

OBJECTIVE

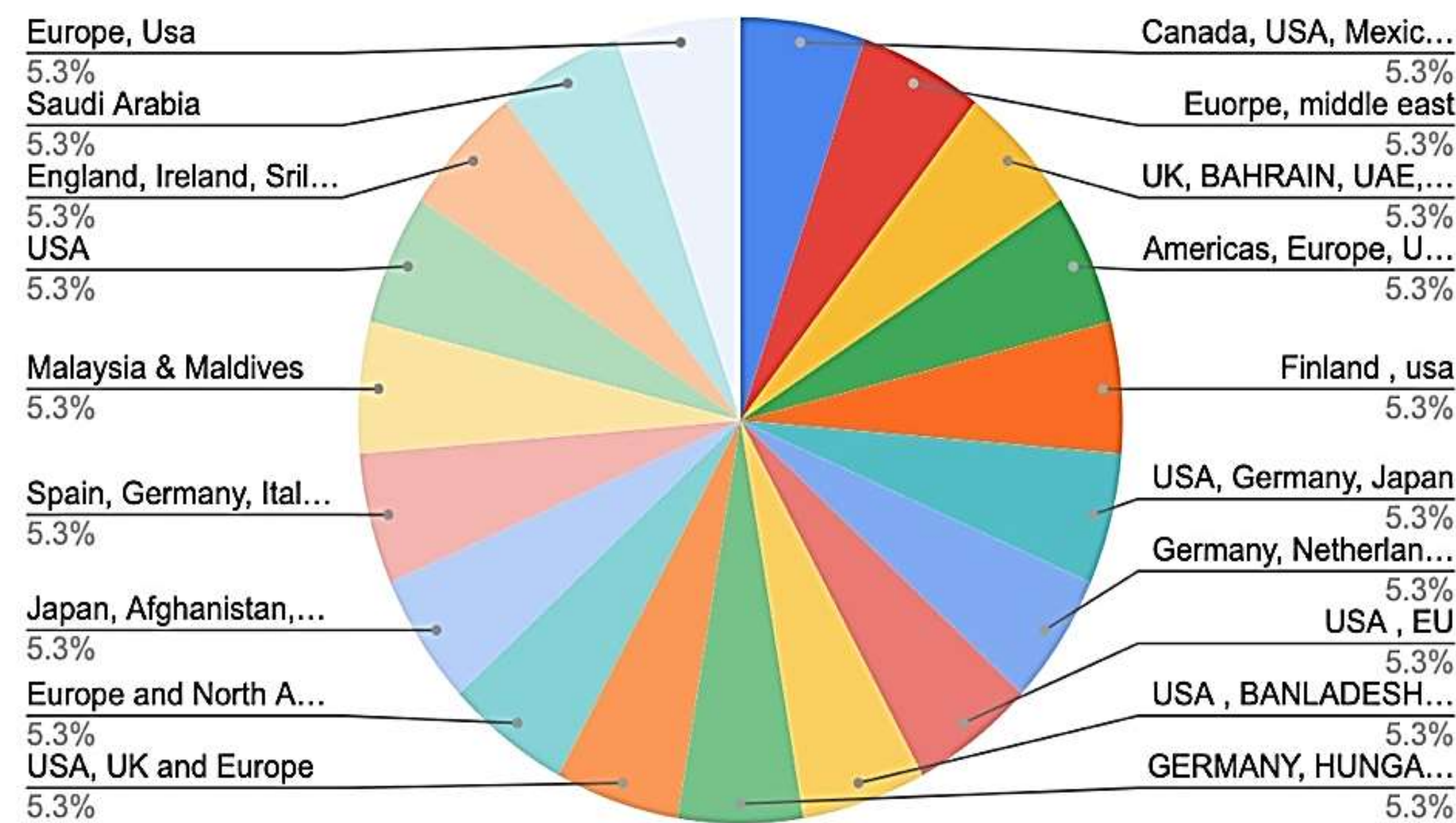
- AUTO PARTS EXPORT ENHANCEMENT WITHIN 5 YEARS
- *FROM US\$ 20 MILLION* TO US\$ 300 MILLION

*<https://www.commerce.gov.pk/wp-content/uploads/2021/07/Group-wise-Export-June-2021.pdf>

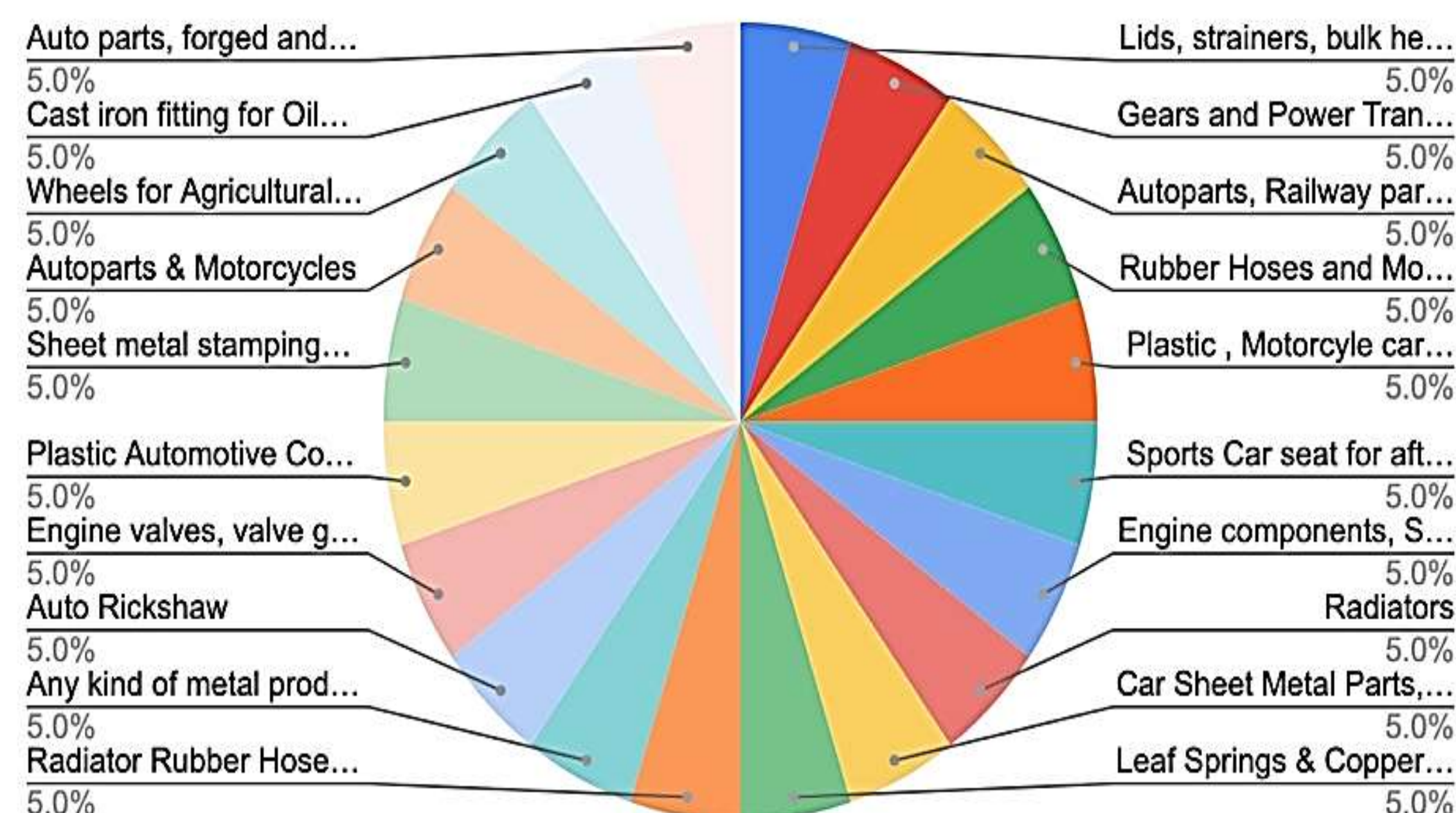
ROLE MODEL COMPANIES

- Rastgar Engineering Pvt,
- Mannan Shahid Forging Ltd,
- Darson Industries Pvt Ltd
- Kortech Auto Industries Pvt Ltd,
- MGA Industries Pvt Ltd,
- Mecas Engineering Pvt Ltd,
- Thermosole Industries,
- Synthetic Products Engineering Ltd,
- Infinity Engineering Pvt Ltd,
- Matchless Engineering Pvt Ltd,
- Landhi Engineering Works Pvt Ltd,
- Multi Teck Engineering,
- Power Vision System Pvt Ltd,
- Adamjee Engineering Pvt Ltd
- Precision products enterprises
- Amin Agencies
- Galaxy Polymer Engineering Pvt Ltd
- Techmen Engineering Products Manufacturer
- Sazgar Engineering Works Ltd
- Skyhigh Industries Pvt Ltd
- Sardar Enterprises
- Baluchistan Wheels Ltd
- Hussain Engineering Works Pvt Ltd
- Mehran commercial Enterprises

COUNTRIES WE ARE EXPORTING TO



AUTO PARTS BEING EXPORTED



POTENTIAL

AFTER MARKET

*Global Aftermarket Size \$482.5 Billion

- All parts being a low cost country and low rupee value, especially value added parts.

*<https://www.strategy.com/market-report-automotive-aftermarket-forecasts-global-industry-analysts-inc.asp>

**Global Auto Part Market Size \$2 Trillion

**<https://www.ibisworld.com/global/market-research-reports/global-auto-parts-accessories-manufacturing-industry/>

OEM SUPPLY

700 COMPONENTS - THEORETICALLY ADDRESSABLE BY PAKISTAN – DOMESTIC – AMENABLE TO GLOBAL SOURCING – PERCENTAGE % 42

44% PARTS ARE HITECH AGGREGARES & PROPRIETARY AS CYLINDER BLOCK ,STATE MOTOR etc

	Skill – Intensive parts	Labour – Intensive parts	Steel / Casting Iron / Rubber Intensive parts	Aggregate of Plastic & Metal
% Of total global market	26%	18%	6%	6%
Description of parts	High Process Engineering High Tooling	High labor (direct and indirect)	High steel cast iron, rubber	High plastic and silicon content with metal
Examples				
Likely offshoring to LCCs				
Pakistan's Competitiveness vs. other LCCs				

High ● Low ○

Source: HAWK report; Mckinsey analysis

ACTIONS REQUIRED

MOC / TDAP - ACTIONS

- Each OEM exports one model in next 5 years
- Establish a Help Desk for EXPORTERS including Intl Market Research
- Export Committee for each industry
- Increased `subsidy in fairs and participation in at least 5 fairs a year
- Mobilize commercial attaché to organize webinars with trade association and buying houses.

EDB - ACTIONS

- Raw materials import duty zero rate to be ensured
- Facilitate to form Joint Ventures and Technical Collaborations with International Companies
- No TAX on Royalty & TAA Fees,
- Plan to localize raw material manufacturers (Plastic, Sheet Metal etc)
- Making Export Road map in conjunction with the industry
- Set up for a state of the art testing, development lab/design house

SMEDA - ACTIONS

- Extensive training on improvement of productivity / capacity building / modern management
- How to build QA in the process
- Leading role in taking SMEs to export destinations.
- Initiate the Export coaching program
- Subsidize relevant certification as per export requirement

PAAPAM - ACTIONS

- Invite sialkot chamber to speak to our members
- Invite Role model companies to speak to our members
- Follow up with MOC / TDAP, EDB of SMEDA on proposed action with a Gantt chart
- PAAPAM collaboration with foreign association

ENTREPRENEURS - ACTIONS

- Changing the Entrepreneurs Mindset and getting passionate about export
- Capacity Building in your organization of production, Productivity and Quality Assurance.
- Learn and Embrace modern management techniques
- Develop Export Desk
- Desk Research at least 1000 distributors database
- Re-Invest In Technology. Technology is a critical enabler
- Participation in International Exhibitions Repeatedly
- Acquisition of related Certifications
- Website Development for Export
- Visit & meet Role Models (e.g Rastgar Eng, Mannan Shahid, Darson, SPEL, Kortech, Landhi, Mecas)
- GP likely to be more than what you get locally !

CONCLUSION

YOU CAN DO IT !

I have done it, he has done it, she has done it, they have done it.

YOU CAN DO IT TOO

SPECIAL THANKS FOR ADVISE FROM SOHAIL P AHMED