

INCENTIVES AS PER SRO 266(1)2001

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| <p>Gold and Gems Stones Entrustment scheme</p> | <p>The Entrustment Scheme provides for export of gold jewelry and articles, against gold supplied as partial advance payment, by the foreign buyer, to the extent of the quantity of gold including wastage used in the manufacturing of the exported items.</p> <ul style="list-style-type: none">• The exporter shall supply gold jewelry of contracted quantity of gold content within ninety (90) days from the date of import.• The foreign buyer, exporter or authorized representative shall be allowed to send by air or sea cargo or bring gold into Pakistan personally after informing Custom Authorities.• For the purpose of import of gold, the exporter shall deposit, with his bank a cash margin equal to one per cent other value of gold to be imported. Provided that an exporter of gold jewelry, within average annual export performance of fifty million rupees in the last three fiscal years, shall be exempt from the one per cent cash margin requirement;• The exporter shall also be allowed to import gold Jewellery for repair or remaking and re-export.• Import of gold and gemstones under this scheme shall be exempt from normal import tariffs. |
| <p>Export of Gold Jewellery and Gemstones on Self consignment bases</p> | <p>The import authorization shall be valid for one hundred and twenty (120) days from the date of bringing back gold and gemstones and any unsold gold jewelry or gemstones;</p> <ul style="list-style-type: none">• The sale proceeds shall realized, within one hundred and twenty days form the date of export on foreign exchange through normal banking channels. |
| <p>Sales of Jewelry to foreign buyers and overseas Pakistanis</p> | <p>Foreign national and overseas Pakistanis shall be allowed to take out personally gold jewelry or gemstones up to the limit of US Dollars ten thousand, against foreign currency encashment certificate, with itemized purchase receipts and, if the value exceeds US Dollars ten thousand, the normal export procedure shall be</p> |

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| <p>Display or sale in international fairs and exhibitions</p> | <p>followed. Exporter shall be allowed to take out gold jewelry and gemstones, for display and sale in international fairs and exhibitions.</p> <ul style="list-style-type: none">• Items not sold abroad shall be re-imported within forty-five days of the close of the exhibition;• The gold contents of items sold in such exhibitions may be imported as replenishment within sixty days after the close of the exhibition; and• Exporters may take out as personal baggage's gold jewelry and gemstones as samples up to a value of US Dollars one hundred thousand, for export promotion tours and temporary display abroad, such gold jewelry and gemstones shall be brought back within forty-five days from the date of departure. |
| <p>Import entitlement of gold, gemstones and other raw material</p> | <p>In case of exports of gold jewelry made from locally produced gold and gemstones, the exporter shall be entitled to replenishment of gold at one hundred per cent of gold content of jewelry exported including wastage and gemstones actually used in the jewelry exported and the exporter shall be entitled to claim import entitlement for the replenishment within one hundred and eighty (180) days from the date of realization of export proceeds.</p> <ul style="list-style-type: none">• Import of raw materials used in the production of gold jewelry and gemstones shall be allowed to the exporter as replenishment and such imports shall be freely transferable, namely:<ul style="list-style-type: none">• Gold: Equal to the gold content of gold jewelry actually exported, including wastage.• Gemstones: Up to 70% of the f.o.b. value of gemstones used in embedded or studded gold jewelry or loose gemstones actually exported.• Other raw materials and equipment: Import of the following raw materials and equipment shall be allowed up to seventy per cent of value addition i.e. f.o.b. export value of gold jewelry and gemstones actually exported, less value of gold content including wastage and value of |

