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Pakistan, China aim to bring economic, trade relations at par with political relations

BEIJING - Pakistan and China are trying to bring their economic and trade relations at par with their political relations, Pakistan Ambassador to China, Naghmana Alamgir Hashmi said while sharing her view on the two nations’ future bilateral relations. In past, both countries have concluded agreements to enhance bilateral cooperation in trade, infrastructure, industrial cooperation and cultural cooperation, devising various mechanisms for their implementation. “I am satisfied to note that our cooperation has yielded positive results with mutual benefits,” she said in an interview with People’s Daily Online. Ambassador Hashmi said, thanks to the bilateral cooperation, Pakistan has succeeded in laying a robust and solid infrastructure network to support its growing economy and overcome festering energy shortages which stifled our growth. “Both countries now look forward to build upon these gains, extending them to other unexplored territories and working together on an array of projects for the socio-economic uplift of the people of Pakistan”, she added. She said successful conclusion of Phase-II of China-Pakistan Free Trade Agreement has opened a new window to spur bilateral trade between the two countries, adding, “We are also determined to timely complete all ongoing CPEC projects and make it a high quality development project of the Belt and Road Initiative.”

The leadership of the two countries have forged the consensus that Phase-II of China-Pakistan Economic Corridor (CPEC) would focus on poverty alleviation, socio-economic development, agriculture and the industrial development in Pakistan. “We are devising policies to attract Chinese entrepreneurs for investment in above areas for a robust, inclusive and sustainable growth,” she said. Ambassador Hashmi said, the present government is also hopeful to make a positive headway in building Main Line-I railway project, which carries immense significance for Pakistan. “I am confident that with the strategic vision and guidance of leadership of our two countries; toil and labour of our respective departments and the support of our people, all our ideas and expectations for further development of all-weather bilateral ties would be materialized,” she added. She said, the year 2020 is significant as China is poised to achieve the important goals for building a moderately prosperous society in all respects and putting an end to extreme poverty, with China’s success bringing more experience to developing nations like Pakistan. The Chinese model and subsequent success in poverty alleviation is worth emulation for developing countries like Pakistan, which are striving for national development and socio-economic progress.

“It has inspired us with a new hope that poverty is not ordained in man’s destiny and can be uprooted by dispassionate, concerted and sustainable efforts. Pakistan has taken a leaf out of Chinese experience and initiated its scheme for poverty alleviation suited to local conditions,” she said. Ambassador Hashmi remarked that the rapid progress and prosperity of China is not only a reflection of the vision and acumen of Chinese leadership but also a tribute to the toil and labour of Chinese people. “I am confidence that China would continue its march of development and prosperity and would further contribute to global economic, ecological and social development,” she added. While acknowledging China’s efforts in tackling the COVID-19
sweeping the world, she noted that China is the first country hit by the virus and have since comprehensively controlled and curbed the epidemic. Soon after the spread, the Chinese government took immediate and effective steps to contain the viral outbreak to ensure the health and well-being of its citizens, she added. On the international front, China displayed openness, transparency and willingness to cooperate with all parties to confront the novel coronavirus spread. These efforts are indicative of the importance it places, as a responsible major power, on matters of global concern and international cooperation, she further noted. The ambassador stressed that Pakistan wholeheartedly appreciates Chinese measures and would extend her complete support and assistance in this regard. The current situation calls for a greater international coordination and cooperation among the global community for curbing and comprehensively eliminating this menace, she added.

The Nation
June 1, 2020

Pakistan to enhance soybean yield by using China’s intercropping technology

BEIJING - China’s maize-soybean strip intercropping technology is applicable all over Pakistan and it can boost maize yield as well as create an additional soybean harvest to reduce Pakistan’s soybean imports and improve the country’s food security, Yang Wenyu, the professor of Sichuan Agricultural University, Chengdu said. Prof Yang Wenyu developed this technology and provided generous support to two Pakistani students of his university who are using and popularizing this technology in their hometown, China Economic Net reported on Sunday.

“There is a lack of soybean production in Pakistan. Pakistan is China’s iron brother. We are willing to offer support to help Pakistan bridge the gap between domestic production and imports,” Yang Wenyu said. It’s he who initially formulated the idea of introducing this technology to Pakistan. His team has been supporting the two students Muhammad Ali Raza and Sajad Hussain to make demonstrations in Pakistan both technically and financially the whole time since 2018. The application of maize-soybean strip intercropping technology in Pakistan has theoretical and practical basis. First, Pakistan has a large population while the area of arable land is limited. It has the demand to develop intercropping to grow two crops together. Second, Pakistan enjoys ample sunlight, which is a favorable natural condition for soybean’s growth. Moreover, in the intercropping fields, maize can shade soybean to reduce high average temperature’s impact, and nitrogen fixation by soybean can promote maize’s growth in return.

The crops in this model are like close partners that cooperate with each other to create bumper harvests. Forecasted by Yang Wenyu, by using maize-soybean strip intercropping technology, the yield of maize can reach 10,500 kg per hectare with an additional 1,350 to 1,650 kg/ hectare soybean production in Pakistan’s irrigated areas. In rain fed areas, the production of maize and soybean can rise to 6,000 kg/ hectare and 4,500 to 1,500 kg/ hectare respectively. At present, maize is grown on an area of about 1.3 million hectares in Pakistan. In this way, the nation’s maize yield can be guaranteed and greatly increased. More importantly, Pakistani farmers can harvest considerable soybean meanwhile. That will definitely generate sizeable economic benefit for Pakistani people. At first there were some doubts about the technology’s performance because many local farmers had not seen this kind of farming model before. “As long as they follow our technical instructions to plant the two crops, this technology is sure to work out,”
Yang said with confidence. “Actually many countries are researching into intercropping. But across the globe our maize-soybean strip intercropping may be the only mature intercropping system that is well-equipped with all-around technologies of field configuration, fertilization, pest control, etc. and promoted on such a massive scale.” Furthermore, this technology has realized mechanization from sowing seeds, crop management to harvest. It should be noted that after 18 years’ research and development, in February, 2020, Yang Wenyu’s maize-soybean strip intercropping technology was included in China’s “No. 1 Central Document” of top-priority by CPC Central Committee and the State Council of the People’s Republic of China to be promoted vigorously and widely in more regions of China.

Besides Pakistan, it also has been introduced to Africa and Europe such as Ghana and Sweden. Yang Wenyu’s team is working with Swedish University of Agricultural Sciences to promote the technology in European countries. In Pakistan, so far four demonstrations have been arranged separately in Bahawalpur, Chakwal, Islamabad and Layyah. Yang Wenyu’s team is cooperating with Pakistan’s National Agriculture Research Center and PMAS-Arid Agriculture University to build high-yield demonstrations. High-yield demonstrations in different regions will prove the technology’s value and receive local people and government’s recognition,” said Yang. They are also working on technical parameters specifically for Pakistan. Developing maize-soybean intercropping technology in Pakistan is like a cause of common good because every Pakistani farmer can learn and master this technology for free. It’s knowledge, not a product. Therefore, Yang Wenyu’s team deserves to be further supported bilaterally. As agriculture is among the six key socio-economic fields under China-Pakistan Economic Corridor (CPEC) cooperation, they believe the fruition of maize-soybean strip intercropping technology will bring more benefits to Pakistani and Chinese people in the future.

June 5, 2020

Exports fall again in May, but recover from April low

ISLAMABAD: Pakistan’s exports tumbled for the third consecutive month in May falling 33.6 per cent year-on-year to $1.39 billion compared to $2.09bn in the corresponding month last year, data released by the Pakistan Bureau of Statistics showed on Thursday. Compared to 54pc decline in April, when exports fell to $957 million, month-on-month proceeds in May fared better owing to gradual recovery in the textile and clothing shipments to international markets. The impact of global lockdown in the North American and European countries top export destinations for Pakistani goods brought down the demand for country’s exports during the last four months since the spread of pandemic. However, the data showed exports grew 45.35pc in May, compared to April indicating a revival in exports. One of the main reasons for the rebound is the resumption of orders. International buyers had earlier, in the last few months, deferred and can-celled various import orders due to the global lockdown. The government has also allowed exports through the land routes during the month to Iran and Afghanistan.

The data showed resumption of exports on land routes also contributed to an improvement in overall exports from the country. Cumulatively, exports during July May fell to $19.79bn compared to $21.25bn over the corresponding months of last year, indicating a decline of 6.87pc.
In order to offset some of the impact of falling exports, the government has recently allowed exports of textile masks. On the flipside, exporters say that they are now receiving orders for antibacterial and anti-fungus clothing, pillows cover, medical gowns, towel, bed-sheets, and masks. Provincial governments of Sindh and Punjab have also allowed industries to resume operations to activity and help increase exports. In the pre-Covid-19, the government had projected exports during the ongoing fiscal year to reach $26.187bn, from $24.656bn in FY19.

Contrary to this, imports continued their downward trend, providing some breathing space to the country. The data showed imports falling to $40.85bn during the first 11 months of the current fiscal year, down 18.96pc, from $50.41bn in the same period last year. The decline in the value of imported goods in May was 43.17pc to $2.85bn against $5.01bn during the same month last year. As a result, the trade deficit narrowed by 27.77pc in the first 11 months of current fiscal year mainly on the back of a double-digit fall in imports. In absolute terms, the trade gap narrowed to $21.05bn during 11MFY20, from $29.15bn over the corresponding months last year. In May, the deficit plunged 50pc to $1.46bn, from $2.92bn in the same month last year. The government has recently released refunds as well as cash subsidies to export-oriented sectors to help them overcome the liquidity crunch. The Federal Board of Revenue released refunds and rebates to the tune of Rs116.961bn in July-April as against Rs65.150bn over the corresponding period of last year. In addition to this, the Ministry of Commerce has so far, in the last three quarters, released over Rs47bn to the textile and non-textile sectors as cash subsidies under the PM’s Export Enhancement Package. Of these, textile and clothing sectors received an amount of Rs45bn between July-April under the drawback of local taxes and levies.

The Nation
June 5, 2020

Pakistan trade deficit wanes by 27.77pc in 11 months of current FY

ISLAMABAD - Pakistan’s trade deficit has contracted by 27.77 per cent in eleven months (July to May) of the current fiscal year due to decline in exports as well in imports. The country’s trade deficit has recorded at $21.058 billion in July-May period of FY20 as compared to $29.154 billion in the corresponding period of the previous year, according to the latest data of Pakistan Bureau of Statistics (PBS). The trade deficit has contracted due to massive decline in imports and exports. The country’s exports have reduced by 6.87 per cent to $19.796 billion in July-May period of FY20 from $21.256 billion in same period of last year. Similarly, Pakistan’s imports have also declined by 18.96 per cent to $40.854 billion in eleven months of the ongoing financial year from $50.41 billion in corresponding months of the previous year. The PBS data showed that Pakistan’s exports and imports have fallen in the month of May due to the outbreak of Covid-19 throughout the world. The country’s exports have declined to $1.391 billion in May 2020 from $2.096 billion in the same month of the previous year showing massive decline of 33.64 per cent. Meanwhile, the imports have also reduced by 43.17 per cent to $2.851 billion in May this year from $5.017 billion in corresponding period of previous year. Pakistan’s trade deficit has shrunk to $1.460 billion in May 2020 as against $2.921 billion showing reduction of 50.02 per cent.
According to the data, the country’s exports have registered an increase of 45.35 per cent in the month of May 2020. The country has exported goods worth of $1.391 billion in May 2020 as compared to $957 million in preceding month, April. However, the imports have tumbled by around 11.02 per cent. Imports were recorded at $2.851 billion in May 2020, which was around $3.204 billion in April 2020. The reduction in imports and increase in exports has resulted in increase in trade deficit by 35.02 per cent during the month of May this year over April.

Pakistan’s trade deficit was recorded at $1.460 billion in the month of May 2019 as compared to $2.247 billion in the previous month, April. The massive reduction in trade deficit is helping in controlling the current account deficit. “The current account deficit has continued to narrow, even though both exports and imports have fallen sharply since the coronavirus outbreak,” the State Bank of Pakistan noted in recent monetary policy. It further noted that exports declined by 10.8 per cent on annual basis in March. Imports, after indicating some recovery on in recent months, have contracted by 19.3 per cent. The April figures from the Pakistan Bureau of Statistics reveal an even steeper decline in both exports (54 per cent) and imports (32 per cent).

While remittances have so far remained resilient, there are potential downside risks given the economic difficulties across the world, especially in oil exporting countries. Despite challenging global conditions, the outlook for external sector broadly remains stable. The current account deficit should remain bounded and the recent fall in portfolio inflows will be offset by official flows committed by the international community, such that Pakistan’s external position remains fully funded. Together, these developments, buttressed by the flexible exchange rate regime, should continue to support a steady build-up in the SBP’s foreign exchange reserve buffers.

**DAWN**

June 6, 2020

**Razak directs to accelerate ease of doing business reforms**

ISLAMABAD: Ahead of the next World Bank review of ease of doing business index in October, the steering committee of Pakistan Regulatory Modernisation Initiative (PRMI) on Friday held its meeting and directed provinces to speed up the much-needed reform process. The committee, constituted by Prime Minister Imran Khan last year, had implemented several reforms in consultation with provinces which translated into an improvement in the country’s ranking on the World Bank’s Ease of Doing Business by 28 places to 108 in 2019. ‘We are expecting a further improvement in the ease of doing business index this year too, Commerce Adviser Abdul Razak Dawood told Dawn after chairing the meeting. He claimed significant improvement in 10 critical areas of regulations. PRMI is the first step taken at the national level in consultation with provinces that aims at simplifying bureaucratic framework and the registration process in order to facilitate the business community. Under it, the process of mapping, rationalisation, modernisation and automation will be done. The adviser said substantial progress was made in some areas. Next meeting will be held in the last week of June to assess the flow of progress, he added.

On Friday, an official announcement said that Board of Investment Chairman Atif Riaz Bokhari briefed the committee over the progress on the implementation of reforms. Bokhaari shared the progress on different initiatives under the umbrella of PRMI, including mapping of various requirements, regulatory guillotine and licensing of small businesses at local government level.
He further shared the developments on Pakistan Business Portal, a part of Pakistan Goes Global Project, which is a platform that will allow all types of businesses to find relevant regulatory requirements, submit their application online and electronically pay the relevant fees as well.

Razak said the government aims to provide a business friendly and hassle-free environment to invite more domestic as well as foreign investments. He also stressed the need to take the commercial community on board to generate a meaningful dialogue for meeting the intended goals of the project. The adviser commended the Khyber Pakhtunkhwa administration for removing unnecessary local government registration, licences and no-objection certificates. He suggested that other provinces should also follow its footsteps. However, he noted that there is a need to pursue aggressive communication and advocacy campaign to highlight such success stories. Discussing the issues pertaining to the Federal Board of Revenue, Razak advised them to come up with a plan to facilitate businesses, particularly with respect to customs clearing issues on the ports. He asked the BOI to build capacity and ensure hand holding of small provinces and regions for effective launching of similar regulatory reforms process in their areas. Institutional Reforms Adviser Dr Ishrat Hussain, and secretaries of commerce, and BOI and other senior officers attended the meeting.

The Nation
June 7, 2020

Chinese importers start importing frozen fish from Pakistan

BEIJING - China has started importing frozen fish from Pakistan as a standard sized container of silver croaker fish set off from Karachi Port via a cargo ship of COSCO Shipping Corporation Limited. Now, the Chinese importer Xu Zhenwei is looking forward to the arrival of the fish and expects to receive them in the end of June, according to China Economic Net. “Gutted silver croaker and golden threadfin bream without head and fins, hair tail and squid from Pakistan are very popular with Chinese people. We are importing about 150 containers of frozen seafood from Pakistan annually,” he said. Asimabrar, person in charge of the fish processing plant Sea Green, said as the government removed the restriction on fishing, they are gradually resuming supplying seafood to China. Because of the strict lockdown imposed by Sindh government during COVID-19 spread, fishermen cannot go fishing at sea, which affected the implementation of many international contracts. Moreover, the months of annual restriction from June to July due to the breeding season of the marine species would put great extra pressure on the livelihood of people associated with the profession.

Therefore, Sindh government has decided to offer relief to the fishermen community by allowing them to fish in the sea in June this year. “As soon as the ban lifted, we contacted fishermen to go fishing then kept the fish under refrigeration to go through the customs”, Asimabrabar said. “Our seafood is of high quality and we supply in large quantity. Every year orders from China just pour in.” The official data shows that in the first seven months of FY 2019/20, Pakistan’s export of goods and service to China rose 1.8% while frozen fish exports increased from US $ 40.253 million last year to US $ 73.947 million during the current fiscal year, showing growth of 83.70
percent. Although novel coronavirus is still wreaking havoc at present, Asimabrar brims with confidence with the Chinese market and Sino-Pak trade. He is longing for a favorable turn.

The Nation
June 7, 2020

Services trade deficit shrinks 33.41pc in10 months

ISLAMABAD - The country’s services trade deficit contracted by 33.41 percent during the first ten months of the current financial year as compared to the corresponding period of last year. During the period under review, country’s services exports declined by 7.60%, whereas services’ imports narrowed by 18.89%, according the trade statistics of the Pakistan Bureau of Statistics (PBS). During the period from July-April (2019-2020), the exports reached to $4.668 billion against the exports of $5.052 billion during the same period of last year, it added. Meanwhile, the services imports witnessed decrease of 18.89 % and went down from $8.982 billion in first ten months to $7.285 billion of the same period of current financial year, it said. Based on the figures, the services trade deficit during the period under review was recorded at $2.617 billion against the deficit of $3.929 during last year, showing decline of 33.41%. On year-on-year basis, the exports from the country decreased by 14.63% during April 2020 as against the exports same month of last year.

The exports during April 2020 were recorded at $414.97 million against the exports of $486.08 million in April 2019. The imports also witnessed decrease of 36.98% during the month as these went down from $928.14 million in April 2019 to $584.90 million in April 2020. On month-on-month basis, the exports from the country decreased by 8.78% in April 2020 when compared to the exports of $454.91 in million in March 2020. On the other hand, the imports into the country decreased by 8.04 % in April 2020 when compared to the imports of $636.02 million in March. Meanwhile, the country’s merchandise trade deficit witnessed significant reduction in first ten months (July-April) of current financial year and declined by 25.68% as compared to the corresponding period of last year. During the period under review country’s exports registered about 3.92% decrease, whereas imports witnessed sharp decline of 16.50%, the PBS reported It is pertinent to mention that the country’s merchandise trade deficit also witnessed significant reduction in the first eleven months of current financial year and declined by 27.77% as compared to the corresponding period of last year. The country’s deficit during July-May (2019-20) stood at $21.058 billion against the deficit of $29.154 billion during July-May (2018-19), according to the data.

The Nation
June 7, 2020

Ferozsons Laboratories dissociates itself from marketing of unlicensed treatment for COVID-19

ISLAMABAD - A message is circulating on WhatsApp and social media, purportedly confirming the launch of an unlicensed treatment for Covid-19 imported from Bangladesh. The
message quotes a price of Rs. 20,000 per injection, and promotes a 10-day Covid-19 treatment course at a package cost of Rs. 220,000. Certain versions of this message also appear to link the name of Ferozsons Laboratories Limited with the launch. We would like to clarify to the public at large that Ferozsons has no connection with the launch of the treatment being imported from Bangladesh and marketed in Pakistan. It should be noted that no product can be launched or promoted in Pakistan prior to regulatory approval from the Drug Regulatory Authority of Pakistan (DRAP), and Ferozsons takes exception to the linkage of its name with the launch or promotion of any treatment which is yet to receive DRAP approval.

Remdesivir, a proprietary product of Gilead Sciences Inc., USA was granted Emergency Use Authorization by the United States FDA on May 1, 2020. As a licensee of Gilead Sciences, Ferozsons, through its subsidiary BF Biosciences Limited, is committed to urgently making available a licensed product manufactured under a technology transfer of the Gilead manufacturing process for remdesivir, and to ethical communication at all times. Putting Patients First is and will always remain at the heart of the Ferozsons operating philosophy. Meanwhile, Drug Regulatory Authority of Pakistan (DRAP) has issued a show-cause notice to SEARLE Pakistan noting that a social media campaign is being run by SEARLE that claims that first generic of the drug Remdesivir injection for COVID - 19 is being launched by them at Rs. 20,000 per dose. DRAP further informed that they have neither registered Remdesivir of any manufacturer or importer nor have fixed MRP (retail price) of the said injection. DRAP has asked SEARLE Pakistan to explain their position on why not proceedings be initiated against them for unethical marketing of an unregistered drug. DRAP has given 2 days’ time SEARLE to file their response.

The Nation
June 9, 2020

Pakistan spends over $1129 million on import of travel services

ISLAMABAD - Pakistan has spent $1129.940 million by acquiring different travel services from various countries during the first ten months of ongoing fiscal year 2019-20. This shows decrease of 2.60 percent as compared to $1160.050 million spent through provision of services during the last year (2018-19), Pakistan Bureau of Statistics (PBS) reported. During the period under review, the imports of personal travel services witness nominal decrease of 0.93 percent, by going down from $1122.090 million last year to $1111.680 million during July-April (2019-20). Among these personal services, imports of personal expenditure decreased by 49.36 percent from $1.560 million to $ 0.790 million whereas the education expenditure witness increase of 4.48 percent, by going up from $84.450 million to $88.230 million, data revealed. In addition, import of other personal services were decline by 1.30 percent.
**Sales tax to be major source of revenue: Dawood**

ISLAMABAD: Prime Minister Advisor on Commerce and Investment, Abdul Razak Dawood said on Monday that sales tax, not customs duty, will be the major source of tax revenue. Talking to Business Recorder, he said, duty on raw materials should be reduced. Last year, the government had lowered customs duty on 1638 items in the federal budget 2019-20, he said adding that this year, customs duty and additional customs duty on these items will be zero. He maintained that the recommendations of tariff committee headed by the Late Ali S. Habib about revision of tariff on 300 tariff lines, will be implemented in the federal budget. “We will reduce duty on tariff lines to some extent recommended by the Make in Pakistan committee,” he continued.

Abdul Razak Dawood was of the view that after the budget Commerce Ministry will start consultation with other stakeholders to prepare tariff roadmap of next three years. He said this year coordination among the Commerce Ministry, Finance Ministry, Industries Ministry and Federal Board of Revenue and National Tariff Commission (NTC) was exceptional. “This year, we are reducing duty on raw materials but duty on finished goods will remain unchanged. Extra protection will continue due to Covid-19 and from next year duty on finished goods will be reduced,” he added. In reply to a question, Abdul Razak Dawood said that he has apprised the Minister about tariff rationalization process, in addition to wheat issue and pharmaceutical industry.

He said de-industrialization in the country has stopped but a strategy is under consideration to encourage industrialization. For this purpose, duties at import stage will be curtailed. He said the government’s reliance on duty on import should be done away with and attention would be shifted from customs duty to sales tax. However, this year, this will not be done due to Covid-19. He said, in Pakistan’s total revenue, the share of customs-related duties is 40 per cent whereas in Bangladesh it is 28 per cent and in India 26 per cent. In Malaysia and Indonesia and Europe revenue from customs related duties is even far less.——MUSHTAQ GHUMMAN

**PPE exports permitted**

ISLAMABAD: The government on Tuesday lifted the ban on exports of seven products classified as personal protective equipment (PPE) in a bid to allow manufacturers to honour international orders. The decision, taken by the National Command and Operation Centre of the National Coordination Committee on June 8, will allow exports of disposable gowns, disposable gloves, face shields, biohazard bags, goggles, shoe cover and hand sanitizers with immediate effect. However, the ban on exports of N-95 masks, surgical masks and Tyvek suits will remain
in place, the SRO526 issued on Tuesday showed. The government had, on Mar 24 imposed a ban on export of all these PPEs in a bid to assess baseline requirements of the country. However, it had already allowed export of cotton masks on April 23. The Ministry of National Health Services, which overseas imports and exports of medical goods and instruments sent a letter to Federal Board of Revenue Chairperson Nausheen Amjad to allow exports of the seven PPEs.

Adviser to PM on Commerce Razak Dawood said the government has done its part to lift the ban on PPE exports. ‘Exporters please take note and go full speed ahead to capture a good share of the world market’, he said. He also advised the pharma industry to share their proposals with the commerce ministry to get support on exports and tariff rationalisation. Historically, pharma exports have fallen under the ambit of Ministry of Health for commercial matters, he said. ‘The time has come for this to change’ he said, adding that the industry has great potential, which must be realised. Exports of health-related products from the country are subject to no objection certificates from the Drug Regulatory Authority of Pakistan. Many countries have restricted exports of all goods used in the prevention and treatment of Covid-19. However, in Pakistan, the decision to allow or ban exports of PPEs has been unclear since the last few weeks. Despite that, Pakistani manufacturers have already shipped washable cloth masks used for anti-dust pollution since April 23. The Covid-19 has opened up new avenues for the textile industry to take advantage of the rising demand of PPEs.

The Nation
June 10, 2020

Ministry notifies export of personal protective equipment, hand sanitisers

ISLAMABAD - The ministry of commerce on Tuesday has notified exports of personal protective equipment (PPEs) and hand sanitizers in potential global market as its demand has risen after COVID-19 pandemic. “Notification allowing export of PPEs & hand sanitizers has been issued. The Government has done its part. Exporters please take note & go full speed ahead to capture a good share of world market,” said Adviser to Prime Minister on Commerce and Investment Abdul Razak Dawood on Twitter. He further said that permission of exports s does not apply to Track suits, N95 masks and surgical masks. He said that this is part of government strategy for exports diversification to expand in to new segments to achieve the agenda of new market exploration for connecting local exports with global value chain. The government is committed to encourage the local exporter to seek more order from the international potential markets and also try to explore the untapped region of the world. The ministry of commerce has issued the notification after Federal Cabinet had approved export of Personal Protective Equipment (PPE) of all items including, woven and non-woven, which provides opportunity to cater to the demands of world markets.

Earlier, in last month, the government had allowed the export of face masks. Pakistan had also received large orders for face masks from United States (US), Canada and Europe. In April 2020, the federal government had permitted export of textile masks in a bid to allow manufacturers to honour international orders. However, the ban on exports of N-95 and surgical face masks — both falling in the list of personal protective equipment (PPE) — remained. The decision was taken in a meeting of the National Command and Operation Centre (NCOC) of the National
Coordination Committee on April 20. The government has also been formed to manage local demand to ensure adequate supplies and in this regard a notification will be issues in coming few days. Federation of Pakistan Chamber of Commerce and industry president Mian Anjum Nisar had already appreciated the Personal Protective Equipment (PPE) exports of all items of PPE of including woven and non woven and said that this would huge opportunity for local exporter to achieve their targets for maximum benefits from opportunity after the emergence of COVID-19 pandemic. He said that “We in this regard government has coordinated with FPCCI including whole business community and “We are committed to support the every good step of the government.”

June 13, 2020

Pak company signs deal with Chinese wind turbine producer

BEIJING - A major developer of wind energy in Pakistan, ACT Wind (Pvt) Limited, has signed a contract with Xinjiang Goldwind Science Technology Co., Ltd. to acquire 50MW suite of wind turbine for the Phase II ACT project. The suite is comprised of 20 turbines with each having a capacity of 2.5MW. It’s the second time the two companies stroke a deal and the first can date back to four years ago when ACT project Phase I of 30MW adopted Goldwind’s wind turbines, which have been in secure and stable operation since then, China Economic Net reported on Friday. ACT project Phase I is first of the many power projects jointly owned and operated by Tapal Group, Akhtar Group and Ismail Industries. The plant comprises of 20 wind turbines having a combined capacity to generate 30MW of electricity (each having a capacity of 1.5 MW). The project achieved its Commercial Operations Date on 8th October, 2016. The ACT project Phase II is set to be located in Jhimpir, known as “the pathway of wind” in Sindh province.

Goldwind was the first Chinese wind turbine producer to enter the Pakistani market in 2013. It has customized high-temperature wind turbine for Pakistan that boasts average availability of over 99 per cent in a long term. Meanwhile, Goldwind has cultivated local talents with knowledge and skills on operation, maintenance and examination of wind power plant. With an edge in providing products that feature high-adaptability to the environment and stable operation, Goldwind has grown to become a model for local wind power projects. So far, Goldwind has played a part in the investment and operation of 6 power plants in Pakistan. With the order of ACT Phase II project to be implemented, new installment of wind generators in Pakistan provided by Goldwind will reach 150MW by 2022 and the total installment will register 477MW. Such an amount of environment-friendly wind energy is estimated to provide 1.5 billion (Kwh) of electricity, alleviating the power shortage in a greener way. As the China-Pakistan Economic Corridor (CPEC) lays a solid foundation for the improvement of infrastructure in Pakistan, Goldwind will bring more high-quality products and technologies to this country and support its development with reliable, sustainable and affordable renewable energy.
Finance Bill 2020 Body formed to address ‘anomalies’

ISLAMABAD: The federal government has constituted a three-member ‘anomalies’ committee headed by Prime Minister’s Advisor on Commerce and Investment, Abdul Razak Dawood to address the anomalies in the Finance Bill 2020. Minister for Industries and Production, Hammad Azhar and Chairperson, Federal Board of Revenue (FBR) Nausheen Javaid Amjad will be the members of the committee. Ministry of Commerce has requested all the stakeholders to give their feedback on the draft Finance Bill, 2020 latest by June 17, 2020 to the Tariff Policy Wing, Ministry of Commerce. “I will be heading a three-member committee which will review any anomalies in the budget proposal. We will be accepting proposals for the next two days. The feedback received from the stakeholders shall be examined by the committee for its incorporation or otherwise in the Finance Bill, 2020,” Azhar stated. Most of the stakeholders including independent economists, local business community and Overseas Investors Chamber of Commerce and Industry (OICCI) have expressed dissatisfaction on the measures taken in the federal budget as their budget recommendations were not given any weight. Commerce Ministry has also sent the letter to: (i) President, Federation of Pakistan Chamber of Commerce and Industries (FPCCI), Karachi; (ii) President LCCI; (iii) President KCCI; (iv) President FCCI; (v) President PCCI; (vi) Chairman, Pakistan Business Council, Islamabad; and (vii) Chairman, All Pakistan Business Council.

All Pakistan Textile Mills Association (APTMA) in a letter to Chairman Anomalies Committee, Abdul Razak Dawood has said that the proposed budget for FY 20-21 has completely failed to address serious industry issues in the light of the worldwide Covid-19 created crisis. This is likely to lead to large scale unemployment and closures and as the market dynamics have changed post-Covid-19. The Association is of the view that bold and direct steps were required to retain our export earnings and maintain employment in a shrinking world market due to lack of demand especially textiles which constitute 60% of export earnings Pakistan’s balance of payments position is likely to worsen as a result of the lack of appreciation of the issues facing exports and the expected 20% drop in remittances (World Bank estimate) due to large scale layoffs in the Gulf countries and Saudi Arabia.

APTMA has requested resolution of followings is requested at earliest: (i) provision of regionally competitive energy prices; (ii) continuation of regionally competitive fixed electricity tariff at 7.5 cents/KWh and $ 6.5 per MMBTU for RLNG/gas across the value chain to ensure competitive export pricing; and (iii) non-continuation of regionally competitive energy rates will lead to direct closure of around 30 percent of factories within six months. The Association argues that unless corrected, as of July 1st, 2020, exporting sectors will be charged Rs 24/kwh as normal B3 industrial tariff instead of the earlier Rs 12 and even if RLNG is continued at $ 6.5/MMBTU this contrasts with $ 3.5 RLNG/gas tariff for India and Bangladesh. Meanwhile Electricity Prices in India have seen a further drop of 16% over the last two months while currently averaging about 7.2 cents/kwh for Industry. Energy accounts for 35% of conversion costs in the Textile
value chain and therefore competitive pricing of exports is very highly sensitive to Energy pricing.

According to the APTMA letter, it had been agreed that Rs 20 billion will be allocated for energy for use in maintaining 7.5 cents/kwh for electricity and $ 6.5/MMBTU for RLNG/gas. The budget however only allocates Rs 10 billion for RLNG. Competing countries are already poised to combat highly competitive market conditions through cheaper electricity and gas rates. Textile industry has further sought zero rating/ 17 percent GST and continuation of 17 percent GST is not sustainable as by design GST refunds of 5 months remain in pipeline. Sales tax exemption on imports through Bond, EOU & DTRE must be withdrawn immediately. “We requested the government to restore zero rating or to reduce sales tax rate to 5% across the value chain,” said Executive Director APTMA, Shahid Sattar.

DAWN
June 17, 2020

Textile exports tumble 36.5pc in May

ISLAMABAD: Pakistan’s textile and clothing exports tumbled for the third consecutive month in May falling 36.5 per cent year-on year to $751.128 million compared to $1.185 billion in the corresponding month of last year, data released by the Pakistan Bureau of Statistics (PBS) showed on Tuesday. Compared to 64.5pc decline in April, when textile and clothing exports fell to $403.834m year-on-year the lowest level in almost 17 years, month-on-month proceeds in May fared better owing to a recovery in international orders. The easing of lockdown in the North American and European countries-top export destinations for Pakistani textile goods will help revive the sinking exports. The Covid-19 has collapsed the demand for country’s exports during the last four months. A significant decline was seen in trade shipments since Mar 15 the date since coronavirus cases spiked in major export destinations especially in Europe and North America. However, exports on land routes were allowed in May to Iran and Afghanistan. It was only in February when the textile and clothing exports jumped nearly 17pc on a year-on-year basis. This growth was reported after a long time as the past few years had been marred by single-digit increases. Details showed readymade garments exports dipped 46.28pc in value and drifted much lower in quantity by 68.16pc during May while those of knitwear dipped 33.93pc in value and 38.87pc in quantity, bed wear posted negative growth of 22.17pc in value and 29.28pc in quantity.

Towel exports fell 42.59pc in value and 50.96pc in quantity, whereas those of cotton cloth dipped by 41.42pc in value and 55.56pc in quantity. However, exports are expected to revive in June as exporters have resumed production to honor international orders. Last week, the government lifted the ban on exports of seven products classified as personal protective equipment (PPE) in a bid to allow manufacturers to honor international orders. Exporters are already receiving inquiries about PPEs from foreign buyers as government allowed exports of disposable gowns, disposable gloves, face shields, biohazard bags, goggles, shoe covers and hand sanitizers with immediate effect. Previously, the government allowed exports of textile masks as well. Among primary commodities, cotton yarn exports dipped by 51.29pc while yarn other than cotton by 52.28pc, made-up articles excluding towels by 41.05pc, and raw cotton
100pc. Exports of tents, canvas and tarpaulin increased by a massive 112.35pc during the month under review. Between July-May FY20, textile and clothing exports declined 6.06pc to $11.567bn, from $12.313bn over the corresponding period last year. In rupee terms, the proceeds of the sector jumped 9.52pc.

The Nation
June 17, 2020

Plastic imports decrease 11.64pc

ISLAMABAD - The imports of plastic materials into the country witnessed decreased of 11.64 per cent during the first ten months of financial year (2019-20) as compared to the corresponding period of last year. Pakistan imported plastic worth $1635.650 million during July-April (2019-20) compared to the imports of $1851.180 million during July- April (2018-19), showing negative growth of 11.64 per cent, according to the Pakistan Bureau of Statistics (PBS). In terms of quantity, the imports of plastic witnessed an increase of 2.62 per cent as the country imported 1,318,942 metric ton of plastic during the period under review compared to the imports of 1,285,229 metric ton during last fiscal year. Meanwhile, on year-on-year basis, the plastic imports into the country during April 2020 dipped by 34.89 per cent when compared to the imports of the same month of the last year. The plastic imports during the months under review were recorded at $145.405 million against the imports of $223.307 million during April 2019.

On month-on-month basis, the plastic imports during April 2020 also declined by 11.44 per cent when compared to the imports of $164.194 million in March 2020, the data revealed. It is pertinent to mention here that the country’s trade deficit witnessed significant reduction in eleven months of current financial year and declined by 27.77 per cent as compared to the corresponding period of last year. The exports witnessed decrease of 6.87 per cent and reached to $19,796 billion against the exports of $21.256 billion of the same period of last year. On the other hand, the country’s imports witnessed significant decrease of 18.96 per cent and went down from $50.410 billion last financial year to $40.854 billion of same period of current financial year. Based on the figures, the trade deficit during the period under review was recorded at $21.058 billion against the deficit of $29.154 during last year, showing decline of 27.77 per cent.

The Nation
June 18, 2020

Mobile phones import increases 63.17pc

ISLAMABAD - The import of mobile phones into the country has witnessed an increase of 63.17 per cent during the eleven months of financial year (2019-20) as compared to the corresponding period of last year. Pakistan imported mobile phones worth US $1138.641 million during July-May (2019-20) as compared to the imports of $697.813 million during July-May (2018-19), showing growth of 63.17 per cent, according to the latest data issued by Pakistan Bureau of Statistics (PBS). On year-on-year basis, the import of mobile phones witnessed
increased of 68.76 per cent in May 2020, as compared to the imports of the same month of last year. The mobile phones imports during May 2020 were recorded at $111.059 million against the imports of $65.810 million in May 2019.

On month-on-month basis, the imports of mobile phones also increased by 133.22 per cent during May 2020, as compared to the imports of $47.619 million during April 2020, according to the data. It is pertinent to mention here that the country’s trade deficit witnessed significant reduction in eleven months of current financial year and declined by 27.75 per cent as compared to the corresponding period of last year. The exports witnessed decrease of 6.85% and reached to $19.801 billion against the exports of $21.256 billion of the same period of last year. On the other hand, the country’s imports witnessed significant decrease of 18.93 per cent and went down from $50.410 billion last financial year to $40.866 billion of same period of current financial year.

The Nation
June 19, 2020

**ADB extrapolates Pakistan economy to expand at 2pc in FY2020-21**

ISLAMABAD - The Asian Development Bank has projected Pakistan’s economy, which is expected to contract by 0.4 per cent in FY2020 (ending June 30 2020) as the COVID-19 outbreak further restricted economic activity, would regain some pace and grow at 2 per cent in the upcoming fiscal year 2020-21. “Pakistan’s economy was on the path to recovery before COVID-19, and once the COVID-19 impact subsides, Pakistan will resume its efforts to address macroeconomic imbalances and initiate structural reform, likely holding economic growth to a projected 2.0 per cent in FY2021,” the ADB said in a regular supplement to its annual flagship economic publication, the Asian Development Outlook (ADO) 2020 released in April. The supplement added that India’s economy is forecast to contract by 4.0 per cent in fiscal year (FY) 2020, ending on March 31 2021, before growing 5.0 per cent in FY2021. With respect to inflation rate, the ADB supplement suggested that inflation rate in Pakistan would remain at 11 per cent as against the earlier projection of 11.5 per cent in current fiscal year ending on June 30. Similarly in next fiscal year, the inflation rate would remain 8 per cent against the earlier projection of 8.3 per cent. It said overall the developing Asia would barely grow in 2020 as containment measures to address COVID-19 pandemic hamper economic activity and weaken external demand, according to a new set of forecasts from the ADB.

ADB forecasts growth of 0.1 per cent for the region in 2020 which is down from the 2.2 per cent forecast in April and would be the slowest growth for the region since 1961. Growth in 2021 is expected to rise to 6.2 per cent, as forecast in April. Excluding the newly industrialized economies of Hong Kong, China; the Republic of Korea; Singapore; and Taipei, China, developing Asia is forecast to grow 0.4 per cent this year and 6.6 per cent in 2021. “Economies in Asia and the Pacific will continue to feel the blow of the COVID-19 pandemic this year even as lockdowns are slowly eased and select economic activities restart in a ‘new normal’ scenario,” said ADB Chief Economist Yasuyuki Sawada in a statement issued here. “While we see a higher growth outlook for the region in 2021, this is mainly due to weak numbers this year, and this will
not be a V-shaped recovery. Governments should undertake policy measures to reduce the negative impact of COVID-19 and ensure that no further waves of outbreaks occur.” Risks to the outlook remain on the downside. The COVID-19 pandemic may see multiple waves of outbreaks in the coming period and sovereign debt and financial crises cannot be ruled out. There is also the risk of renewed escalation in trade tensions between the United States and the People’s Republic of China (PRC). East Asia is forecast to grow 1.3 per cent in 2020—the only sub region to experience growth this year—while growth in 2021 will recover to 6.8 per cent. Growth in the PRC is forecast at 1.8 per cent this year and 7.4 per cent in 2021, compared to the April estimates of 2.3 per cent and 7.3 per cent, respectively.

Hit hard by COVID-19, South Asia is forecast to contract by 3.0 per cent in 2020, compared to 4.1 per cent growth predicted in April. Growth prospects for 2021 are revised down to 4.9 per cent from 6.0 per cent. India’s economy is forecast to contract by 4.0 per cent in fiscal year (FY) 2020, ending on 31 March 2021, before growing 5.0 per cent in FY2021. Economic activity in Southeast Asia is expected to contract by 2.7 per cent this year before growing by 5.2 per cent in 2021. Contraction are forecast in key economies as containment measures affect domestic consumption and investment, including Indonesia (-1.0 per cent), the Philippines (-3.8 per cent), and Thailand (-6.5 per cent). Viet Nam is forecast to grow 4.1 per cent in 2020. While that is 0.7 percentage points lower than ADB’s April estimates, it is the fastest growth expected in Southeast Asia. Central Asia’s economic activity is expected to contract by 0.5 per cent compared to the 2.8 per cent growth forecast in April due to trade disruptions and low oil prices. Growth is forecast to recover to 4.2 per cent in 2021. Restricted trade flows and declining tourism numbers have dampened economic outlook for the Pacific sub region. The sub-regional economy is forecast to contract by 4.3 per cent in 2020 before rising to 1.6 per cent growth in 2021. Inflation for developing Asia is forecast at 2.9 per cent in 2020, down from a forecast of 3.2 per cent in April, reflecting depressed demand and lower oil prices. In 2021, inflation is expected to ease to 2.4 per cent.

The Nation
June 19, 2020

Iran keen to provide all possible facilitation for mango exports

ISLAMABAD - Iran has agreed with Pakistan to provide all possible facilitation for mango exports to the country and Central Asia. Adviser to the Prime Minister on Commerce and Investment Abdul Razak Dawood and Ambassador of Iran Syed Mohammad Ali Hosseini held a meeting on Thursday. Both the countries appreciated the opening of Taftan Border for seven days a week for bilateral trade. Dawood said that Iranian Consulate Quetta has confirmed that they will attest documents for at least 30 shipments of mango exports daily. Iranian trucks will take Pakistan mangoes to Iran from the border, following SOPs for prevention of COVID-19 pandemic in place. Iran will provide all possible facilitation for mango exports to Iran and Central Asia and Ambassador will stay in direct contact with Ministry of Commerce. In other development, the Advisor to the Prime Minister on Commerce and Investment chaired the 2nd meeting of National e-Commerce Council. All of the nominated members of the Council, including State Bank of Pakistan, Ministry of IT & Telecom, Federal Board of Revenue,
The Advisor briefed the participants about the progress achieved in the past months on the e-Commerce Policy, since its approval on 1st October, 2019. He appreciated the coordinated efforts of public and private sector for the effective implementation of the policy. Talking to the participants, Razak Dawood underlined that the trend of e-commerce has increased rapidly in the recent years with the development and easy accessibility of the internet. He added that, due to the covid-19 pandemic, the importance of e-Commerce has increased manifolds, making it an extremely vital sector for the economy. He stressed the importance of directing the resources towards digital adoption and connecting the SMEs to e-platforms across the globe, while exploring new market access opportunities for them. Sharing the progress update, State bank of Pakistan informed that the regulatory framework for facilitation of cross border B2C e-Commerce has been developed, which will be adopted after integration with the e-Commerce module to be developed by FBR in WeBoC (web based one customs).

Punjab and Khyber Pakhtunkhwa Revenue Authorities apprised the participants of the incentives being announced for Digital and e-Commerce sector in the provincial budgets to support these sectors during these challenging circumstances. Representatives from Consumer Protection Councils of Punjab and Lahore and from Consumer Rights Commission of Pakistan informed that, in line with the directions of the e-Commerce Policy, Federal and Provincial Consumer Acts are being amended to include the subject of e-Commerce and the disputes arising from this sector. They added that webinars are being planned to educate academia and train the judicial officers on the subject of consumer protection.

The Nation

June 20, 2020

Pakistan, ADB ink $310m agreements

ISLAMABAD - Pakistan and Asian Development Bank (ADB) on Friday signed two agreements worth $310 million for helping to develop a bus rapid transit (BRT) system in Karachi and for the Sindh Secondary Education Improvement Project. The ADB and the government of Pakistan signed the loan agreement for a $235 million loan initially approved by the bank on 5 July 2019, to help develop a bus rapid transit (BRT) system in Karachi, Pakistan’s largest city. Meanwhile, ADB and the government of Pakistan also signed the agreement for a $75 million loan for the Sindh Secondary Education Improvement Project, approved by ADB on 25 October 2019. Secretary of the Economic Affairs Division Noor Ahmed and ADB Country Director Xiaohong Yang signed the agreement on the loan which will help to deliver the 26.6 kilometer Bus Rapid Transit Line Red Line corridor and feature innovative energy and climate resilience characteristics that will enhance access to quality public transport for the city’s inhabitants. The signing was witnessed by Pakistan’s Minister for Economic Affairs, Makhdum Khusro Bakhtyar.
“The loan signed today will enable a safe, reliable and environmentally friendly mode of transport in Pakistan’s most populous city,” said Ms. Yang. “On behalf of ADB, I am pleased to sign this agreement and would like to thank the Government of Sindh for the strong collaboration and continued support in recent years during the preparation of this complex project. The BRT will make a significant difference to the commuting experience in Karachi, ease congestion and improve the overall quality of life for people in the city.” The project, developed in partnership with the Transport and Mass-Transit Department of the Sindh Government, is now all set for fast-track implementation with the start of procurement activities for civil works and the on-going recruitment of the Project Management and Construction Supervision team. The Project will restructure the entire width of the Red Line BRT corridor, including the construction of 29 stations and dedicated lanes along the 26.6 km stretch; improvement of the mixed-traffic roadway with up to six lanes in each direction; inclusion of on-street parking and landscaped green areas in various locations; improvement of the drainage system to climate-proof the corridor; and installation of bicycle lanes, improved sidewalks, and energy-efficient street lights.

In addition, ADB will also administer a $100 million loan from the Asian Infrastructure Investment Bank (AIIB), a $100 million loan from Agence Francaise de Development (AFD), a $37.2 million loan and a $49 million grant from the Green Climate Fund (GCF), which will finance climate change adaptation and mitigation measures, such as the incremental cost of the transition from basic diesel bus technology to compressed natural gas (CNG) hybrid bus technology, and the construction of a biogas plant to produce CNG from cattle waste. The project, which is expected to save 240,000 tons of CO2 emissions per year, is the first transport-related initiative ever approved by GCF.

The ADB and the government of Pakistan signed the agreement for a $75 million loan for the Sindh Secondary Education Improvement Project, approved by ADB on 25 October, 2019. The project is being financed through ADBs Concessional Ordinary Capital Resources, which is offered at very low interest rates. This signifies ADBs strong commitment to reengage with Pakistan in the sector. There are a number of additional education projects planned over the next three years, including in the TVET sector. Secretary of the Economic Affairs Division Noor Ahmed and ADB Country Director Xiaohong Yang signed the loan agreement which will help improve education outcomes and the quality, accessibility, and gender equity of the secondary education system and infrastructure in Sindh.

“Education is critical to Pakistan’s continued development and ADB is committed to supporting Pakistan as it moves towards more equitable and inclusive education,” said Ms. Yang. “I am pleased to sign this loan agreement for this project which will help to address the significant gender and regional disparities in the province of Sindh.” The project will construct around 160 secondary school blocks on existing public school sites in some of the most deprived districts of southern Sindh. By focusing on access to education for girls, the project will help to bridge the gender and regional gaps in the province. The new blocks will feature gender-segregated sanitation facilities and prayer rooms, and be fitted with solar power. The project will train teachers through an innovative classroom-based training and mentoring program and help to improve the transparency and content of the province’s public examination system. A key
outcome in the project is for the newly built secondary school blocks to be managed by private sector operators—unlocking critical quality improvements, efficiencies, and value for money for the Government of Sindh.

The Nation
June 20, 2020

Google releases Pakistan’s search Insights for brands

PR ISLAMABAD - For the first time in Pakistan, the online search giant, Google released a comp thought leadership report “Insights for Brands” based on What Pakistan is Searching for online? Online search is one of the most important indicators of consumer intent in society these days. The insights from the search are useful for all businesses which are looking for ways to engage with their audiences, online. Pakistanis, along with other purposes, mostly consume their internet for personal entertainment, restaurant guide, product research assistant, and all-around source of truth. “Pakistanis and their smart phones are inseparable -- always on the lookout for the best experiences and deals within their vicinity and at the same time seeking authoritative information during these trying times,” said Faraz Azhar, Industry Head for South Asia, Google Asia Pacific. “Our research found rising levels of consumer sophistication, interest in more sustainable products and services, and a move towards a healthier lifestyle as some of the biggest drivers of behavior in the last 12 months. Also, digital video continues to boom with local content on YouTube representing Pakistan’s favorite online destination.” In the newly released report, Google outlined five key trends that are shaping how Pakistanis search as well as their curiosity on the impact of reduced human mobility on the environment:

1. Increasingly sophisticated consumers
Consumers expect Search to understand the intent behind what they need and deliver the best, most helpful answers. They want high-quality products that are available with a convenient digital experience. 4 in 5 Pakistani consumers research products online before a purchase, and they switch between online search and video. They also want quick access to products and services: 138% growth in “near me” searches and 1.5X increase in “same day delivery” queries between 2018 to 2019. ‘Fast delivery’ searches increased by 1300% and online grocery delivery searches increased by 300% when the pandemic began.

2. Towards sustainability and conscious consumption
A combination of the state of the world and an overall rise in awareness has seen the rise of the environmentally conscious consumer. Over a one year period these searches have risen sharply across Pakistan: “climate change” by 1.5X, “electric cars” by 1.5X, “reusable” by 1.3X, and “cimate change” by 1.5X. Users were also curious about the visible impact on air quality and pollution levels, with searches for ‘clear skies’ increasing by 300%; ‘clean air’ by 225%; and ‘clear water’ by 217%.

3. Digital video continues to boom
Video streaming and sharing platforms are where Pakistanis get their fix of information, entertainment, news, and sports. The primary drivers are a combination of affordable data
combined with the proliferation of devices and now platforms. 7 in 10 Pakistanis use YouTube every month, with searches related to “with me” increasing 150%, “teeli” by 108% and “vilage food secrets” by 168%.

4. **The healthy lifestyle choice**
While Pakistan has a rich and diverse culinary tradition, there has been a rise in searches for alternate diets and meal plans predicated around well-being. Searches for “daily exercise” are up 1.6X. Searches for “vegetarian cuisine”, “healthy supplements” and “intermittent fasting” have risen 1.5X. Meanwhile searches for “super food” are up by a whopping 767% and “HIIT” by 600%.

5. **COVID-19 implications**
With COVID-19 restricting the movement of people outdoors, Pakistanis have started looking for ways to start (or continue) their usual physical routines indoors with ‘HIIT workout’ YouTube searches growing by 600%, ‘gym at home’ by 125%, and ‘home workouts’ by 80%. With more people confined indoors, interest in mental health and well-being has also become an important factor for Pakistanis, with a surge in searches for ‘meditation’ (+56%) in March this year.

For more insights on how Pakistani consumers use Google Search, along with some vertical insights on fintech, on-demand economy, telecom, gaming, and sports, visit Think with Google and download the Insights for Brands report. For more insights on how Pakistani consumers use Google Search, along with some vertical insights on fintech, on-demand economy, telecom, gaming, and sports, visit Think with Google and download the Insights for Brands report.

The Nation

June 20, 2020

**Visa launches WYSM initiative to support small businesses**

PR LAHORE - Visa, the world’s leader in digital payments, has launched their ‘Where You Shop Matters’ (WYSM) initiative in Pakistan with Daraz, the country’s leading online marketplace. The campaign aims to empower and support small businesses adversely affected by COVID-19 pandemic and is part of a larger Visa effort spanning the Central and Eastern Europe, Middle East and Africa (CEMEA) region. The small-and-medium enterprises (SME) sector, which accounts for 40% of Pakistan’s GDP, has been hardest hit by the COVID-19 pandemic due to the slump in commercial and trade activity. Social distancing measures have severely hurt smaller businesses with reduced demand and supply chain disruptions, particularly those that are largely offline and rely on personal visits to markets. Kamil Khan, Country Manager Pakistan, Visa said: “The pandemic has changed how and where consumers shop with the majority adopting digital payments and moving to online platforms.

Meanwhile, small businesses in Pakistan, and especially cash-only merchants, have been severely impacted and are struggling to survive. While these shifts present challenges, they also present enormous opportunities for merchants in Pakistan to transform their operations and
continue generating revenue with new potential customer bases online. Our ‘Where You Shop Matters’ initiative helps local vendors navigate these unexpected challenges and empowers them back to business by leveraging digital commerce.” Ehsan Saya, Managing Director, Daraz Pakistan said: “Since the outbreak of the pandemic, our efforts have been geared towards empowering our growing community of 30,000 marketplace sellers and safeguarding SMEs across the country from the economic downturn. We are dedicated towards creating opportunities for small businesses to benefit from the accelerated rate of digital adoption we have witnessed among consumers in Pakistan by facilitating their transition towards e-commerce. We are proud of our partnership with Visa.”

The Nation
June 21, 2020

Govt to empower women through e-commerce platform for digital business promotion: Razak

ISLAMABAD - Adviser to the Prime Minster on Commerce and Investment Abdul Razak Dawood Friday said the government was committed to empower the women by providing the facility of e-commerce platform for promoting digital business in the country. The Women Economic Empowerment Group (WEEG) would be made operational soon to have dedicated initiatives for women entrepreneurs, he, in a statement issued by Ministry of Commerce, said. He said ‘WCom’ a mobile app was being developed to facilitate youth and women entrepreneurs for promoting digital businesses culture in Pakistan. He appreciated the progress made by the provinces to attract more and more e-commerce platform through tax facilitation and promotion of digital payment. The Khyber Pakhtunkhwa (KP) has reduced General Sales Tax (GST) to two percent for online platform, while Punjab had also decreased five percent GST. Razak Dawood said there was reduction in sales tax for certain sectors only on digital payments also considered.

A sub-committee on shift to digital payments would work with small and medium entrepreneurs (SMEs) and logistics companies for the capacity building and develop score card to monitor the progress, he said. “I chaired the 2nd National e-commerce council meeting and discussed detailed implementation plan of Pakistan e-commerce policy, progress made in the six months included breakthrough with Amazon, cross border facilitation,” he added. The adviser also underscored that the trend of e-commerce had increased rapidly in the recent years with the development and easy accessibility of the internet. He added that due to the COVID-19 pandemic, the importance of e-commerce had increased manifolds, making it an extremely vital sector for the economy. He stressed the importance of directing the resources towards digital adoption and connecting the SMEs to e-platforms across the globe, while exploring new market access opportunities for them. He appreciated the coordinated efforts of public and private sector for the effective implementation of e-commerce of the policy.
Exports soar by 8.48 per cent in 11 months

ISLAMABAD - Exports from the country, in rupee term, increased by 8.48 per cent during the first eleven months of the current fiscal year as compared to the corresponding period of last fiscal year, Pakistan Bureau of Statistics (PBS) reported. The exports from the country during July–May (2019-2020) were recorded at Rs3,106,723 million as against Rs2,863,885 million during the corresponding period of last year, showing an increase of 8.48 per cent, according to provisional data released by PBS. However, on year-on-year basis, the exports from the country decreased by 26.78 per cent in May 2020 when compared to the exports of May 2019. The exports in May 2020 were recorded at Rs223,536 million as against the exports of Rs305,303 million during May, 2019. On month-on-month basis the exports increased by 42.01 per cent in May 2020 when compared to the exports of Rs157,412 million in March, 2020. The main commodities of exports during May, 2020 were knitwear (Rs28,962 million), bed wear (Rs 23,380 million), readymade garments (Rs21,708 million), rice others (Rs20,079 million), cotton cloth (Rs15,731 million), Basmati rice (Rs13,128 million), cotton Yarn (Rs8,324 million), towels (Rs6,668 million), readymade up articles (excl. towels & bed wear) (Rs5,537 million) and fish & fish preparation (Rs4,554 million).

On the other hand, imports during July–May, 2019 - 2020 totaled Rs6,421,012 million as against Rs6,767,523 million during the corresponding period of last year showing a decrease of 5.12 per cent. Imports into Pakistan during May, 2020 amounted to Rs458,272 million as against Rs526,880 million (provisional) in April, 2020 and Rs730,962 million during May 2019 showing a decrease of 13.02 per cent over April, 2020 and of 37.31 per cent over May 2019. The main commodities of imports during May, 2020 were Electrical machinery and apparatus (Rs31,412 million), iron and steel (Rs23,205 million), palm oil (Rs21,591 million), petroleum products (Rs20,813 million), power generating machinery (Rs20,339 million), iron and steel scrap (Rs19,435 million) plastic materials (Rs18,991 million), mobile phones (Rs17,778 million), natural gas, liquefied (Rs17,285 million) and raw cotton (Rs16,535 million).

157 Women Empowerment Centres imparting training in various skills to women

ISLAMABAD-Pakistan Bait-ul-Mal (PBM) is managing 157 Women Empowerment Centers throughout the country for imparting training in various skills to women. An official told APP that these centres were aimed to provide women opportunities for suitable employment to alleviate the population living below the poverty line in the country. He said that a Memorandum of Understanding (MOU) has been signed between Pakistan Bait-ul-Mal and Pakistan Poverty Alleviation Fund for grant of soft loans to 13000 passed-out trainees of Centers enabling them to
start their own small business and become independent under the umbrella of Ehsaas Programme.

The Nation
June 22, 2020

Envoy emphasizes IT use to promote Pak-Canada trade amidst COVID-19

ISLAMABAD - Pakistan’s High Commissioner to Canada Raza Bashir Tarar Saturday said keeping in view the COVID-19 pandemic, the business and trade between Pakistan and Canada could be promoted well by taking the advantage of the information technology. The high commissioner said use of IT would mitigate the economic fallout from this pandemic, said a news release received here. He emphasized that Pakistani entrepreneurs to look into the areas of possible collaboration in a wide range of sectors, including education, financial services, professional services, manufacturing, construction, transportation, oil and gas, natural resources, ICT, and public sector. The high commissioner said that Pakistan’s Ministry of Information Technology and Telecommunication had also adopted facilitative approach towards IT industry and interaction with public sector stakeholders resulting in better coordination. “Digital development is on the rise and as per the figures released by the State Bank of Pakistan, Foreign Direct Investment (FDI) in the information and communication sector for the period July 2019-March 2020 was US $ 491.3 billion” he added. The discussion focused on facilitating the startups and addressing the challenges they face. There was a consensus that the startups needed to be science driven and having academic and business rigour. It was also noted that to promote business activities, the work ethics and the business environment of a country needed to be taken into consideration. Canadian High Commissioner in Islamabad Wendy Gilmour, who also participated in the summit, expressed her satisfaction with the IT experts employed by Canadian companies from Pakistan with special reference to Faisalabad.

The Nation
June 22, 2020

PIA offers concessional fares to enhance mango exports

MULTAN-Muhammad Nawaz Sharif University of Agriculture’s initiative to promote mango export amid COVID-19 won laurel as Pakistan International Airline (PIA) decided to reduce freight fares remarkably (no profit, no loss) in order to keep mango exports flourishing, which earlier were feared to drop in the wake of pandemic coronavirus. Muhammad Nawaz Sharif University of Agriculture (MNSUA) hold four online sessions with Mango growers/exporters and convinced them to follow complete SOPs regarding coronavirus during work in the orchards and MNSUA would help them for managing export of the fruit. During a webinar, led by Vice Chancellor Muhammad Nawaz Sharif University of Agriculture and attended by CEO PIA Air Vice Marshal Muhammad Arshid Malik, Mr Tariq (GM Commercial Cargo, PIA), Ms Rabia Sultan (Mango Grower), Maj Retd Tariq Khan (Mango Grower), Syed Zahid Gardezi (Mango Grower), Prof Dr Irfan Baig (Dean MNSUA) and some other stakeholders, the meeting participants discussed different problems faced by the mango stakeholders in export of the exotic
fruit. Vice Chancellor Dr Asif Ali highlighted the bottlenecks, faced by mango exporters in the air lifting of the fruit with the top management of PIA. He unveiled development of series of previous meetings amid COVID-19 which aimed to ensure safe production, post-harvest, handling, labour safety protocols and mango export protocols.

The meeting participants especially mango growers and exporters apprised that they had captured different markets after incessant struggle during previous years. This year, they are faced with problems especially, the private airlines have increased cargo fares due to COVID-19 scenario and they were unable to export the mangoes. They feared that the country would lose foreign mango markets in case the fruit was not exported in the ongoing seasons. Mango Grower Maj Retd Tariq stated that PIA should come forward and provide relief to growers/exporters by reducing freight fares. Responding to concerns of mango stakeholders, PIA CEO Vice Marshal Muhammad Arshid Malik decided to revised and reduced PIA freight fares for the mango exporters. He also informed that PIA would share the flight schedule of one week with mango growers so that they could evolve shipment plan accordingly. CEO PIA also assured that he and his team was committed for the national cause and would continue to facilitate the exporters. According to Vice Chancellor Dr Asif Ali, Pakistan International Airline reduced freight fares for mango export to different markets including UK, Europe, Doha, Muscat, UAE, Kuwait, Jeddah, Dammam, Madina, Riyadh, Tokyo, Beijing and Kuala Lumpur. Mango stakeholders and academia hailed the significant facilitation by the PIA CEO, Air Vice Marshal Muhammad Arshid Malik and termed the initiative would surely help country in generating handsome foreign exchange.

**The Nation**

*June 23, 2020*

**Private sector allowed to import wheat**

ISLAMABAD - The Economic Coordination Committee (ECC) of the Cabinet on Monday allowed the private sector to import wheat to control prices of wheat and flour in local market and ensure availability of the commodity at reasonable price across the country. The ECC chaired by Adviser to the Prime Minister on Finance and Revenue Dr. Abdul Hafeez Shaikh also decided not to restrict the import of wheat to any limit by the private sector and further decided to monitor the situation on monthly basis to ensure availability of wheat and flour in all parts of the country at a reasonable price. The meeting further decided that provincial governments would be requested to announce their “Wheat Release Policy” immediately. Punjab would release 900,000 tons of wheat to flour mills of the province during the next two months at a release price proposed by the Punjab government in order to prevent surge in price of wheat/flour. Similarly, the government of Sindh would also be requested to announce its policy.

The ECC also decided that PASSCO would assess the immediate requirement of Khyber Pakhtunkhwa and Balochistan and arrange to improve supply wheat as per agreed targets. Meanwhile, movement of wheat would be facilitated between Punjab, KP and Balochistan. The ECC decided that overall free movement of wheat should be ensured across the border and to ensure movement across districts and provinces. Private wheat importers may be facilitated and
arrangements between importers and KP/Balochistan should also be arranged and calculate the impact of subsidy for the import, if any. It has decided that the financial implications of import/non-imports by private sector should also be assessed. If there is no import by private sector, then the government should import wheat itself. Monitoring and supply provisions would be improved to ensure availability of wheat is available at shortage points and other market imperfections unconnected to supply and demand of wheat/flour should also be looked at. Focus on inter-relation between wheat and Atta and try to increase conversion rate from wheat to Atta.

The ECC approved a proposal by the Finance Division for TSG of Rs 1300 million to meet critical demands related to medical stores and utilities for the Pakistan Navy. On a proposal by the Industries and Production Division, the ECC approved a package combining reduced duties and taxes for a period of three months to ensure uninterrupted supply of oxygen gas and oxygen cylinders in the country for medical purposes. The ECC also directed the Ministry of National Health Services Regulations and Coordination and Ministry of Interior to clear all the outstanding dues payable to oxygen manufacturing companies as per the legal provisions of contracts. The ECC directed the concerned ministries and departments to ensure supply of oxygen for medical purposes by actively engaging with the oxygen plants and with hospitals for keeping the oxygen charges at the minimum level.

The Nation
June 24, 2020

Govt to announce its first STPF for boosting exports to $46b

ISLAMABAD-The incumbent government is likely to announce its first Strategic Trade Policy Framework (STPF) in next couple of weeks to double the country’s lower exports. The PTI led coalition government had so far failed to present fresh STPF, as the previous policy was expired in 2018. However, officials informed that ministry of commerce is likely to present the new STPF for next three years in Economic Coordination Committee (ECC) of the Cabinet within next few days. An official of the ministry of commerce informed that draft of STPF is almost ready, which has sent to ministry of finance and State Bank of Pakistan for their input. “It will be likely to present ECC meeting within next couple of weeks,” he added. The government would present the STPF before the federal cabinet for approval after ECC. Official informed that incumbent government wanted to increase the country’s exports in next five years by giving incentives to exporters. Under the proposed STPF, the government has estimated to enhance the exports to $26 billion in next fiscal year from estimated $23 billion of the ongoing fiscal year. Exports would further increase to $31 billion in 2021-22, $35 billion in 2022-23, $40 billion in 2023-24 and $46 billion in 2024-25.

The federal government in recent budget had withdrawn duties on hundred of raw materials to reduce the cost of doing business and increasing country’s exports. It is worth mentioning here that Pakistan’s exports had never gone beyond $26 billion. The successive governments had failed to increase the country’s exports, which resulted in massive trade deficit. The previous government of PML-N in last STPF 2015-18 aimed to enhance the annual exports to $35 billion by the end of June 2018. However, the country’s exports remained at around $22 billion to $23
billion missing the exports target by huge margin. The incumbent government had prepared the draft of new STPF for next three years amid to enhance exports to $46 billion. Objective of the proposed STPF would be to enhance efficiency of the local industries in order to meeting the international requirements. They said that through this framework, the fundamental principles were also being set so as to addressing difficulties in preparations of products for export besides ensuring trouble-free refund to the business community and ensuring also continuity in policies and timely payments for the next 3-5 years.

Under the prime minister, a high-level committee will be constituted to keep an eye on the progress with regards to the framework. Under STPF, with inclusion of textile, leather and surgical products, sports, carpets, rice, cutlery, informal and development sectors including, engineering products, pharmaceutical, auto parts, processed food and beverages, footwear, gem and jewellery, fruits, vegetables, as many as 26 sectors had been included that would be given special attention. Ministry of Commerce will focus on best utilisation of current regional and bilateral trading arrangements through detailed review and negotiation. New trading arrangements will be pursued with utmost care to protect local industry and focus on market access for value added goods. For optimising utilization of enhanced market access under FTAs, PTAs and GSP Plus, a market communication strategy will be implemented to disseminate the information on opportunities available for Pakistani enterprises under the preferential market access arrangements.

The Nation
June 25, 2020

WB approves $236 million for Pakistan

ISLAMABAD-The World Bank’s Board of Executive Directors has approved $236 million in grants and credits to support Pakistan’s efforts to enhance learning and healthcare, and address COVID-19 threats to human capital accumulation. The Khyber Pakhtunkhwa Human Capital Investment Project ($200 million) and Balochistan Human Capital Investment Project ($36 million) will improve public services in education and health, which are the building blocks for human capital accumulation. The projects aim to increase the productive capacity of the workforce to bolster future economic growth in Balochistan and Khyber Pakhtunkhwa. Apart from this loan, the State Bank of Pakistan (SBP) on Wednesday has received $1billion — $500 million each from World Bank (WB) and Asian Development Bank (ADB) to facilitate the country during its fight against coronavirus. Pakistan has received this amount under COVID-19 Active Response and Expenditure Support (CARES) program.

The CARES program is facilitated by parallel co-financing of $500 million each from the Asian Infrastructure Bank (AIIB) and the World Bank to support Pakistan in addressing the challenges from COVID-19. “Education and healthcare are at the heart of Pakistan’s vision for inclusive growth to enable its people to reach their greatest potential,” said Illango Patchamuthu, World Bank Country Director for Pakistan. “Human capital is about investing early in children and families. The COVID-19 pandemic threatens to roll back human capital accumulation in Pakistan and decisive actions are needed now to reduce losses through targeted interventions...
supported by the two projects.” These investments will help address barriers to access education and health services, particularly among low-income, vulnerable communities, where utilization of essential health services, especially primary care, and school enrollment rates are lower. In Khyber Pakhtunkhwa, the project will reach 25 percent of the population and help the government increase the availability, utilization and quality of healthcare services in areas most affected by the pandemic. Education activities focus on learning opportunities for children at the primary and secondary school levels, particularly for girls and women, and take into account disruptions resulting from COVID-19.

For Khyber Pakhtunkhwa Human Capital Investment Project, the IDA credit is $75 million. The terms of maturity of loan are 30 years and grace period is 5 years. The project will improve public services in education and health, as the building blocks for human capital accumulation. It aims to increase the productive capacity of the workforce to bolster future economic growth in Khyber Pakhtunkhwa. “Investments in education and health services are crucial to strengthen Pakistan’s most important asset, its people,” said Cristina Panasco Santos, Task Team Leader for the Khyber Pakhtunkhwa Human Capital Investment Project. “The project will help address persistent human capital deficits that limit current and future economic development in the province.” In Balochistan, the project will support the government to improve service delivery by upgrading schools and health facilities in four districts, increase accountability of service providers by strengthening community engagement, and improve efficiencies in service delivery systems. For, Khyber Pakhtunkhwa Human Capital Investment Project, the IDA credit is $6 million. The terms of maturity of loan are 30 years and grace period is 5 years.

“Improvements in health and education services, especially in early childhood, have large payoffs for children and their families, by improving livelihoods and future opportunities to generate wealth,” said Yi-Kyoung Lee, Task Team Leader for the Balochistan Human Capital Investment Project. “The project serves as a model through synergistic interventions in education and health to bolster human capital accumulation in Balochistan.” Both projects are financed from the IDA18 regional sub-window for host communities and refugees. Pakistan applied for and became eligible to access the sub-window in 2017. In addition to the two projects approved today (yesterday), the Balochistan Livelihoods and Entrepreneurship Project and the national Strengthening Institutions for Refugee Administration were approved on March 3, 2020. Together, the four projects leverage $128 million of grant funds, in addition to concessional financing from IDA, to support poor and vulnerable households living in select districts of Balochistan and Khyber Pakhtunkhwa.

The Nation
June 26, 2020

Pakistan rapidly diversifying exports

ISLAMABAD—Advisor to the Prime Minister on Commerce, Abdul Razak Dawood has said that Pakistan is rapidly diversifying its exports into high quality and globally competitive engineering products. He was chairing an internal review meeting to discuss the finalisation of Strategic Trade Policy Framework (STPF), at Commerce Division. While discussing the major purposes of the policy, the advisor commerce stated that one of the objectives of the STPF is to achieve
diversification of our export in products other than the traditional ones. He explained that through promotion of exports in new sectors, particularly the engineering and pharmaceuticals sectors; we are going to reduce our reliance on five traditional export sectors. He added that this has also been supported in the Budget 2020-21, with reduction of import duties on raw materials and the tariff rationalization measures. Currently, the draft STPF is being reviewed by the stakeholders and their views are being incorporated in the final draft, which will be placed before the ECC of the Cabinet shortly.

An official of the ministry of commerce informed that draft of STPF is almost ready, which has been sent to ministry of finance and State Bank of Pakistan for their input. “It will be likely be presented in ECC meeting within next couple of weeks,” he added. The government would present the STPF before the federal cabinet for approval after ECC. Official informed that incumbent government wanted to increase the country’s exports in next five years by giving incentives to exporters. Under the proposed STPF, the government has estimated to enhance the exports to $26 billion in next fiscal year from estimated $23 billion of the ongoing fiscal year. Exports would further increase to $31 billion in 2021-22, $35 billion in 2022-23, $40 billion in 2023-24 and $46 billion in 2024-25.

Talking about the emerging sectors for export opportunities, Razak Dawood underscored that Pakistan’s engineering industry, especially home appliances, is now producing internationally competitive quality products. He added that in pursuance of the diversification policy, export of microwave ovens from Pakistan has been confirmed for the first time and these are going to be exported by Dawlance, a Turkish investment in Pakistan. He stated that, with the support from the government, other engineering products will soon follow suit and get exported to the rest of the world. In this regard, duties on import of components of televisions have been reduced to promote local manufacturing of television sets, which has a potential for export as well in the coming years. The advisor was optimistic that the results of the first-ever Mobile Phone Manufacturing Policy recently announced by the government would soon become visible in the coming months in the form of increase in exports of locally manufactured mobile devices from Pakistan.

DAWN
June 27, 2020

Five-year trade policy finalised

ISLAMABAD: The commerce ministry on Friday finalised five-year Strategic Trade Policy Framework (STPF) draft with measures to diversify exports from traditional sectors to high quality and globally-competitive engineering products. The announcement came following a review meeting led by Adviser to PM on Commerce Razak Dawood to discuss the framework at the Commerce Division. ‘The final STPF draft will be placed before the Economic Coordination Committee of the cabinet shortly’, the adviser said while adding that the draft is being reviewed by stakeholders. In March, PM Imran Khan had asked the Commerce Division for early finalisation of five-year STPF and Textile Policy in consultation with stakeholders to make it more inclusive for boosting exports. PM Khan had directed the Commerce Division to finalise the draft five-year plan with a deadline of Dec 31, 2018 to accelerate exports. However, the
division failed to prepare a plan within the said time, missing the deadline by almost one-and-a-half year.

Under the proposed STPF 2020-25, special focus has been directed to increase exports of textile, leather, surgical and sports goods, carpet, rice and cutlery were included along with non-formal and development sectors like engineering goods, pharmaceuticals, auto parts, process food and beverages, footwear, gem and jewelry, chemicals, meat and poultry, seafood, marble and granite. Dawood said that Pakistan is rapidly diversifying its exports into high quality and globally-competitive engineering products. While discussing the policy, he said that one of the objectives of the STPF is to achieve diversification of exports in products other than the traditional ones. He said the exports of new products especially engineering and pharmaceuticals sectors will be promoted. ‘We are going to reduce our reliance on five traditional export sectors-textile, sports, surgical, carpet and leather’, he said, adding that this approach of diversifying exports has also been supported in the Budget 2020-21 through reduction of import duties on raw materials and tariff rationalisation.

Talking about the emerging sectors for export opportunities, Dawood said the country’s engineering products, especially home appliances are now producing internationally-competitive products. He added that in pursuance of the diversification policy, the export of microwave ovens from Pakistan has been confirmed for the first time by Dawlance. He said that with government support, other engineering products will soon follow suit. In this regard, duties on import of television components have been reduced to promote local manufacturing. The adviser was optimistic that the results of the first-ever Mobile Phone Manufacturing Policy recently announced by the government would soon become visible in the coming months in the form of an increase in exports of locally-manufactured mobile devices from the country.

In the last decade, the Commerce Division has notified three STPFs in 2009-12, 2012-15 and 2015-18, but none of these were successful in achieving desired objectives due to various reasons. Moreover, past policies also failed to alter the export paradigm over last decade. The 2009-10 STPF failed mainly due to mismanagement, whereas the 201215 framework suffered at the hands of government’s failure to release the allotted funds. Further, the 2015-18 STPF was announced after a delay of more than nine months and suffered from financial crunch as the government only released Rs500 million of the total budget of Rs20 billion leading to poor implementation. The ultimate target of the last STPF was to enhance the country’s annual exports to $35bn by 2017-18.

The Nation
June 28, 2020

Apparel industry wants operations also on Saturdays to complete export orders

LAHORE-The Pakistan Readymade Garments Manufacturers & Exporters Association (PRGMEA) has urged the government to exempt the export-oriented units in Punjab from lockdown restrictions on Saturdays too, besides allowing them to work in two shifts to complete their export orders under full SOPs. In a joint statement issued here, PRGMEA regional
chairman Sohail A. Sheikh and chief coordinator Ijaz A. Khokhar observed that the export-oriented units are fully conscientious of Covid-19 and are strictly following the standard operating procedures of the government. He said that the implementation of the social distancing during industrial operations can be observed in a better way in two shifts without reducing the size of the workforce to avoid massive unemployment in this crucial time. They said that exporters are highly perturbed and want to complete their pending export orders. The enhanced working days will allow them to complete export consignments and send shipments to avoid colossal financial losses. Sohail A. Sheikh said that the government has taken an appreciable step by allowing operations to the export-oriented industries and this relief should be extended also on Saturdays, besides allowing working at least in two shifts, as the foreign exchange earning industry may suffer up to 30 per cent dent in export in present circumstances. “The export industry is the backbone of the economy and playing a great role in providing employment and revenue”, he said and added that allowing two shifts and enhancing working days would be a great favor that would enable them to face the challenges posed by coronavirus.

PRGMEA regional chairman said the closure of industries and economic activities is not a solution to stop the spread of coronavirus, as the more important is to take protective and precautionary measures in operating businesses to ensure the safety of people and continuity of businesses. Chief coordinator Ijaz A. Khokhar stressed upon the need for collective efforts and wisdom to mitigate the challenges and growth of export industry for sustainable socio-economic development. He called for joint effort for support and growth of the industry to make Pakistan safe, productive and prosperous country. Our focus is a safe and protected work environment for better productivity and protection of workers, he added. Ijaz A. Khokhar said the industries are complying with full SOPs in operating their businesses, adding workers are our assets and their safety is not only our responsibility but equally important for growth of our industry, he observed. He said country is facing an unprecedented and difficult times never experienced before. Therefore, we need not to panic but face the crises and find out opportunities and learn from the experience of other successful countries as how they survived with their proactive approach during pandemic.

Ijaz A. Khokhar said that the COVID-19 pandemic has been disastrous for the export-oriented industry in Pakistan. The global economic slowdown due to corona pandemic and the financial losses to export industries are multiplying every day. Export oriented industry is facing a double whammy of Covid-19 on both demand and supply. With a view to ensure smooth running of business operations of export-oriented industry and to save the economy from the impact of slowdown in the world economy due to COVID-19; PRGMEA request the government to please consider its recommendations to save the industry from a devastating crisis.

The Nation
June 28, 2020

Footwear exports increase 4.29pc to $114 million

ISLAMABAD-The footwear exports from the country witnessed an increase of 4.29 percent during the eleven months of current financial year (2019-20) as compared to the corresponding
period of last year. Pakistan exported footwear worth $114.860 million during July-May (2019-20) against the exports of $110.140 million during July-May (2018-19), showing a growth of 4.29 percent, according to the latest data of Pakistan Bureau of Statistics (PBS). In terms of quantity, the exports of footwear also increased by 12.62 percent by going up from 11,887 metric tons to 13,388 metric tons, according to the data. Among the footwear products, the exports of leather footwear increased by 1.83 percent as it surged from $95.665 million last year to $97.413 million during the current year. The canvas footwear exports of the country stood at just $ 0.351 million during the current year against $0.245 million during last year, showing increase of 43.27 percent.

Likewise, the exports of all other footwear commodities also rose by 20.14 percent during the period under review as these went up from $14.230 million last year to $17.096 million during the current fiscal year. Meanwhile, year-on-year basis, the footwear exports witnessed decreased of 33.98 percent during the month of May 2020 compared to the same month of last year. The footwear exports during May 2020 were recorded at $6.428 million against the exports of $9.736 million in May 2019. During the period under review, the leather and canvas footwear exports decreased by 29.95 and 100 percent respectively. In addition the exports of all other footwear commodities also decreased by 56.87 percent. On month-on-month basis, the exports of footwear however witnessed an increase of 57.59 percent during May 2020 as compared to the exports of $4.079 million in April 2020, the PBS data revealed. On month-on-month basis, the exports of leather increased by 73.38 percent and the export of canvas and all other footwear decreased by 100 and 15.13 percent respectively.

The Nation
June 29, 2020

Pak not immune to economic shock caused by COVID-19 exports thumped hard

Lahore-The World Bank has said that Pakistan is not immune to the economic shock caused by the coronavirus and its exports have been hit hard, as the country recorded $1.39 billion in merchandise exports in May 2020, showing 34 per cent drop with respect to the same period in 2019. The World Bank Senior Economist Gonzalo Varela, in an online interaction session with the members of APBF, observed that every crisis presents an opportunity, whereas the COVID-19 provided the world and Pakistan an opportunity to initiate the structural reforms in institutions. The All Pakistan Business Forum had arranged this meeting with him to discuss the current economic situation of Pakistan and recommended some key steps with a view to revive and sustain the economic growth in post-coroa slowdown.

The World Bank Senior Economist said that the short-term global trade prospects don’t offer room for optimism as experts forecast contractions in exports in the months ahead. At such a time, exports are crucial to Pakistan’s recovery because they are labour-intensive and provide plenty of good jobs for Pakistanis. He said that global and regional trade integration offers Pakistan tremendous potential in driving and sustaining growth and poverty reduction. He suggested the need for protecting the exporters through smart export promotion, whereas
structured reforms were going to be crucial for recovery. He said that the government needs to take actions to help speed up its export recovery by making it competitive by lifting barriers to exports - including easing up import restrictions. Firms need to import to export successfully.

APBF President Syed Maaz Mahmood, on this occasion, appreciated the debt relief measures taken by the G20 countries, IMF and the World Bank for the developing countries including Pakistan. He urged the multilateral development partners, including WB, to play their due role by investing in social sector rather than mega development projects only, which would help in bringing the focus of member governments back to social sector development. He said Pakistan’s health care system was not equipped to handle such emergencies, whereas WB was working with the government to help enhance health capacity to respond to the challenge effectively, which is appreciable. Syed Maaz Mahmood observed the initial relief packages of $1.4 billion by the IMF and $1 billion by the World Bank would have substantial impact and provide much needed fiscal space to Pakistan which should be used for the wellbeing and welfare of the public. While noting that the COVID-19 pandemic has posed unprecedented health and economic challenges, he underlined that a global recession might become worse than the Great Depression. A global pandemic cannot be contained without strong, coordinated and well-crafted global response, he stressed.

On this occasion, APBF national and provincial board members called for announcing special incentives for cash-strapped SMEs, which represent more than 90 per cent of around 3.2 million business enterprises in Pakistan. They suggested the significant cut in import duties, announcing zero tariff for basic industrial raw materials which is not available locally and waiver of sales tax, income tax and additional income taxes. They asked the government to simplify the complicated system of obtaining loans from the banks for the SMEs, besides sizable reduction in fuel prices, major cut in key policy rate to at least 4 per cent, regionally competitive energy rates and quick refunds payment. The government should adopt a procedure to extend interest-free finance to SMEs to meet the running operations, including salaries, building rent and utility bills etc.

The Nation
June 29, 2020

China Int’l import expo opens registration for professional visitors

BEIJING-Professional visitors can now sign up for the third edition of the China International Import Expo (CIIE) slated to take place at the National Exhibition and Convention Centre, Shanghai from November 5 to 10. Starting from June 24, professional visitors from home and abroad can log into the CIIE website, which provides both Chinese and English language services, to register. The business exhibition area for the third CIIE, which is expected to span 360,000 square meters, will be divided into six sections displaying food and agricultural products, automobiles, intelligent industry and information technology, consumer goods, medical equipment and healthcare products, as well as trade in services. Four special subsections dedicated to public health and anti-epidemic products and services, smart transportation, energy conservation and sporting goods will be set up during the event. A public health and epidemic
prevention exhibition area will be set for this year’s Expo. Pharmaceuticals, medical equipment, elderly care, rehabilitation and nutrition companies will be feature the thematic exhibition area.

Last year, over 35 Pakistani entrepreneurs participated in the second expo held in Shanghai and showcased their products including the top textile, leather, sports goods, surgical equipment, home furnishing and other products. Pakistan had also participated in the first expo where many Pakistani companies displayed their products. Pakistan had been invited to the expo as a guest of honour. This year too, the Chinese authorities expect Pakistan’s participation in the forthcoming expo in a big way. According to analysts, the forthcoming expo will provide a great opportunity for the Pakistani businessmen to explore the Chinese market and enhance their export to China after signing of the second phase of China-Pakistan Free Trade Agreement. The agreement has been implemented from January this year allowing the Pakistani manufacturers and traders to export around 313 new products on zero duty to the Chinese market. Pakistan is already enjoying zero duty on export of 724 products to China under the first FTA signed between the two countries in 2006. After the implementation of the second FTA, Pakistan has been allowed to export a total of 1047 products to China on zero duty. The new facility will particularly benefit the textile sector to enhance its export to China as textile exports to China will virtually be duty-free. The volume of the Chinese import market is around $64 billion.

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