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Pharmaceutical goods’ export increase 4.49pc in 7 months

ISLAMABAD - The export of pharmaceutical goods from the country witnessed an increase of 4.49 percent during the first seven months of current financial year (2019-20) as compared to the export of corresponding period of last year. The pharmaceutical exports were recorded at $129.100 million during July-January (2019-20) as against the export of $123.555 million during July-January (2018-19), showing growth of 4.49 percent, according to the Pakistan Bureau of Statistics (PBS). In term of quantity, the export of pharmaceutical products also increased by 8.25 percent by going up from 7,588 metric ton to 8,214 metric ton, according to the data. Meanwhile, on year-on-year basis, the pharmaceutical export however witnessed nominal decline of 0.41 percent during the month of January 2020 as compared to the same month of last year. The pharmaceutical exports in January 2020 were recorded at $16.999 million against the export of $17.069 million in January 2019, the PBS data revealed.

On month-on-month basis, the exports of pharmaceutical product decreased by 12.30 percent in January 2020 when compared to $19.384 million in December 2019. It is pertinent to mention here that the country’s merchandise trade deficit plunged by 28.40 percent during the first seven months of the current fiscal year (2019-20) as compared to the deficit of the same month of last year. During the period under review, the country’s exports registered about 2.14 per cent growth, whereas imports reduces by 15.95 per cent, according the foreign trade statistics, released by the Pakistan Bureau of Statistics (PBS). During the period from July-January (2019-20), exports reached to $13.498 billion against the exports of $13.216 billion of the same period of last year, it added. Meanwhile, the country’s imports witnessed significant decrease of 15.95 % as these went down from $32.420 billion in first seven months of last financial year to $27.249 billion of same period of current financial year, it said.

Efforts on to promote IT exports, encourage IT companies

ISLAMABAD - Ministry of Information Technology and Telecommunication is making special efforts to promote IT exports and encourage IT companies. IT & IT enabled services (ITes) export remittances have surged to $550.503 million at a growth rate of 24.71% during the first six months of FY 2019-20 (July-December), in comparison to $441.435 million during same period in FY 2018-19, according to performance report of Pakistan Software Export Board (PSEB), an organization under Ministry of IT and Telecommunication. The number of PSEB registered IT & ITes companies has risen to 2163 as of 30th December 2019 compared to 1873 valid registrations as of December 2018 at growth rate of 15.5 %. PSEB facilitated 5 IT companies for attending Canada Pakistan ICT Forum, held in Toronto, Canada from September 23-27, 2019 besides facilitating participation of 20 IT companies in Pakistan Tech Summit 2019 in Norway on September 25 last year. PSEB organized participation of Pakistan’s IT companies
Shafiq A Shahzad

March 3, 2020

Pakistan, UK trade volume in 2019 remained £2,043m

LONDON/Islamabad-The trade volume between Pakistan and the United Kingdom (UK) during the calendar year, January-December 2019, remained £2,043 Million showing an increase of six percent as compared to the corresponding period last year (2018), High Commission sources said. Trade and Investment Wing of Pakistan High Commission London Head Shafiq A Shahzad told APP that the UK is an important trading partner of Pakistan. He said that in fact, the UK is also the 3rd largest destination of the Pakistani exports globally and the top destination within (European Union (EU)). Shahzad said within EU, UK is also main source of Foreign Direct Investment (FDI) in Pakistan. Pakistan, he said, is also one of the largest beneficiaries of funding through British Department for International Development (DFID) programme. “All these facts prove the commercial importance of UK for Pakistan”, he remarked. Pakistan, he said, was also benefiting from the grant of Generalized Scheme of Preference (GSP) plus status which has helped in picking up our exports revenue in the EU region at a time when exports in other markets were falling. Highlighting the trade analysis, Safiq Shahzad said trade volume between Pakistan and the United Kingdom during the calendar year remained £ 2,043 million which showed an increase of 6 per cent as compared to the corresponding year of 2018.

He further informed that Pakistan’s exports during the year 2019 have registered a growth of 3.2 per cent which was a healthy sign and the imports from UK have shown a decline of 1.9 per cent, that has improved the balance of Trade by 6 per cent as compared to the last year. Mr. Shahzad added that during the year 2019 the composition of Pakistan’s export basket revealed a lion share of Textile group followed by Food Group. He revealed that in the calendar year January-December 2017, Pakistan exports to UK stood at Pounds £1247 million, January-December 2018 Pounds £ 1270 million and in January-December 2019 it remained at £ 1,311 million. Similarly, he said that Pakistan’s imports from the UK in the year January-December 2017 registered £ 686 million, in the same period in 2018 stood at £ 746 million while these remained at £ 732 million in the year 2019. Shahzad said that total trade volume between Pakistan and the United Kingdom in the year January-December 2017 stood at £ 1933 million, and in the year January-December 2018 it was £ 2016 million. While, he said, that the total trade volume between Pakistan and the UK from January to December 2019 remained £ 2043 million. Shafiq Shahzad further said the balance of trade between Pakistan and UK in January-December 2017 was £ 561 million, while it was £524 million in January-December 2018 and it stood at £ 579 million in January-December 2019.
On the other hand, Federal Minister for Planning, Development and Special Initiatives, Asad Umar on Monday appreciated the current level of Britain’s engagements in Pakistan and affirmed the resolve to improve the bilateral business and investment relations to new heights. British High Commissioner Dr Christian Turner called upon the Federal Minister for Planning, Development and Special Initiatives Asad Umar here said a press release issued by Ministry of Planning, Development and Special Initiatives. Federal minister highlighted the potential for British investors in new areas of economy such as telecommunication, information technology, as well as investment in agriculture, health, higher education and skill development. Both sides affirmed the resolve to further expand the areas of cooperation and increase economic, cultural, and educational cooperation. He said that the reform process was bearing fruit, as Pakistan’s economy was taking off and inflation was likely to decrease further. He remarked that Pakistan was on the path to sustainable growth and after the successful implementation of IMF program, Pakistan would overcome its recurring balance of payment problem. Asad Umer said that China Pakistan Economic Corridor (CPEC) has entered its second phase and its development would be led by the private sector. He asked the High Commissioner to urge the British investors to fully exploit this opportunity. British High Commissioner Dr Christian Turner said that the UK would explore the potential of investments in such areas as clean energy, combating climate change, health, education and tourism sectors in Pakistan.

March 5, 2020

Balance of Trade improves significantly

ABDUL RASHEED AZAD

ISLAMABAD: The country’s balance of trade during July-February 2019-2020 has improved by 26.52 percent from $21.46 billion in July-February 2018-2019 to $15.77 billion, the Pakistan Bureau of Statistics (PBS) said. According to the PBS’ exports and imports figures of July-February 2019-2020 during the period, Pakistan’s exports recorded a growth of 3.65 percent from $15.1 billion to $15.65 billion. Imports of the country during the period witnessed a decline of 14.06 percent from $36.56 billion in July-February 2018-2019 to $31.42 billion in July-February 2019-2020. The PBS said that on year-on-year basis country’s exports registered a growth of 13.82 percent from $1.88 billion to $2.14 billion, and the imports of the country declined by 1.71 percent from $4.14 billion to $4.07 billion. Pakistan’s balance of trade on annual basis witnessed an improvement of 14.61 percent from $2.26 billion in February 2019 to $1.93 billion in February 2020. On month-on-month (MoM) basis, the country’s exports in February 2020 against January 2020 witnessed an increase of 8.24 percent from $1.98 billion to $2.14 billion, the PBS further revealed. As per the PBS data in February 2020, country’s imports recorded a decline of 1.5 percent from $4.14 billion to $4.07 billion. On MoM basis, the country’s balance of trade witnessed an improvement of 10.43 percent from $2.16 billion in January 2020 to $1.93 billion in February 2020.
Razak favours utilising Brazilian experiences for ethanol production

ISLAMABAD - Adviser to Prime Minister on Commerce Abdul Razak Dawood Thursday highlighted the importance of enhancing Pakistan-Brazil bilateral cooperation to exploit the existing potential of bio-energy (Ethanol) and value addition in Agriculture field. He was addressing a technical seminar on “Sustainable Mobility: Ethanol Talks-Pakistan,” jointly organized by Pakistan Sugar Mills Association and Brazilian government. The adviser said that Brazil was the largest sugarcane and second largest ethanol producer in the world, whereas Pakistan was also having huge production in these agriculture commodities, hence providing an opportunity for the country to utilize Brazilian experience and technology for benefit of the country’s economy. “We need to learn from Brazilian experience and take benefit of their technology in ethanol sector for the long-term benefit,” he said adding that the government was taking measures to facilitate sugarcane and ethanol sector of the country. He said that Pakistan had huge sugarcane farming sector, hence it had no choice but to invest in agriculture sector and ensure best possible processing of the agricultural produce to boost exports. He said that the technology could help the country produce better fuel in the form of ethanol, highlighting the need to sensitize people about benefits of this kind of fuel, which could also be used in pharmaceutical sector. He was of the view that country’s exports could be enhanced manifold through the value-addition of agriculture products that would support in improving balance of payment situation, enhance energy resources and in addition reduce environmental pollution.

The adviser said that this was the first ever conference held in Pakistan on this particular topic, expressing the hope that it would come up with workable suggestions to promote this sector. Talking about the trade balance situation, the adviser said that Pakistan was facing trade deficit, however there was now considerable improvement in the country’s exports which was good for economy. He said that in dollar terms, the exports from Pakistan, on year-on-year basis, had increased by 13.6 percent, which showed that the economy was now moving on right direction. It is pertinent to mention here that said that Brazil is the second largest ethanol producer in the world, producing 33.1 billion litres, out of which 30.8 is consumed domestically whereas 1.8 billion liters are exported, hence earning huge foreign exchange reserves for the country. Likewise, Brazil exports approximately 40 percent of global sugar to more than 100 countries as it produces 29 million tonnes sugar, out of which, it exports 19.9 million tonnes. In addition, the bio-fuel is the fourth electric power sources in Brazil as 21.5 TwWh bioelectricity is produce through it. The seminar was organized by the Ministry of Foreign Affairs and Apex-Brazil, Brazilian Trade and Investment Promotion Agency, UNICA, the Brazilian Sugarcane Industry Association and ALPA, Brazil’s Ethanol Cluster. The objective of the seminar was to promote ethanol as a modern and sustainable option for mobility. Ethanol is capable of generating immediate positive impacts on energy security, health, reduction of local air pollution and greenhouse gas emission.
Pakistan wins GSP-Plus extension

ISLAMABAD: The International Trade (INTA) Committee of EU Parliament has extended the Generalised System of Preferences Plus (GSP-Plus) status for Pakistan, enabling the country to continue to enjoy preferential duties on exports for the next two years. While the GSP-Plus facility has been available to Pakistan since January 2014, its continuation is an award for Islamabad’s progress in enacting new laws and developing new institutions for implantation of 27 core conventions of GSP Plus, especially the National Action Plan (NAP) for human rights. Pakistan’s third biennial assessment report, which was published by the European Commission on Feb 10, was discussed by the INTA on Feb 19 and by the GSP Working Party of the European Council a week later. The European Commission and External Action Service has recommended at both the forums to continue the GSP-Plus scheme and stated their monitoring priorities for the next biennial monitoring cycle, which are given in the report. There is a clear indication that the EU authorities are satisfied with the results of the third biennial assessment of GSP-Plus and are focused on the next biennial monitoring cycle. In view of the outcome of the third biennial review of GSP-Plus, the Ministry of Commerce commended the efforts of all ministries and departments of the provincial and federal governments as well as the governments of Azad Jammu and Kashmir and Gilgit Baltistan that cooperated and formulated laws, developed policies and established institutions to implement the 27 conventions related to GSP-Plus.

An official statement said the commerce division would also like to appreciate the contribution of the office of the attorney general as ‘head of the treaty implementation cell’ for coordinating and steering the process of the implementation of GSP-related conventions. On behalf of the government of Pakistan, the Ministry of Commerce (MOC) conveyed its gratitude to the European Union for providing this unilateral trade concession to Pakistan. ‘MOC hopes that the business community will capitalise further on this trade enhancement opportunity,’ added the statement. Taking to Twitter, Adviser to the Prime Minister Razak Dawood thanked the EU institutions for the extension. ‘This will strengthen our resolve to continue to improve the social and economic conditions of our people,’ the adviser said, asking the business community to ‘diversify your exports to capitalise on this opportunity to the optimum’ Pakistan’s first biennial assessment of GSP-Plus was conducted in 2016, followed by another assessment in February 2018, while the third biennial assessment report was published by the European Commission on Feb 10 this year. On the economic front, Pakistan was a significant beneficiary of the scheme also availed by nine other countries in the world. As a result of the duty-free access available to Pakistan in 27 EU member states, Pakistan’s exports to the EU enhanced from 4.538 billion euros in 2013 (before the GSP-Plus status) to 7.492 billion euros in 2019, registering an increase of 65pc.

In 2018, Pakistan availed tariff concessions on exports worth 5.885 billion euros out of the total export of 6.739 billion euros to EU member states. The main sectors that benefitted from GSP-Plus have been textile and garments, which besides earning foreign exchange for the country, provided employment opportunities, especially to women. The duty-free access has been crucial...
for Pakistani products to maintain their edge in the EU market vis-à-vis similar products originating from India, Turkey, Vietnam and China. It grants full removal of tariffs on over 66 per cent of product categories for exports to the EU. The textile and clothing industry is the biggest beneficiary of the agreement. Before GSP-Plus, textile exports faced between 6.4pc and 12pc customs tariffs while leather goods and footwear faced up to 6pc tariffs. The exports of textile and leather products also posted growth during the past few months mainly because of its rising exports to the EU.

Commerce Secretary Ahmed Nawaz Sukera told Dawn that Pakistan largely complied to the 27 conventions. ‘We have almost implemented all conventions in letter and spirit,’ the secretary said, adding Pakistan had shown commitment to ratification and reporting obligations to the UN treaties. Meanwhile, the European Commission will initiate public consultation on the new regulation for GSP in the first quarter of 2020, as the current regulation related to GSP will expire on December 31, 2023. The new regulation may continue to pursue the same policy objectives of fostering sustainable economic, social and environmental development of beneficiary countries, including respect for good governance and human rights, with the primary goal of eradicating poverty. As per GSP Regulation, the Commission and European External Action Service (EEAS) have to submit a report to the European Parliament and European Council on the performance of GSP scheme and the status of compliance of GSP beneficiary countries on the 27 international conventions covered under the current Regulation.

As far as implementation of 27 international conventions is concerned, the third biennial assessment report 2018-19 appreciated Pakistan in taking positive steps in the areas of climate change, forestation under billion tree tsunami project, improved vigilance to combat illicit narcotics and wildlife trade, political and administrative reforms to integrate erstwhile Federally Administered Tribal Areas (Fata), social protection initiatives like Ehsaas programme, promotion of inter-faith harmony including the opening of Kartarpur corridor and legislation to ensure rights of women, children and transgender. However, the report also raised serious concerns on the issues of freedom of expression and shrinking space for the freedom of civil society to operate.

**DAWN**

March 8, 2020

Govt working to increase exports, says commerce ministry

ISLAMABAD: Pakistan’s exports to 10 countries dropped during the first eight months of the current fiscal year from a year ago, while exports revived to six destinations, according to data released by commerce ministry. No explanation was given by the Commerce Division to explain the decline. However, the ministry said it will continue to work on improving exports in these destinations. Pakistan’s exports to India dropped by almost 97 per cent to $8 million during the July-Feb from $246m a year ago. But at the same time, imports from India dipped by 69pc to $318.25m from $1.03bn over the last year. Pakistan had suspended trade relations with India since August 2019 in the wake of Pulwama attack. However, Islamabad has allowed import of medicines and pharmaceutical raw materials from New Delhi. Trade analysts believe Pakistan continues to trade with India via a third country.
The only justification in support of this argument came from substantial increase in exports to the United Arab Emirates. Pakistan’s export to the UAE surged by 54pc during the period under review mainly led by rice. Pakistan’s exports to Afghanistan, once Pakistan’s second biggest export market after the United States, dropped by 32pc. However, exports to the neighboring country have declined due to tensions especially border closure diverting the trade to Iran and India via Chabahar port. Between July and Feb, Pakistan’s exports to Vietnam declined 32pc, South Korea 23pc, Indonesia 32pc, Guinea 85pc, Philippines’ 33pc, Belgium 7pc, Papua New Guinea 96pc, and Madagascar 31pc. Pakistan’s export to the UAE went up by 54pc, USA 4pc, Netherlands 17pc, China 9pc, Germany 11pc, Saudi Arabia 38pc, Malaysia 49pc, Thailand 44pc, Yemen 96pc and Oman 37pc. Product-wise details showed value-added textiles led the growth with impressive quantum jump in exports. The exports of ready-made garments went up by 13pc in value and 16pc in quantity while knitwear went up by 8pc in value and 12pc in quantity. Similarly, bedwear exports were up 4pc in value and 10pc in quantity. Food and agriculture exports also increased during the period under review indicating upturn in export-oriented sectors. The exports of basmati rice went up by 37pc in value, while vegetables exports were up 71pc, meat and meat preparations 52pc, fish and fish preparation 12pc. However, exports of wheat and sugar went down by 90pc and 24pc respectively due to voluntary government ban following a shortage in the local markets. Leather garments exports were up 13pc, surgical and medical instruments 7pc, leather gloves 9pc and footballs 12pc. Contrary to these, exports of petroleum products dipped 62pc, petroleum crude 28pc, oil seeds 58pc, plastic materials 10pc, gloves 20pc and cement 6pc. The exports of cotton cloth dipped by 2pc, tanned leather 18pc and made-up articles 5pc. Decline in raw cloth and leather is positive omen for value added industry.

On the flip side, data released by the ministry showed Pakistan’s imports increased from 10 nations during eight months under review including Netherland by 130pc, Iran 93pc, Egypt 156pc, Brazil 6pc, Vietnam 38pc, Taiwan 26pc, Algeria 185pc, Denmark 61pc, Nigeria 16pc and Canada 8pc. At the same time, some decline in imports was also seen from UAE, down 20pc, followed by India at 69pc, Japan 45pc, Saudi Arabia 27pc, Qatar 25pc, Thailand 40pc, Indonesia 13pc, Germany 2pc, and UK 22pc. Product-wise, top imports products during period included electrical machinery and apparatus, up by 34pc, mobile phones 81pc, raw cotton 39pc, iron and steel scrap 8pc, liquefied petroleum gas 19pc, power generating machinery 3pc, pulses 5pc, aircrafts, ships and boats 7pc, worn clothing 12c and spices 7pc. However, import of petroleum crude dipped by 27pc during July-Feb from a year ago, petroleum products 14pc, other machinery 25pc, iron and steel 32pc, motor cars (CKD/SKD) 53pc, fertiliser manufactured 32pc, parts 50pc, all other metals and articles 24pc, motor cars 73pc and LNG 6pc. The data showed import of other textile items declined 41pc, and all other food items 10pc during the period under review.

The Nation
March 8, 2020

Thailand, Pakistan have potential to do more trade, says Thai CG

LAHORE - Consul General of Thailand Thatree Chauvachata on Saturday said Pakistan was one of the important trade partners of Thailand and both countries had ability to further strengthen mutual trade and economic ties. He was addressing a meeting at the Lahore Chamber
of Commerce & Industry (LCCI) where LCCI President Irfan Iqbal Sheikh, Senior Vice President Ali Hussam Asghar, Vice President Mian Zahid Jawaid Ahmad also spoke while Executive Committee Members Sheikh Muhammad Ibrahim, Haris Attiq, Zeshan Sohail Malik and Haji Asif Sehar were also present. The consul general said, in 2019, the bilateral trade between two countries jumped to over $1.46 billion, adding that Thailand exported goods and services worth 1174.25 million dollar to Pakistan. Among these included automobiles, crude oil, chemicals, rubber products, machinery and polymer, etc. Similarly Pakistani export to Thailand recorded an increase of 41.45 per cent in 2019, he said and added that among these export items included fresh aquatic animals, garments and textile, etc. He said Pakistan ranks 36th in Thailand’s in global investment while it ranked second in South Asia. He maintained that four major Thai companies had already invested in Pakistan while another four were exploring new opportunities for investment in Pakistan.

The Thai consul general informed the house that very recently Pakistan’s Electro-Polymers Private Limited and Thai Stanley Electric Public Company Limited had inked a historic partnership by signing international try-party Joint Venture with Japan, Thailand and Pakistan. He said Thailand and Pakistan had been discussing Free Trade Agreement (FTA) since 2013 and hopefully it would be finalized very soon. He said Thailand was a major destination for tourists and last year around 80,000 Pakistani tourists visited the country. He said political consultation at secretary level and meetings of Joint Economic Commission would be held during this year to further bolster economic relations between Pakistan and Thailand. He said that Pakistan had been actively participating in Asian Cooperation Dialogue while Thailand also supported Pakistan in its entry to ASEAN Regional Forum. “In 2004 both countries signed MoU (Memorandum of Understanding) on Anti Terrorism and other related crimes”, he added. LCCI President Irfan Iqbal Sheikh said that Pakistan and Thailand enjoyed strong diplomatic relations based on mutual trust. He said that traditionally, Thailand and Pakistan had also been enjoying steady trade relations. Thailand comes at 9th place among the top importing countries and at 24th place among the top exporting countries for Pakistan. “In recent years, the trade between the two countries has shown tremendous improvement. In 2016, the volume of two way trade was around one billion dollars that surged to 1.7 billion dollars in 2018. From 2016 to 2018, Pakistan’s exports to Thailand increased from 110 million dollars to 225 million dollars whereas Pakistan’s imports from Thailand went up from 920 million dollars to 1.4 billion dollars”, he mentioned. He said, “Pakistan’s exports to Thailand consist of frozen fish, wheat, mineral fuels and cotton etc whereas we are importing automotive parts, rubber tires, chemicals, polymers, artificial staple fibers and machinery parts etc from Thailand”.

The LCCI president said that a lot of further progress could be made on the trade front by signing a Free Trade Agreement. The governments of both countries should take necessary steps in this regard. Irfan Iqbal Sheikh said that Thailand had made substantial progress in Halal Food Exports in last few years. “The LCCI has also identified Halal Food as one of our priorities sectors where we can enhance our exports. We would certainly like to learn from your experience and also enter into Joint Ventures with your private sector companies in Halal Food sector”, he added. LCCI Senior Vice President Ali Hussam Asghar said that Pakistan had a very vibrant and growing Information Technology sector which offered a tremendous room for joint ventures between the two countries. LCCI office-bearers invited the Thai businessmen to arrange sector-specific delegations to visit Pakistan to have first hand knowledge about the opportunities
of trade and investment in Pakistan. They said that active engagement of the business community and diplomatic missions of the two countries, exchange of trade delegations, exhibitions of products and socio-cultural programmes in each others country could prove handy in further improving people to people contacts.

The Nation
March 11, 2020

Industries in Gwadar under CPEC to bolster export volume of country

ISLAMABAD - Adviser to Prime Minister on Commerce and Investment Abdul Razak Dawood on Tuesday said the industries being set up in Gwadar under China-Pakistan Economic Corridor (CPEC) would bolster export volume of the country. He said due to exports-led growth strategy, the value of rupee is stable and exports are increasing. The country’s economy is on upward trajectory as a result of prudent policies of the government and conducive environment for the business community. He said power shortfall has ended and now we have surplus energy. “Our strategy for the future of Pakistan is being prepared considering China Pakistan Economic Corridor and Special Economic Zones being developed under CPEC”, said Razak Dawood. He was addressing an event ‘Dialogue on Industrial Cooperation under CPEC and SEZs Framework’, organized by the Board of Investment.

Razak Dawood laid out the framework of the economic development strategy and stated that the future lies in export led growth strategy, which makes development of SEZs more vital to improve the capacity and to complement the export requirements of the country. He further explained that Pakistan’s economy faced a lot of challenges in terms of fiscal and current account deficits and required serious steps in terms of devaluation, control on imports and government expenditures. He apprised the participants that export led growth strategy has started bearing fruits as Pakistan has posted 13.6% growth in exports, in February 2020, in terms of value, while all other regional competitors showed a decreasing trend. The Advisor appreciated the efforts of exporters and businessmen for achieving this result and showed his gratitude towards China for the phase II of the Free Trade Agreement, which is poised to further boost the growth in overall exports of Pakistan. Explaining the objective of Special Economic Zones under CPEC, Dawood informed that the SEZs are open for businessmen from all countries and nationalities, as the lucrative incentives under SEZs are same for everyone. He added that investments in various sectors have started to pour in and this pace will pick up in the coming days. Mr. Dawood underscored that the second phase of CPEC is about Industrial and Agricultural cooperation, while the next phase would be about connectivity with regional and global markets, as a part of the overall Belt and Road Initiative.

Earlier, talking to the gathering, Chinese Ambassador explained that the second phase of CPEC is about engagement of private sector, local community and society at large. He underlined that the current phase of CPEC would cover Industrial Cooperation, Agriculture Cooperation, Social Cooperation, Poverty Alleviation and Cooperation in Science and Technology, with an aim to boost the economy of Pakistan as well as to raise the skill set and living standards of the local population. He added that CPEC objectives are for the mutual benefit of both countries. The Ambassador appreciated the vision of the Government under the Prime Minister Imran Khan. At
ISLAMABAD: Prime Minister Imran Khan on Wednesday assured full support to foreign investors in resolving their difficulties and directed the Cabinet to examine how impediments could be removed at the earliest. During an interactive session with a delegation of Overseas Investors Chambers of Commerce and Industry (OICCI), the prime minister shared salient points of the government’s economic recovery strategy. He hoped the strategy would ensure sustainable economic growth in the medium term and set the country on a clear path for recovery and that the results of economic strategy will be visible during the next six to nine months. Prime minister’s advisers on finance and commerce, minister for maritime affairs, governor state bank of Pakistan and senior officials of the ministries concerned also attended. The PM Office in a statement said the premier highlighted that it is his government’s top priority to extend possible facilitation to the business community. He directed that problem areas highlighted by the delegation should be looked into for earliest possible resolution.

The prime minister appreciated the OICCI for sharing recommendations for addressing investors’ concerns and assured that the government will act upon the suggestions. Acknowledging the contribution of OICCI members, PM Khan termed them as ambassadors of Pakistan who speak up about the positive aspects of the country and the opportunities in Pakistan at all international forums. President OICCI Shazad Dada briefed the prime minister that the organisation was the largest chamber of commerce in Pakistan based on economic contribution and has always been in the forefront as the foreign direct investment (FDI) ambassador. The member companies account for third of the tax revenue, provide employment to over a million people and were important contributors to the exports revenue. The delegation shared key findings of the recently released 2019 OICCI ‘Perception and Investment survey’ which indicated that an overwhelming 75 per cent of the respondents would recommend new FDI to their parent companies, which was a very positive sign for the economic outlook of the country.
The delegation requested PM Khan to direct the relevant persons to immediately address major issues of tax refunds and circular debt, actively and productively engage with key stakeholders like OICCI, ensure seamless coordination between federal and provincial legislations, and make Ease of Doing Business visible and accepted by business. Dada emphasized the need for simplification of tax regime and providing execution capacity and funding to Digital Pakistan Programme for accelerated outcomes. Criticizing the high number of regulators and regulations, the delegation called for reducing the number of regulators and regulations along with their capacity building and accountability.

The Nation
March 12, 2020

Pakistan’s exports to China up 1.8pc in 7 months

ISLAMABAD—Pakistan’s exports of goods and services to China grew by 1.80 percent during the first seven months of financial year (2019-20) compared to the corresponding period of last year, State Bank of Pakistan (SBP) reported. The overall exports to China were recorded at $1056.773 million during July-January (2019-20) against exports of $1038.023 million during July-January (2018-19), PBS data revealed. On the other hand, the imports from China into the country during the period were recorded at $5794.114 million against $5941.554 million last year, showing negative growth of 2.48 percent in first seven months of this year. Based on the trade figures, the trade of goods and services with China witnessed decrease of 3.38 percent in deficit during first seven months of ongoing fiscal year as compared to the corresponding period of last year. The deficit during the period under review was recorded at $4737.341 million against $4903.536 million during same period of last year, the data revealed. The commodities that contributed positively growth in exports included fish frozen exports of which grew from $40.253 million last year to $73.947 million during the current fiscal year, showing growth of 83.70 percent.

The exports of cane or beet sugar and sucrose also increased by 4520.59 percent, from $0.874 million to $40.384 million whereas the exports of refined copper and copper alloys increased by 73.30 percent, from $28.214 million to $48.895 million. The exports of cotton waste including yarn waste grew by 27.25 percent, from $3.375 million to $4.295 million while the exports of articles of apparel and accessories of leather increased by 86.49 percent, from $1.911 million last year to $3.564 million, the data revealed. Meanwhile, the commodities that contributed positively growth in imports included rice imports of which grew from $5.006 million last year to $9.779 million during the current year, showing increase of 95.34 percent. The imports of ginger, saffron, turmeric, thyme, bay leaves and curry also increased by 41.70 percent, from $25.752 million to $36.493 million whereas the imports of parts of footwear increased by 55.62 percent, from $5.675 million to $8.832 million. The imports of electric apparatus for line telephony and telephone sets also increased by 93.97 percent, from $338.682 million to $650.175 million whereas the imports of copper tubes and pipes increased by 10.83 percent, from $9.373 million to $10.389 million. The imports of motor vehicles for transport of goods increased by 31.07 percent, from $33.498 million to $43.908 million whereas the imports of onions, shallots, garlic, leeks etc also increased by 190.26 percent, from $12.795 million to $37.139 million, the data revealed.
Hafeez reviews proposals for export promotion

ISLAMABAD- Adviser to the Prime Minister on Finance and Revenue Abdul Hafeez Shaikh chaired a meeting to review the proposals for the facilitation of exports oriented sectors with special focus on small and medium enterprises which can play a more vibrant role in export promotion with provision of certain facilities by the government. Adviser to the Prime Minister on Commerce Abdul Razzaq Dawood and Ali Habib gave a detailed briefing to the participants of the meeting on improving the system of duty drawbacks and export rebates that could help with the cash flow situation of the exporters and reduce the burden through automation and reduced tiers for verification. Other proposals included updating the lists of rate of rebates offered on different exported items and provision of funds to SBP for clearing rebates in a faster manner. The meeting was briefed that 26 sectors, which can provide exportable materials, have put forward their suggestions for the facilitation and promotion of exports from the country and some of the proposed measures do not even require any monetary contribution from the government. Adviser appreciated the work done by the Commerce Ministry and the input given by FBR and Customs on the proposals. He said that the government aims to provide ease with maximum degree of automation and transparency to the exporters. He directed the Ministry of Commerce to hold further discussions with all stakeholders and prepare draft proposals for making an effective policy for increasing the volume of exports from the country. He said all possible cooperation in the matter shall be provided by the Ministry of Finance and the needful will be done in the next budget.

Foreign investment jumps 513pc

KARACHI: The foreign investment in the first eight months of this fiscal year jumped 512.9 per cent to $3.336 billion from $650.6 million in the same period last year, showed data released by the State Bank of Pakistan (SBP) on Monday. The sharp increase in the total investment came following the $2.161bn foreign investment in the country’s debt papers. Pakistan’s treasury bills and investment bonds have been the pick of foreign investors since the outset of this fiscal year amid high interest rates offering lucrative carry trade opportunities. However, with mounting currency pressures amid outflows from the emerging markets across the globe in the wake of coronavirus shutdown, investors pulled out $606m from Market Treasury Bills and Pakistan Investment Bonds during the ongoing month.

In addition, the foreign direct investment (FDI) during the July-February of FY20 jumped 75pc to $1.852bn from $1.05bn in the corresponding period last fiscal year. In absolute terms, the FDI increased by $793.7m during the first eight months of this fiscal year. The FDI rose to $562.6m in February compared to $115.8m in the corresponding month of last year. Major chunk of the FDI came from China, Norway, Malta and Hong Kong at $696.5m, $288.5m, $148.2 and
towards the implementation phase, which will pave the way for rapid industrialization, it read. Dawood in a tweet said the textile policy 24.87pc. 

corresponding months of last year. In rupee terms, the proceeds of the sector were higher by 

FY20, exports of textile and clothing grew by 5.3pc to $9.37bn, from $8.9bn over the 

Among primary commodities, cotton yarn exports dipped by 10.22pc while yarn other than cotton soared by 100pc, made-up articles excluding towels increased by 7.39pc, tents, canvas and tarpaulin 88.94pc and raw cotton 9.46pc during the month under review. Between July-February FY20, exports of textile and clothing grew by 5.3pc to $9.37bn, from $8.9bn over the corresponding months of last year. In rupee terms, the proceeds of the sector were higher by 24.87pc. Last week, Prime Minister Imran Khan approved the Textile Policy 202025 in principle which will now be processed under the rules of business. Commerce Adviser Abdul Razak Dawood in a tweet said the textile policy-making process stood completed. `Now we’ll move towards the implementation phase, which will pave the way for rapid industrialization,’ it read.
Exporters to get relief package

• Razak Dawood holds out assurance

MUSHTAQ GHUMMAN

ISLAMABAD: Prime Minister’s Advisor on Commerce, Industries and Production and Investment Abdul Razak Dawood said on Thursday that the government would soon announce a relief package for the affected exporters. “I want to assure our exporters that the government is fully aware of the difficulties faced by them due to coronavirus. In the coming days, we will be giving a relief package, particularly to ease the liquidity problems faced by them,” he added.

A committee under the chairmanship of Finance Advisor Dr Abdul Hafeez Shaikh is already reviewing the situation on a daily basis to evaluate the losses being incurred by the exporters. According to an official document, the Trade Advisory Committee, comprising different ministries, is of the view that considering Pakistan’s rising global export trend, the government can take facilitative measures to support the domestic industry through rationalization of regulatory duties/additional customs duties, advance sales tax on 62 selected tariff lines concerning raw materials of textile, engineering, fertilizers and pharmaceuticals. The committee has observed that this step will provide relief to the importers and would cover costs of higher world prices of raw materials, and additional costs of sourcing from countries where higher tariffs will apply (zero or lower due to the FTA).

Pakistan’s imports in value terms from the world from February 1, 2020 to March 18, 2020 have reduced by about $200 million, of which a large portion was those which were enjoying duty exemptions under the CPFTA. The sources said, through the TAC, the TDAP was tasked to hold consultations with all the stakeholders of trade and share their inputs, proposals, concerns and recommendations. The TDAP held consultation with 12 trade associations representing sectors including auto, electric fans, and cosmetics, marble, rice, pharmaceuticals, surgical instruments, readymade garments, leather, and textiles etc. The overall response received from 12 associations suggest that importers are facing delays in supplies. However, stocks are available for 30 days or more and have not reached critical levels, while business activities in China are improving quickly.

China is expected to be back to normal within a month’s time, except for Hubei province, for which the time period of restoration of activities is two months. Top declining exports of Pakistan include rice, ethyl alcohol, cotton yarn, chromium ores, cotton fabric, raw leather, natural sands, marble, vegetable saps, natural steatite, flour and meals, and sacks and bags. In terms of absolute value the biggest decrease in exports to China has been observed in rice for February 2020, i.e. 85 per cent. Rice Exporters Association of Pakistan (REAP) has informed that Chinese market is expected to rebound quickly, however, if demand does not pick up in
China, orders of rice can be diverted to Africa, which is a huge market of Chinese Irri-6 variety. The TDAP’s consultation with Sea Food Association and response received from Trade and Investment Officer in Bangkok hints an expected decrease in exports of fish and fish products to Thailand mainly because of the fact that the tourism industry of Thailand has been badly affected by the outbreak.

Around $160 million of fish and fish products is exported to Thailand, which constitutes around 56 per cent of total exports of Pakistan to Thailand. The textile wing held consultative sessions with all the related trade associations and informed that although prices of polyester yarn began to rise earlier, however they are now showing decreasing trend and moving towards stabilization. They further informed that in terms of readymade garments, orders have diverted from China to Pakistan, which will result in improved export figures for exports to the US and the EU. The statement is corroborated by export figures for February, 2020, where although overall exports to China has decreased by 16 per cent, yet Pakistan’s exports to the world has increased by 13 per cent.

The Nation
March 21, 2020

Exports might tumble by upto $2.67b in next few months

ISLAMABAD - Pakistan’s leading exporters on Friday warned that exports would receive a setback in the upcoming months due to the outbreak of coronavirus in the country. Exporters have demanded of the government to resolve their issues amid COVID-19 outbreak, which is badly affecting the economic activities in the country. Adviser to the Prime Minister on Finance and Revenue Dr Abdul Hafeez Shaikh chaired a meeting here at the Finance Division with a delegation of exporters to discuss various issues exporters have been facing after the outbreak of coronavirus and the evolving position of the global economies and its impact on the export sector of Pakistan. Pakistani exporters are facing problems and they are being told not to ship consignments till further notice. Exporters are seeking relief package from the government to offset the massive losses. The delegation briefed the adviser that due to the outbreak of the coronavirus pandemic the global economies have gone into a recessionary phase and the demand for their products especially apparel has reduced to a considerable level. The exports, which had shown an improvement in the February and March, will receive a setback in the coming months. The government was informed that Pakistan’s exports might tumble by up to $2.67 billion in next few months. According to the estimates, exports could either tumble by 25 percent ($1.336 billion) at the minimum and by 50 percent (2.672 billion) at the maximum during the period of March-June 2019-20. In view of the changing position of the global trade they had been facing problems with their cash flow situation and need help and assistance from the government mainly in expediting the re-payments/ refunds due so that they could come out of this crisis and could resume their business as early as possible. The delegation presented a list of proposals to the Adviser Finance that could help them improve on their liquidity position and to run their businesses in the current situation when they are not expecting further orders and faster recoveries from their international buyers. The delegation apprised the government that they have decided not to lay off their daily wage staff in this difficult time.
Advisers to PM on Commerce and Textile and Austerity and Institutional Reforms were also present during the meeting. Sources informed that government is working on an incentives package for exporters, which would be announced on Tuesday. The government has assured the exporters to resolve all their problems. Dr Hafeez Shaikh, while discussing each and every proposal in detail with the exporters, said: “I would like to make a statement here that the government has no desire or policy to keep the money even a day longer that belongs to the exporters and nor do we find any reason to delay the repayments.” We shall do whatever possible to ease out the exporters and committed to provide them relief with earlier repayments of export rebates/ duty drawback and GST refunds, he added. He said that the GST refunds will be cleared within March and export rebates will be granted within April. He further directed Secretary Finance and Chairperson FBR to hold meetings with the relevant stakeholders and provide relief to the export sector as much possible for the government. He appreciated the decision taken by APTMA not to lay off their labour in the time of crisis and advised them to take care of their workers as the government is taking care of them.

The Nation
March 21, 2020

Rice exports increase 11.09pc in eight months

ISLAMABAD - Rice exports from the country during first eight months of current financial year increased by 11.09% as compared the exports of the corresponding period of last year. During the period from July-February, 2019-20, about 2,763,171 metric tons of rice worth $1.397 billion was exported as against the exports of 2,497,536 metric tons valuing $1.257 billion of same period last year. According the data released by Pakistan Bureau of Statistics, exports of basmati rice grew by 36.56% as above mentioned commodity worth $501.179 million was also exported as compared to exports of $366.765 million of same period of last year. In last 8 months, country exported about 566,711 metric tons of basmati rice as compared to exports of 370,248 metric tons of same period last year, the data revealed. Meanwhile, country managed to export about 2,196,460 metric tons of rice other then basmati worth of $896.312 million as against the exports of 2,127,288 metric tons valuing $891.230 million of same period last year, it added.

The exports of rice other than basmati in last 8 months of current financial year grew by 0.57% as compared to exports of the corresponding period of last year, it added. It may be recalled here that overall food group exports from the country during last 8 months grew by 5.48% as food commodities worth $3.033 billion were exported as against $2.875 billion of same period last year. On month on month basis, the food group exports also witnessed 4.09% growth in month of February, 2020 as country fetched $424.748 million by exporting the food commodities, which was recorded at $408.072 million of same month of last year. On the other hand, food group imports into the country also decreased by 8.07% as it came down from $3.868 billion of first 8 months of last financial year to $3.556 billion in 8 months of current financial year. Meanwhile, the tea imports into the country decreased by 17.59 percent during the first eight months of the current fiscal year against the imports of the corresponding period of last year, Pakistan Bureau of Statistics (PBS) reported. The tea imports into the country were recorded at $324,372 million during July-February (2019-20) against the imports of $ 393,585 million
during July-February (208-19), showing decrease of 17.59 percent, the PBS data revealed. In terms of quantity, the tea imports into the country decreased by 9.80 percent by falling from imports of 149,510 metric tons to 134,853 metric tons. Meanwhile, on year-on-year basis, the tea imports during February 2020 increased by 6.28 percent as compared to the imports of February 2019. The tea imports during February 2020 were recorded at $49,234 million against the imports of $46,281 million in February 2019.

On month-on-month basis, the tea imports into the country increased by 6.55 percent during February 2020 when compared to the imports of $46,206 million in January 2019. It is pertinent to mention here that the trade deficit during the first eight month of the current fiscal year reduced by 26.06 percent as compared to the corresponding period of last year. The trade deficit during July-February (2019-20) was recorded at $15.872 billion against the deficit of $21.467 billion during July-February (2018-19), the PBS data revealed. The exports from the country during the period increased by 3.62 percent by going up from $15.097 billion last year to $15.643 billion during the current year whereas the imports into the country declined by 13.81 percent, from $36.563 billion to $31.515 billion.395

The Nation
March 23, 2020

Japan initiates process for importing skilled manpower from Pakistan

ISLAMABAD - The Japanese government has initiated process of importing skilled manpower from Pakistan in 14 different sectors aimed to providing employment opportunities for Pakistanis labor force, Minister and Deputy Head of Mission, Embassy of Japan in Pakistan Yusuke Shindo told APP. Sharing strategy and action plan with APP here, he said that application have been invited from skilled Pakistanis, who can submit their application along with their particulars by April 27 for recruitment in relevant sectors. The candidates would have to go through Japanese language test in July 2020 before their final selection for recruitment, he said adding that the test would be conducted at National University of Modern Languages (NUML) Islamabad. The diplomat said that three different categories were part of plan including Technical intern, specified skilled workers and highly skilled professional. He said that Japanese Market has a huge share in importing 3, 45 000 skilled manpower from 10 countries of the world. Yusuke Shindo said the Government of Pakistan (GoP) had nominated, National Vocational and Technical Training Commission (NAVTTC) and National University of Technology (NUTEC) for carrying out necessary service including recruitment of candidates in collaboration with Japanese counterparts. He also emphasized that the Japanese embassy in Islamabad had not hired any other promoter or facilitator for continuing the process of labor import from Pakistan, instead of these two above mentioned institution nominated by Pakistan’s government.

Senior diplomat said that the process of recruitment would continue every year for next five years to import the labour according to the Memorandum of Cooperation (MoC) signed between Japan and Pakistan in December 23, 2019 in Islamabad. He made it clear that there was no particular quota for any of these 10 countries around the world and hoped that Pakistani would get maximum benefits from this huge opportunity in the Japanese market. Mentioning the skilled and language proficiency for all three categories, he said that purpose of first category of ‘Technical Intern Training’ program is to transfer technical skills, techniques and knowledge to
foreign countries including Pakistan, through an experience of ‘On Job Training (OJT) to contribute to the human resources development in Pakistan. For this program, he said that Japan and Pakistan has also signed Memorandum of Cooperation on February 2019 in Tokyo. He informed that the foreign national, who have successfully completed “Technical Intern Training are exempted from tests that are normally required for other two categories. While giving information regarding the second category of ‘Specified Skilled Workers’, he said that for this program both sides had signed the Memorandum of Cooperation (MoC) in last December 23 and through this agreement foreign national have to prove their necessary level of skill and Japanese language proficiency by appropriate means such as passing skills and language test in different 14 skilled sectors accordingly.

This is a status of residence for foreign nationals with higher skill compared with the ‘Specified Skilled workers. Currently only two fields, Construction industry, Shipping and ship machinery industry were applicable and candidates should prove necessary skills by a test or other means. While informed that the third category of highly skilled covers a variety of fields including engineering, specialist in humanities and international services. The status of residence is permitted for foreigners, who have higher expertise, techniques such as academic background or career history with a contract with public and private entity in Japan. Japanese envoy said that Information Technology (IT) software engineer are included in this status of residence. According to MoC signed between both sides, the agreement will open new avenues for Pakistanis to work in 14 Japanese sectors, including nursing care, building clinic, agriculture, fisheries, hotel management, food and beverages, aircraft maintenance and airports ground handling staff, shipbuilding, material processing, industrial machinery, constructions, car mechanic, electronics and electronic machinery in cards to import skilled labour force.

Yusuke Shindo said that in current scenario, Japan was facing shortage of labour force, “We need to import skilled labourers from 10 countries including Pakistan, India, Sri Lanka, Bangladesh and other Association of South East Asian Nations (ASAIN). He also praised the Pakistani workers who were working in Japan, saying that they were more skilled and working with full commitment and honesty. He said that professional skills and proficiency in Japanese language would be must for workers to work in Japan under this policy. Senior diplomat said that Japan and Pakistan have enjoyed historical diplomatic and economic relation, where Japan has always supported Pakistan in every situation. Replying to a question, the ambassador said that Pakistan and Japan are looking for increasing bilateral cooperation in agricultural-based industry and value addition as Japan has already announced grant aid to enhance productivity in relevant agricultural fields.
Razzak vows support to exporters, industry

MUSHTAQ GHUMMAN

ISLAMABAD: Prime Minister Advisor on Commerce, Industries and Production and Investment, Abdul Razak Dawood has said that the government will provide all possible incentives to the exporters and industry at this critical time. Talking to Business Recorder, he said, when the coronavirus started in and outside Pakistan, exporters began contacting him by telephone to update him on the impact of this epidemic on their shipments and other issues. Exporters informed him that international chains like GAP, Zara and Lewis are asking them to hold shipments, which implies that if shipments are on hold, exporters will face liquidity crunch.

“I spoke to the exporters through conference call as we are inviting them in person to hear their concerns. They presented a list for relief due the prevailing situation. Whatever points were related to State Bank of Pakistan(SBP) I gave to the Governor SBP and requested immediate steps because factories production has started to come down as this epidemic will end in one, two or three months but this situation would create liquidity crunch for them,” he added.

Dawood further revealed working capital rules. The Export Refinance Scheme (ERF) he explained by saying if an exporter sends goods worth $ 1000, he can get working capital of $ 500. The SBP has increased the limit of working capital by 33 per cent for the current financial year. However, exporters have sought 100 per cent for the next fiscal year.

According to the rules, exporters’ remittances should come within 180 days, but SBP has extended this period to 270 days. Exporters have also urged Finance Advisor to release their sales tax refunds as early as possible. Dr Hafeez Shaikh has expressed his willingness to release Rs 10 billion immediately. Exporters also asked Commerce Ministry to release their pending DLTTL immediately, he said, adding that approval has been granted and release of Rs 9.3 billion has begun. However, the remaining balance of Rs 10.5 billion will be released in the first week of April 2020. “As the remaining Rs 10.5 billion is released to exporters, their entire amount of Rs 35.5 billion will be cleared,” he said, adding that the refunds of Technology Upgradation Fund (TUF) will be paid in next fiscal year as there was no budget provision for this scheme. Exporters have also demanded that turnover tax should be lowered to 0.5 per cent from 1.5 per cent, he said, adding that the government is looking into it. Meanwhile, Power Division in a statement has said that due to Corona situation, the federal government is working on a relief package in the power sector for businesses and the people of the entire country. On Monday (tomorrow) a high level meeting is to be chaired by the Prime Minister in this regard. Spokesmen of Power Division said that a lot of work is already going on in the Power Division in this regard, therefore it is advisable that provinces do not announce any relief unilaterally for power sector as all of Pakistan is in this together.
Cutlery exports increase 7.8pc in 8 months

ISLAMABAD - The cutlery exports from the country witnessed an increase of 7.80 percent during the first eight months of current financial year (2019-20) as against the exports of corresponding period of last year (2018-19). Pakistan exported cutlery worth $62.676 million during July-February (2019-20) against the exports of $ 58.142 million during July-February (2018-19), showing growth of 7.80 percent, according to the Pakistan Bureau of Statistics (PBS).

On year-on-year basis, the cutlery exports from the country during February 2020 also grew by 11.23 percent when compared to the same month of the last year. The cutlery exports during February 2020 were recorded at $ 7.857 million against the export of $ 7.064 million in February 2019. Meanwhile, on month-on-month basis, the cutlery export in February 2020 increase by 6.30 percent when compared to the export of $ 7.391 million in January 2019. It is pertinent to mention here that the trade deficit during the first eight month of the current fiscal year reduced by 26.06 percent as compared to the corresponding period of last year.

Trade officers to work on export order cancellations

ISLAMABAD: Textile exporters are not impressed with the commerce ministry’s offer to use the offices of Pakistan’s trade officers posted in embassies to help dissuade foreign buyers from cancelling their orders. The offer was made by Commerce Secretary Ahmed Nawaz Sukhera in a tweet on Monday. In response to that, trade officers from Pakistani missions in New York and The Hague tweeted their phone numbers and email addresses, inviting exporters to get in touch. According to some associations of textile exporters, close to $1.3 billion worth of orders from foreign buyers have either been cancelled or postponed. They argue that governments of their competitor countries have issued appeals to these foreign buyers from the highest levels, such as the prime minister and feel that trade officers in the embassies wield little to no clout to be able to change the minds of giant corporations. Pakistan Readymade Garments Manufacturers and Exporters Association (PRGMEA) Chief Coordinator Ijaz A Khokhar says the message needs to be sent from the highest level, perhaps even the prime minister. He said in India and Bangladesh appeals have been made to world buyers for not cancelling or deferring orders because it will affect the workers and would send more people below the poverty line. ‘The Indian textile minister posted a very strong message for the world buyers, such messages should go from our prime minister and commerce adviser,’ commented Khokhar.

Regaining these orders is not an easy job, he points out, and the office of a commercial counsellor does not possess the requisite clout. Patron-in-Chief of Pakistan Textile Exporters Association Khurrum Mukhtar told Dawn that ‘there is no harm in making efforts in this regard’. Order deferment or cancellation is happening in those stores which have closed down their operations in the wake of coronavirus outbreak, Mukhtar said. They include retailers like Inditex
group, JCPenney, Macys, H&M, Kohls, Bed bath and beyond, Nike, Peacock, American eagle and IKEA. In addition, buyers from the hoteling business have also deferred their imports from Pakistan. Airlines and the hotel industry are the prime victims of the coronavirus outbreak across the world.

The Nation
March 31, 2020

ADB approves $2m grant for Pakistan to fight against COVID-19

ISLAMABAD - The Asian Development Bank (ADB) has approved a further $2 million grant to support the Government of Pakistan’s efforts to combat the coronavirus (COVID-19) pandemic in the country. The grant, financed from the Asia Pacific Disaster Response Fund, will help fund the immediate purchase of emergency medical supplies, personal protective equipment, diagnostic and laboratory supplies, and other equipment. It supplements an initial $500,000 approved by ADB on 20 March which is already being deployed to support Pakistan’s procurement of emergency supplies through UNICEF. Taken together, this $2.5 million in approved funding represents ADB’s immediate response for Pakistan, with further support to follow. It is worth mentioning here that Pakistan has arranged about $4 billion additional financial assistance from multilateral lending and aid agencies to shore up foreign exchange reserves and budgetary support for fighting adverse impacts of the coronavirus pandemic. In $4 billion, the Asian Development Bank would provide $350 million immediately and a request had been made for another $900m disbursement by June this year to meet emerging needs.

“ADB recognizes the extraordinary burden of this pandemic on Pakistan and is committed to supporting Pakistan in the fight to control COVID-19”, said ADB Country Director for Pakistan Xiaohong Yang. “This grant will help strengthen COVID-19 detection, improve infection prevention and control, and boost Pakistan’s capacity to respond to the pandemic.” ADB’s assistance echoes the World Health Organization’s Strategic Preparedness and Response Plan for COVID-19 and Pakistan’s National Action Plan for Corona Virus Disease (COVID-19), which includes preventive measures, containment efforts, and treatment of infected persons. Given the urgency of the required support, ADB will use the most flexible and expeditious approaches to facilitate procurement of the required medical supplies and equipment. On 18 March, ADB announced an initial package of approximately $6.5 billion to address the immediate needs of its developing member countries as they respond to the COVID-19 pandemic. ADB stands ready to provide further financial assistance and policy advice down the road whenever the situation warrants. Visit ADB’s website to learn more about our ongoing response. ADB is committed to achieving a prosperous, inclusive, resilient, and sustainable Asia and the Pacific, while sustaining its efforts to eradicate extreme poverty. Established in 1966, it is owned by 68 members—49 from the region.

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