

PUBLIC NOTICE

Assistance for Relocation of Industries

Preamble:

Industrial relocation in search for more cost effective sources of production is a well established phenomenon. In the post-quota environment from 1st January 2005 the textile and clothing industries in the developed countries are expected to opt for relocation of other sectoral industries such as leather garments/products etc would also be a preferred option. A scheme is already launched to encourage relocation of such industries to Pakistan with a view to promoting transfer of technology, modern plant and equipment and marketing expertise to Pakistan to enhance our production base and efficiency for exports.

1. **Short Title and commencement:**

The scheme may be called "Assistance for Relocation of Industries". It will come into force with immediate effect. This Public Notice is issued in suppression of earlier Public Notice No. 2(3)/PPI dated 24th November 2003 and 4(4)/2004/PPI dated 30th May 2005.

2. **Definition:**

- (a) Relocation means transfer of machinery and equipment in running condition by a foreign company or Pakistani entrepreneur either based in Pakistan or elsewhere
- (b) "Freight expenditure" will be limited to sea freight of machinery and equipment from a port in a foreign country to a port in Pakistan. Inland transportation in Pakistan or abroad and packaging cost will not be included.

3. **Sector:**

This scheme would cover industries manufacturing textiles, garments, leather footwear and other leather products. Other sectors with export potential can also be considered.

4. **Financial Assistance:**

Financial assistance will be provided from the Export Development Fund for relocation of such industries, for the following types of transfer-expenditure on 50:50 cost sharing basis:

- a. Freight expenditure: machinery/equipment

- b. Wharfage and handling
- c. Local expenses insurance and agency charges

5. **Application and selection procedure**

Exporters/foreign companies interested in availing financial assistance for relocation of industries from the industrialized countries to Pakistan are invited to apply to the Trade Development Authority of Pakistan, giving the following information.

- a. Name and address of the company
- b. Details of foreign/Pakistani company wishing to relocate plant and equipment in Pakistan. Please enclose Annual Report/Accounts
- c. Particulars of selling firm
- d. Description of the products to be manufactured in Pakistan
- e. Period, with dates for which the plant has been in uninterrupted production abroad of the product concerned
- f. Details of machinery and equipment to be transferred.

Application will be considered by a Technical Committee in TDAP.

K K Suri
Consultant

Trade Development Authority of Pakistan
Block-A, 5th floor, FTC Building, Shahrah-e-Faisal, Karachi
Tele: 021-9201505-UAN 111-444-111/242 Email: tdap@tdap.gov.pk