap (PCT. No. 4004.0090) while 0% CD on its finished product i.e. Reclaimed Rubber (PCT No.4003.0000). This leads to the reverse cascading phenomenon.
- ii. Locally available raw material, Butyl Tube Scrap (PCT. No. 4004.0090) is being exported leaving a shortage for local manufacturers due to 0% Regulatory Duty (RD) on its export.

Product under Investigation:

The products for which this Inquiry is initiated are Reclaimed Rubber (PCT No, 4003.0000) and its raw materials, Tyre Scrap (PCT No. 4004.0020) and Tube Scrap (PCT No. 4004.0090) (the “product under investigation”). Reclaimed Rubber is used in manufacturing of Tyre & Inner Tube Manufacturing, Rubber Products, Footwear etc. while Tyre Scrap and Tube Scrap is mainly used for the manufacturing of Reclaimed Rubber.

Initiation of Investigation:

Upon initial examination of the information and evidence provided in the application, the Commission is satisfied that the application prima facie qualifies for initiation of the investigation under Rule 5(1) of the Rules. Therefore, the Commission has decided to initiate an investigation pursuant to Rule 5(1) of the Rules.

Schedule of Investigation:

Date of Initiation of Investigation: The date of publication of this notice in the press or official gazette in Pakistan

Date of conclusion of Investigation: Minium two months and maximum four months after the initiation of the investigation.

Interested Parties:

Interested parties are requested to identify themselves to the Secretary, National Tariff Commission, State Life Building No. 5, Blue Area, Islamabad, Tel: +9251-9202839 Fax: +9251-9221205 not later than 7 days after publication of this notice. An interested party applying for registration with the Commission in this investigation should submit; the name of the company, its line of business, name of the authorized person, address, telephone number, and fax number.

All interested parties are invited to make their views/comments known to the Commission, and to submit information and documents (if any) not later than 10 days of the date of publication of this notice in the press in Pakistan. All written submissions provided by interested parties on a confidential basis must be marked "Confidential" and in accordance with Rule 13(3) of the Rules, shall be accompanied by a non-confidential version/summary, which will be placed in the public file. All data and information in this regard should be submitted to the Director (Investigation-II), National Tariff Commission, State Life Building No.5, Blue Area, Islamabad. Tel: +92-51-9201188, Fax: +92-51-9221205, Email: arshad.ntc@outlook.com.

Hearing:

In accordance with the Rule 8(4) of the Rules the Commission may hold a hearing so that all stakeholders participating have and adequate opportunity to present their views. A public hearing on the issue is scheduled to be held on February 24, 2025 at 11.00 a.m. in the Committee Room of National Tariff Commission, 11th Floor, State Life Building No. 5, Blue Area, Islamabad.

Public File:

In accordance with Rule 15 of the Rules, the Commission has established and shall maintain a public file at its office, which shall be available to interested parties for Review and copying from Monday to Thursday between 1100 hours to 1300 hours (except public holidays) throughout the Investigation.

Further Information:

For further information please contact, Mr. Muhammad Arshad, Director, Tel: +92-51-9201188, Fax: +92-51-9221205, General information may also be obtained by accessing the Commission's official website www.ntc.gov.pk

By order of the Commission.

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(Khizar Hayat)
Secretary (NTC)
February 10, 2025