



External Relations Department

ERD/M&PRD/PR/01/2022-107

September 13, 2022

No Restrictions on Import of Raw Materials: SBP Clarifies

Lately, some media reports and representatives of trade organizations have claimed that banks are not opening Letters of Credit (LCs) for essential raw materials including pharmaceuticals. This is contrary to the facts. It is clarified that there is no restriction on the import of raw material for any industry including export-oriented industry. It is further clarified that SBP has advised banks, through EPD Circular Letters # 9 and #11 of May 20, 2022 and July 5, 2022, to seek prior permission before initiating transactions for import of Motor Cars (CKD), Mobile Phones (CKD) and machinery (falling under HS codes Chapter 84, 85 and certain codes with prefix 87).

Keeping in view the concerns of the industry, SBP and the Federal Government, in consultation with the relevant stakeholders have devised a mechanism to accommodate import by different sectors/industries i.e. automobiles, mobile phones, home appliances, tractors, 2 & 3 wheelers, transformers & switchgear, auto parts manufacturers, telecom operators and exporters. SBP has already approved more than 7,000 cases till date. The delays in approval are caused sometimes because of submission of inaccurate or insufficient information to SBP. SBP is, however, striving hard to expedite the approval process as much as it can.
