

**Tariff Concessions for Sri Lanka under
Pakistan – Sri Lanka Free Trade Agreement**

As a result of the persistent discussions between the government of Pakistan and Sri Lanka, including the Commerce Secretary Level Talks held in Islamabad from 29th to 30th April 2013, under the guidance of the Hon. Minister of Industry and Commerce, the Sri Lankan exporters of the following products will now be able to enjoy the respective tariff concessions under the Pakistan Sri Lanka Free Trade Agreement (PSFTA).

1. Crude coconut oil, which is currently in the 'No Concession List' of Pakistan, has been granted a 50% Margin of Preference (MOP) immediately. The preferential margin will be increased to 100% with effect from 1st July 2013, making this product totally duty free under the PSFTA.
2. Bottle-cooling machines will be able to enjoy a 50% MOP with immediate effect.
3. The 20% MOP currently enjoyed by Sri Lankan betel leaves will be increased to 35% MOP with immediate effect.
4. 50% MOP for herbal hair oil with immediate effect.
5. 100% duty concession for mosquito repellent coils with immediate effect.

Pakistan has also agreed to restore 20% MOP on ceramic products as well as to remove electrical switches from its 'No Concession List' enabling them to enjoy 100% duty concessions. The government of Pakistan is expected to issue a Statutory Regulatory Order (SRO) to effect these changes shortly.

In addition, Pakistan has agreed to consider granting concessions for Ayurvedic products and fermented beverages (ginger beer).

The Department of Commerce encourages all exporters of the above products to make use of the newly granted tariff concessions in enhancing their exports to the Pakistani market. Exporters encountering any difficulties in enjoying the said concessions are advised to contact the Department of Commerce (Chandima Kiriwandala, Assistant Director of Commerce, Tel: 0112436115) immediately.

Director General of Commerce
Department of Commerce