

2024

Trade Analysis Series Musical Instruments



Turn Potential into Profit

Small and Medium Enterprises Development Authority

(SMEDA)

Ministry of Industries & Production
Government of Pakistan

www.smeda.org.pk



1. Product Description

Pakistan has a vibrant musical instrument industry, crafting a diverse range of instruments such as drums, xylophones, cymbals and castanets. These instruments, cherished both domestically and abroad, find their way to various countries, with key export markets in the Middle East, Southeast Asia, and the Gulf region. The musical instrument trade is influenced by factors like adherence to international quality standards, trade barriers, and fluctuations in global demand. The industry faces challenges related to infrastructure development, supply chain efficiency, and sustainability. Nevertheless, by strategically investing and adhering to international standards, Pakistan is determined to extend its reach in the global musical instrument market. This endeavor seeks to promote exports, thereby making a significant contribution to the nation's economic growth.

The Harmonized Commodity Description and Coding System (referred as HS Codes) designated for trade of Musical instruments; parts and accessories of such articles is 92. The brief description of sub categories falling with-in product category of HS 92 is provided in the following table:

Table 1: Musical Instruments HS Code Details

HS Code	Product Description
9201	Pianos, incl. automatic; harpsichords and other keyboard stringed instruments
9202	String musical instruments, e.g. guitars, violins, and harps (excl. with keyboard)
9203	Keyboard pipe organs; harmoniums and similar keyboard instruments with free metal reeds (excluding string musical instruments)
9204	Accordions and similar instruments; mouth organs
9205	Wind musical instruments "e.g. clarinets, trumpets, bagpipes, keyboard pipe organs, harmoniums and similar keyboard instruments with free metal reeds, accordions and similar instruments, mouth organs"
9206	Percussion musical instruments, e.g. drums, xylophones, cymbals, castanets, maracas
9207	Musical instruments, the sound of which is produced, or must be amplified, electrically, e.g. organs, guitars, accordions
9208	Musical boxes, fairground organs, mechanical street organs, mechanical singing birds, musical saws and other musical instruments
9209	Parts and accessories for musical instruments, e.g. mechanisms for musical boxes, cards, discs and rolls for mechanical instruments, n.e.s; metronomes, tuning forks and pitch pipes of all kinds

Source: Trade Map

2. Global Trade of Musical Instruments

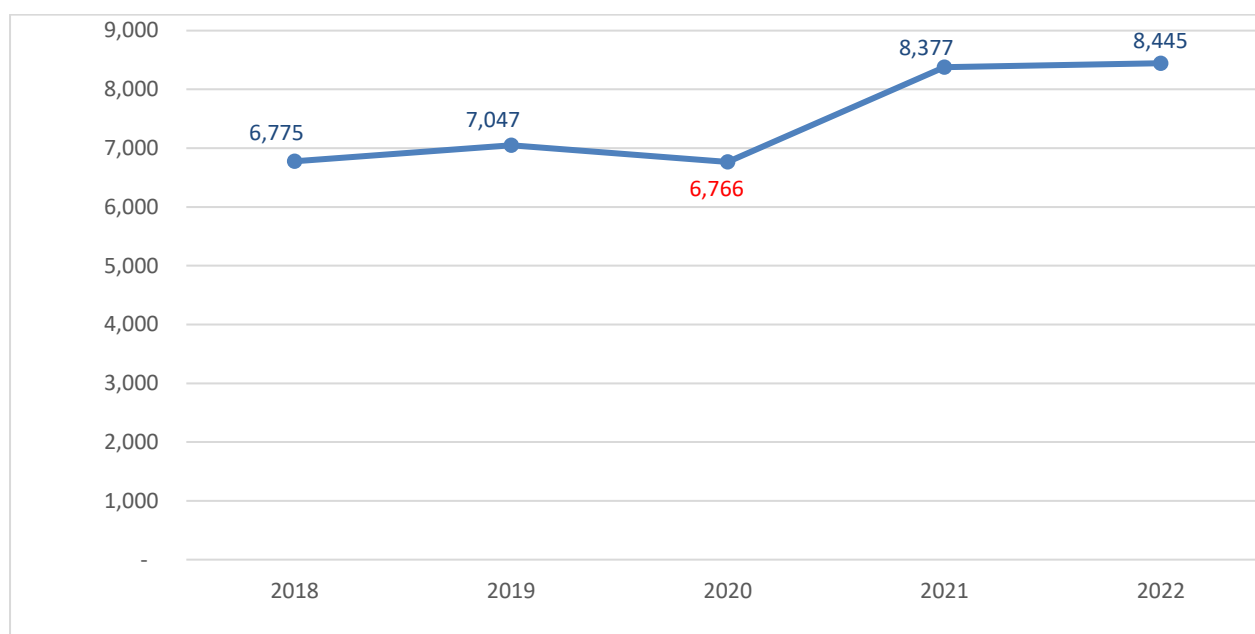
Exports of Musical Instruments were valued at US \$ 8,445 million in 2022. The Musical Instruments trade exhibited growth from 2018 to 2019, experienced a decline in 2020, and then rebounded with positive growth in 2021 and 2022.

Table 2: Global Exports of Musical Instruments HS 92 - Last 5 Years (US \$ million)

Description	2018	2019	2020	2021	2022
World Exports (Value is US \$ Million)	6,775	7,047	6,766	8,377	8,445
Growth (%age)	8.10%	4.01%	-3.99%	23.81%	0.82%

Source: Trade Map

Figure 1: Growth Trend in World Exports of Musical Instruments HS 92 (Value US \$ Millions)



Source: Trade Map

Product Subcategory Wise Global Exports (HS Code: 92)

Global exports for each subcategory of products traded under HS: 92 between 2018 and 2022 are shown, in the following table;

Table 2: Global Exports of Sub-Categories of Musical Instruments HS 92 - Last 5 Years (US \$ million)

Sub-Category HS Codes	2018	2019	2020	2021	2022
9207	1,993	2,165	2,320	2,895	2,917
9209	1,443	1,486	1,419	1,694	1,682



9202	992	1012	1033	1273	1669
9201	847	885	782	1000	956
9205	865	844	650	708	824
9206	451	456	386	482	555
9208	123	130	122	169	190

Source: Trade Map

Major Exporters (HS Code: 92)

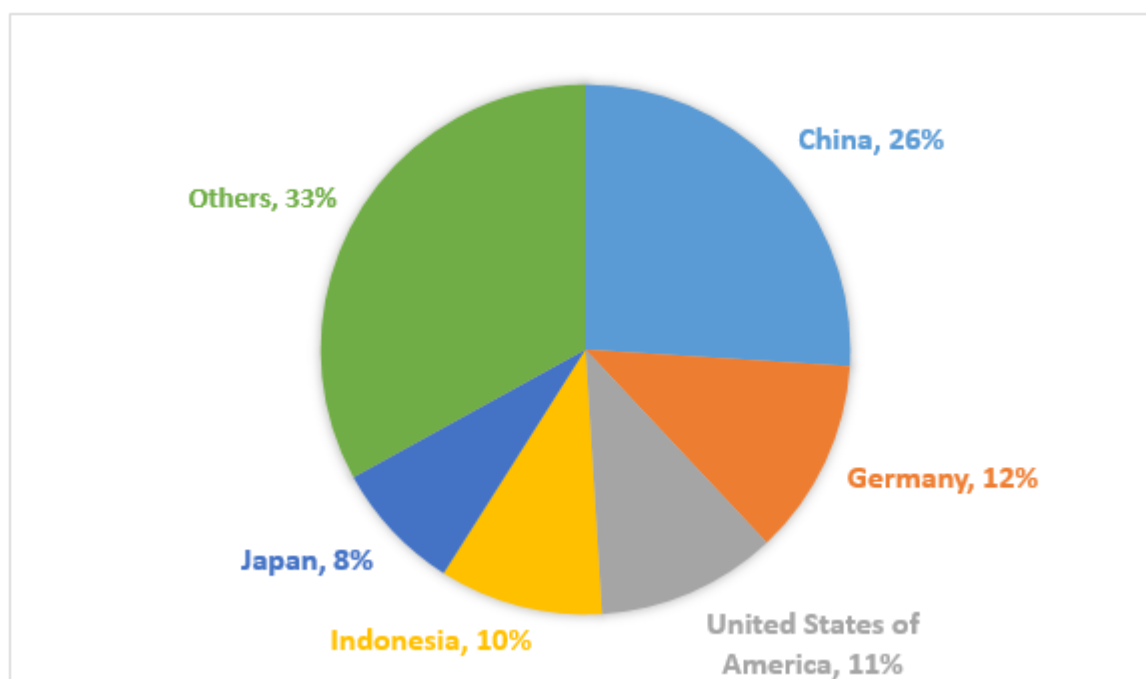
During the last 5 years, the global exports of Musical Instruments have been dominated by China followed by Germany. The export values and market share of the five biggest exporting countries in 2022 are provided in the table and figure below.

Table 3: Major Musical Instruments HS 92 Export Countries

Sr. No.	Country	Exports in 2022 (Value in US \$ Million)	Growth in Export value (2018 – 22) – Avg.
1	China	2,190	7.5%
2	Germany	1,018	8.9%
3	United States of America	936	6.0%
4	Indonesia	800	8.6%
5	Japan	673	3.8%

Source: Trade Map

Figure 2: Market Share of Major World Musical Instruments HS 92 Exporters in 2022



Major Importers (HS Code: 92)

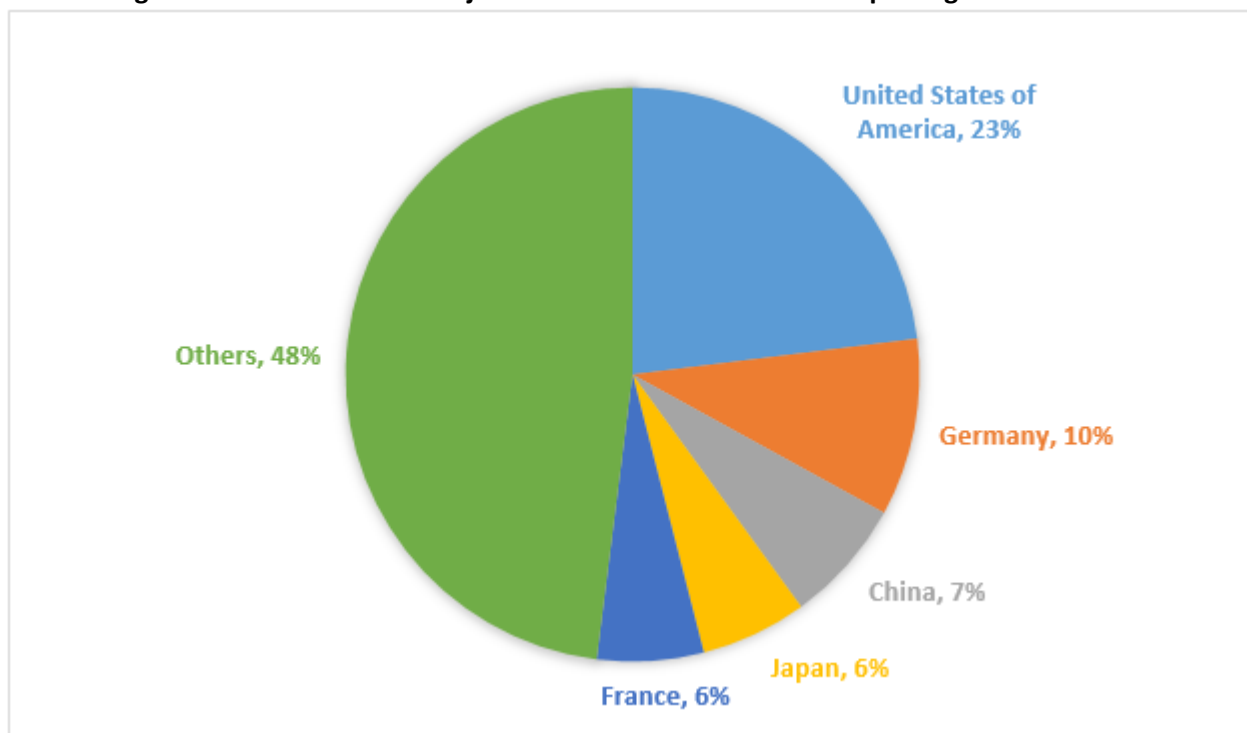
During the year 2022 - the largest importer of Musical Instruments was United States of America with 23% share in world imports, followed by Germany and China with 10% and 07% share respectively. The import value and growth in imported value of Musical Instruments from 2018 – 2022 of the five major importing countries are provided in the table and figure below.

Table 4: Major Musical Instruments HS 92 Importing Countries in 2022

Sr. No.	Country	Imports (Value in US \$ Million)	Growth in Import value (2018 – 22) – Avg.
1	United States of America	1,976	9.3%
2	Germany	876	5.6%
3	China	564	8.1%
4	Japan	528	1.6%
5	France	485	5.8%

Source: Trade Map

Figure 3: Market Share of Major Musical Instruments HS 92 Importing Countries in 2022



Source: Trade Map

3. Pakistan's Export of Musical Instruments

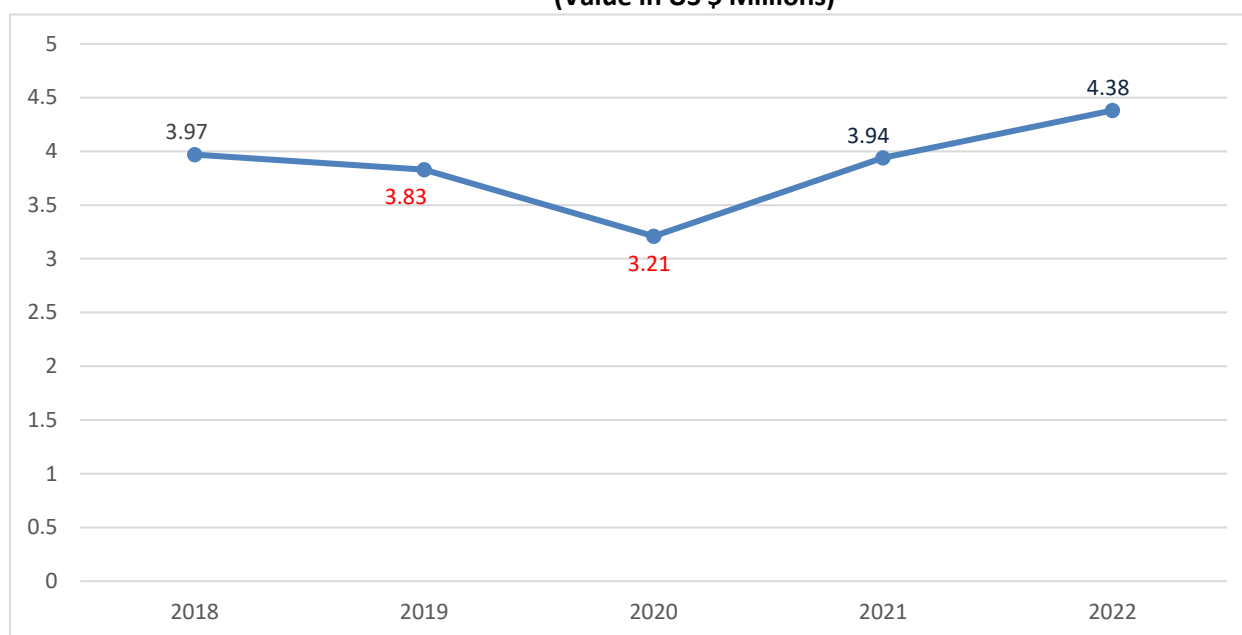
Pakistan is the 46th largest exporter of Musical Instruments in 2022 with export value of US \$ 4.37 million. Pakistan's overall export of Musical Instruments during the last five years i.e. from 2018 to 2022 is given in table below.

Table 5: Pakistan Musical Instruments HS 92 Export – Last 5 Years (Value in US \$ Millions)

Description	2018	2019	2020	2021	2022
Pakistan's Exports (Value is US \$ Millions)	3.97	3.83	3.21	3.94	4.38
Growth (%age)	16.66%	-3.63%	-16.23%	22.84%	11.15%

Source: Trade Map

Figure 4: Growth Trend of Pakistan's Musical Instruments HS 92 Export – Last 5 Years (Value in US \$ Millions)



Source: Trade Map

Pakistan's Subcategory Wise Exports (HS Code: 92)

Pakistan exports for each subcategory of products traded under HS: 92 between 2018 and 2022 are shown, in the following table;

Table 5: Pakistan Sub-Categories of Musical Instruments HS 92 Export – Last 5 Years (Value in US \$ Thousands)

Sub-Categories HS Codes	2018	2019	2020	2021	2022
9206	817	1,064	851	1,249	1,654
9205	1,121	884	772	1,229	1,095
9202	607	649	414	671	634
9209	1,276	874	745	453	491
9208	131	330	364	311	346
9207	18	24	36	23	157
9201	0	1	23	2	0

Source: Trade Map

Pakistan's Export Destinations and Market Share

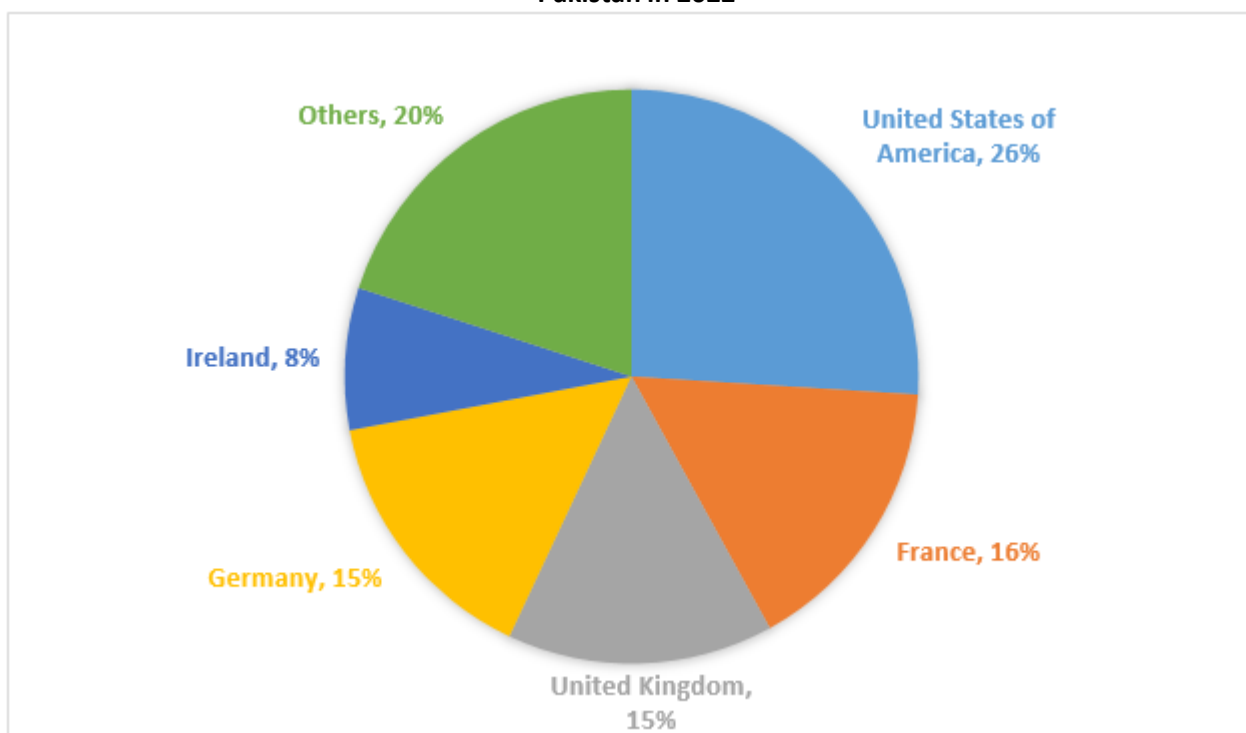
The table and chart below provides the market share of Pakistan's largest export destinations. United States of America is solely contributing 26% of Pakistan's total export value which is followed by France and United Kingdom with 16 % and 15% share respectively. The export value in (US \$ Millions) and growth in value between 2018 – 2022 in %age per annum of the five biggest export designations in 2022 are provided in the table and figure below.

Table 6: Major Musical Instruments HS 92 Export Designations for Pakistan in 2022

Sr. No.	Country	Exports (Value in US \$ Million)	Growth in Export value (2018 – 22) – Avg.
1	United States of America	1.13	2.33%
2	France	0.69	25.78%
3	United Kingdom	0.65	-2.26%
4	Germany	0.65	7.44%
5	Ireland	0.34	27.23%

Source: Trade Map

Figure 5: Market Share of Major Musical Instruments HS 92 Importing Countries from Pakistan in 2022

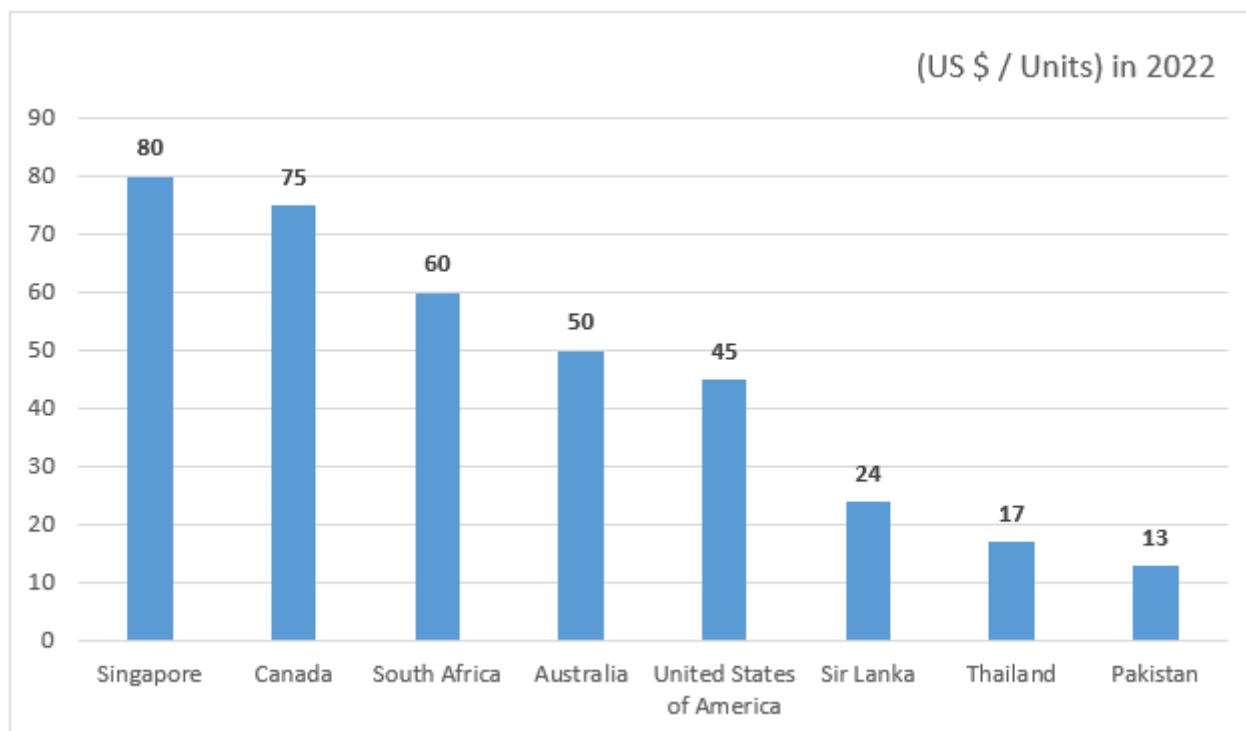


Source: Trade Map

Price Competitiveness of Pakistan's Musical Instruments Export

The musical instrument industry in Pakistan showcases notable price competitiveness in its exports. Fueled by skilled craftsmanship and a rich cultural heritage, Pakistan produces musical instruments that not only meet high-quality standards but are also competitively priced on the international market. The country strategically positions itself as an attractive source for affordable musical instruments. This focus on price competitiveness, coupled with a commitment to quality, has contributed to the industry's success in catering to global demand, making Pakistan a significant player in the international musical instrument trade. The provided chart outlines the specifics of countries with the highest prices for Musical Instruments exports in 2022.

Figure 6: Price Comparison for HS code 9206 “ Percussion Musical instruments, e.g. drums, xylophones, cymbals, castanets, maracas” in 2022



4. Pakistan's Import of Musical Instruments

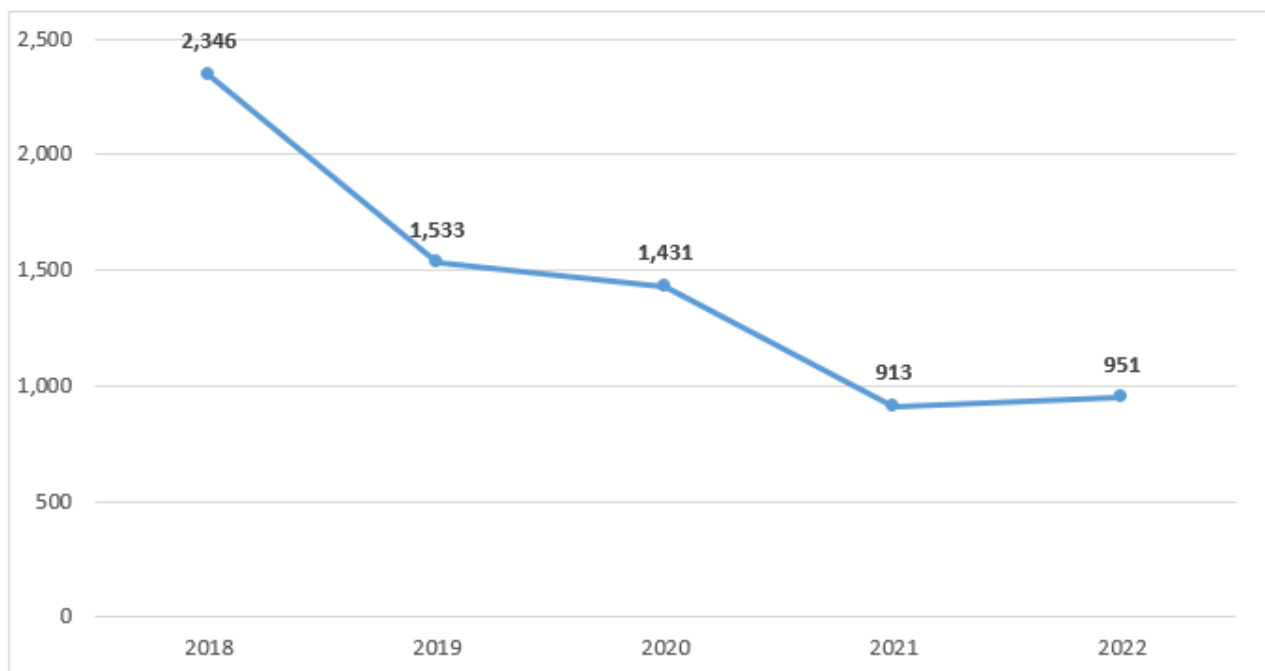
Pakistan's total value of Musical Instruments imports in 2022 was US \$ 951 thousands. In last five years, highest import of Musical Instruments was during 2018 which was US \$ 2,346 thousands. The import data of Musical Instruments is provided in the table and graph below.

Table 7: Pakistan Musical Instruments HS 92 Imports – Last 5 Years (Value in US \$ Thousands)

Description	2018	2019	2020	2021	2022
Pakistan's Imports (Value is US \$ Thousands)	2,346	1,533	1,431	913	951
Growth (%age)	123.64%	-34.65%	-6.65%	-36.20%	4.16%

Source: Trade Map

**Figure 7: Growth Trend of Pakistan's Musical Instruments HS 92 Imports – Last 5 Years
(Value in US \$ Thousands)**



Source: Trade Map

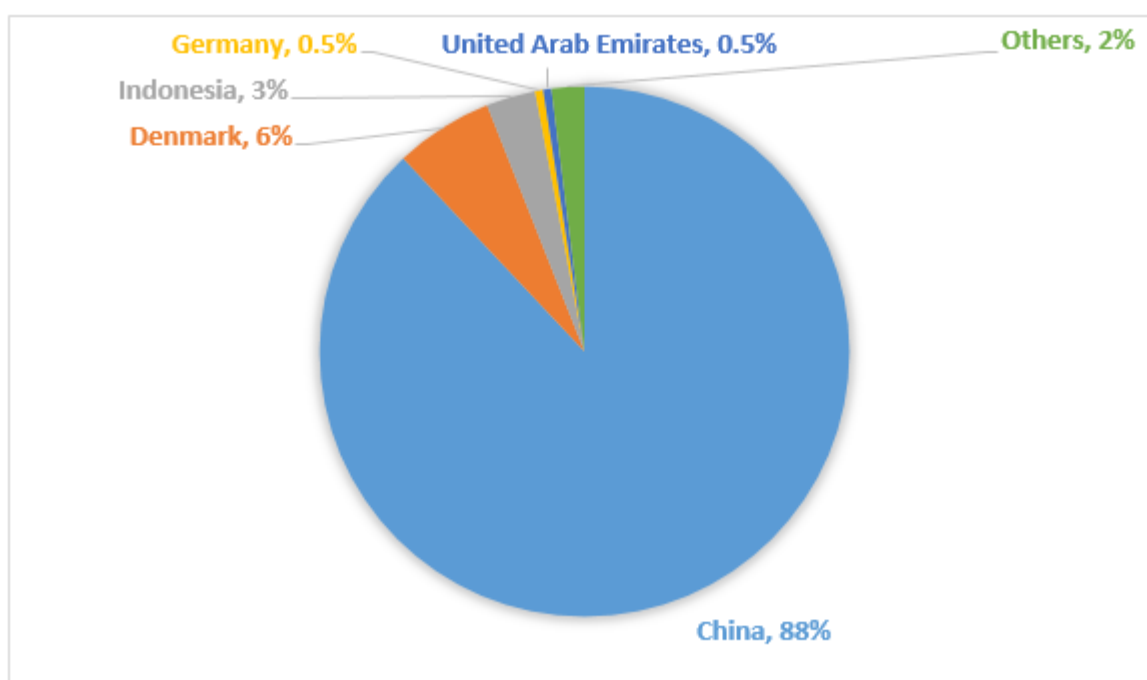
Pakistan's Import Partners and Market Share

China was the largest exporter of Musical Instruments products to Pakistan in 2022 with 88 % share. Furthermore, Pakistan also imported Musical Instruments from Denmark and Indonesia as depicted in the figure below.

Table 8: Major Musical Instruments HS 92 Import Partners of Pakistan in 2022

Sr. No.	Country	Imports (Value in US \$ Thousands)	Growth in Import Value (2018 – 22) – Avg.
1	China	840	12%
2	Denmark	61	-
3	Indonesia	28	2%
4	Germany	5	-
5	United Arab Emirates	5	23%

Source: Trade Map

Figure 8: Market Share of Major Musical Instruments HS 92 Import Partners of Pakistan in 2022

Source: Trade Map

5. Pakistan's Export Trade and Tariff

Knowing customs duties (or tariffs) are important to take decision of choosing a product or service for import or export economically feasible or not. In the same manner to claim refund or rebate again knowing custom duty is essential. Whole circle of import and export depends upon knowing and using the custom tariffs/duties or exemptions. Determining which customs duty is applicable to a product is a complex exercise and expert advice may be sought. Customs Act, 1969, Customs Rules 2001 are the relevant law and Pakistan Customs under FBR is the only authority to deal with custom tariffs and rules. Government often changes duty structure and rules due to which these are not stagnant. Following is the link to check the customs tariffs/duties applicable in which Pakistan Customs is the final authority to the extent of Pakistan.

<https://www.fbr.gov.pk/categ/customs-tariff/51149/70853/131188>

6. Prominent International Trade Fairs

Name of Trade Shows	Location	Frequency	Web links
APC - Instrumentos Musicais, Lda	Portugal, city CELEIRÓS BRG	Annual	http://www.apc-instruments.com
Guangzhou Pearl River Piano Group Co., Ltd.	China, City Guangzhou	Annual	http://www.pearlriverpiano.com
ALGAM	France, City THOUARE SUR LOIRE	Annual	http://www.algam.net
HOHNER Musikinstrument e GmbH	Germany, City Trossingen	Annual	http://www.matth-hohner-ag.de
BSG Musical Instruments s.r.o.	Czech Republic, City Žamberk	Annual	http://www.bsguitars.cz
Commsandsound Com Ltd	United Kingdom, City Eastbourne	Annual	http://www.commsandsound.com
KING OF MUSIC INSTRUMENT SRL	Romania, City SATU MARE	Annual	http://www.musicdepo.ro