

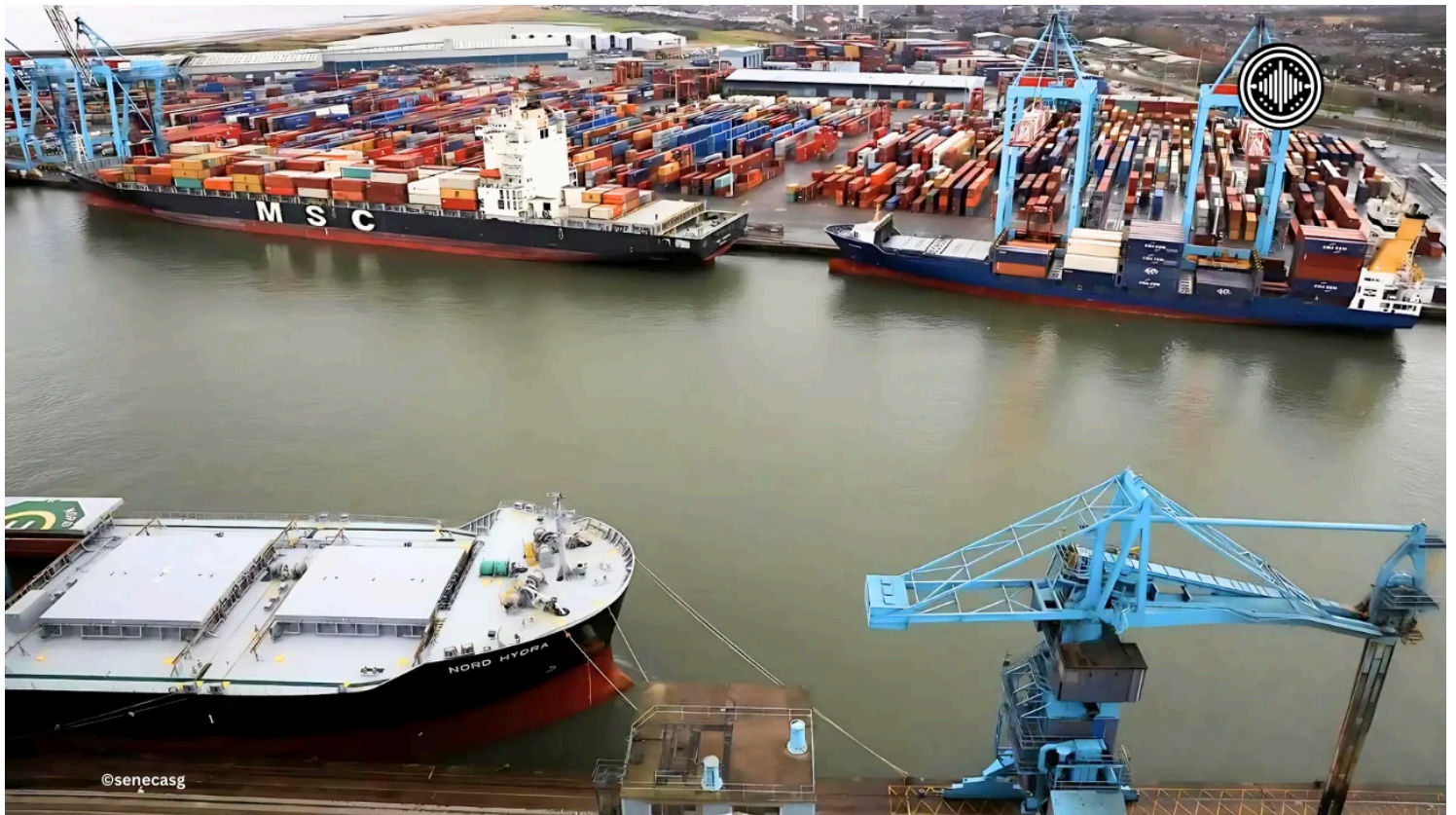
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## Pakistan Cuts Tariffs to Boost Trade with UK

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– Categories: Economics



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Pakistan, August 16, The Pakistani government has approved reductions on import tariffs for roughly 300 products in a move aimed at stimulating domestic industry and strengthening international trade, including potential opportunities with the United Kingdom.

Federal Commerce Minister Jam Kamal told the Senate that the revisions are part of a broader effort to enhance Pakistan's manufacturing competitiveness and make exports more attractive in global markets. "These changes will reduce costs for consumers and improve access to essential raw materials for local producers," he explained.

Under the new structure, duties on products not manufactured in Pakistan will be lowered, while tariffs on around 900 other goods will remain unchanged in line with the National Tariff Policy. Previously, some import duties were as high as 40 per cent, and the adjustments are expected to gradually ease trade and reduce costs for businesses.

The reductions will be implemented over five years. Some tariff cuts will take effect within the first year, while others will be phased in gradually. This marks the first comprehensive effort by Pakistan to rationalise tariffs in this manner. The plan has received full support from Prime Minister Shehbaz Sharif and the federal cabinet.

Alongside the tariff revisions, the government is reforming key trade institutions, including the Trade Development Authority of Pakistan and the Export Development Fund. These reforms focus on technical reviews of funding requests, with the aim of improving transparency, governance, and efficiency in supporting exporters.

Officials said these changes are expected to strengthen Pakistan's overall trade environment, making it easier for businesses to access global markets. Negotiations are already underway with several countries, including the United Kingdom, Vietnam, Cambodia, and South Korea. Future talks are planned in European capitals such as Brussels and Geneva.

While the tariff cuts primarily target products not made domestically, trade experts note that enhanced cooperation with the UK could create new opportunities for British companies interested in sourcing materials from Pakistan or partnering in manufacturing ventures. Analysts suggest that these reforms may also facilitate smoother trade flows, reduce bureaucratic barriers, and create a more predictable business climate for international investors.

"The phased implementation is important to ensure domestic industries can adjust to lower tariffs without disruption," said a trade analyst familiar with the government's plan. "It signals Pakistan's willingness to integrate more closely into the global economy while supporting local production."

In addition to the economic benefits, officials emphasise that stronger UK-Pakistan trade ties could pave the way for collaboration in sectors such as textiles, chemicals, and technology. By simplifying tariff structures and improving transparency in trade funding, Pakistan aims to position itself as a reliable trading partner in the region.

The government expects these measures to gradually increase exports, attract investment, and reduce costs for consumers. While the focus remains on strengthening local industry, the inclusion of the UK in ongoing negotiations underlines the country's role as a key trading partner in Pakistan's long-term economic strategy.

With careful monitoring of the tariff phase-in and institutional reforms, the Pakistani authorities hope to maintain steady growth in trade and build stronger international relationships, particularly with nations such as the United Kingdom, which could benefit from improved market access and clearer regulatory procedures.