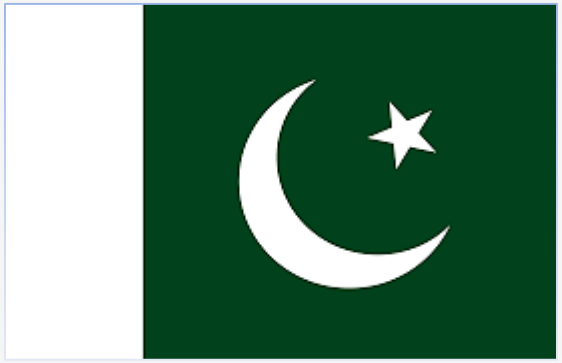
Automotive Sector of Pakistan



Engineering Development Board
Ministry of Industries and Production Islamabad

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Overview

- The breakdown of Automobile sector of Pakistan with respect to vehicle manufacturing units is as under
  - ✓ Cars/SUVs 7
  - ✓ Tractor 8
  - ✓ Truck/Buses 8
  - ✓ LCVs/Pickups/Van 8
  - ✓ Two/Three Wheelers 132

Auto Sector at a Glance

Cars/SUVs	LCVs	Tractors	Motorcycles	Trucks	Bus
Toyota	Suzuki	Millat Tractors	Honda	Hino	Hino
Suzuki	Al-Haj FAW	Al-Ghazi	Yamaha	Isuzu	Mitsubishi
Honda	Toyota	Universal	Suzuki	Foton	Daewoo
United Motors	Dewaan	Hero	Qinqqi	Dongfeng	Isuzu
KIA Motors	Master	Farmall Technology	United	Daewoo	Youtong
Hyundai	Forland	Arzoo Tractors	Hero	Forland	
Al-Haj (FAW) Proton *	DFSK	PM Auto Industries	Other Chinese Brands		
	Hyundai	Orient/MTW			

Automobile Players

Recent Performance

Products	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018 -19
Cars	120,332	116,605	152,524	179,944	186,936	218,372	**211,365**
Jeeps	1,475	1,217	1,109	773	3,530	13,364	**7,525**
Pick-Up and LCV	15,264	18,597	30,154	38,231	27,507	32,530	**25,306**
Trucks/Prime Movers	2,284	3,431	4,738	6,648	9,097	9,270	6,130
Buses	650	789	973	1,394	1,339	1,056	1,139
Tractor	51,977	35,253	45,862	33,982	47,799	71,894	49,902
Motorcycle	1,657,411	1,703,106	1,770,239	2,060,385	2,473,687	2,761,747	2,437,871

Breakup of Car Production

Manufacturers	Cars	Capacity	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Pak Suzuki Motors	Swift	150,000	5,047	3,319	4,176	4,376	4920	5,509
	Cultus		14,467	14,142	16,772	17,797	19,894	23,584
	Mehran		28,485	30,381	36,869	38,311	47,199	30,649
	Wagon-R		2,532	5,067	9,504	17,516	29,954	1,472
	Bolan		13,991	23,952	30,088	19,531	21,879	33,176
Total			64,522	76,861	97,409	97,531	123,846	112,119
Honda Atlas	Civic & City	55,000	23,605	24,271	25,061	36,531	42,710	40,452
Total			23,605	24,271	25,061	36,531	42,710	40,452
Toyota Indus	Corolla	80,000	28,124	51,392	57,474	52,874	51,218	56,684
Total			28,124	51,392	57,474	52,874	51,218	56,684
Al Hajj Faw	V2	15,000	-	-	-	-	598	805
United Motors	Bravo	10,000					118	1,305
Grand Total		310,000	116,251	152,524	179,944	186,936	218,490	211,365

Existing JVs: Collaborations

COMPANY	JOINT VENTURE	PRODUCT
Indus Motor Co.	Toyota, Japan	Corolla Cars
Atlas Honda Ltd.	Honda, Japan	Honda Cars/ Motorcycles
Pak Suzuki Motor Co.	Suzuki, Japan	Cars, Van, Jeep, Pickup
United Motors (Pvt) Ltd	LUOYANG DAHE New Energy Vehicle Co Ltd.,China	Cars
Suzuki Motorcycle	Suzuki, Japan	Suzuki Motorcycle
Ghandhara Nissan Ltd.	Nissan, Japan (Datsun)	Cars
Master Motor Ltd.	Changan -International Corporation China	HCVs, SUVs, Buses
Afzal Motors	Daewoo, Korea	Buses
Al-Haj Automotive	Proton-Malaysia	Cars & SUVs
KIA Lucky Motors	KIA Korea	Cars & SUVs
Hyundai Nishat Motors	Hyundai Korea	LCVs, Cars, SUVs

Automotive Development Policy

- Automotive Development Policy (ADP 2016-21)
- To facilitate higher volumes, investment, competition, quality and latest technology
- Balance between industrial growth and tariffs for sustainability of all stakeholders
- Ensuring Consumer Welfare
- Providing consistency & predictability to investors
- Mid term review mechanism to cater for emerging developments

Salient Features of ADP

- New Investment Incentives
- Five Year tariff plan for existing OEMs
- To curb misuse of Import Policy (vehicles)
- Provide regulatory and enforcement mechanism for Quality Safety & Standards (WP-29)
- Establishment of Pakistan Automotive Institute
- Ensure Consumer Welfare
- Truck Financing, Incentivizing Fleet Operations
- Reorganization of AIDC

Progress

- Manufacturing license granted to 18 New Companies
- Two closed units revived
- Total Investment more than Bn USD approx
- Japanese, Chinese, Korean, European, Malaysian Companies invested under ADP (Six in Production)
- Existing Companies enhanced capacity
- Accession to WP 29-Summary Approved by Cabinet
- Pakistan will sign 1958 Agreement

Opportunities

- Population, 22 Billion, 6th Largest Nation
- Vehicle Population 16 per 1000 persons
- Increasing income and GDP per capita
- Opportunities in part manufacturing for Foreign Companies
- Policy under review for benefits to part makers
- Approx 10 Times Large after market
- Harmonization through WP-29 will strengthen bi-lateral trade with member countries.

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THANKS