

Import of used cars may be allowed

By Parvaiz Ishfaq Rana

KARACHI, May 31: The government is considering allowing commercial import of used cars and the matter is expected to be put up before the Economic Coordination Committee and the cabinet in the next meeting, official sources disclosed on Monday.

Sources said the decision to allow import of used cars is being taken to check ever-rising prices of locally assembled cars, particularly when they are managed by controlling supply against demand.

For long the Ministry of Industries and Production (MOI&P) and Engineering Development Board (EDB) had been advising the car assemblers/manufacturers to protect interests of consumers by avoiding frequent rise in sale price of cars.

However, sources close to the ministry told *Dawn* from Islamabad that a summery is ready and would be put up before the ECC meeting expected to be held soon.

The government circles believe that enough time had been given to local manufacturers of cars to safeguard the interests of consumers but this did not work.

The sources said that it has been pointed

out in the summery that supply is being managed by car manufacturers against demand and premium is being charged. Over and above the entire price of cars and taxes are being collected from buyers much before delivery.

Consequently, the government is seriously considering allowing commercial import of cars so that consumers' interest is safeguarded and local manufacturers are also tamed, official sources added.

Within the government circles, the Ministry of Industries and Production had been facing a lot of criticism for not protecting consumers' interests and that it had been not playing its due role as a regulatory body.

On the contrary, the MOI&P had only been giving concessions to the industry and had also failed to implement Auto Industry Development Programme (AIDP), they added.

There is growing realisation amongst government decision makers in general and the MOI&P that local manufacturers have ganged up to increase car prices of all makes and models, official sources maintained.