

Country Report: Japan



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TRADE DEVELOPMENT AUTHORITY OF PAKISTAN

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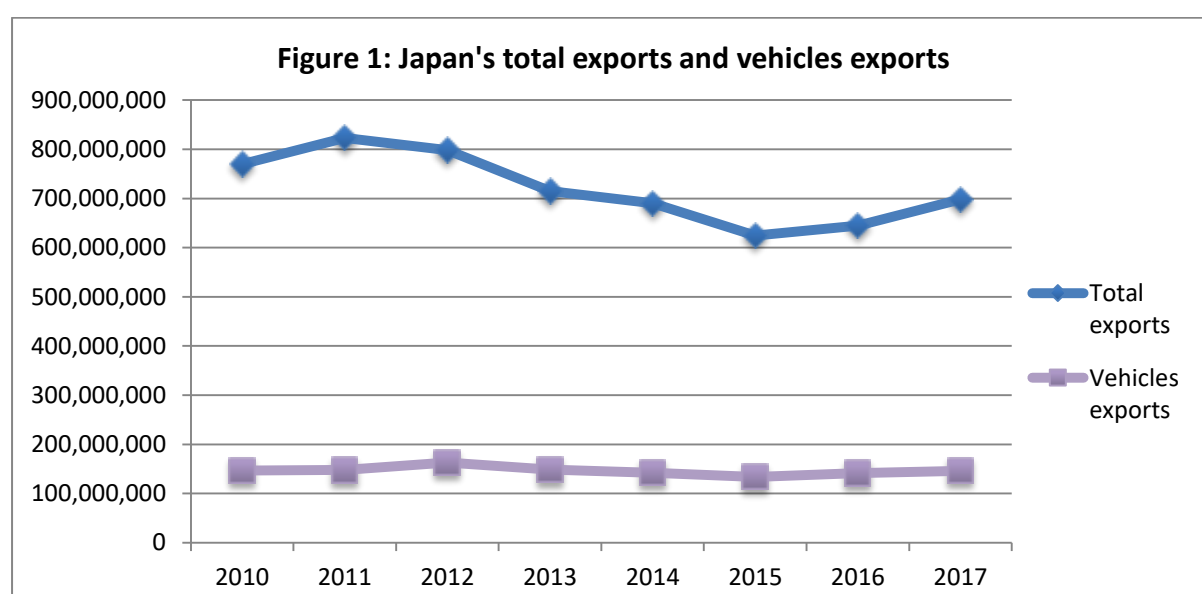
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List of Acronyms

<i>ASC:</i>	<i>Aquaculture Stewardship Council</i>
<i>ASEAN:</i>	<i>Association of South East Asian Nations</i>
<i>BAP:</i>	<i>Best Aquaculture Practice</i>
<i>CFDA:</i>	<i>China's Food and Drug Administration</i>
<i>CGMPs:</i>	<i>Current Good Manufacturing Practice</i>
<i>CITES:</i>	<i>Convention on International Trade in Endangered Species of Wild Fauna and Flora</i>
<i>CKD:</i>	<i>Complete Business Units</i>
<i>EPA:</i>	<i>Economic Partnership Agreement</i>
<i>FTA:</i>	<i>Free Trade Agreement</i>
<i>GDP:</i>	<i>Gross Domestic Product</i>
<i>GIT:</i>	<i>Gems and Jewelry Institute of Thailand</i>
<i>ISO:</i>	<i>International Organization for Standardization</i>
<i>JMDN:</i>	<i>Japanese Medical Device Nomenclature</i>
<i>MFD:</i>	<i>Marine Fisheries Department</i>
<i>NAFIQAD:</i>	<i>National Agro Forestry Fisheries Quality Assurance Department</i>
<i>OECD:</i>	<i>Organization for Economic Cooperation and Development</i>
<i>SBP:</i>	<i>State Bank of Pakistan</i>
<i>SKD:</i>	<i>Semi Knocked Down</i>
<i>TED:</i>	<i>Turtle excluder device</i>
<i>UNCTAD:</i>	<i>United Nation Conference on Trade and Development</i>

Economic Overview

Japan, is the third-largest economy in the world and second largest in Asia with GDP of \$5.1 trillion (2018)¹. Japan's economy relies on investments (23.5% of GDP) and exports (17.8% of GDP) for revenue generation. Within exports, vehicles, mechanical and electrical appliances are the dominant sectors supporting Japan's total exports. In 2017, share of vehicles stood at 20.9 percent of the total exports while mechanical and electrical appliances have a share of 19.8 and 15.2 respectively. The graph below clearly indicates the co-movements of Japan's vehicle exports and its total exports. ²



Japan is known for its high tech vehicles, mechanical appliances and machines around the globe. Major sector contributing in Japan's GDP is the services sector, having a share of 69.3 percent. Industry inputs 29.7 percent while agriculture sector has share of 1 percent. Japan is divided into nine regions and 47 prefectures. Each region is economically independent and has its own initiatives for foreign trade. Japan's per capita income is \$36,230 in year 2017. Total volume of trade of Japan with the world is US\$ 1,370.029 billion. Export to the world was US\$ 698.137 billion whereas import from the world was US\$ 671.892 billion during Jan-Dec 2017.³

¹ IMF

² ITC, Trade map data is used

³ Annual business Plan, 2018-19, Commercial Section, Tokyo, Japan

Japanese economy is highly sensitive to stock prices, land prices and foreign demand for information technology. High stock and land prices boost Japanese economic and financial system vice versa. Over the past few decades, Japan's economy has experienced period of booms and troughs. The favourable conditions of 1980's bubble economy were dependent on stable prices, high corporate profits with high employment levels.⁴ Falling stock and land prices of 1990's resulted in collapse of the 'bubble economy'. Accumulation of massive debts led to banking sector collapse. Period of economic recovery came up with the strong reliance on foreign demand for information technology in 1999. However, financial crisis of 2008 in USA exerted its repercussions on Japan's economy by rise in yen's value, loss of exports from USA, the major trading partner of Japan. Beside this, high oil and raw material prices hit industrial sector at that time. Production, investment and employment squeezed.

Japan is a country prone to natural disasters. In 2011, Tsunami, an east Japan earth quake, affected the Fukushima nuclear power plant. This incident changed Japan's energy sector outlook. Prior to tsunami incident, Japan was depended on nuclear energy for electricity generation. Nuclear generation power plants were shut down for testing and review. Meanwhile country's reliance on fossil fuels (oil, coal, natural gas) from the Middle East escalated. This not only inflated the import bills but also added to the swelling debt (currently 236% of the GDP) and rising domestic commodity prices.

To overcome economic stagnation, in 2013, Japan's prime minister launched ABE's **"Three Arrows"** frame work commonly known as **"Abenomics"**. The three tier strategy includes: monetary easing (CPI growth of 2%), flexible fiscal policy (economic stimulus 10 trillion yen) and growth strategy that promotes structural reform. Beside this, the government aims to promote trade and reform labour markets to address the demographic decline (low birth rates) and ageing population.

In fiscal year 2018, share of expenditures for social security is on the top and stood at 33.7 percent, followed by national debt service share is 23.8 percent of the total expenditure.

⁴ *Statistical Handbook of Japan, 2018 by Statistics Bureau Ministry of Internal Affairs and Communications Japan*

Local allocation tax grants have the share of 15.9 percent, education and science with 5.5 percent share. Government of Japan issued public bonds to bridge the gap between expenditure and revenues. With escalating bond redemptions and social security expenditures Japan's ratio of government debt to GDP is increasing. To deal with the current situation, in June 2018, government of Japan has launched "New Plan to Advance Economic and Fiscal Revitalization". The top priority of plan is to restore fiscal sustainability and reduce debt to GDP ratio. On revenue side, the plan aims to impose consumption tax of 10 percent by October 2019. This step was taken to ensure primary surplus for local and central governments by 2025. On expenditure side, social security spending, driven by ageing population, will be contained⁵. For monetary easing, Bank of Japan ensures to increase the monetary base till CPI inflation (excluding fresh food) exceeds 2% target.

The following table indicates Japan's major economic indicators.

Table 1: Economic Indicators of Japan 2013-2018						
Indicators	2013	2014	2015	2016	2017	2018
Production and prices (annual percent change)						
Real GDP	2	0.375	1.354	0.938	1.713	1.213
Nominal GDP (billions of U.S. dollars)	5155.717	4850.414	4394.977	4949.272	4872.135	5167.051
Inflation	0.343	2.76	0.793	-0.114	0.468	1.115
Fiscal and Financial variables (percent of GDP)						
Central government revenue	31.575	33.253	34.171	34.103	33.231	33.115
Central government expenditure	39.486	38.889	37.974	37.766	37.461	36.564
Governemnt net lending/borrowing	-7.911	-5.636	-3.803	-3.663	-4.229	-3.449
Government gross debt		216.6	222.4	224.1	225.5	225.2
Exchange rate	97.6	105.94	121.04	108.79	112.17	
External sector (US\$ billions)						
Current account	45.944	36.794	134.091	188.092	195.44	194.496
Current account (percent of GDP)	0.891	0.759	3.051	3.8	4.011	3.764
Source: IMF, Global Competitive Report, 2017. OECD 2018						

⁵ OECD ECONOMIC OUTLOOK, VOLUME 2018 ISSUE 1 – PRELIMINARY VERSION, OECD 2018

Trade Overview

Japan is fourth largest trading country in the world. Japan is well known for its vehicles, machines, parts and I.T related exports. Geographical and climatic conditions compel Japan to import food, raw materials and minerals. In order to integrate in the world economy, Japan has entered into various agreements with different countries and trading blocs. Japan has entered into comprehensive economic partnership agreement with ASEAN, Asia APEC (Asia-Pacific Economic Cooperation), OECD and G8. In addition to this, Japan has also concluded EPAs (Economic Partnership Agreement) with several countries⁶. Japan is also negotiating Trans Pacific Partnership Agreement (TPPA) with 11 countries for strengthening business and economic integration.⁷ Japan is one of the leading players in global value chain (GVCs). Japan contributes as forward participant in GVC. It supplies parts to low labour cost countries (ASEAN) which exports the assembled parts to other countries for final consumption. Major sectors contributing in GVCs are chemicals, basic metals, electric and transport equipment.

Table 2: Japan's Trade Scenario				
Year	Exports	Imports	Trade Volume	Trade Balance
<i>Figure in USD million</i>				
2013	715,097.2	833,166.0	1,548,263.3	-118,068.8
2014	690,217.4	812,184.7	1,502,402.2	-121,967.2
2015	624,873.5	625,568.4	1,250,441.9	-694.9
2016	644,932.4	606,924.0	1,251,856.4	38,008.3
2017	698,132.7	671,892.3	1,370,025.1	26,240.4
ITC, Trade Map				

Japan's world trade has picked upward trend in 2017 (increased by 9.4 %). Exports show percentage change of 8.24% and imports increased by 10.7 percent. Positive trade balance contracted due to upsurge in the import volume. Japan's export basket includes vehicles, machinery, electrical machinery, iron and steel, plastic and articles thereof, natural or cultured stones etc while Japan imports mineral fuels, electrical machinery, pharmaceutical products, ores, organic chemicals, fish articles of apparel. General machinery (semiconductor manufacturing equipment) exports

⁶ Singapore, Mexico, Malaysia, Chile, Thailand, Indonesia, Brunei, ASEAN, Philippines, Switzerland, Viet Nam, India, Peru, Australia, Mongolia, TPP12(signed), TPP11(ratified), EU(signed)

⁷ For more details about Japan's trade agreements see http://www.meti.go.jp/policy/trade_policy/epa/english.html

were strong owing to the global investment recovery.⁸ Vehicles (3.15) mechanical appliances (11.64%), electric machinery (7.56%) and iron and steel (14.1%) exports also increased in 2017.⁹ Japan's import for mineral fuel (27.3%), electric machinery (8.72%), mechanical appliances (9.7%), and medical equipment (5.63%) show increasing trend in 2017.

Japan's major export partners are: USA (19.3%), China (19%), Korea (7.6%) Taipei Chinese (5.8%), Hong Kong (5.1%) and Thailand (4.2%) while the major import origins are China (24.5%), USA (11%), Australia (5.8%), Korea (4.2%), Saudi Arabia (4.1%) and Taipei Chinese (3.8%). Pakistan has share of 0.3 percent in Japan's total export while Pakistan share in Japan's import is 0.1 percent

Japan's GSP

Under the agreement with UNCTAD, generalised system of preference scheme (GSP) aims to ease the process of economic development in developing economies by providing access to developed markets at reduced duty rates. Japan grants preferential tariff treatment under its GSP scheme to 138 developing countries and 5 territories. Japan's GSP is effective from August 1, 1971 till March 31, 2021. The major sectors covered under GSP scheme are: agriculture and fishery products (408 items at 9 digit) and industrial products (3151 items).¹⁰ Details of Pakistan exports to the world, their respective MFN and GSP rates applied by Japan is listed in the annexure

Bilateral Trade

Pakistan exports to Japan showed an increasing trend since 2014. Pakistan exports frozen shrimps, tanks drums, containers, single cotton yarn, men and boys' assemblers, medium oil and preparations and tents to Japan (see table 4). All these products have shown positive growth in the 2017 while women and girls trousers, woven fabrics, articles of leather show decreasing trend. Japan's export for leather and woven from the rest of the world, has squeezed by 2% and 14% respectively. Pakistan imports from Japan are constantly increasing. In 2017, import bill from Japan reached USD 2.3 billion. Import basket includes: motor cars and other vehicles, flat rolled products of iron n steel, motor vehicles for

⁸ JETRO Global Trade and Investment Report 2018

⁹ ITC, trade map database. Percentage in bracket is the percentage change from previous year i.e. 2016

¹⁰ List of products under GSP scheme <https://www.mofa.go.jp/policy/economy/gsp/product.pdf>

transport of goods, gear boxes and parts for tractors and motor vehicles (for details see table 5). All of the above mentioned products registered positive growth. Within Vehicles, semi knocked down (SKD) imports remained strong as compare to complete business units (CBUs). This was due to expansion of car assembling industry in Pakistan.¹¹ CBUs (passenger vehicles, motor cycles) also increased due to increase in the demand for car hailing services and surge in auto financing by commercial banks.

Table 3: Bilateral Trade Between Pakistan and Japan				
Year	Pakistan exports to Japan	Pakistan Imports from Japan	Trade Volume	Trade Balance
Figure in USD million				
2013	475.2	1,423.7	1,899.0	-948.4
2014	331.1	1,612.7	1,943.9	-1,281.5
2015	259.8	1,675.6	1,935.4	-1,415.8
2016	263.7	1,931.6	2,195.4	-1,667.9
2017	431.9	2,324.9	2,756.8	-1,892.9
Source: ITC, Trade Map				

Table 4: Pakistan exports to Japan				
Product code	Product Labels	2016	2017	Percentage Change
Values in USD million				
'220710	Undenatured ethyl alcohol, of actual alcoholic strength of $\geq 80\%$	42.8	152.3	255.4%
'271012	Light oils and preparations, of petroleum or bituminous minerals which $\geq 90\%$ by volume "incl. ...	19.5	67.0	242.2%
'520512	Single cotton yarn, of uncombed fibres, containing $\geq 85\%$ cotton by weight and with a linear ...	19.5	20.1	2.8%
'740400	Waste and scrap, of copper (excluding ingots or other similar unwrought shapes, of remelted ...	14.7	15.3	4.2%
'520812	Plain woven fabrics of cotton, containing $\geq 85\%$ cotton by weight and weighing > 100 g to 200 ...	11.5	13.4	16.9%
'620342	Men's or boys' trousers, bib and brace overalls, breeches and shorts, of cotton (excluding ...	7.8	9.0	15.0%
'740200	Copper, unrefined; copper anodes for electrolytic refining	1.7	8.8	397.3%
'620462	Women's or girls' trousers, bib and brace overalls, breeches and shorts of cotton (excluding ...	10.0	8.3	-17.1%
'520912	Woven fabrics of cotton, containing $\geq 85\%$ cotton by weight and weighing > 200 g/m ² , in three-thread ...	6.5	6.4	-1.4%

¹¹ Second Quarterly Report 2018, State Bank of Pakistan

'030617	Frozen shrimps and prawns, even smoked, whether in shell or not, incl. shrimps and prawns in ...	2.9	6.3	118.8%
'420310	Articles of apparel, of leather or composition leather (excluding clothing accessories, footwear ...	7.2	6.2	-14.0%
'611020	Jerseys, pullovers, cardigans, waistcoats and similar articles, of cotton, knitted or crocheted ...	3.8	5.2	36.9%
'901890	Instruments and appliances used in medical, surgical or veterinary sciences, n.e.s.	4.9	5.1	3.8%
Source: ITC, Trademap				

Table 5: Pakistan's import from Japan

Product	Product Label	2016	2017	Percentage Change
Figures in USD million				
'870321	Motor cars and other motor vehicles principally designed for the transport of persons, incl. ...	160.0	274.6	71.5%
'720839	Flat-rolled products of iron or non-alloy steel, of a width of ≥ 600 mm, in coils, simply ...	110.0	173.2	57.4%
'870422	Motor vehicles for the transport of goods, with compression-ignition internal combustion piston ...	134.5	152.9	13.6%
'840991	Parts suitable for use solely or principally with spark-ignition internal combustion piston ...	104.2	95.2	-8.6%
'870840	Gear boxes and parts thereof, for tractors, motor vehicles for the transport of ten or more ...	68.9	87.7	27.2%
'870324	Motor cars and other motor vehicles principally designed for the transport of persons, incl. ...	63.6	74.8	17.4%
'870323	Motor cars and other motor vehicles principally designed for the transport of persons, incl. ...	66.3	62.5	-5.6%
'720838	Flat-rolled products of iron or non-alloy steel, of a width of ≥ 600 mm, in coils, simply ...	37.1	61.4	65.3%
'870423	Motor vehicles for the transport of goods, with compression-ignition internal combustion piston ...	52.1	54.8	5.2%
'870899	Parts and accessories, for tractors, motor vehicles for the transport of ten or more persons, ...	50.0	37.8	-24.4%
Source: ITC, Trade Map				

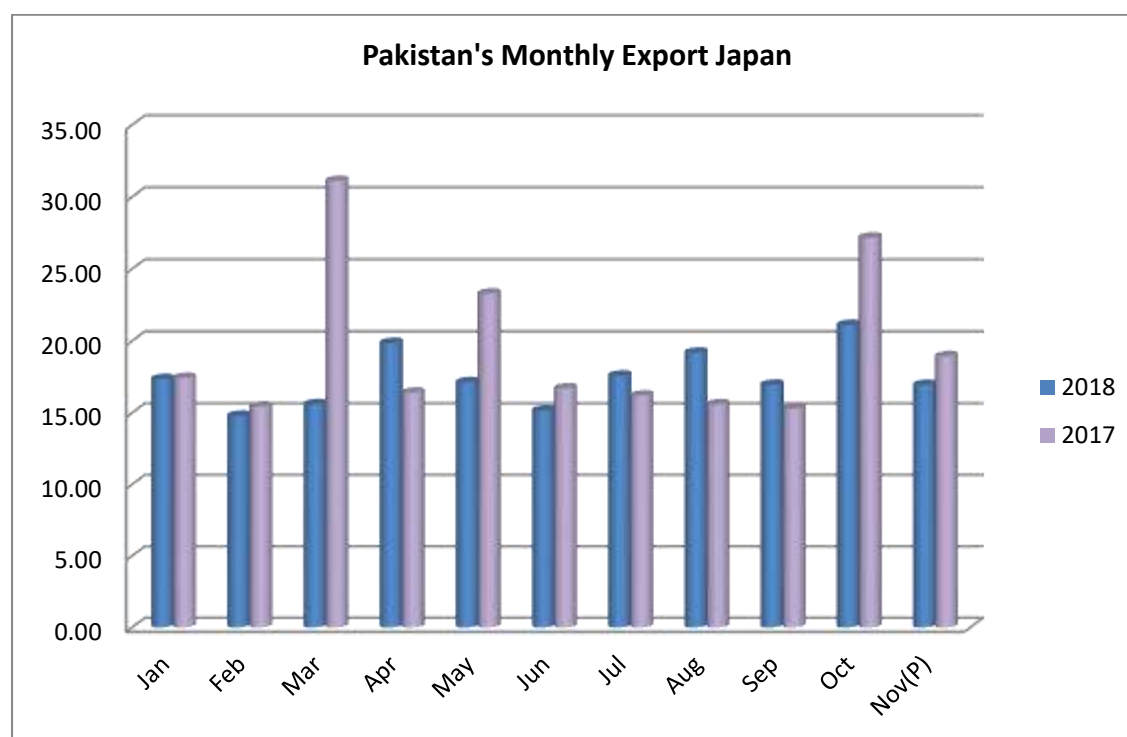
Monthly Trade Scenario

Monthly bilateral trade statistics reveal that Pakistan exports to Japan are dwindling as compare to same period of pervious year while imports from Japan are increasing. (See table 6) Prime factor responsible for escalating imports is the surge in transport demand.

According to State Bank of Pakistan, car imports surged to USD 1 billion, with an increase of 23.6 percent from previous year.

Table: 6 Bilateral Trade Pakistan and Japan			
Exports/Imports	jan17-Nov 17	jan18 -Nov (P)18	Percentage Change
Figures in USD million			
Exports	213.7	192.0	-10.2%
Imports	1,578.0	1,668.4	5.7%
Source: State bank of Pakistan			

Monthly export comparison from the last year is evident from the graph below



Potential Products

Pakistan export basket for Japan consists of beverages, spirits and vinegar (USD 152.3 million), mineral fuel and mineral oils (USD 67 million), cotton (USD 57.9 million), copper and articles thereof (USD 24.2 million), articles of apparel (USD 22.7 million), fish (USD 11.6 million). To increase our export base in Japan market it is important to find some potential products that Pakistan already exports in the world market. Pakistan's overall export to the world is USD 21.87 billion while Japan's total imports from the world are of USD 671 billion worth. Threshold for potential product is defined keeping in view the current value of exports (Pakistan) and imports of respective country (Japan). The present study considers those products as potential product for Pakistan, having demand of more than 100 million in Japan's market and Pakistan's capacity to supply in international market is more than USD 20 million¹². The potential products obtained by the above mention methodology are as under:

Table: 7 Potential Products for Japan

Sr.No	Product code	Product label	Japan's imports from Pakistan	Pakistan's exports to world	Japan's imports from world	Pakistan's share
Figures in USD Million						
1	'620342	Men's or boys' trousers, bib and brace overalls, breeches and shorts, of cotton (excluding ...	9.0	410.4	816.1	1.1%
2	'030617	Frozen shrimps and prawns, even smoked, whether in shell or not, incl. shrimps and prawns in ...	6.3	54.6	1,679.2	0.3%
3	'901890	Instruments and appliances used in medical, surgical or veterinary sciences, n.e.s.	5.1	360.5	2,169.8	0.2%
4	'630260	Toilet linen and kitchen linen, of terry towelling or similar terry fabrics of cotton (excluding ...	2.8	805.0	538.4	0.5%
5	'420310	Articles of apparel, of leather or composition leather (excluding clothing accessories, footwear ...	6.2	275.5	110.7	5.7%
6	'940490	Articles of bedding and	0.0	79.5	1,024.9	0.0%

¹² Only product 711319 is below 20 million. As Japan's demand for the said product is 1.7 billion therefore we relax our bench mark in this product case.

		similar furnishing, fitted with springs or stuffed or internally filled ...				
7	'610990	T-shirts, singlets and other vests of textile materials, knitted or crocheted (excluding cotton)	0.2	106.4	1,054.2	0.02%
8	'560819	Knotted netting of twine, cordage, ropes or cables, by the piece or metre; made-up nets, of ...	0.0	143.7	125.9	0%
9	'271019	Medium oils and preparations, of petroleum or bituminous minerals, not containing biodiesel, ...	0	142.8	2654.9	0%
10	950699	Articles and equipment for sport and outdoor games n.e.s; swimming and paddling pools	0.7	27.5	213.5	0%
11	950662	Inflatable balls	3.7	157.4	36.8	10.06%
12	711319	Articles of jewellery and parts thereof, of precious metal other than silver, whether or not	0	4.3	1775.3	0%
13	20230	Frozen boneless meat	0	20.4	1183.9	0%

Product Analysis

030617-Frozen shrimps and prawns, even smoked, whether in shell or not, incl. shrimps and prawns in

Supply and Demand Scenario

In Pakistan, fishing sector has share of 0.4 percent in the GDP. Both inland and marine fisheries contribute in the total fish production. Marine fishing in Pakistan is being carried out through Mekran (Balochistan) and coast of Karachi (Sindh). Karachi and Mekran fishing ports are developed by the Government of Pakistan as a fishing centre.¹³ More than 90 percent of the fisheries export is being carried out through Karachi fish harbour. Fish stock assessment has been done by Norwegian company and later by Pakistan's Marine Fisheries Department (MFD). Directions to allow deep sea fishing were made by Norwegian company. However the process is still under consultation with the stakeholders¹⁴

Pakistan inland water area: 79,200km

Coastal Area: 1120 km

Economical Exclusive Zone: 350 nautical miles (240,000km²)

Pakistan's fishery exports are mainly driven by raw material with no capacity for value addition. A major constraint faced by Pakistan in fishery sector is the lack of funds to establish international standard auction halls. Karachi Fish Harbor has four auction halls with only one hall authorised to export. Korangi fish harbour, established by Asian Development Bank, is a deep water port where small boats are not suitable. The auction halls and industries are now improved but they are open (without walls and ceiling).

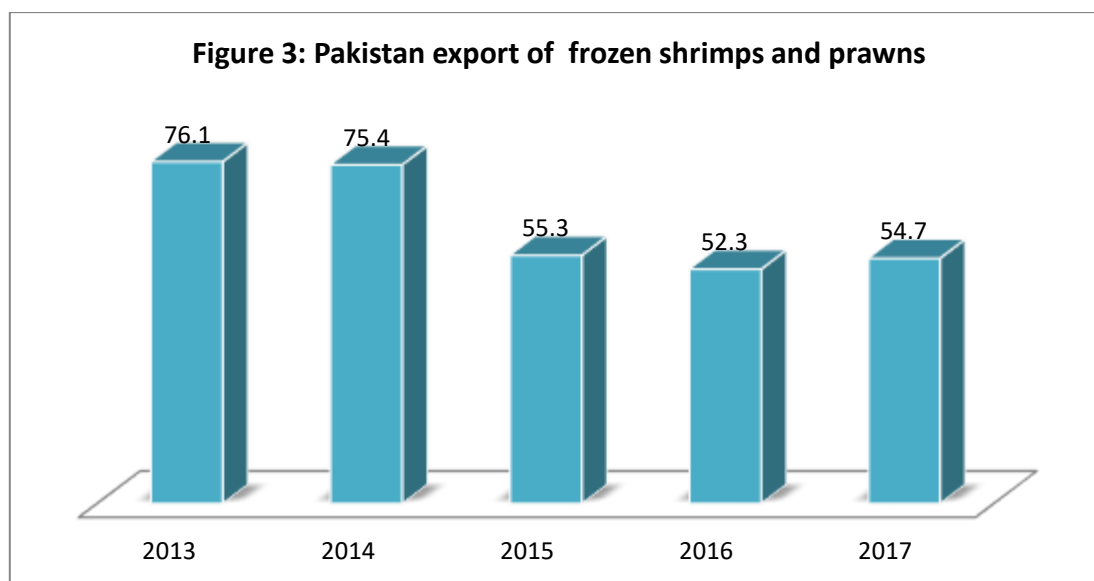
In Pakistan, Marine Fisheries Department (MFD) regulates quality and promotes export of fish and fishery products. One of the initiatives taken by MFD is to educate fisherman about the use of turtle excluder device (TED), as it is one of important requirement to export fish

¹³ *Fishery and Aquaculture Country Profile, Food and Agriculture Organization of United Nation*

¹⁴ *Pakistan Economic Survey 2017-18, Ministry of Finance, Pakistan*

to USA. In addition to this, MFD also issue boat approval certificate for one year expiry, to make fishing boats compatible with international standards¹⁵

Pakistan exports to the world market for *frozen fish and prawns* show fluctuating trend. In 2017, frozen fish exports have shown an increase of 4.5 percent as compared to previous year. However, this improvement is far below its highest level achieved in 2013. (See graph below) Pakistan exports shrimps to EU and Middle Eastern countries.

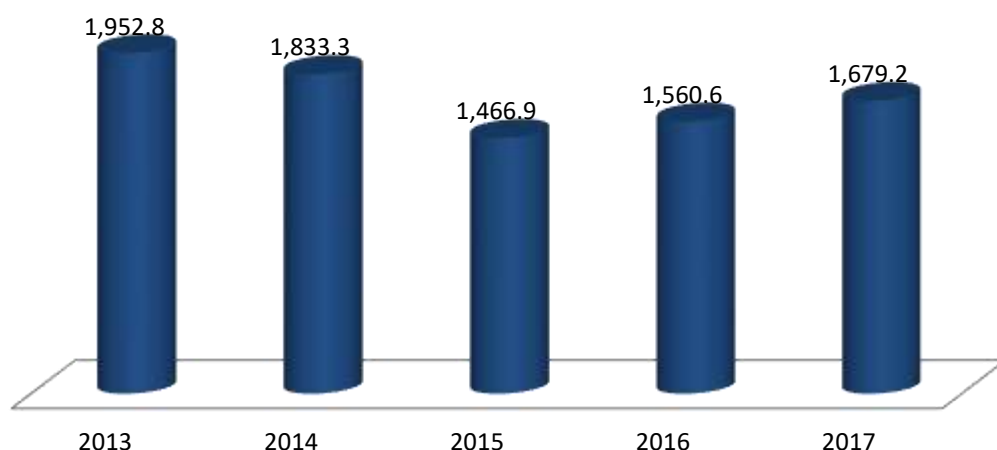


Japan is the third largest importer of frozen shrimps and prawns in the world. Since past few years demand for frozen shrimps is increasing. Strong demand is led by food service and restaurant industry in Japan.¹⁶ In 2017, Japan imports 1.6 billion worth of shrimps and prawns from the world. Japanese consumers are affluent and enjoy higher standard of living than rest of the Asian countries. They are more conscious about nutritious quality and taste of the food product. Japanese consumers are willing to pay a premium price for high-quality food products. Japan's aging population, falling birth rate and highest life expectancy in the world (84.2 years) , shows room for strong demand for quality and healthy foods rich in natural antioxidants such as omega 3. The graph below indicates import of frozen shrimps and prawns by Japan

¹⁵ 1,368 fishing boats including Trawler, Gillnetters and Horas and Doondas has been modified and upgraded as highlighted in Pakistan economic survey

¹⁶ Guidebook food seafood processed products.

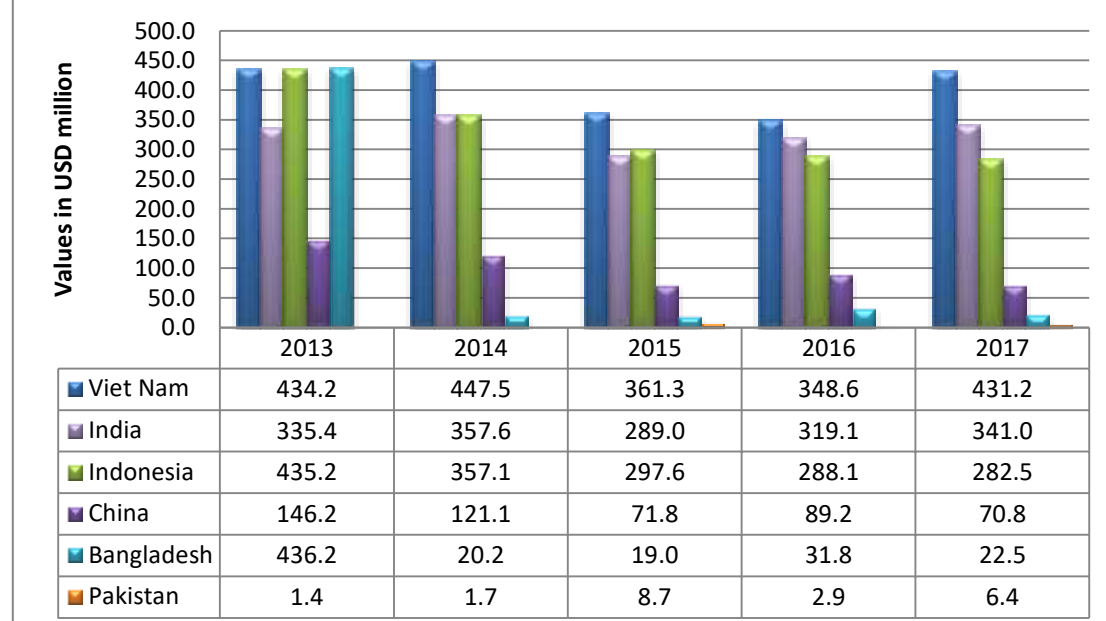
Figure 4: Japan's import of frozen shrimps and prawns



Competitors' Share in Japan's Market

The major supplying markets for Japan are: Viet Nam, India, Indonesia, China and Argentina. About 25.7 percent of Japan's frozen shrimps market is captured by Viet Nam followed by India (20.3%), and Indonesia (16.8%). China has a share of 4.3 percent. Pakistan has a share of 0.4 percent in Japan's total export of shrimp and prawns. World ranking shows that India is the top exporter while Viet Nam is the third largest exporter and second largest importer of frozen shrimps and prawns. Overtime export trend for regional competitors is as under

Figure 5: Competitors in Japan's frozen shrimps and prawns market



Competitors' Trade Scenario

Viet Nam holds key position in Japan's shrimps market. Although, average unit value of Viet Nam is highest among other competitors' yet, due to its competitive quality, enjoys greater access in Japan. Beside this, all other competitors enjoy duty free access in Japan's market because of the Japan –ASEAN agreement¹⁷. Pakistan and China have differential access in this market and bears the tariff rate of 1 percent.

Table :8(i) Competitors' Scenario in Frozen Shrimps and Prawns					
Viet Nam	India	Indonesia	China	Bangladesh	Pakistan
Quantity imported in 2017(tons)					
35,225	34,699	23,300	8,004	2,167	990
Share in Japan's imports (%)					
25.7	20.3	16.8	4.2	1.3	0.4
Unit value (USD/unit)					
12,242	9,829	12,124	8,848	10,377	6,432
Average tariff (estimated) applied by Japan (%)					
0	0	0	1	0	1
Ease of doing business ranking					
68	100	72	78	177	147
Source: ITC, Trade map, Ministry of Foreign Affairs Japan					

Non-Tariff Barriers

Table 8(ii): Non-Tariff Measures		
Sr. No	Type of Regulation	Description
1	The Foreign Exchange and Foreign Trade Act	- Import quota - Import approval - Import acknowledgment
2	Trade Act	
3	The Food Sanitation Act,	Approved (upper) limits applicable in the aforementioned testing are 0.002 ppm for fenitrothion and 0.01 ppm for oxolinic acid, acetochlor, and triazophos; nitrofurans and chloramphenicol must not be detected in food.
4	The Customs Act	Under the Customs Act, the importing of cargo with labeling that falsifies the origin of the contents, etc. is banned.
5	Labeling requirements	Product name, Ingredients, additives, Allergies, content weight, country of

¹⁷ ASEAN-Japan Comprehensive Economic Partnership (AJCEP) agreement for the period of 2015-2019. As of 01 April 2015, 2,874 tax lines (approximately 30% of total tax lines) will be applied with 0% tax rate and 413 lines will maintain the current MFN rate.

Viet Nam's Competitive Advantage

Vietnam is the net exporter for the product under consideration with more than **600,000 hectares of shrimp farming**. In 2017, Vietnam's shrimp exports accounted for the highest proportion of nearly **46.3%** of total seafood exports. Two main species of black tiger shrimp and white leg shrimp are Viet Nam's major exports. Mekong Delta occupies 95% shrimp production and also the hub of shrimp processing plants. Around **200 shrimp processing plants** have been approved by the European Commission in Viet Nam. International standard certifications such as **BAP (Best Aquaculture Practice), Global Gap and ASC (Aquaculture Stewardship Council)** have been made essential for farms involve in exports.

Viet Nam is also attracting more foreign direct investment in this sector. Beside this Viet Nam authorities are taking strict measures against the use of chemicals and antibiotics in aquaculture and seafood processing. Viet Nam's national agro forestry fisheries quality assurance department (NAFIQAD) tests antibiotic residue from export consignments and issues health certificates. Viet Nam is strengthening its value added capacity. Currently there are 100 processing plants, having capacity to process 5 to 7 million tons of shrimps each year. Viet Nam has 567 sea food processing units with licence to export.

In 2018, government has signed an agreement under the project *"Support the sustainable development of Aquaculture in Viet Nam through public private partnerships*. Total investment for project is of USD 1.75 million.¹⁸ This project facilitates fisheries production, trading, consumption and environmental management. The major target of the project is to improve disease management by monitoring supply chain and providing assistance in farm practices.

Furthermore government has presented various legal documents and master plans such as *The Master Plan of Vietnam Fisheries and Aquaculture Development through 2020 and vision to 2030* was launched to promote sustainable development in fishery sector. The national plan for 2020 aims to increase the share of value added products by 50 percent,

¹⁸ The project has a total investment of US\$1.75 million, of which the State sector contributes \$300,000, the private sector \$810,000, IDH \$510,000, and other international organisations and non-governmental organisations, \$110,000.

train 50 percent of the labour involve in fishing, to increase the per capita income of employees, to reduce the post-harvest losses from 20 percent to 10 percent.

901890 Instruments and appliances used in medical, surgical or veterinary sciences, n.e.s.

Pakistan exports USD 360.5 million worth of medical instruments and appliances in year 2017. Japan is the net importer for medical devices. Japan exports USD 1.16 billion while its imports from world market stood at USD 2.1 billion. At present, Pakistan has 0.2 percent share in Japan's market. With respect to the world ranking, Pakistan is the twenty fifth largest exporter and Japan is the 6th largest importer of surgical instruments in the world. Pakistan's exports show increasing trend (see figure 6). In 2017, Pakistan exports for surgical instrument, year on year basis, increased by 10.5 percent.

Supply and demand Scenario

Surgical instruments industry, categorized as Pakistan's light engineering industry, has a significant share in Pakistan's export. Pakistan's medical device cluster is located in Sialkot. Surgical industry is primarily driven by small and medium term enterprises (SMEs). Over 95 percent of the total production is being exported. More than 4000 companies are registered for exports in Sialkot. It is the industry having the largest number of ISO and CGMPs certified manufactures¹⁹. Pakistan exports instruments of medical surgical or veterinary, needles, scissors, catheters, cannulae etc. Pakistan is famous for export of disposable (60%) and reusable instruments (40%). USA is the major market for Pakistani disposable instruments while majority of reusable instruments enter into European countries.²⁰ The basic raw material used in the production process, stainless steel, is being imported.

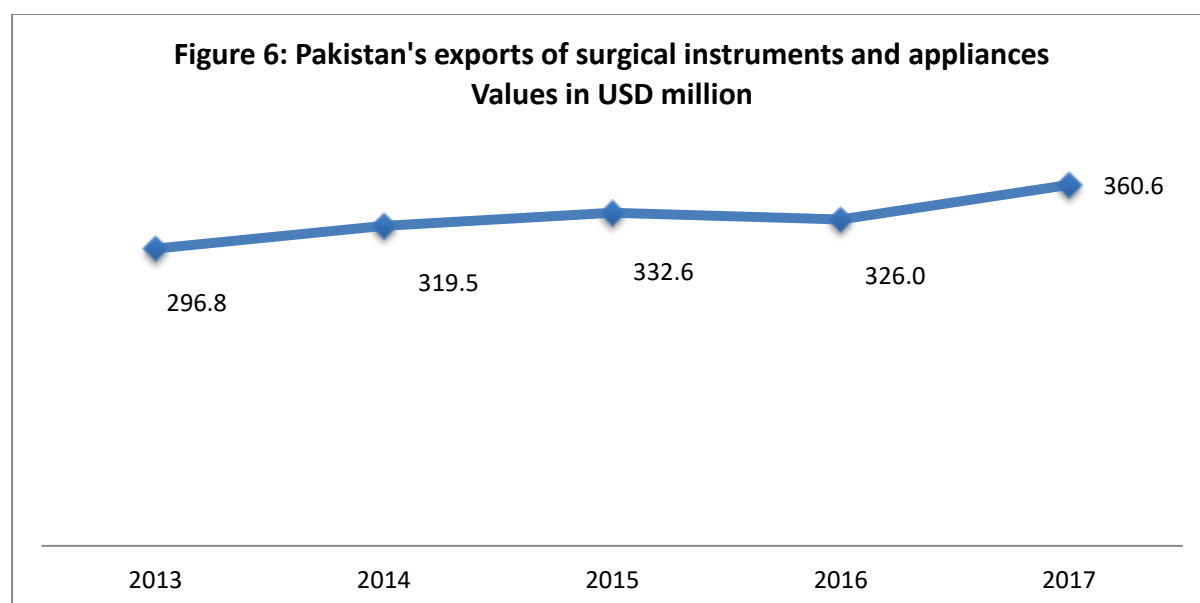
Major impediment Pakistan is facing in this industry is absence of Pakistani brands in international market. Pakistan exports are designed for developed countries (Germany) who re-export the same product with some value additions with its brand name.²¹ first there is a need to establish local brands and at later stage it should be open to international market. In labour market, Pakistan is facing shortage of skill labours despite having technical training

¹⁹ Pakistani manufacturers are ISO 9000, ISO 13485, C Marking class 1 products standards certified. However, SA 8000 social certification is not achieved to this date.

²⁰ Surgical Industry at a Glance, Sialkot Chambers of Commerce and Industry

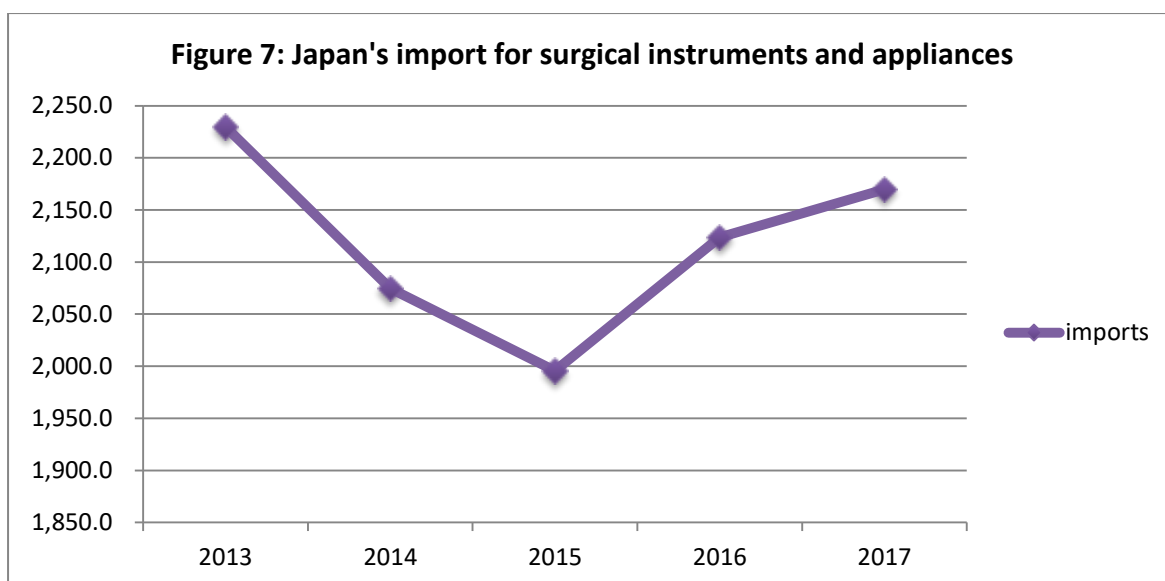
²¹ All the leading top brands source their products from suppliers in Pakistan including M/s Martil corp. There are limited number of Joint ventures in operation with local manufacturers

institutes in the country. Labour diversion is also being observed in this sector due to heavy exposure to carbon residue involve in polishing.



Japan's export for surgical instruments is following an upward trend since 2015. (see figure 7). Japan's aging population (25% of the Japanese population is older than 65), epidemiologic demographic transition with better control for diseases, increased life expectancy years, improved nutrition, and low fertility rates makes it an attractive market for surgical industry. Medical devices, used in lifestyle and age-related conditions, pacemakers, orthopaedic implants, home care, preventative care is likely to increase in Japanese market. There is a need to meet the quality standards of Japanese market. One of the major requirements is accreditation by Minister of Health, Labour and Welfare as "Accredited Foreign Manufacturer" to export surgical instruments to Japan. Japan's medical device classification system is based on the Japanese Medical Device Nomenclature (JMDN) codes. These codes differ from US and European classifications. Medical devices are classified into four categories.²²

²² Class 1 (lowest risk) is defined as general medical devices; Class 2 (relatively low risk) is defined as controlled medical devices; Class 3 (relatively high risk) and Class 4 (highest risk) are defined as specifically controlled devices.



Market Competitors' Trade Scenario: Surgical Instruments

The top supplying market for surgical instrument in Japan is USA. Overtime share of USA is decreasing in Japanese market while share of Mexico, Germany, and Viet Nam is increasing. Pakistan only exports USD 5.1 million worth of surgical instruments to Japan. USA is the world's top exporter for surgical instruments with exportable surplus of USD 12.3 billion followed by Germany and Mexico.

Table 9(i): Competitors' Exports in Surgical Instruments					
Year	2013	2014	2015	2016	2017
Values in USD million					
USA	1,081.9	980.3	895.6	967.2	926.0
Mexico	337.0	260.2	291.2	264.3	323.3
Germany	199.5	214.3	181.0	185.4	192.1
China	93.1	106.5	113.1	119.5	109.1
Viet Nam	52.0	43.0	40.4	40.0	61.6
Pakistan	4.1	5.0	4.8	4.9	5.1
Source : ITC, Trade Map					

The average tariff requirement for the said product is zero and each competitor face same non-tariff barriers. Germany and USA have the highest unit prices among competitors yet they enjoy sizeable shares in Japanese surgical instrument market. Due to high standard of living consumers prefer good quality and branded products. Pakistan need to address the quality and brand issues to tap significant share in Japan.

Table 9(ii): Competitors' Scenario in Surgical Instruments						
USA	Mexico	Germany	China	Viet Nam	Pakistan	India
Share in Japan's imports (%)						
42.7	14.9	8.9	5	2.8	0.2	0.1
Unit value (USD/unit)						
335,641	231,817	345,662	25,841	10,097	82,984	243,800
Average tariff (estimated) applied by Japan (%)						
0	0	0	0	0	0	0
Number of non-tariff requirements applied by Japan						
10	10	10	10	10	10	10
Ease of doing business ranking						
6	49	20	78	68	147	100
Source: ITC, Trade map						

China's Competitive Advantage

China is the top regional competitor of medical device market in Japan. China is net exporter of medical device market (See table 12). China's medical device market is steadily increasing since past few years. In the last decade, China's medical device market exported low end products (disposable hospital supplies, such as bandages, first-aid kits, and surgical gloves) However, 2016 onwards medical device production progressively entered as higher-value-added products (therapeutic devices and diagnostic equipment) of the global market. In 2017, the market grew by 9.8 percent.

Table (9iii): China's Market for Medical Devices				
Indicators	2014	2015	2016	2017
Figures in USD billions				
Market Size	39.3	47.3	53.6	58.6
Total local production	31.5	34.2	40.6	46.0
Total exports	35.9	38.4	38.9	39.3
Total Imports	18.0	18.4	20.2	21.3
Source: exports.gov				

The underlying determinants for this shift are some demand and supply side factors. China's rapid urbanization, increasing aging population and high disease incidence created demand for high end products such as diagnostic technologies, orthopedic devices, pacemakers,

dialysis systems, and intravenous diagnostic technologies. On supply side, China's manufacturing for medical device is highly fragmented with manufactures above sixteen thousand. About 80 percent of medical device equipment is being supplied by these manufactures. Wego and Mindray being the largest manufactures only enjoy 20 percent share of the market while the remaining share is captured by small medium term enterprises.²³ Several foreign manufactures Eli Lilly, Merck, General Electric (GE) and Siemens have established multiple manufacturing facilities with research and development centers in China to develop high end products. Until 2004 major share for value added devices has been captured by MNCs. Currently three Chinese producers *Biosensors International, Lepu Medical, and Micro Port* account for 80 percent of all sales of stents.

This dynamics is well explained by different initiatives taken by government. "Made in China 2025" initiative was launched in 2015 with prime focus on domestic production and expansion of high tech products. The plan aims to supply 50 percent of country's market with local manufactured goods and increase it to 70 percent by 2025

In 2014, China's Food and Drug Administration (CFDA) accelerated regulatory approvals for innovative devices. A device to qualify as innovative device must have novel technology with international reorganization and patents in China. Since, this policy has been implemented, 90 percent of 117 devices approved by authority were from Chinese companies²⁴ and only 10 percent devices were manufactured by MNCs. Besides this, CFDA presented policy for class 3 and 4 devices to hold local clinical trials. This was in sharp contrast with former policy which required companies to have market clearance in other countries to sell in China without meeting any additional regulatory procedures. MNCs benefitted in former policy regime however new policy helped domestic companies.

Chinese manufactured devices have ability to sell at 10 to 70 percent of the price of multinational firms. The prime factor behind price disparity is because of the absence of several costlier and non-essential elements present in MNCs produced medical devices (e.g. black and white ultrasound machines versus color).²⁵ Chinese firms have invested in

²³ *China medical industry Report, Italian Trade Agency*

²⁴ *Chinese companies have focused on diagnostic and therapeutic devices*

²⁵ *China's Changing Medical Device Exports, Mihir P. Torsekar, 2018*

emerging markets such as India to gain greater access in the world market. By employing local workers and performing extensive research on Indian market China has appeared as India's third-largest medical device supplier and is currently India's leading provider of CT scanners.

Articles of jewellery and parts thereof, of precious metal other than silver, whether or not . . .

Pakistan's Export

Pakistan exports USD 4.3 million worth of articles of jewellery in year 2017. Within articles of jewellery, at HS 8 Pakistan exports *articles of jewellery and parts of precious metal clad with precious metal of gold*. However, Japan's total import of articles of jewellery, from world market stood at USD 1175.3 million. Within article of jewellery at HS 8 Japan demand for Platinum stood at USD 697 million while jewellery coated with gold and other metals is USD 1.05 billion. At present, Pakistan has no share in Japan's market. Pakistan's exports show fluctuating trend (see figure 8).

Japan's imports represent 2.8% of world imports for this product

Table 10(i): Japan Imports for articles of jewellery at HS8 level

At HS-6	Japan's HS-9 Code	Product Name	Japan's Import (In millions)
711319	711319-010	Articles of jewellery and parts thereof, of precious metal other than silver, whether or not plated or clad with precious metal: Platinum	697.1
	711319-029	Articles of jewellery and parts thereof, of precious metal other than silver, whether or not plated or clad with precious metal: Others	1050.6
	711319-021	Articles of jewellery and parts thereof, of precious metal other than silver, whether or not plated or clad with precious metal: Chains for watches, spectacles	5.3
Source: ITC Trade Map			

Table 10(ii): Japan exports for articles of jewellery at HS8 level

At HS-6	Pak HS-8 Code	Product Name	Pak exports (USD millions)
711319	711319-10	Articles of jewellery and parts thereof, of precious metal other than silver, whether or not plated or clad with precious metal: Gold	3.2
	711319-90	Articles of jewellery and parts thereof, of precious metal other than silver, whether or not plated or clad with precious metal: Others	1.07
	711319-20	Articles of jewellery and parts thereof, of precious metal other than silver, whether or not plated or clad with precious metal: Medals	0.009
Source: ITC Trade Map			

Demand and Supply Issues

Pakistan's share in world export market significantly declined after 2013. Exports were at their peak in year 2012 i.e. USD 1.5 billion. In 2013, Pakistan's ministry of commerce and textile industry issued SRO 760(I)/2013²⁶ for *import and export of precious metals, jewelry and gemstones*. The document states that in order to trade jewelry, exporters and importers need to register with the Trade Development Authority of Pakistan. In addition to this, jewelry exporters (gold) should register under two different schemes *the self-consignment and entrustment scheme*.²⁷ After the imposition of the legislation, the number of registered exporters of gold jewelry shrunk. Although Pakistan's share in world export market has squeezed. Pakistan may add to jewelry and can earn greater share in the world market.

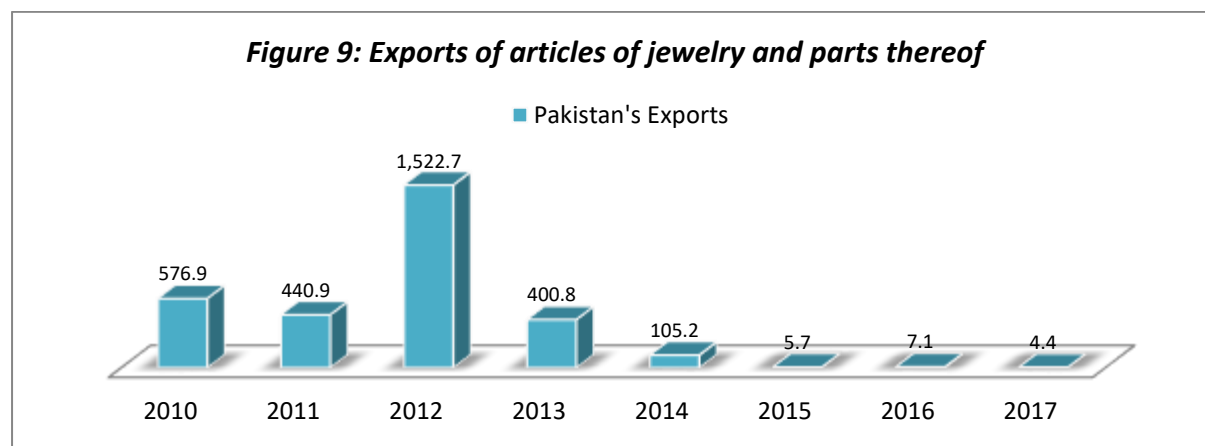
Pakistan may gain in terms low labour cost and skilled craftsman but raw material for jewelry industry has to be imported. Moreover, strict regulations by government to import raw material (gold) in limited quantity at a time, constraints exporters to manufacture and export.²⁸

²⁶ http://tdap.gov.pk/pdf3/SRO_760.pdf

²⁷ In self-consignment scheme, exporters manufacture jewelry by purchasing gold from domestic market. Exporters are obliged to show their earnings in 120 days. In addition to this, form of earning is also specified. It is stated that the earnings should be in the form of gold (50%) and foreign currency (50%). Entrustment scheme states that 25kg gold can only be exported if manufactured jewelry, containing 13 percent value addition and 10 percent wastage, is to be exported.

²⁸ Sectoral Competitiveness and Value Chain Analysis: Gems and Jewellery, 2016

In Pakistan, Swat valley, is the hub for various gems such as aquamarine, ruby, sapphire, quartz, topaz and peridot are manufactured²⁹. In addition to this, emeralds and tourmaline mines are also present³⁰. Most of Pakistani gems and jewellery is traded in the form of raw ore and are exported to other countries. Polishing and refining activities within Pakistan can increase the value raw ore and will be source of employment for local women



Japan's import for the articles of jewellery is expanding since 2013. In 2017, import value surged to USD 1.7 billion. Japan exports 1.6 billion worth of product under consideration. This makes Japan as the net importer of the product. Bridal jewellery show declining trend in the past few years yet it holds 20 percent of the share in Japanese jewellery market. The most important item in bridal jewellery is pendent and engagement ring. Overall market is expected to expand because of high demand from inbound foreign tourist coupled with delayed consumption tax until 2019. Moreover, Tokyo Olympic Games in 2020 will exacerbate demand further.

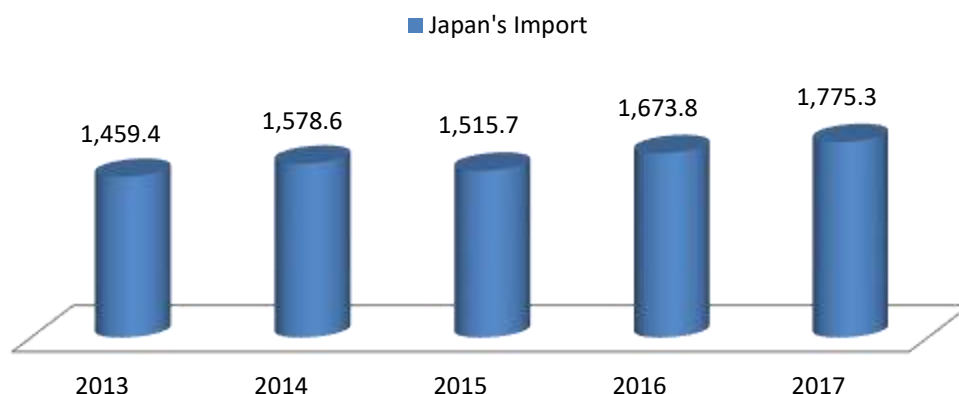
Japanese consumers also prefer international branded jewellery such as Tiffany, Cartier and BVLGARI. Beside this, some consumers follow trends and prefer new emerging. Diamond jewellery holds about 50 percent share in Japanese market while semi-precious stones are in demand as well.³¹ Japanese consumers prefer ethical Jewellery that claims respect for nature and people who are involve in jewellery making.

²⁹ Emeralds are found in Mingora (Swat), pink and golden topaz of Katlang (Mardan) and aquamarine of Chitral and Neelum Valley are famous

³⁰ <https://earthrise-j.com/concept/earthrise-gems-studio-pakistan>

³¹ Jewelry Yearbook: Market Analysis 2018, Yano Research Institute, Ltd

Figure 10: Japan's Import for articles of Jewelry and parts thereof
Values in USD million



Competitors' in Japan's Market

Japan's top import partner for articles of jewellery is France followed by USA and Italy. Our regional competitors, Hong Kong and Viet Nam have captured sizeable shares in Japan's market. World ranking shows that USA is the fourth largest exporter with Hong Kong on the seventh place while France is the eighth largest exporter in the world. Overtime export trend in Japanese market for regional competitors is given below

Table 10(iii): Competitors' Share in articles of jewelry in Japan

Year	France	USA	Italy	Hong Kong	Thailand
Share in percentage					
2013	25.4	30.5	10.2	7	6.9
2014	26.3	30.4	12.9	4.6	7.2
2015	30.7	27.2	13.3	3.5	6.7
2016	36.9	24.5	11.5	3.1	6.7
2017	34.6	26.8	13.4	3.4	5.9
Source: ITC, Trade map					

Despite high unit value per ton France is able to capture greater share in Japanese market. Average tariff rate faced by France and other competitors is 5.3 percent while Viet Nam enjoys zero tariff rates due to ASEAN Japan trade agreement. For non-tariff requirements prime restriction imposed by Japan is the Washington convention (*Convention on International Trade in Endangered Species of Wild Fauna and Flora, CITES*) that aims to safe guard the endangered species therefore CITES export certificate is required to export

jewellery related products to Japan. In addition to this, import license, certificate of origin and a certificate is required for antiques older than 100 years.³² Japan custom authorities restrict fake brand names and counterfeit copies in Japan.

Table 10(iv): Competitors ' trade scenario					
France	USA	Italy	Hong Kong	Viet Nam	Thailand
Value imported in 2017 (USD million)					
613.643	476.425	238.052	61.053	40.744	104.4
Share in Japan's imports (%)					
34.6	26.8	13.4	3.4	2.3	5.9
Quantity imported (tons)					
6	5	6	1	1	2
Unit value (USD/unit)					
102,273,833	95,285,000	39,675,333	61,053,000	40,744,000	52,238,500
Average tariff (estimated) applied by Japan (%)					
5.3	5.3	5.3	5.3	0	0
Source: ITC, Trade map					

Competitive Advantage: Thailand

Thailand supply USD 1.8 billion³³ worth of articles of jewellery to the global market whereas imports USD 501 million. Bangkok and Chanthaburi are two important districts for trading and manufacturing stones and jewellery. Thailand's share in Japanese market is of 5.9 percent, with major contribution (USD 62 million) in articles of jewellery coated with or without metals other than platinum. While platinum jewellery exports to Japan are of USD 41 million worth. Thailand's gem and jewellery sector holds significant share in country's total exports. Industry is well equipped with artisans, cutters and designers. Currently, registered manufacturers are mounted to 2,200. About 80 percent of the production is exported while 20 percent is domestically consumed.³⁴ Within gems and jewellery sector, Thailand has coloured stone polishing, diamond polishing and jewellery manufacturing industry. Thai skilled labour has gained universal recognition as more foreign companies have established there manufacturing hub in Thailand³⁵.

³² For details see

https://www.jetro.go.jp/ext_images/en/reports/market/pdf/guidebook_precious_metal_jewelry.pdf

³³ The top export product of Thailand is unwrought gold, silver and gold jewellery, precious and semi-precious stones

³⁴ ASEAN gems and Jewellery Review, GIT, Issue1/2018

³⁵ Pandora production (Denmark) for silver jewellery, Rosy blue Diamond (Belgium) and Abbeycrest PLC (U.K)

Government has established gems and jewellery institute of Thailand (GIT) to improve sector's competitiveness by imparting education and laboratory services. The institute provide guidance for domestic and foreign buyers. Asian Institute of Gemological Sciences is established in Bangkok since 1978. institute is responsible for educational and lab services.

Since 2017 import duties have been exempted by government of Thailand. Additionally, government has introduce tax holidays for 8 years for Thai based SMEs or SME having 51% share owned by Thais in certain priority sectors including jewellery.³⁶ SMEs registered for value added tax are exempted from value added and income tax if they are importing and selling gems stones and precious metals. Import duties on finished products have been reduced from 20 to 10 percent.³⁷

Thai government has established gems and jewellery trading hub in major tourist places to attract more international buyers. Bangkok gems and jewellery fair is held twice in a year (february and september) targeting major tourist destination. Beside this, for promotion of country's gems and jewellery sector, multiple media plat forms are used. Thailand hosted World Ruby Forum and CIBJO congress in 2017, the world biggest platform for world jewellery confederations of delegates, who earn their livelihood through gems and jewellery sector.

Thailand board of investment in conjunction with industrial estate authority of Thailand provide incentives for foreign and domestic investors by providing them with tax incentives, duty free import of raw material and related machinery. Government has offered low interest based loans of amount 30 million Thai Baht, to ease financial constraints faced of gems and jewellery companies.

³⁶ *Manufacturers operating in special economic zones such as Mae So and Sa Kaeo special economic zone are to receive 8 years exemption from corporate tax and 50 percent reduction will be granted for additional 5 years*

³⁷ *HKTDC Research*

Market Initiatives by TDAP

TDAP's participation in international exhibitions and trade promotion activities in the subject product / sector in Japan is as under:

Table11: TDAP market initiatives in Japan		
Name of the event	Product	Date
TDAP Exhibitions 2017-18		
Halal Expo, Japan in Tokyo, Japan	Halal Food	November, 2018
Asia Fashion Fair, Osaka, Japan	Textiles	April, 2018
Sport Wear and Goods Expo, Tokyo, Japan	Sportswear and goods	July, 2018
New Proposed Exhibitions		
Foodex	Food products in general	March, 2019
AFF - Asia Fashion Fair Osaka	Textiles	April, 2019
IFF Magic Japan	Textile	Apr 2019
Life Style Expo	Textile	June, 2019
IJK - International Jewelry Kobe	Jewellery Products	2019
Medical Japan	Medical and Surgical products in general	Feb 2019
Tokyo Leather Fair	Leather Products	May 2019
Japan IT week	IT Services	May 2019
Source: https://www.tdap.gov.pk/international_exhibitions.php		

Trade Promotion Activities

Table 12 Trade promotion activities in Japan	
Activities	Details
Participation of Pakistani sports companies in Sportec 2018	28 companies participated in sportswear and sports goods exhibition. Dissemination of information across Japan sporting goods industry and JETRO members. Publicizing in Nikkei Asian Review, and newspapers
Meeting with Ministry of Agriculture, Forestry and Fisheries	Follow up for previous meeting related process of animal casing to be exported to Japan.

Meeting with Suichi Nakajima Production Head UNIQLO	UNIQLO selected one Pakistani company as per requirement (shirt fabric company and cut and sew supplier who has knitting machine t shirts) Continuous interaction in progress
Meeting with country head Costco, general manager Merchandising and general merchandise manager fresh foods, Costco wholesale Japan	Follow up meeting between Costco and Pakistani companies (M/s Roomi foods for mango, M/s Master Textile for denim jeans and Ferooze 1888 for towel). Costco representative also took samples of Pakistani process food items for further negotiations.
Meeting with leading Japanese retail company Muji	Mission approached Muji to procure readymade garments, home textile and denim jeans. Certain reports related to range of products procured by Muji are shared with TDAP
6th Business Delegation of Pakistan Japan Business Forum	Expansion of business in 13 sectors including textile, sea food, sportswear, sports goods, auto sector, surgical sector.
Arrangement of B2B meeting of Pakistani textile company at Osaka Consulate	B2B meeting participation by Soorti enterprises, Crescent bauman ltd, nishat chaunian, ebrahim textile and GIA marketing
Meeting with Japan Textile Association	Shared profile of companies dealing in textile
Meeting with Japan Auto Parts Association	Shared profile of companies dealing in auto sector for joint ventures and technical assistance
Source: Quarterly report commercial section Tokyo Japan	

SWOT Analysis

Various steps have been taken in the past to strengthen economic and bilateral trade relations. The present section elaborates the SWOT analysis of Pakistan's export and its potential expansion in Japan's market.

Strength

- ❖ Pakistan textile exports are famous around the world. It captures the major share in Pakistan's export basket. Japan is a huge market for textiles as it imports USD 25 billion worth for articles of apparel (knitted and not knitted) Pakistani exporters can penetrate in Japanese market by collaborating with Japanese retailers
- ❖ Pakistan has both inland and marine fish resources. Traditional nets are used to catch fish that are in line with TED requirement. Pakistan exports fish, prawns and shrimps to developed countries like USA and UK. Pakistan fisheries especially shrimp and prawns have potential to enter Japanese market.
- ❖ Surgical instruments industry, categorized as Pakistan's light engineering industry, has a stable share in Pakistan's exports. Pakistan exports are designed for developed countries (Germany). Pakistan can also refine its product in line with Japanese consumer at relatively low cost than other competitors

Weakness

- ❖ Japanese businessmen are known for time and efficient delivery service. Pakistani companies are often unable to deliver samples or consignment on time. Lack of seriousness to reply enquiry also restricts Japanese businessmen to enter in any contract.
- ❖ Lack of Pakistani brands in Japan also a source of impediment to trade.

Opportunities

- ❖ Pakistan enjoys Japan's GSP. Major sectors covered under GSP scheme are: agriculture and fishery products (408 items at 9 digit) and industrial products (3151 items). Pakistani exporters can benefit from low tariff barriers as compare to other developed countries.

- ❖ Japanese consumers are affluent and enjoy higher standard of living (42,900 percapita income ppp) than rest of the Asian countries. Consumer spending has increased. Japanese consumers are willing to pay a premium price for high-quality food products. Pakistani exporter who emphasis on quality products can gain greater access in Japanese markets.
- ❖ Japan's aging population, falling birth rate and highest life expectancy in the world (84.2 years), shows demand for products used by elderly. Healthy foods rich in natural antioxidants such as omega 3 will be demanded.
- ❖ Japan is going to organize mega sport event such as Olympics and Rugby world cup in 2019. Pakistan sports good can find their way in these mega events.

Threats

- ❖ Imposition of tax rate from 8 to 10 percent in Japan can be potential threat for exporters as tax imposition will increase the price of a product paid by consumers
- ❖ Pakistan face competition from regional competitors in Japanese market as our regional competitors is in close proximity to Japan moreover they have gained additional benefits in terms of tariff due to EPA and FTAs with Japan.

Recommendations

Keeping in view Japan's demand from world economy and Pakistan potential to export following are some recommendations

- ❖ Among agriculture products, sea food (shrimps and prawns) and fruits (mangoes and citrus) can enter Japan's market. As mentioned earlier, Japan has major share of elderly population, healthy and vitamin rich foods (omega3) can earn good value in Japanese market.
- ❖ Pakistan can export processed food items to Japanese buyers. Pakistan has local brands ³⁸for processed sea food (fish fillets, fish fingers, popcorn fish and prawns) to cater the needs of domestic market. By expanding and improving the quality standards, existing local brands can penetrate in Japanese market. ³⁹
- ❖ Considering the potential for gems and jewellery Pakistan needs to revisit impediments in Reko dig copper and gold mine project and dazzle park project. Japan is a huge market of USD 1.7 billion. Pakistan need to established gems and jewellery trading zone near tourist destinations in order to attract more foreign buyers in the country.
- ❖ Considering the uncertainty in UK after brexit, Pakistani exporters can diversify their market base by exploring other markets like Japan who offer concessional tariff in Japan GSP scheme.
- ❖ It will be difficult for Pakistan to handle any trade agreement with Japan until and unless we export value added products to Japan as current export products are of low value while Pakistan demand high value added products from Japan.
- ❖ Pakistan exporters need to be efficient and punctual with service delivery they need to be trained for this quality, high tech and high priced Japanese market.

³⁸ Mon Salwa (breaded fish, fish fillets and chips) , Menu (tempura fish fillet, fish fingers and popcorn fish)

³⁹ Pakistani brand K and Ns export processed poultry items to Middle East and USA. By diversifying product base from poultry to seafood can help Pakistan gain more.

Annexure

Code	Product label	Pakistan exports 2017	MFN Rate	GSP Rate
Product above 100 million				
Values in thousands				
520512	Single cotton yarn, of uncombed fibres, containing \geq 85% cotton by weight and with a linear ...	811873	6	4
630231	Bedlinen of cotton (excluding printed, knitted or crocheted)	810930	4.5	3.6
630260	Toilet linen and kitchen linen, of terry towelling or similar terry fabrics of cotton (excluding ...	805010	7.4	5.92
630239	Bedlinen of textile materials (excluding of cotton and man-made fibres, printed, knitted or ...	669978	7.9	6.32
630710	Floorcloths, dishcloths, dusters and similar cleaning cloths, of all types of textile materials	407123	6.5	Free
252329	Portland cement (excluding white, whether or not artificially coloured)	208181	2	Free
560819	Knotted netting of twine, cordage, ropes or cables, by the piece or metre; made-up nets, of ...	143795	5.3	Free
271019	Medium oils and preparations, of petroleum or bituminous minerals, not containing biodiesel, ...	142866	3.3	Free
520532	Multiple "folded" or cabled cotton yarn, of uncombed fibres, containing \geq 85% cotton by weight ...	129243	5.6	4.48
410712	Grain splits leather "incl. parchment-dressed leather", of the whole hides and skins of bovine ...	114395	6	1.2
551341	Plain woven fabrics containing predominantly, but $<$ 85% polyester staple fibres by weight, ...	107029	8.2	6.56
611610	Gloves, mittens and mitts, impregnated, coated or covered with plastics or rubber, knitted ...	105090	7.4	Free
Product below 100 million and above 10 million				
520522	Single cotton yarn, of combed fibres, containing \geq 85% cotton by weight and with a linear ...	97056	5.6	4.48

520511	Single cotton yarn, of uncombed fibres, containing \geq 85% cotton by weight and with a linear ...	92671	5.6	4.48
411310	Leather further prepared after tanning or crusting "incl. parchment-dressed leather", of goats ...	82978	6	1
630629	Tents of textile materials (excluding of synthetic fibres, and umbrella and play tents)	72585	5.6	Free
570110	Carpets and other textile floor coverings, of wool or fine animal hair, knotted, whether or ...	69360	7.9	1.58
091091	Mixtures of different types of spices	65756	7.2	3.6
630299	Toilet linen and kitchen linen of textile materials (excluding of cotton or man-made fibres, ...	64498	7.9	6.32
030617	Frozen shrimps and prawns, even smoked, whether in shell or not, incl. shrimps and prawns in ...	54689	4.8	3.2
630399	Curtains, incl. drapes, and interior blinds, curtain or bed valances of textile materials (excluding ...	51949	7.9	6.32
410792	Grain splits leather "incl. parchment-dressed leather", of the portions, strips or sheets of ...	50702	6	1.2
630391	Curtains, incl. drapes, and interior blinds, curtain or bed valances of cotton (excluding knitted ...	48826	7.4	5.92
821420	Manicure or pedicure sets and instruments, incl. nail files, of base metal (excluding ordinary ...	48663	3.9	Free
080450	Fresh or dried guavas, mangoes and mangosteens	46326	3	Free
521051	Plain woven fabrics of cotton, containing predominantly, but $<$ 85% cotton by weight, mixed ...	45062	7.4	Free
151620	Vegetable fats and oils and their fractions, partly or wholly hydrogenated, inter-esterified, ...	39763	3.5	Free
731029	Tanks, casks, drums, cans, boxes and similar containers, of iron or steel, for any material, ...	37578	3.3	Free
630232	Bedlinen of man-made fibres (excluding printed, knitted or crocheted)	37334	5.3	Free

411390	Leather further prepared after tanning or crusting "incl. parchment-dressed leather", of antelopes, ...	36683	6	1.2
630612	Tarpaulins, awnings and sunblinds of synthetic fibres (excluding flat covers of light fabrics ...	34804	4	Free
630790	Made-up articles of textile materials, incl. dress patterns, n.e.s.	34713	6.5	Free
551321	Plain woven fabrics containing predominantly, but < 85% polyester staple fibres by weight, ...	32993	8.2	6.56
411200	Leather further prepared after tanning or crusting incl. parchment-dressed leather", of sheep ...	32262	6	1.2
630251	Table linen of cotton (excluding knitted or crocheted)	31896	7.4	5.92
520852	Plain woven fabrics of cotton, containing \geq 85% cotton by weight and weighing > 100 g to 200 ...	30641	6	Free
441193	Fibreboard of wood or other ligneous materials, whether or not agglomerated with resins or ...	30457	3	1.56
081340	Dried peaches, pears, papaws "papayas", tamarinds and other edible fruits (excluding nuts, ...	27886	9	4.5
630140	Blankets and travelling rugs of synthetic fibres (excluding electric, table covers, bedspreads ...	24330	5.3	4.24
520523	Single cotton yarn, of combed fibres, containing \geq 85% cotton by weight and with a linear ...	21188	5.6	4.48
520851	Plain woven fabrics of cotton, containing \geq 85% cotton by weight and weighing \leq 100 g/m ² , ...	20962	5.6	Free
630539	Sacks and bags, for the packing of goods, of man-made textile materials (excluding of polyethylene ...	20748	5.3	Free
621600	Gloves, mittens and mitts, of all types of textile materials (excluding knitted or crocheted ...	20724	6.5	5.2
391590	Waste, parings and scrap of plastics (excluding that of polymers of ethylene, styrene and vinyl ...	19588	4	Free
210690	Food preparations, n.e.s.	18522	11	Free

740319	<i>Copper, refined, unwrought (excluding copper in the form of billets, wire-bars, cathodes and ...</i>	17541	3	Free
080390	<i>Fresh or dried bananas (excluding plantains)</i>	16873	20 ~25	10 ~20
630130	<i>Blankets and travelling rugs of cotton (excluding electric, table covers, bedspreads and articles ...</i>	16643	9	7.2
550953	<i>Yarn containing predominantly, but < 85% polyester staple fibres by weight, mixed principally ...</i>	16229	6.6	5.28
551219	<i>Woven fabrics containing >= 85% polyester staple fibres by weight, dyed, made of yarn of different ...</i>	15689	8.2	6.56
320810	<i>Paints and varnishes, incl. enamels and lacquers, based on polyesters, dispersed or dissolved ...</i>	15402	3.2	Free
392490	<i>Household articles and toilet articles, of plastics (excluding tableware, kitchenware, baths, ...</i>	15399	3.9	Free
190590	<i>Bread, pastry, cakes, biscuits and other bakers' wares, whether or not containing cocoa; communion ...</i>	15345	24	15
551412	<i>Woven fabrics containing predominantly, but < 85% polyester staple fibres by weight, mixed ...</i>	15010	8.8	7.04
630419	<i>Bedspreads of all types of textile materials (excluding knitted or crocheted, bedlinen, quilts ...</i>	13816	7.4	5.92
630520	<i>Sacks and bags, for the packing of goods, of cotton</i>	13754	4	Free
521215	<i>Woven fabrics of cotton, containing predominantly, but < 85% cotton by weight, other than those ...</i>	13691	7.4	Free
520542	<i>Multiple "folded" or cabled cotton yarn, of combed fibres, containing >= 85% cotton by weight ...</i>	13526	6	4.48
551311	<i>Plain woven fabrics containing predominantly, but < 85% polyester staple fibres by weight, ...</i>	13009	8.8	7.04
390319	<i>Polystyrene, in primary forms (excluding expansible)</i>	12363	6.5	2.6
551211	<i>Woven fabrics containing >= 85% polyester staple fibres by weight, unbleached or bleached</i>	12170	8.8	7.04
630221	<i>Printed bedlinen of cotton (excluding knitted or crocheted)</i>	12142	4.5	3.6

520513	Single cotton yarn, of uncombed fibres, containing >= 85% cotton by weight and with a linear ...	12075	6	4.48
600622	Dyed cotton fabrics, knitted or crocheted, of a width of > 30 cm (excluding warp knit fabrics ...	11193	9.8	7.84
630259	Table linen of textile materials (excluding of cotton or man-made fibres, knitted or crocheted)	10697	6.4	5.12
630900	Worn clothing and clothing accessories, blankets and travelling rugs, household linen and articles ...	10648	5.8	Free
030614	Frozen crabs, even smoked, whether in shell or not, incl. crabs in shell, cooked by steaming ...	10446	9.6	7.2
Product below 10 million				
200190	Vegetables, fruit, nuts and other edible parts of plants, prepared or preserved by vinegar ...	9947	8	3.8
392062	Plates, sheets, film, foil and strip, of non-cellular poly"ethylene terephthalate", not reinforced, ...	9807	4.8	Free
081090	Fresh tamarinds, cashew apples, jackfruit, lychees, sapodillo plums, passion fruit, carambola, ...	9170	5	2.5
121190	Plants, parts of plants, incl. seeds and fruits, used primarily in perfumery, in pharmacy or ...	9146	12	Free
821192	Knives with fixed blades of base metal (excluding straw knives, machetes, knives and cutting ...	8693	3.7	Free
551411	Plain woven fabrics containing predominantly, but < 85% polyester staple fibres by weight, ...	8685	8.8	7.04
230990	Preparations of a kind used in animal feeding (excluding dog or cat food put up for retail ...	8590	3	Free
520612	Single cotton yarn containing predominantly, but < 85% cotton by weight, of uncombed fibres ...	8535	6	4.48
360500	Matches (excluding pyrotechnic articles of heading 3604)	8474	4.4	Free
090421	Fruits of the genus Capsicum or of the genus Pimenta, dried, neither crushed nor ground	7734	6	Free

580710	<i>Labels, badges and similar articles, of textile materials, in the piece, in strips or cut to ...</i>	7610	5.3	Free
520524	<i>Single cotton yarn, of combed fibres, containing >= 85% cotton by weight and with a linear ...</i>	7540	5.6	4.48
540752	<i>Woven fabrics of yarn containing >= 85% by weight of textured polyester filaments, incl. monofilament ...</i>	7261	8.2	6.56
520621	<i>Single cotton yarn containing predominantly, but < 85% cotton by weight, of combed fibres and ...</i>	7198	6	4.48
821300	<i>Scissors, tailors' shears and similar shears, and blades therefor, of base metal (excluding ...</i>	7173	3.7	Free
600690	<i>Fabrics, knitted or crocheted, of a width of > 30 cm (excluding of man-made fibres, cotton, ...</i>	7009	7.9	6.32
320415	<i>Synthetic organic vat dyes, incl. those usable in that state as pigments; preparations based ...</i>	6670	4.4	Free
283620	<i>Disodium carbonate</i>	6605	3.3	Free
392690	<i>Articles of plastics and articles of other materials of heading 3901 to 3914, n.e.s (excluding ...</i>	6107	3.9	3.12
520959	<i>Woven fabrics of cotton, containing >= 85% cotton by weight and weighing > 200 g/m², printed ...</i>	6006	5.6	Free
350300	<i>Gelatin, whether or not in square or rectangular sheets, whether or not surface-worked or coloured, ...</i>	5700	2.2	Free
551423	<i>Woven fabrics containing predominantly, but < 85% polyester staple fibres by weight, mixed ...</i>	5565	8.2	6.56
392390	<i>Articles for the conveyance or packaging of goods, of plastics (excluding boxes, cases, crates ...</i>	5480	3.9	Free
630492	<i>Articles for interior furnishing, of cotton (excluding knitted or crocheted, blankets and travelling ...</i>	5326	7.4	5.92
382600	<i>Biodiesel and mixtures thereof, not containing or containing < 70 % by weight of petroleum ...</i>	5193	3.9	Free
520531	<i>Multiple "folded" or cabled cotton yarn, of uncombed fibres, containing >= 85% cotton by weight ...</i>	5181	5.6	4.48

630291	<i>Toilet linen and kitchen linen of cotton (excluding of terry fabrics, floorcloths, polishing ...</i>	5003	7.4	5.92
520622	<i>Single cotton yarn containing predominantly, but < 85% cotton by weight, of combed fibres and ...</i>	4998	5.6	4.48
700529	<i>Float glass and surface ground and polished glass, in sheets, but not otherwise worked (excluding ...</i>	4820	3.1	Free
520952	<i>Woven fabrics of cotton, containing >= 85% cotton by weight and weighing > 200 g/m², in three-thread ...</i>	4646	5.6	Free
540710	<i>Woven fabrics of high-tenacity yarn, nylon, other polyamides or polyesters, incl. monofilament ...</i>	4515	8.2	6.56
520514	<i>Single cotton yarn, of uncombed fibres, containing >= 85% cotton by weight and with a linear ...</i>	4432	6	4.48
720690	<i>Iron and non-alloy steel, in puddled bars or other primary forms (excluding ingots, remelted ...</i>	4291	3.9	Free
520859	<i>Woven fabrics of cotton, containing >= 85% cotton by weight and weighing <= 200 g/m², printed ...</i>	4282	5.6	Free
570210	<i>Kelem, Schumacks, Karamanie and similar hand-woven rugs, whether or not made up</i>	4250	6	4.8
091099	<i>Spices (excluding pepper of the genus Piper, fruit of the genus Capsicum or of the genus Pimenta, ...</i>	4093	3.6	Free
620920	<i>Babies' garments and clothing accessories of cotton (excluding knitted or crocheted and hats, ...</i>	4054	6.5	5.2
580640	<i>Narrow fabrics consisting of warp without weft assembled by means of an adhesive "bolducs", ...</i>	3967	5.3	4.24
392350	<i>Stoppers, lids, caps and other closures, of plastics</i>	3922	3.9	Free
281511	<i>Sodium hydroxide "caustic soda" solid</i>	3915	5	Free
521151	<i>Plain woven fabrics of cotton, containing predominantly, but < 85% cotton by weight, mixed ...</i>	3904	7.4	Free
140490	<i>Vegetable products n.e.s</i>	3903	6	Free

520543	Multiple "folded" or cabled cotton yarn, of combed fibres, containing >= 85% cotton by weight ...	3806	6	4.48
630590	Sacks and bags, for the packing of goods, of textile materials (excluding man-made, cotton, ...	3695	3.3	Free
520533	Multiple "folded" or cabled cotton yarn, of uncombed fibres, containing >= 85% cotton by weight ...	3689	6	4.48
520544	Multiple "folded" or cabled cotton yarn, of combed fibres, containing >= 85% cotton by weight ...	3671	5.6	4.48
630499	Articles for interior furnishing, of textile materials (excluding of cotton or synthetic fibres, ...	3666	7.9	6.32
391510	Waste, parings and scrap, of polymers of ethylene	3626	4.8	Free
630619	Tarpaulins, awnings and sunblinds of textile materials (excluding of synthetic fibres and flat ...	3578	5.6	Free
320890	Paints and varnishes based, incl. enamels and lacquers, on synthetic polymers or chemically ...	3401	3.2	Free
521225	Woven fabrics of cotton, containing predominantly, but < 85% cotton by weight, other than those ...	3347	7.4	Free
520951	Plain woven fabrics of cotton, containing >= 85% cotton by weight and weighing > 200 g/m ² , ...	3331	5.6	Free
551313	Woven fabrics containing predominantly, but < 85% polyester staple fibres by weight, mixed ...	3323	8.8	7.04
392010	Plates, sheets, film, foil and strip, of non-cellular polymers of ethylene, not reinforced, ...	3294	4.8	Free
390311	Expansible polystyrene, in primary forms	3258	3.9	1.56
621710	Made-up clothing accessories, of all types of textile materials, n.e.s. (excluding knitted ...	3242	9	7.2
400941	Tubes, pipes and hoses, of vulcanised rubber (excluding hard rubber), reinforced or otherwise ...	3236	2.5	Free
110319	Groats and meal of cereals (excluding wheat and maize)	3233	17	8.5

551441	Plain woven fabrics containing predominantly, but < 85% polyester staple fibres by weight, ...	3196	8.2	6.56
380891	Insecticides (excluding goods of subheading 3808.50)	3187	3.9	Free
020714	Frozen cuts and edible offal of fowls of the species <i>Gallus domesticus</i>	3139	3	Free
321519	Printing ink, whether or not concentrated or solid (excluding black ink)	3106	3.9	Free
701337	Drinking glasses (excluding glasses of glass ceramics or of lead crystal and stemware)	3051	3.1	Free
540781	Woven fabrics of yarn containing predominantly, but < 85% synthetic filament by weight, incl. ...	2990	8.2	6.56
520521	Single cotton yarn, of combed fibres, containing \geq 85% cotton by weight and with a linear ...	2982	5.6	4.48
380991	Finishing agents, dye carriers to accelerate the dyeing or fixing of dyestuffs, and other products ...	2961	3.2	Free
630190	Blankets and travelling rugs of textile materials (excluding of wool or fine animal hair, cotton ...)	2921	5.3	4.24
551299	Woven fabrics containing \geq 85% synthetic staple fibres by weight, dyed, made of yarn of different ...	2916	8.2	6.56
210420	Food preparations consisting of finely homogenised mixtures of two or more basic ingredients, ...	2876	12	6
580219	Terry towelling and similar woven terry fabrics, of cotton (excluding unbleached, narrow woven ...)	2859	4.5	3.6
520411	Sewing thread, containing \geq 85% cotton by weight (excluding that put up for retail sale)	2838	5.6	4
630222	Printed bedlinen of man-made fibres (excluding knitted or crocheted)	2797	5.3	Free
740819	Wire of refined copper, with a maximum cross-sectional dimension of \leq 6 mm	2721	3	1.2
190190	Malt extract; food preparations of flour, groats, meal, starch or malt extract, not containing ...	2619	9	4.5

210390	<i>Preparations for sauces and prepared sauces; mixed condiments and seasonings (excluding soya ...</i>	2590	7	6
520632	<i>Multiple "folded" or cabled cotton yarn containing predominantly, but < 85% cotton by weight, ...</i>	2547	6	4.48
551110	<i>Yarn containing >= 85% synthetic staple fibres by weight, put up for retail sale (excluding ...</i>	2511	6.6	5.28
200520	<i>Potatoes, prepared or preserved otherwise than by vinegar or acetic acid (excluding frozen)</i>	2481	12	9.6
520613	<i>Single cotton yarn containing predominantly, but < 85% cotton by weight, of uncombed fibres ...</i>	2475	5.6	4.48
392020	<i>Plates, sheets, film, foil and strip, of non-cellular polymers of ethylene, not reinforced, ...</i>	2450	4.8	Free
320416	<i>Synthetic organic reactive dyes; preparations based on synthetic organic reactive dyes of a ...</i>	2409	4.4	Free
600621	<i>Unbleached or bleached cotton fabrics, knitted or crocheted, of a width of > 30 cm (excluding ...</i>	2379	9.8	7.84
630622	<i>Tents of synthetic fibres (excluding umbrella and play tents)</i>	2306	4	Free
731100	<i>Containers of iron or steel, for compressed or liquefied gas (excluding containers specifically ...</i>	2296	3.3	Free
291736	<i>Terephthalic acid and its salts</i>	2266	5	Free
521159	<i>Woven fabrics of cotton, containing predominantly, but < 85% cotton by weight, mixed principally ...</i>	2230	7.4	Free
320910	<i>Paints and varnishes, incl. enamels and lacquers, based on acrylic or vinyl polymers, dispersed ...</i>	2137	4	Free
090240	<i>Black fermented tea and partly fermented tea, whether or not flavoured, in immediate packings ...</i>	2112	3	2.5
391890	<i>Floor coverings of plastics, whether or not self-adhesive, in rolls or in the form of tiles, ...</i>	2080	4	Free
790310	<i>Zinc dust</i>	2077	3	Free
280610	<i>Hydrogen chloride "hydrochloric acid"</i>	2035	2.5	Free
540233	<i>Textured filament yarn of polyester (excluding that put up for retail sale)</i>	1984	5	4

200989	<i>Juice of fruit or vegetables, unfermented, whether or not containing added sugar or other sweetening ...</i>	1972	9	7.6
520534	<i>Multiple "folded" or cabled cotton yarn, of uncombed fibres, containing >= 85% cotton by weight ...</i>	1934	5.6	4.48
630229	<i>Printed bedlinen of textile materials (excluding cotton and man-made fibres, knitted or crocheted)</i>	1835	7.9	6.32
151790	<i>Edible mixtures or preparations of animal or vegetable fats or oils and edible fractions of ...</i>	1762	4	Free
591190	<i>Textile products and articles, for technical purposes, specified in Note 7 to chapter 59, n.e.s.</i>	1741	4.9	Free
821599	<i>Spoons, forks, ladles, skimmers, cake-servers, fish-knives, butter-knives, sugar tongs and ...</i>	1733	3.9	Free
200290	<i>Tomatoes, prepared or preserved otherwise than by vinegar or acetic acid (excluding whole or ...</i>	1733	9	7.6
252321	<i>White portland cement, whether or not artificially coloured</i>	1701	2	Free
281512	<i>Sodium hydroxide "caustic soda" in aqueous solution "soda lye or liquid soda"</i>	1688	5.3	Free
740200	<i>Copper, unrefined; copper anodes for electrolytic refining</i>	1673	3	Free
930120	<i>Rocket launchers; flame-throwers; grenade launchers; torpedo tubes and similar projectors</i>	1642	8.4	Free
551323	<i>Woven fabrics containing predominantly, but < 85% polyester staple fibres by weight, mixed ...</i>	1596	8.2	6.56
630392	<i>Curtains, incl. drapes, and interior blinds, curtain or bed valances of synthetic fibres (excluding ...</i>	1594	5.3	Free
283990	<i>Silicates, incl. commercial alkali metal silicates (excluding sodium silicates)</i>	1560	3	Free
551422	<i>Woven fabrics containing predominantly, but < 85% polyester staple fibres by weight, mixed ...</i>	1557	8.2	6.56
441114	<i>Medium density fibreboard "MDF" of wood, of a thickness > 9 mm</i>	1554	2.6	1.56

590700	<i>Impregnated, coated or covered textile fabrics; painted canvas being theatrical scenery, studio ...</i>	1529	3.3	Free
390690	<i>Acrylic polymers, in primary forms (excluding poly"methyl methacrylate")</i>	1479	2.8	1.12
691200	<i>Tableware, kitchenware, other household articles and toilet articles, of ceramics other than ...</i>	1466	2.3	Free
391000	<i>Silicones in primary forms</i>	1436	4	Free
531010	<i>Woven fabrics of jute or of other textile bast fibres of heading 5303, unbleached</i>	1419	10	Free
090932	<i>Cumin seeds, crushed or ground</i>	1414	6	Free
611780	<i>Ties, bow ties, cravats and other made-up clothing accessories, knitted or crocheted, n.e.s. ...</i>	1411	7.8	Free
520528	<i>Single cotton yarn, of combed fibres, containing >= 85% cotton by weight and with a linear ...</i>	1407	6	4.48
551011	<i>Single yarn, containing >= 85% artificial staple fibres by weight (excluding sewing thread ...</i>	1404	4	3.2
540782	<i>Woven fabrics of yarn containing predominantly, but < 85% synthetic filament by weight, incl. ...</i>	1325	8.2	6.56
551312	<i>Woven fabrics containing predominantly, but < 85% polyester staple fibres by weight, mixed ...</i>	1319	8.8	7.04
140110	<i>Bamboos</i>	1318	8.5	5
551419	<i>Woven fabrics containing predominantly, but < 85% synthetic staple fibres by weight, mixed ...</i>	1311	8.8	7.04
160529	<i>Shrimps and prawns, prepared or preserved, in airtight containers (excluding smoked)</i>	1304	4.8	3.2
291732	<i>Diethyl orthophthalates</i>	1300	3.9	Free
630532	<i>Flexible intermediate bulk containers, for the packing of goods, of synthetic or man-made textile ...</i>	1300	3.3	Free
200600	<i>Vegetables, fruit, nuts, fruit-peel and other edible parts of plants, preserved by sugar (drained, ...</i>	1291	18	9
160510	<i>Crab, prepared or preserved (excluding smoked)</i>	1290	9.6	7.2

520611	Single cotton yarn containing predominantly, but < 85% cotton by weight, of uncombed fibres ...	1280	6	4.48
520541	Multiple "folded" or cabled cotton yarn, of combed fibres, containing >= 85% cotton by weight ...	1254	6	4.48
621490	Shawls, scarves, mufflers, mantillas, veils and similar articles of textile materials (excluding ...	1241	5.4	Free
540751	Woven fabrics of yarn containing >= 85% by weight of textured polyester filaments, incl. monofilament ...	1220	8.8	7.04
282720	Calcium chloride	1214	3.3	Free
441112	Medium density fibreboard "MDF" of wood, of a thickness <= 5 mm	1212	2.6	1.56
280440	Oxygen	1202	3.3	Free
441299	Laminated wood without blockboard, laminboard or battenboard (excluding of bamboo, plywood ...	1201	6	4.8
551229	Woven fabrics containing >= 85% acrylic or modacrylic staple fibres by weight, dyed, made of ...	1198	8.2	6.56
740710	Bars, rods and profiles, of refined copper, n.e.s.	1195	3	1
531090	Woven fabrics of jute or of other textile bast fibres of heading 5303, bleached, dyed, made ...	1190	10	Free
392640	Statuettes and other ornamental articles, of plastics	1134	4.8	Free
293339	Heterocyclic compounds with nitrogen hetero-atom[s] only, containing an unfused pyridine ring, ...	1126	3.1	Free
761210	Collapsible tubular containers, of aluminium	1121	3	2.4
091012	Ginger, crushed or ground	1118	5	Free
200490	Vegetables and mixtures of vegetables, prepared or preserved otherwise than by vinegar or acetic ...	1071	15	9
320417	Synthetic organic pigments; preparations based on synthetic organic pigments of a kind used ...	1066	3.5	Free
441113	Medium density fibreboard "MDF" of wood, of a thickness > 5 mm but <= 9 mm	1062	3	1.56

520548	<i>Multiple "folded" or cabled cotton yarn, of combed fibres, containing >= 85% cotton by weight ...</i>	1052	5.6	4.48
551511	<i>Woven fabrics containing predominantly, but < 85% polyester staple fibres by weight, mixed ...</i>	1047	8.8	7.04
320414	<i>Direct synthetic organic dyes; preparations based on direct synthetic organic dyes of a kind ...</i>	1004	4.4	Free