

Report on Pakistan Auto Show, 2018

Theme: “MAKE IN PAKISTAN”

The Cluster Development Initiative participated in the Pakistan Auto Show 2018 held at Expo center Lahore from March 02 to 04, 2018. The exhibition was a good opportunity for networking with all the relevant actors of the automotive sector which includes Backward Linkages (raw material, machinery, tools and accessories, etc.), Principal Firms (Auto Parts Manufacturers), Forward Linkages (Original Equipment Manufacturers-OEMs), Government Support Institutions, Business Development Service Providers (BDSPs) and Academia. As many as 203 exhibitors (125 domestic and 78 international (Japan, Germany, France, Turkey, Thailand, China, USA, England and UAE)) participated in the show. CDI team visited all the exhibitors and met as many as 130 companies (80 local and 50 foreign) and introduced the initiative of the Government of Punjab. Sheikh Allauddin, Provincial Minister for Industries, Commerce & Investment was the Guest of Honor at the opening ceremony.

The automotive sector has a potential growth rate of 8% ~ 10% with the potential of approx. 200,000 new jobs (50,000 direct and 150,000 indirect) per annum. During the opening ceremony, eminent speakers from the industry, inter alia, highlighted the following challenges faced by the industry:

- a) Import duties and taxes are on a declining path in the industry
- b) Import of auto parts through the informal channel is detrimental for the growth of local industry.
- c) High regulatory duties on raw material has made the industry non-competitive.
- d) Import duties and taxes have been brought down, thus creating import imbalance as well as revenue loss for the sector.
- e) SRO 693¹ may be revised in consultation with the industry stakeholders for import of quality raw material.
- f) Industry Specific Deletion Program (ISDP) which ended in 2006 may be started again in order to enhance the product portfolio of auto parts manufacturers.
- g) Before negotiating FTAs with countries relevant association may be taken on board.
- h) In CPEC, government needs to devise strategies to protect the interests of the local industry. This can be done by binding the Chinese firms to set up their businesses in Pakistan through joint ventures only.

¹ In exercise of the powers conferred by sub-section (5) of section 18 of the Customs Act, 1969 (IV of 1969), the Federal Government is pleased to levy additional customs-duty on the import of goods.

Chairman PAAPAM applauded the role of Punjab Small Industries Corporation (PSIC) for operationalization the dormant Auto Parts Support Centre (APSC).

Guest of Honour, Minister for Industries, Commerce & Investment, Government of the Punjab, Sheikh Allauddin highlighted that the Government of Punjab is supporting the industry through its comprehensive strategic plan namely Punjab Growth Strategy 2018. The strategy has mainly four pillars encompassing all the factors required to support and uplift economic growth in the province by upto 8% this includes private sector led economic growth, creating 1 million jobs, training 2 million graduates in Punjab by 2018, etc. Automotive sector is the main driving force to support and contribute towards the objectives of Punjab Growth Strategy 2018. Government will keep supporting the automotive industry in all aspects. He appreciated the efforts of PAAPAM for organizing such a mega event.

The event concluded with the closing ceremony along with prize distribution ceremony of “Innovation Awards”. Deputy Managing Director, PSIC graced the occasion on behalf of the Managing Director, PSIC. In his closing address, Chairman PAAPAM once again reiterated his earlier remarks and appreciated the role of PSIC regarding operationalization of APSC through CDI.

Muhammad Arslan
Cluster Manager-Auto Parts

Picture Gallery

Inauguration



Inauguration of the event by Mrs. Shaista Malik, Member National Assembly



Inauguration of PAAPAM Skills Development Center - PSDC stall by Sheikh Allauddin Minister for Industries, Commerce & Investment

Visits on CDI Stall



Auto Parts Cluster team at CDI Stall



Briefing to Guest of Honor Sheikh Allauddin Honourable Minister for Industries, Commerce & Investment by Mr. Fazal ur Rehman, Project Director, CDI



Visitors at CDI stall



Visitors at CDI stall



Award of Shield to Project Director CDI by Chairman PAAPAM



Briefing to Deputy Managing Director, PSIC

Closing Ceremony



Speech by Deputy Managing Director, PSIC



Award of Shield to Deputy Managing Director PSIC by Chairman PAAPAM



Distribution of Innovation Award by Chief Guest, Deputy Managing Director, PSIC



Visit of stalls

