



External Relations Department

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SBP Eases Cash Margin Restriction on Imports

The State Bank of Pakistan (SBP) has eased 100 percent cash margin requirement on the import of certain raw materials to support manufacturing and industrial sectors and further enhance their capacity to contribute towards the recovery of the economy in post COVID-19 era.

The cash margin condition was initially imposed in 2017 on 404 HS Codes and later in 2018 on a further 131 items, with a view to contain the import of mostly consumer goods and to allow room for the import of more growth-inducing items.

Considering the challenges posed by the COVID-19 to the manufacturing sector and other economic segments, and on the representations made by various businesses and associations, the SBP re-evaluated the cash margin requirements and decided to remove this requirement on 106 items/HS Codes. For details: <https://www.sbp.org.pk/bprd/2020/CL43.htm>

The removal of the cash margin requirements on these items will support businesses' cash flows and liquidity, by freeing up funds previously held with the banks under cash margin against imports, and route these funds towards avenues of growth and development that will benefit the economy.

The SBP remains committed to facilitate industries and businesses in contributing to the growth and development of the country, and is ready to take any further actions required to support the overall manufacturing and industrial activity.
