Pakistan looking for stronger connectivity with Central Asian Republics: Razak
Exports show signs of revival as pace of decline slows in June
Exports showing clear signs of recovery, claims commerce ministry
Foreign investors buy T-bills worth $51m in June
Govt misses exports target by $4.8 billion
‘Make in Pakistan’ policy vital for substituting imports, enhancing exports
Pakistan, China launch Round II of Shandong Export Online Fair
Pakistan spends over $1165m on import of travel services
Pakistan opens Iran border points for trade today
Footwear exports increase 4.29pc in 11 months
Sino-Pak agree for JVs in value added agriculture
Virtual Rawal International Expo 2020 to be held in August
MARK MENG — The author is Huawei Pakistan CEO
Japan allows import of mangoes from Pakistan
Foreign investor upbeat with improved security environment, divulges OICCI Security Survey 2020
Japan keen to import Basmati rice, establishing mutual agriculture research
Roosevelt Hotel to land in cabinet’s lap today
Hugo Boss places first order of sportswear to Pakistani company
PPE items helping meet export targets, says Razak Dawood
MPs to discuss privatization of Roosevelt Hotel, performance of PIA next week
Trade deficit shrinks 27.11 percent
Islamabad, Kabul urged to remove bottlenecks in way of Pak-Afghan trade
Pakistan to reopen Wagah border for Afghan exports
Govt asked to address key issues of exporters
Embassy of Hungary working on strengthening ties with Pakistan
Afghan exports thru Wagha border allowed
Pakistan set to implement single window system for trade
Wheat procurement, import
Textile exports decline 6pc to $12.5bn
- Pakistan, Hungary sign convention to prop up collaboration on taxation
- Showing upward trajectory, exports soar by 14pc
- Cutlery exports decrease 9.39pc during FY2019-20
- Private sector responding positively to government's wheat import policy
- Pak-China fiber optic cable becomes operational: CEN
- Japan keen to see modern, stable, strong Pakistan
- Investments likely to increase up to 15.5 per cent in 2021
- Dawood directs enforcement of GI law to support SMEs
- Non-textile exports dip
- Wheat import permits issued to 288 private sector importers
- International Finance Corporation to invest $25m in Packages Limited
- Fareena Mazhar assumes charge as BOI Secretary
- Pak apparel sector adopts digital mode to explore world market in post-corona restrictions
- Rice exports reach $2.1bn mark in FY20
- Plan evolved to boost export of processed jute
- Pakistan starts export of jute products to several countries: Dawood
- Ministry asked to explore new markets for date exports
- Pakistan suspended trade with India due to violation of article 7 of SAFTA, MPs told
- Pakistan generating revenue of $3b annually from IT sector: Dawood
- Exports to Qatar, Saudi Arabia rise despite Covid-19
- Third China International Import Expo to be held in November
- Fruits worth $431.27m, vegetables $299.29m exported in FY 2019-20
- Ministry seeks plan to rationalize tariffs
- Pakistan’s exports to recuperate, likely to surge around $2.0 to $2.1 billion in July
- PSO installs its first electric vehicle charging facility in Islamabad
Pakistan looking for stronger connectivity with Central Asian Republics: Razak

ISLAMABAD-Chief Executive Officer of US International Development Finance Corporation (IDFC), Adam Boehler Wednesday called on Advisor to the Prime Minister on Commerce and Investment, Abdul Razak Dawood. The meeting was attended by Chairman Board of Investment (BOI), Atif Riaz Bokhari, Secretary Commerce and representatives from BOI, Commerce and Planning Division. Giving an overview of Pakistan’s economic relationships with the regional countries, Abdul Razak Dawood said that Pakistan is already working closely with Afghanistan particularly on the development of transit trade as well as building of long term economic relationships. Dawood added that Pakistan is looking for a stronger connectivity with Central Asian Republics, which would include building of not only roads but also the power infrastructure. The Advisor underlined that Pakistan is a high-cost energy country and, with the stronger connectivity with Central Asian Republics, the country can lower these costs for the benefit of investors and businesses. He further said that IDFC can play an instrumental role as interlink among these regional countries for the achievement of mutual objectives.

The Advisor, while discussing different opportunities in Pakistan, apprised the CEO IDFC of Public Private Partnership mode, introduced by the government, in order to relieve some burden of the annual PSDP expenditure. Dawood explained that there is a need of foreign direct investment in Pakistan because it brings along technology, improvement in productivity and employment opportunities for the locals. He assured that Pakistan is looking for diversification in FDI as investors from all over the world, irrespective of their country of origin, are provided the level playing field and equal support from the Government. The Advisor also shared the problems being faced by the businessmen in Pakistan, amid a global pandemic, including liquidity issues and cancelation of export orders.

Speaking on specific areas where IDFC can support Pakistan, Chairman BOI talked about Mortgage Lending sector, where a joint venture with Pakistani businesses can be established to provide affordable housing solutions to the public. Bokhari also talked about development of a Science and Technology Industrial Park in Pakistan as well as investing in small and medium scale hydro-power projects. Talking about the mode of investment, Chairman BOI stressed the importance of equity investment rather than direct loans, which is a more sustainable approach towards development.

Exports show signs of revival as pace of decline slows in June

ISLAMABAD: Pakistan’s exports fell for the fourth consecutive month in June to $1.609 billion, down 6.3 per cent year-on-year from $1.717bn in the corresponding month last year, data
released by the Ministry of Commerce showed on Thursday. The exports in June fell at a much slower pace compared to a month-on-month drop of 33.6pc in May and 54pc in June, due to a recovery in export orders from international buyers mainly in the textile and clothing sectors. Between July to June, exports fell by 6.83pc or $1.57bn to $21.4bn compared to $22.97bn of last year. However, continuous fall in imports is providing some breathing space for the government to manage external account despite negative growth in exports from the country. In June, the import bill also posted a negative growth of 16.5pc to $3.643bn against $4.364bn over the last year. In the outgoing fiscal year (2019-20), the import bill witnessed a steep decline of $10.29bn or 18.78pc to $44.509bn compared to $54.799bn last year. However, during the same period, exports declined by $1.57bn, while the import bill was lower by $10.29bn, narrowing the current account deficit.

According to the commerce ministry data, the current account deficit shrank by $8.7bn or 27.4pc in the financial year 2019-20 due to a substantial decline in imports compared to moderate fall in export proceeds from the country. The country’s trade deficit also came down by 27.41pc in the FY20 from a year ago. The decline is mainly due to a double-digit fall in imports. Meanwhile, government’s corrective measures also helped slow down imports to reduce pressures on foreign exchange reserves. In absolute terms, the trade gap narrowed to $23.099bn in July-June from $31.820bn over the corresponding months last year. On a monthly basis, the deficit fell by 23.2pc to $2.034bn in June from $2.647bn during the same month last year.

At the height of lockdown, Adviser on Commerce Razak Dawood in a statement said that he was expecting much worse export results, but Pakistan has successfully bounced back. ‘I would like to congratulate all our respected exporters for their efforts’, he said, adding the ‘overall declining trend in exports, due to Covid-19, has been arrested’. Dawood said the government will strategise in the next few weeks on how to recover our exports, continue the momentum and expand with new products and diversification.

The figures reviewed by Dawn showed that an amount of Rs51.2bn was released to textile and clothing sectors between July-May 2019-20 under the PM’s cash subsidy scheme commonly known as the drawback of local taxes and levies. And another Rs4bn was also released to the non-textile sector. At the same time, the government has also lowered the rate of gas for the export sector besides releasing the stuck sales tax refunds in the outgoing fiscal year 2019-20. An official statement issued by the commerce ministry to analyze the impact of Covid-19 on export sector said that in the pre-pandemic days near the end of February, Pakistan’s exports were on an upward trajectory and posting an increase of 14pc in dollar value terms, as compared to the same month last year. In March, exports declined by 8pc due to the lockdown to control the spread of pandemic, followed by a global economic slowdown. The situation persisted in April and May. In addition to the upward trend in exports, the figures also indicate that the government’s strategies for geographical and product diversification are also bearing fruits.

The ministry noted that there is a significant improvement in exports to Africa as well as the Middle East. Similarly, in the overall textile sector, value-added products have shown improvement while at the same time, cotton yarn and fabric exports have gone down. He remarked that the beginning of export of home appliances and geographical diversification of cement export to China and Philippines are clear signs of success.
Exports showing clear signs of recovery, claims commerce ministry

ISLAMABAD - The ministry of commerce has noted that Pakistan’s exports are showing clear signs of recovery due to the efforts of the exporters to diversify the products, in the wake of new opportunities arising amid COVID-19 pandemic and support of the government. The ministry has observed that country’s exports are now declining at slower pace as compared to the previous months when pandemic started in the country. The ministry said that Pakistan’s exports were on an upward trajectory and it showed an increase of 14 per cent in dollar value terms as compared to the same month last year before the outbreak of the pandemic near the end of February 2020. This momentum for February 2020 continued despite the initial outbreak of COVID-19 in the country, as the first 10 days of March 2020 registered an increase of 13 per cent as compared to last year.

In mid March, because of a lockdown to control the spread of the pandemic, followed by a global economic slowdown, the export-oriented industry in Pakistan suffered as reflected in March 2020 figures, which showed the decline in growth by 8 per cent compared to same period last year. The situation persisted and, in April 2020, the exports showed a downward trend of 54 per cent as compared to April 2019. After the month of April and with the efforts of the Government to encourage the export sector, the first signs of recovery were observed in the month of May 2020, which only saw 33 per cent decline in exports as compared to same month last year. The momentum continued in June 2020, as the downward trend has been brought down to single digit figure of 6 per cent in dollar value terms. However, the ministry has not shared the figures of exports in absolute terms.

Advisor to the Prime Minister on Commerce and Investment, Abdul Razak Dawood has chaired a meeting to discuss export strategy of Pakistan. The meeting noted that in addition to a positive trend of exports, the figures also indicate the strategies for geographical and product diversification are bearing fruits. For instance, there is significant improvement in exports to Africa, which is an outcome of ‘Look Africa Policy’, as well as the Middle East. Similarly, export of Meat products has shown good growth, while Tobacco shows a promising future. Similarly, in the overall textile sector, value-added products have shown improvement while, at the same time, the export of cotton yarn and fabric has gone down. As a result of overall progress, the trade balance has improved by $8.7 Billion, which shows that the Current Account Deficit is also at manageable levels.

Commenting on the trends of exports, Razak Dawood underscored that the export sector has been given a new impetus by the Government by allowing the export of Personal Protective Equipment, barring three items, which is indicated by the surge of exports in the month of June. He added that other policies of the Government, for diversification of exports and international markets, will enable us to continue the thrust in the current fiscal year as well. The Advisor noted that the traditional exports of Pakistan, like garments and bedwear etc., are also picking up and would show improved performance in the new financial year 2020-21.
Talking about the export strategy, the Advisor reiterated that greater emphasis will be on product diversification, including engineering products, pharmaceuticals, agro products and services. He remarked that the beginning of export of home appliances and geographical diversification of cement export to China and Philippines are clear signs of success. Mr. Razak Dawood added that he remains optimistic towards achieving the export targets in the new fiscal year and the policy of product and geographical diversification will continue to be actively pursued for success in this regard.

Foreign investors buy T-bills worth $51m in June

KARACHI: Foreign investors have renewed their interest in the country’s Treasury bills (T-bills) as they bought short-term instruments worth $51 million during the month of June, data released by the State Bank of Pakistan (SBP) showed. Foreign investment in the country’s T-bills had peaked in March this year before the Covid-19 shock caused abrupt outflows. The latest SBP data showed that despite drastic cuts in the T-bill rates, foreign investors bought $51m in government papers in June -the last month of the FY2019-20. Moreover, the data also showed that foreign investors did not pull out all their investments in the last fiscal year that ended on June 30. During FY20, the total hot money inflows were around $3.692 billion while the outflow was $3.060bn, with around $632m investment in T-bills remaining intact. The pandemic that intensified in March and enveloped the entire globe, created a panic in the international market including Pakistan.

Foreign investors sold their holdings in riskier countries for safer markets. However, the other strong reasons for outflow were the frequent interest rate cuts and falling returns on T-bills. The SBP has slashed the interest rate by 625 basis points since March bringing it down to seven per cent from 13.25pc. The SBP’s move was aimed at pumping maximum liquidity and activating the economy in the emergency-like situation, which developed after the pandemic. The UK emerged as the sole investor in T-bills during June with inflows of $51m compared to an outflow of $1.7m. Foreign investors also bought $5m worth of Pakistan Investment Bonds during the month. The SBP data also reported that in the first two days of July, the country received about $10m investment in the T-bills. Cumulatively, in the last fiscal year, inflows from the UK were $2.587bn against outflows of $2.507bn. However, the investment from USA was $893m while the outflow was $475m. The returns on three month, six-month and 12-month T-bills on June 30, FY20 were 6.84pc, 6.66pc and 6.85pc respectively.

Financial circles find it interesting that investors are willing to invest in Pakistan. They said that one of the reasons for this could be that the returns on T-bills in Pakistan are still higher than many countries as some international banks and bonds are offering much less whereas in some countries, the interest rates are negative. Moreover, they said the rising foreign exchange reserves may have inspired confidence in some foreign investors. In addition, they said the dollar holdings of the commercial banks have been increasing since the last couple of months as well.
Govt misses exports target by $4.8 billion

ISLAMABAD-The government has missed the exports target by $4.8 billion in last fiscal year mainly due to Covid-19 pandemic that halted the economic activities in different countries of the world. Pakistan’s exports were recorded at $21.387 billion in fiscal year 2019-20 as against the target of $26.187 billion. The exports had not reached at the level of preceding year. In 2019-20, exports were recorded at $21.387 billion as compared to $22.958 billion of 2018-19, showing a decline of 6.84 percent in previous year, according to the latest data of Pakistan Bureau of Statistics (PBS).

The ministry of commerce had already attributed decline in exports due to Covid-19 pandemic. Pakistan’s exports were on an upward trajectory and it showed an increase of 14 percent in dollar value terms as compared to the same month last year before the outbreak of the pandemic near the end of February 2020. In mid March, because of a lockdown to control the spread of the pandemic, followed by a global economic slowdown, the export-oriented industry in Pakistan suffered.

The PBS data showed that government had controlled the imports. Pakistan’s imports had recorded at $44.57 billion in fiscal year 2019-20 as compared to the target of $53.664 billion. The imports had also reduced due to coronavirus. Meanwhile, government’s corrective measures also helped slow down imports to reduce pressures on foreign exchange reserves. Massive decline in imports helped in reducing the trade deficit of the country. The country’s trade deficit also came down by 27.41 percent in the FY20 from a year ago. In absolute terms, the trade gap narrowed to $23.099 billion in July-June from $31.805 billion over the corresponding months last year.

According to the data, the country’s exports have registered a decline of 6.52 percent in the month of June 2020. The country has exported goods worth of $1.592 billion in June 2020 as compared to $1.703 billion in preceding month, May. However, the imports have tumbled by around 14.66 percent. Imports were recorded at $3.715 billion in June 2020, which was around $4.353 billion in May 2020. The reduction in imports has resulted in increase in trade deficit by 19.89 percent during the month of June this year over May. Pakistan’s trade deficit was recorded at $2.123 billion in the month of June 2019 as compared to $2.65 billion in the previous month, May.

In the Annual Plan 2020-21, the exports are projected to reach at $22,714 million in fiscal year 2020-21 from $22,369 million estimated for 2019-20. On account of positive growth trajectory, imports are expected to slightly increase by 1.1 percent and reach the level of $ 42,412 million in 2020-21 from an estimated total of $41,943 million for 2019-20, implying trade deficit of $19,698 million in 2020-21. Although exports and remittances inflows are expected to recover slightly but the current account deficit is projected to increase due to rise in imports. The current
account deficit is projected to be at US$ 4,447 million (1.6 percent of GDP) during 2020-21 as against estimated deficit of US$ 3,882 million (1.5 percent of GDP) by the end of 2019-20.

**The Nation**

July 4, 2020

‘Make in Pakistan’ policy vital for substituting imports, enhancing exports

ISLAMABAD-Advisor to the Prime Minister Abdul Razak Dawood on Friday said that it was the need of the hour for us to pursue the policy of ‘Make in Pakistan’ diligently and have rapid industrialisation for substituting the imports and enhancing our exports. He made these remarks in a meeting with a delegation of Chambers of Commerce and Industry at Ministry of Commerce. The meeting was attended by the representatives of Islamabad, Rawalpindi, Lahore, Gujranwala, Faisalabad, Gujrat, Multan and Mirpur chambers. Informing the delegation about the steps undertaken by the Ministry of Commerce in the current budget, Mr. Dawood said that tariffs need to be rationalized in order to achieve the objectives of ‘Make in Pakistan’. He added that primarily due to COVID-19 situation and to address its impact on economy, some of the sectors have not been considered for the tariff rationalization, while some important sectors have been given benefits. He reiterated that the anomalies arising out of the budget have been addressed to a large extent while others will be resolved in consultation with the stakeholders.

Talking about the future plans, the Advisor told the delegation that the Government is following a three year plan, gradually removing duties and tariffs, particularly on raw materials for the industry. He added that the Government will put a special focus on engineering sector to boost the exports, including power sector equipment, auto industry (auto parts, Two wheelers, Three wheelers and tractors), home appliances, mobile phones, sanitary ceramics ware, utensils & cutlery and pumps & motors. Mr. Dawood assured that the Government has taken important policy decisions in this regard and the engineering sector exports would considerably improve in the Fiscal Year 2020-21.

Discussing different opportunities for production of value-added products and their export, the Advisor underlined the importance of investing in certifications and laboratories, particularly for exploiting the potential in food processing sector. The Advisor also informed that the Ministry is resolving issues of the exporters on priority particularly for the export of Personal Protective Equipment. He reassured that export of all items, i.e. hand sanitisers, disposable gowns and gloves, face shields, biohazard bags, goggles and shoe covers made from various classes of materials, including woven and non-woven chlorinated polyethylene (CPE), Polypropylene (PP), spun bond and melt blown except N-95 masks, surgical masks and tyvek suits. He reaffirmed that the Ministry is cognisant of the problems which are being discussed at the appropriate forums with the relevant stakeholders for early resolution.
Pakistan, China launch Round II of Shandong Export Online Fair

BEIJING-Pakistan and China launched the 2020 Shandong Export Online Fair (Round II) in Jinan, China, demonstrating a creative way of engaging international business during the COVID-19 lockdown and providing an opportunity for the enterprises from the two countries to carry out business with each other. The online launching ceremony was attended by Hussain Haider, Consul General of Pakistani Consulate General in Shanghai, Wang Zihai, president of Pakistan-China Joint Chamber of Commerce and Industry (PCJCCI), Iqbal Kidwai, Secretary-General of Pakistan Chemical Manufacturers’ Association (PCMA), Muhammad Nadeem Zafar, vice president of Pakistan Hardware Association and others, China Economic Net (CEN) reported. As per Hussain Haider, online negotiation for international business will become a new normal as the COVID-19 pandemic dealt the events industry a blow.

The Online Fair has provided an opportunity for enterprises from Pakistan and China to do business with each other. He further mentioned that China has become Pakistan’s largest trading partner, largest country of origin for imports, largest foreign direct investor and its third-largest export destination, while Pakistan has become China’s largest investment destination in South Asia due to the construction of the China-Pakistan Economic Corridor (CPEC). The exhibition is hosted by Shandong Provincial Department of Commerce. Pakistani Consulate General in Shanghai, Pakistan Chemical Manufacturers’ Association (PCMA), Pakistan Hardware Merchants Association (PHMA), etc. have provided great support to the event. According to the event organizer Inter Commerce Expo (ICEC), deals worth $2.94 million were agreed at the first round of 2020 Shandong Export Commodities (Pakistan) Online Exhibition, with 28 Pakistani enterprises being invited this May.

Pakistan spends over $1165m on import of travel services

ISLAMABAD - Pakistan has spent $1165.970 million by acquiring different travel services from various countries during the first ten months of ongoing fiscal year 2019-20. This shows decrease of 14.02 percent as compared to $1356.090 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 decrease of 12.89 percent, by going down from US $1315.840 million last year to $1146.250 million during July-April (2019-20).

Among these personal services, imports of health related expenditure decreased by 57.89 percent from $1.900 million to $0.800 million whereas the education expenditure also decreased by 16.10 percent, by going down from $110.980 million to $93.110 million, data revealed. In addition, import of other services were decline by 12.52 percent, out of which religious services witnessed growth of 49.47 percent from $238.133 million to $355.935 million while the imports other services decreased by 27.82 percent from $964.827 million to $696.405 million.
Meanwhile, imports of business services decreased by 51.01 percent from $40.250 million to US $19.720 million, the PBS data revealed.

**The Nation**  
July 5, 2020  

**Pakistan opens Iran border points for trade today**

ISLAMABAD - Pakistan is going to re-open its western border with Iran at four more crossings from today to resume trade between the two countries while following health protocols amid the COVID-19 pandemic. A notification issued by the Ministry of Interior said that the border points at Gabd, Mand, Katagar and Chedgi are being opened from July 5 in the light of the decision taken by the National Command and Operation Center (NCOC) in a meeting. It said that the decision has been taken only for resumption of trade between both the countries and unlimited number of trucks will be allowed while ensuring all COVID-19 related standard operating procedures (SOPs) and protocols.

According to the notification, these crossings will remain open 7 days a week, from morning till evening, as per “mutually agreed timings between both the countries.” In March, Pakistan had sealed its western and eastern borders to tackle the spread of deadly coronavirus in the country. The ministry has informed the inspector general Frontier Corps Balochistan (South), Turbat, and the director general Federal Investigation Agency (FIA) about the order. Since June 17, Pakistan had already re-opened the Taftan border seven days a week to expand border trade with Iran. The decision to re-open the Taftan crossing had been taken on the intervention of the Speaker Nation Assembly Asad Qaiser to facilitate the export of mangoes export to Iran.

**The Nation**  
July 5, 2020  

**Footwear exports increase 4.29pc in 11 months**

ISLAMABAD - Footwear exports from the country increased by 4.29 percent during the first eleven months of the fiscal year 2019-20 as compared to the corresponding period of last year, Pakistan Bureau of Statistics (PBS) reported. The footwear exports during July-May (2019-20) stood at $114.860 million against the exports of $110.140 million in July-May (2018-19), showing growth of 4.29 percent, according to PBS data. Among the footwear products, the exports of leather footwear increased by 1.83 percent by growing from $95.665 million last year to Rs97.413 million during the ongoing fiscal year.

Likewise, the exports of canvas footwear increased from $0.245 million last year to $0.351 million during the current year, showing growth of 43.27 percent. The exports of all other footwear products also increased by 20.14 percent by growth from $14.230 million to $17.096 million, the data revealed. However, on year on year basis, the footwear exports during May 2020 decreased by 33.98 percent as compared to the same month of last year. The footwear exports during May 2020 were recorded at $6.428 million as compared to the exports of $9.736
million in May 2019. On month on month basis, the footwear exports, however increased by 57.59 percent during May 2020 when compared to the exports of $4.079 million in April 2020. It is pertinent to mention here that the country’s merchandise trade deficit 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). During the period under review country’s exports registered about 6.87% decrease, by going down from $21.256 billion last year to $19.796 billion during the current year whereas the imports declined from $50.410 billion to $40.854 billion, showing sharp decline of 18.96%.

The Nation
July 6, 2020

Sino-Pak agree for JVs in value added agriculture

ISLAMABAD-The Advisor to the Prime Minister on Commerce and Investment, Abdul Razak Dawood said on Sunday that China and Pakistan have agreed on some proposals for Joint Ventures between Chinese and Pakistani companies, particularly in the value added agriculture sector. The Joint Venture with Chinese would benefit Pakistan because of its export potential not only in China but elsewhere as well, the advisor Razak Dawood told APP here. Replying to a question, he said that Pakistan’s exports increased in value terms by 2.2 per cent in the first seven months in the July-Jan period, of this fiscal year. The advisor said that Joint Ventures with the Chinese companies would allow Pakistan to have improved technology and enhanced capacity for production and exports. He said that both sides were reviewing the plans to enhance bilateral trade and investment for future Sino-Pak economic and trade connectivity. Razak Dawood said that China was moving fast on some of the construction projects in Pakistan, which would create a number of jobs for the local population. The opportunities and ongoing projects of the China Pakistan Economic Corridor (CPEC) were also discussed in a recent meeting with the top leadership of both sides.

The Advisor Commerce emphasised the need to start industrial activity through development of Special Economic Zones (SEZs). The meat and poultry exports of Pakistan have risen by more than 50 per cent in the fiscal year 2019-20, with market accessibility to China and different potential markets of the world. Abdul Razak underscored that the exports of Pakistan were beginning to gain momentum after a slow down caused by COVID-19 outbreak and subsequent lockdowns. Now China and Pakistan need to sit together again and discuss issues related to bilateral trade with efforts to further diversify the products being exported from Pakistan, with a specific focus on value-addition, under the China Pakistan Free Trade Agreement (FTA) Phase II, he added. Replying to another question on recent trade connectivity China through the Khunjerab border, Razak Dawood said that “We had discussed the opening of Khunjerab border as well as strategies to exploit bilateral trade and investment opportunities in the wake of the Corona pandemic. He said that around 186 containers were stuck at the Khunjerab border which is a cause of great concern especially among small businesses. The advisor said that temporary
opening of the border was under consideration in order to clear the backlog of containers. Both sides agreed to finalise the modalities in this regard to resolve the issue on priority.

The Nation
July 6, 2020

Virtual Rawal International Expo 2020 to be held in August

RAWALPINDI - Rawalpindi Chamber of Commerce and Industry (RCCI) would hold first virtual Rawal International Expo 2020 in August. President RCCI Saboor Malik told APP that this will be one of its different kinds that International Rawal Expo is going to be held virtually this year by providing opportunity to the business community of the new normal ways. Through virtual platform buyers and sellers will be connected online where everyone can see the products and other information on different sectors mainly electronics, machinery, services, textile, pharma and food etc.

The Nation
July 6, 2020

MARK MENG — The author is Huawei Pakistan CEO.

As the world looks to establish a “new normal” amidst the ongoing COVID-19 pandemic, information and communication technologies (ICT) are coming to the fore in Pakistan as critical tools in protecting public health and in realising socio-economic stability. Understanding this digital shift is important to both businesses and government authorities as they seek new ways to confront the challenges posed by the pandemic. The reality is that everyone from healthcare providers to educators, retailers, manufacturers, and others are being affected by COVID-19. Nearly every industry in the country has to rethink how it does business and delivers value. That pivot requires new tools for success. Many of those are founded on digital platforms that not only enable work to be done as people are physically separated, but which enable faster, more intelligent decision making.

We have worked with our customers and partners effortlessly over the last few months to make sure of providing smooth and reliable network connection in Pakistan, and we’ve identified some of the most important technologies that will play a role in this fight against COVID-19. New applications of artificial intelligence (AI) are, for example, being used to aid the many scientists and medical experts who are searching for a vaccine and treatments. Smarter collaboration tools are assisting teachers and students across Pakistan to stay connected and for future generations not to fall behind in today’s knowledge economy. Advanced cameras and analytics systems are helping government authorities to monitor public spaces and even conduct remote testing, protecting community wellbeing in the process. None of these scenarios would be possible without a robust ICT ecosystem. The applications of AI, cloud computing, and big data happening in Pakistan today are proving just how valuable technology collaborations can be when done in an open framework. In particular, the potential future rollout of 5G connectivity
will help to improve network capacity and support even more robust tools in the fight against COVID-19.

The Government of Pakistan has adopted a smart lockdown policy in the country, collaborating with leading ICT solution providers to ensure people have access to a smooth and reliable network connection that keeps them connected in this critical time. That open and cooperative ecosystem is the absolute foundation for addressing COVID-19 challenges. Every sector of the economy now faces its own unique challenges and needs its own dedicated solutions. No single country or company can create all of these solutions by acting alone. The fight against COVID-19 thus requires the sharing of expertise like never before, particularly in the technology field. That exchange can be seen in collaborations like those between the Ministry of National Health Services and Huawei to deploy a new video conferencing system that can be applied for epidemic prevention and control command, remote consultation, and remote monitoring. By leveraging our collective strengths and recognising the lessons learned to date, Pakistan’s ICT community can better design the systems that communities and businesses need to tackle this emergency together.

The intelligent world is fast approaching, bringing both challenges and opportunities. Digital technology is reshaping everything. It’s setting the stage for a world where all things can sense, all things are connected, and all things are intelligent. By 2025, 5G will serve 58% of the global population, and it will combine with technologies like 4K and higher definition video, VR/AR, AI, and cloud to transform our personal lives, homes, and industries in ways we have never imagined. A set of truly immersive experiences will emerge, allowing us to transcend the boundaries of time and space in domains like ultra-high-definition live broadcasts, smart classrooms, remote education, online healthcare, and virtual entertainment. 5G will also allow industries like manufacturing, electricity, transportation, finance, and many others to go digital, embrace artificial intelligence, and deliver new value for their customers. All told, these technologies will have a much broader spillover effect because ICT has become a new economic force, sparking a new wave of global economic growth.

At Huawei, we are focused on innovations in technology, engineering, products, and solutions to address customer needs. We are committed to bringing digital to every person, home and organization for a fully connected, intelligent world. We have more than 194,000 employees, and we operate in more than 170 countries and regions, serving more than three billion people around the world.

**DAWN**

July 7, 2020

**Japan allows import of mangoes from Pakistan**

ISLAMABAD: The Japanese government on Monday temporarily allowed import of mangoes from Pakistan. According to the Ministry of National Food Security and Research, exporters despatched three shipments of local mango varieties ‘Sindhri’ and ‘Chaunsa’ to Japan as per agreed procedures between the Department of Plant Protection (DPP) and the Japanese Ministry
of Agriculture, Forestry and Fisheries (MAFF). Normally, the Japanese government sends its inspectors to Pakistan and other mango exporting countries for quality check and clearance before allowing imports into Japan. However, this year, the Japanese government could not send inspectors due to the Covid-19 pandemic. In 2019, mango exports to Japan rose to a record high of 120 tonnes and were favourably received in the Japanese market.

A press release of the Japanese embassy on Monday said that Japan will continue to support Pakistan in the agricultural field such as taking measures against locust control, expanding export of agricultural products, and investment in the food processing sector. The MAFF has granted market access to fresh Pakistani mangoes but its import in Japan is subject to offshore disinestations treatment and sterilization using saturated steam at vapour heat treatment facility duly approved by the DPP and MAFF and pre-clearance programme by Japanese inspectors.

Japan’s Ambassador to Pakistan Matsuda Kuninori held a meeting with Minister for National Food Security and Research Syed Fakhr Imam on Monday and admired the quality of Pakistani mangoes. Imam also showed interest in increasing export of Pakistani basmati rice to Japan. Minister Imam appreciated the MAFF for facilitating mango exports from Pakistan by exempting pre-clearance in the wake of Covid-19 outbreak instead of restricting it due to difficulty in implementation. Imam asked Japanese envoy for market access to Pakistani citrus in light of the country’s historical trade of citrus fruit with China, Russia, Indonesia, Malaysia, and Iran. He said the cold treatment of the citrus fruit prescribed by the US government is acceptable to various citrus exporting countries. There has been no report of noncompliance ever from citrus importing countries since it works well to eliminate all fruit flies from Pakistani kinnow, he said.

The Japanese government is assisting Pakistan in fighting the desert locust with 58,502 litres of insecticide to be sprayed in the affected regions. It also provided assistance to Pakistan for agricultural development, scholarships for higher studies, on-job training courses and supported agricultural research system through the provision of equipment. The Plant Genetic Resources Research Institute at the National Agricultural Research Centre was setup with assistance from Japan. The Japanese government has also provided funds to UN Industrial Development Organisation at the request of Pakistan to launch the ‘Agri-Business and Agro-Industry Development’ project at a cost of $3.02 million.

The Nation
July 7, 2020

Foreign investor upbeat with improved security environment, divulges OICCI Security Survey 2020

ISLAMABAD - Foreign investors have shown satisfaction on the fast improving security environment and have also appreciated the performance of law enforcement agencies (LEAs) in the main business centres of Pakistan, Karachi and Lahore. Overseas Investors Chamber of Commerce and Industry (OICCI), the largest chamber in terms of economic contribution and representing top 200 foreign investors in Pakistan, has released the results of its latest Annual Security survey 2020, covering feedback on the security environment from July 2019 to June
2020. OICCI 2020 Security Survey indicates that the foreign investors overall are impressed with further improvement in the security environment over the past twelve months, since July 2019, especially in Karachi and Lahore, with noticeable improvement in other business centres as well. While giving assessment of the overall security situation, 60 per cent of the respondents have reported improved security environment for own and Customer’s Business, as well as for their respective suppliers and employees.

The foreign business visitors were mainly from China, UK, USA, UAE, as well as other European and Asian countries. Due to the sustained improvement of the security environment, OICCI members reported that over 90 per cent of the Board and management meetings of their Pakistan business operations, involving HQ and/or Regional Management, were held within the country. In terms of serious crimes, 87 per cent respondents indicated a decrease over last year in Karachi and Lahore. However, the survey respondents have expressed concern on the increasing trend of street crimes. All in all, 37 per cent respondents in Karachi and 27 per cent in Lahore reported concern on increasing street crimes. According to the results Islamabad experienced the lowest increase in street crimes among the key business centres. There was also a thumbs up for the LEAs as, by and large, the foreign investors were satisfied with the performance of Law Enforcement Agencies, with over 90 per cent expressing satisfaction in their interactions with Karachi and Lahore Police, Sindh Rangers, Punjab Police and CPLC and 84 per cent for Sindh Police.

OICCI Security survey is very comprehensive and gives a detailed feedback of a large number of foreign investors operating in Pakistan on various aspect of doing business connected with security and its impact on their operation which is regularly sought by diplomats and security professionals. The survey respondents included CEOs and senior management of member organizations, and was participated by 70 per cent of the OICCI’s 200 members, who belong to 35 countries and operate in 14 key sectors of the economy in Pakistan. It may be noted that over two third of the OICCI members have their head offices in Karachi with operations all over country. The survey was conducted from May 15th till June 22nd.

Commenting on the survey findings, OICCI President Haroon Rashid said “the smooth and professional handling of the brazen attack on Pakistan Stock Exchange on June 29th, and restoring order within a very short time, is a testimony of the OICCI members’ confidence in the ability of the LEAs to professionally combat any threat to life and property in the country”.

The OICCI President added “foreign investors are not deterred by isolated incidences and continue to take a holistic view of the operating environment, which, OICCI members perceive to be highly positive showing continuous improvement.”

Irfan Siddiqui, OICCI Vice President pointed out that “this improvement is over and above the already improved security environment last year, and the continuous improvement recorded in the OICCI members annual security surveys since 2015”. He further added that “It is highly encouraging that despite many disruptions during the past twelve months, due to Azadi March in December 2019, border tension with India during Q3 2019, and subsequent travel restriction since end March 2020 due to COVID 19, the visit of foreign nationals visiting Pakistan for OICCI members business, pre COVID 19, showed a healthy increase, as over 40 per cent
respondents reported more visitors than last year, with 26 per cent hosting more than 50 visitors and most respondents getting between 20 and 50 visitors”.

OICCI, is the largest Chamber of Commerce in Pakistan based on economic contribution in the form of taxes and investment by its members and is the collective voice of over top 200 foreign investors in Pakistan, including over 50 Fortune 500 companies, who contribute about one third of the total tax collection in the country and a significant portion of the GDP.

**The Nation**

July 7, 2020

**Japan keen to import Basmati rice, establishing mutual agriculture research**

ISLAMABAD-Ambassador of Japan Matsuda Kuninori on Monday showed keen interest for developing mutual agricultural research and importing Basmati rice from Pakistan in order to further strengthen bilateral trade and economic cooperation between the two countries. The ambassador called on Minister for National Food Security and Research Syed Fakhar Imam and discussed ways and means to enhance mutual cooperation in different sectors, said a press release issue here.

The minister also stressed the need for enhancing mutual cooperation in transfer of technology from Japan particularly agricultural machinery. Imam asked for providing market access of Pakistani citrus in Japan based on historical trade of citrus fruit with China, Russia, Indonesia, Malaysia, and Iran. He said that cold treatment prescribed in US treatment manual and acceptable to China, Russia, Iran and no non-compliance ever received against this treatment from these countries. He said that it worked well to eliminate all fruit flies from our (mandarin) Kinnow and also admired Kobe beef of Japan.

Matsuda Kuninori mentioned that Pakistani mango was more fragrant and showed interest in export of Basmati Rice from Pakistan. Pakistan exported $3847 thousand worth Basmati Rice last year to Japan, he added. The Japanese ambassador also showed interest in developing mutual agricultural research. He said that Ministry of Agriculture, Forestry and Fisheries (MAFF) Japan had granted market access to fresh Pakistani mango, which was subject to offshore disinfections treatment, sterilization at a temperature of 47 C or higher for 25 minutes using saturated steam at vapour heat treatment facility dully approved by DPP and National Plant Protection Organization (NPPO) of Japan and pre-clearance program by Japanese Inspectors. The export of Pakistani mangoes (Sindhri & Chaunsa) from Pakistan to Japan is underway.

Roomi Foods Pvt. Ltd. has shipped successfully 3 mango shipments to Japan as per agreed procedure between DPP and MAFF as a temporary measure. The minister extended deep appreciation to MAFF for facilitating export of mango from Pakistan to Japan by exempting pre-clearance in the wake of COVID-19 outbreak instead of restricting it due to difficulty in implementation of pre-clearance. It is worth mentioning here that Japanese Government has previously acceded to the request of the Government of Pakistan and awarded funds to UNIDO in 2019 for launching project on “Agri-Business and Agro-Industry Development” with an
estimated cost of $3.02 million. The Japanese ambassador during his call on the Minister for NFSR on April 27 unveiled the intention of the Japanese Government to provide an assistance package to fight the desert locust in Pakistan. Japan has provided 58,502 litres insecticide last month in Multan, Bahawalpur, Sukkar, Mirpurkhas, Dera Bugti and Dera Ismael Khan.

July 7, 2020

Roosevelt Hotel to land in cabinet’s lap today
MUSHTAQ GHUMMAN

ISLAMABAD: The proposed disposal of Roosevelt Hotel, New York, will land in the federal cabinet’s lap on Tuesday (today) as Privatisation Commission has expressed inability to appoint an FA due to weak financial position of PIA, well-informed sources told Business Recorder. On July 2, 2020, the CCoP was informed that the issue of early disposal of Roosevelt Hotel was also raised before the Prime Minister on several occasions. The meeting was chaired by the Prime Minister on the restructuring of PIACL held on June 8, 2020, and directed that Aviation shall submit its proposals for JV/long-term lease of Roosevelt Hotel before the CCoP for its consideration within one week. It was also directed that a special meeting of CCoP shall be held, at the earliest, to consider the proposals of Aviation Division, in consultation with, Ministry of Privatisations, and submit/ present its proposal, for revision for constitution of Taskforce for privatisation of Roosevelt Hotel, owned by PIA-IL before the CCoP to review its decision of November 15, 2019 duly ratified on December 3, 2019 whereby the said task force was constituted on December 13, 2019.

The committee was informed that the Privatisation Commission (PC) Board in its meeting held in December 2019 recommended the following for consideration of CCoP: (i) PC to appoint Financial Advisor (FA) for setting up a JV project; (ii) amend the composition of RTF by allowing exclusion of legal and financial consultants of Roosevelt Hotel Corporation and include MD, PIA-IL; and (iii) approval of the ToRs of the Task Force. During the course of discussion, it was stated that for all the three options regarding the Roosevelt Hotel, i.e. its continuation as such, disposal by selling out in the market, leasing out the hotel as a JV, an FA is to be appointed to study and make recommendations in this regard. It was also briefed that M/s Deloitte has completed the comprehensive study regarding the Roosevelt Hotel as per the ToRs prescribed by PIA-IL, and has recommended the way forward. The members of the committee were of the opinion that since the study has already been completed, therefore, the PC may continue its work on the basis of the report of M/s Deloitte.

Special Assistant to the Prime Minister on Overseas Pakistanis, Zulfi Bukhari, argued that the task may be handled by the PC in consultation with the Board of Investment (BoI) and the model adopted by the PC in case of land bank privatisation may be considered for adoption. The representative of Petroleum Division was of the opinion that it is not privatisation, rather it is a corporate decision so the Board of Directors of PIA-IL can take a decision on its own. He termed
it a commercial restructuring. Minister for Planning, Development and Special Initiatives, Asad Umar agreed with the contention of the representative of the Petroleum Division and gave the example of concession agreements in OGDCL by its BoD. Minister for Aviation asked the committee to de-notify the task force for privatisation of Roosevelt Hotel as set up by the CCoP in its meeting held on November 15, 2019 and ratified by the Cabinet on December 3, 2019. Secretary Privatisation Division suggested to convene a meeting between the Attorney General for Pakistan, Minister for Aviation, Finance Division and Privatisation to clarify certain aspects of this transaction. Minister for Privatisation informed the forum that since the financial condition of PIA is not good, Privatisation Commission shall not be in a position to bear the expenses for appointment of Financial Advisor, hence, Finance Division will have to come to the rescue.

The cabinet is also expected to discuss electricity situation in Karachi as PTI local leadership has recommended the government allows other companies to operate in Karachi. Other agenda items are as follows: (i) addition of offenses in the schedule of AML Act, 2010 under section 42 of the AML Act, 2010 through notification in the official gazette; (ii) allocation of sectors F-12 and G-12 Land Islamabad to Federal Government Employees Housing Authority; (iii) extradition of Shariq Raza from Pakistan to UK; (iv) approval for signing service agreement between the Nadra and International Organisation for Migration (IOM) on Deployment of the Readmission Case Management System (RCMS); (v) appointment of Munawar Hussain as CEO Agro Food Processing (AFP) facilities, Multan; (vi) appointment of three directors on the BoD of STEDEC; and (vii) proposal for granting FBR permission to hire lawyers without seeking approval from Law and Justice Division.

The Nation
July 8, 2020

Hugo Boss places first order of sportswear to Pakistani company

ISLAMABAD-Adviser to the Prime Minister on Commerce and Investment Abdul Razak Dawood on Tuesday said that well known brand, Hugo Boss has placed its first order of sportswear to a Pakistani company. “Happy to note that well known brand, Hugo Boss, has placed its first order of sportswear to a Pakistani company,” the Adviser said on Twitter. He attributed this achievement due to the effort of Pakistan Readymade Garments Manufacturing and Exporters Association (PRGMEA) for holding the 35th IAF Fashion Convention in November last year, in Lahore. The International Apparel Federation’s (IAF) 35th World Fashion Convention was held in Lahore on November 12-13, 2019, in collaboration with Dutch industry association Modint.

German fashion house Hugo Boss is known around the world for its smart men’s suits. It manufactures clothing and accessories internationally and has various products, such as eveningwear, shoes, leather goods, eyewear, watches, perfumes, and children’s fashion. It recently launched more casual and sportswear styles in order to attract younger people, making major investments in online products after its attempt to go up market failed some years ago. In another Tweet, the Adviser said that Pakistan’s exports had reduced less as compared to other
countries of the region due to the Covid-19 pandemic. He said that Pakistan’s exporters had performed well in last fiscal year despite slowdown in economic activities due to the Covid-19.

“I want to congratulate all our exporters on the good performance in 2019-20, in spite of the very challenging situation caused by Covid,” he said and added that Pakistan’s exports were only 6 percent less than 2018-19, while our regional countries Bangladesh was down 17 percent and India down by 14 percent. This good performance was also due to the timely lifting of the lockdown and the good coordination between federal and provincial agencies at the daily meetings of NCOC. Our exporters deserve every praise for their effort, hard work and reaching out to our customers, he added.

The Nation
July 11, 2020

PPE items helping meet export targets, says Razak Dawood

ISLAMABAD—Advisor to the Prime Minister on Commerce and Investment, Abdul Razak Dawood on Friday said that export of allowed items of Personal Protective Equipment (PPE) is providing impetus to meet the export targets of the government. He made these remarks while chairing a meeting of the Committee to oversee the exports of Personal Protective Equipment (PPE). The meeting was attended by the Federal Minister for Science and Technology, Chaudhry Fawad Hussain, the Federal Minister for Industries and Production, Muhammad Hammad Azhar, and other stakeholders. The purpose of the Committee is to review the stock position of PPE items in Pakistan and make decisions, based on the future requirement projections, regarding continuation of exports of these items. Talking to the Committee members, Razak Dawood informed that a number of businessmen have approached him for allowing the exports of N95 masks, which is banned by the Cabinet. However, he added, the exports of N95 masks cannot be allowed at this moment, unless it is backed by statistical evidence that local demands are being fulfilled and the production is in surplus quantities. The advisor reiterated that Pakistan needs to fully exploit the opportunities arising out of Covid-19, in terms of increase in demands for PPE worldwide, but with a strategy to have enough supplies available throughout the country.

While discussing the requirements for PPE, the Advisor underscored that the Federal and Provincial health departments should work on projections for future demands so that an accurate picture can be painted in relation to the export of these items. Razak Dawood further stated that Ministry of Commerce will go to the next NCOC meeting to get all provincial stakeholders on board with regards to provision of precise information, which can help the Committee to take timely decisions as per its mandate. During the meeting, Razak Dawood informed that the export of allowed items of PPE is providing impetus to meet the export targets of the government. Federal Minister for Science and Technology informed that our local industry has enhanced its capacity for PPE production and we are receiving interests from foreign investors as well. The Committee showed satisfaction that no shortages of PPE have been reported ever since the export of majority of items was allowed by the Federal Cabinet. The Federal Cabinet lifted the ban on export of all items of PPE, hand sanitizers, disposable gowns and gloves, face shields, biohazard bags, goggles and shoe covers, made from various classes of materials, including
woven and non-woven chlorinated polyethylene (CPE), Polypropylene (PP), spunbond and meltblown, with the exception of N-95 Masks and Surgical Masks and Tyvek Suits, in the meeting on June 02, 2020. The Cabinet also constituted a Committee under Advisor to the Prime Minister, Abdul Razak Dawood, represented by all relevant stakeholders, to review the local stock positions of PPE, from time to time, in order to ensure that exports do not result in local shortages.

The Nation
July 12, 2020

MPs to discuss privatization of Roosevelt Hotel, performance of PIA next week

Privatisation Division has shortlisted 10 entities which are scheduled to be sold out in financial year 2020-21

ISLAMABAD - A parliamentary committee has decided to discuss the privatisation of Roosevelt Hotel (Manhattan, New York) and performance of Pakistan International Airlines (PIA) in next week. The National Assembly Standing Committee on Privatization has sought detail briefing from the government on the privatization of Roosevelt Hotel (Manhattan, New York). Meanwhile, the committee would also discuss the performance of the PIA in its meeting to be held on July 15 in parliament house. The government is continuously facing pressure from the opposition on the privatisation of Roosevelt Hotel. However, the cabinet committee on Privatization (CCoP) had recently decided to redevelop the site of Roosevelt Hotel (Manhattan, New York) into a mixed use (Joint Venture) of primary office tower over retail and condominium. As requested by the Aviation Division, the CCoP had decided to de-notify the Roosevelt Task Force formed earlier under the chairmanship of Minister for Privatization for framing Terms of Reference for leasing the Roosevelt’s site for setting up a joint venture project. The CCoP also directed PC to hire a Financial Adviser to start the process for the transaction in the light of the report of Ms Deloitte from July 2019 which recommended “that the highest and best use of the Roosevelt Hotel Property is to redevelop the site into a mixed use (through Joint Venture) of primarily office tower over retail and condominium”.

An official of Privatization Commission informed that government would not privatize the Roosevelt Hotel. He said that hotel would be run through joint venture. The official informed that government would pursue privatization programme after Covid-19 situation. He said that Privatisation Division has shortlisted 10 entities which are scheduled to be sold out in financial year 2020-21 to achieve budgeted revenue of Rs100 billion. Privatisation Commission is anticipating to sale out much delayed two RLNG power plants 1223 MW Ballochki Power Plant and 1230 MW Haveli Bahadur Power Plants, revival of Pakistan Steel Mills plan, SME bank Limited, Services International Hotel Lahore and Jinnah Convention Centre, Islamabad in the second quarter of next financial year or by end of December 2020. The government had budgeted Rs150 billion from privatization programme in last fiscal year. However, it failed to generate any amount due to Covid-19 that had halted the privatization programme.
Trade deficit shrinks 27.11 percent

ISLAMABAD - The country’s trade deficit witnessed significant reduction during the fiscal year 2019-20 and declined by 27.11 per cent as compared to the previous year. The Country’s deficit during July-June (2019-20) stood at $23.183 billion against the deficit of $31.805 billion during July-June (2018-19), according to the latest data of Pakistan Bureau of Statistics (PBS). During the period under review country’s exports registered about 6.84 per cent decrease, by going down from $22.958 billion last year to $21.387 billion during the current year whereas the imports declined from $54.763 billion to $44.570 billion, showing sharp decline of 18.61 per cent. Meanwhile, on year-on-year basis, the exports from the country decreased by 6.52 per cent during June 2020 as against the exports same month of last year. The exports during June 2020 were recorded at $1.592 billion against the exports of $1.703 billion in June 2019. The imports also witnessed sharp decline of 14.66 per cent during the month as these declined from $4.353 billion in June 2019 to $3.715 billion in June 2020. On month-on-month basis, the exports from the country increased by 14.04 per cent in June 2020 when compared to the exports of $1.396 billion in May 2020. Likewise, the imports into the country also increased by 29.76 percent in June 2020 when compared to the imports of $2.863 billion in May. Meanwhile, the country’s services trade deficit contracted by 41.63 per cent during the first eleven months of the financial year 2019-20 as compared to the corresponding period of last year.

During the period under review country’s services exports declined by 8.52 per cent, whereas services’ imports narrowed by 23.61 per cent, according the trade statistics of the Pakistan Bureau of Statistics (PBS). During the period from July-May (2019-2020), the exports reached to $5.050 billion against the exports of $5.520 billion during the same period of last year, it added. Meanwhile, the services imports witnessed decrease of 23.61 per cent and went down from $10.146 billion in first eleven months to $7.750 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 $2.700 billion against the deficit of $4.625 billion during last year, showing decline of 41.63 per cent. On year-on-year basis, the services exports from the country decreased by 16.72 per cent during May 2020 as against the exports same month of last year. The exports during May 2020 were recorded at $389.99 million against the exports of $468.27 million in May 2019. The imports also witnessed decrease of 59.79 per cent during the month as these went down from $1164.03 million in May 2019 to $468.03 million in May 2020. On month-on-month basis, the exports from the country decreased by 4.19 per cent in May 2020 when compared to the imports of $407.06 million in April 2020. On the other hand, the imports into the country decreased by 19.59 per cent in May 2020 when compared to the imports of $468.03 million in April.

Significant reduction in the first eleven months of current financial year and declined by 27.77 per cent 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. Meanwhile, The country’s merchandise trade deficit witnessed
significant reduction during the fiscal year 2019-20 and declined by 27.11 per cent as compared to the previous year. The Country’s deficit during July-June (2019-20) stood at $23.183 billion against the deficit of $31.805 billion during July-June (2018-19). During the period under review country’s exports registered about 6.84 per cent decrease, by going down from $22.958 billion last year to $21.387 billion during the current year whereas the imports declined from $54.763 billion to $44.570 billion, showing sharp decline of 18.61 per cent.

Moreover, the United States of America (USA) remained the top export destinations of the Pakistani products during the eleven months of current financial year (2019-20), followed by China and United Kingdom (UK). The total exports to the USA during July-May (2019-20) were recorded at $3588.819 million against the exports of $3727.390 million during July-May (2018-19), showing negative growth of 3.71 per cent during the period under review, according to State Bank of Pakistan (SBP). This was followed by China, wherein Pakistan exported goods worth $1535.454 million against the exports of $1701.506 million last year, showing decrease of 9.75 per cent. UK was the at third top export destination, where Pakistan exported products worth $1491.000 million during this year against the exports of $1622.887 million during last year, showing decrease of 8.12 per cent, SBP data revealed.

Among other countries, Pakistani exports to United Arab Emirates (UAE) stood at $1463.276 million against $1250.515 million during last year, showing increase of 17.01 per cent while the exports to Germany were recorded at $1191.297 million against $1210.943 million last year, the data revealed. During the eleven months, the exports to Afghanistan were recorded at $825.663 million against $1101.459 million whereas the exports to Holland stood at $906.558 million against $886.469 million. Pakistan’s exports to Spain were recorded at $806.443 million against $857.290 million last year where as the exports to Italy stood at $690.365 million against $734.932 million. Similarly, the exports to Bangladesh during the period under review were recorded at $632.888 million against $690.772 million while the exports to France stood at $395.755 million against $412.001 million.

Islamabad, Kabul urged to remove bottlenecks in way of Pak-Afghan trade

PESHAWAR - Traders and exporters of Pakistan and Afghanistan via a joint video link conference here identified bottlenecks in the way of Pak-Afghan mutual trade, transit trade and exports. They termed the complicated regulations and procedures, strict policies and cumbersome goods clearing process the main reason behind the declining trade volume between the two countries. The conference was organized by USAID – Pakistan Regional Economic Integration Activity (PREIA) in collaboration with the Sarhad Chamber of Commerce and Industry (SCCI) here at the Chamber House. The participants called upon Islamabad and Kabul to make joint initiatives and efforts to remove hurdles in the way of bilateral trade, transit trade and export between the two neighbouring countries. They opined that a lot of potential existed in the Afghanistan market, which should be availed to meet the mutual trade target of $5 billion.
The joint conference was chaired by Sarhad Chamber of Commerce and Industry (SCCI) President Engineer Maqsood Anwar Pervaiz and Senior Vice President Shahid Hussain performed duties as moderator.

Besides, the SCCI, Pak-Afghan Joint Chambers of Commerce and Industry (PAJCCI) former senior vice president, and Frontier Customs Agents Association President Ziaul Haq Sarhadi, PAJCCI Pakistan chapter Chairman, Zubair Motiwala, Secretary General Ms Faiza, PAJCCI Afghanistan chapter chairman, Khan Jan Alokozay, Younis Mohmand from Afghan Chamber of Commerce and Industry, representative of Kandahar chamber, Haji Daud, former FPCCI president Engr Daroo Khan Achakzai, representative of PREIA, Salman Farooq, office bearers of Chaman, Kabul, Jalalabad and Kahandar chambers of commerce and industry, Afghanistan Women Chamber of Commerce and Industry, Pak-Afghan transporters, along with representatives of business community from both the countries pointed out the hindrances in way of the mutual Pak-Afghan trade, transit trade and export. The speakers said the bilateral trade volume had declined exponentially because of complicated regulations and procedures, strict policies and cumbersome goods clearing process at ports and borders that has heightened problems of traders, exporters and importers. “If the policies were not reviewed by Islamabad and Kabul, the bilateral trade volume, which currently stood at less than $1 billion, would reduce more,” they warned.

Since the outbreak of COVID-19, they said, the traders on both sides of the border had faced colossal monetary losses, demanding special relief packages in terms of waiver on regulatory duties and customs levies for exporters and importers. The speakers demanded to review the Afghanistan Pakistan Transit Trade Agreement and remove apprehensions of traders from both sides and sign a new agreement in consultation with the business community. The participants expressed concern over snail process of goods trucks/containers clearing at Torkham, Chaman, Ghulam Khan and Kharlachi border points as well as scanning process at Karachi port due to lack of adequate and sufficient facilities because of which exporters were being charged with additional demurrage and detention charges. At the end of the meeting, the participants fully agreed with suggestions and recommendations and decided to forward them through USAID PRIEA to the both governments, ministries and departments concerned in order to implement them with letter and spirit to resolve traders’ issues on both sides of the borders amicably.

**The Nation**

July 14, 2020

**Pakistan to reopen Wagah border for Afghan exports**

ISLAMABAD - Pakistan yesterday announced to reopen Wagah border crossing from July 15 for Afghan exports after implementing the COVID-19 related protocols. A foreign ministry statement said that the step was taken at a special request of Afghanistan and with a view to “facilitating Afghanistan’s transit trade.” “With this step, Pakistan has fulfilled its commitments under the Pakistan-Afghanistan Transit Trade Agreement (APTTA). Pakistan has restored bilateral trade and Afghan transit trade at all border crossing terminals to pre-COVID-19 status,” Foreign office spokesperson Aisha Farooqui said.
She added: “Pakistan remained fully committed to further strengthening its bilateral relations with Afghanistan in all areas including trade and to facilitate Afghanistan’s transit trade under APTTA (Afghanistan–Pakistan Transit Trade Agreement).” Mohammad Sadiq, Pakistan’s Special Representative for Afghanistan, said that his country had already restored bilateral trade and Afghan Transit Trade at all border crossings. Pakistan and Afghanistan share 18 crossing points. Pakistan closed its border with Iran and Afghanistan after COVID-19 cases increased in the country early this year.

Last week, Pakistan opened the Angor Adda point in South Waziristan and the Kharlachi crossing in Kurram districts bordering Afghanistan to boost trade between the two countries after months-long closure due to the coronavirus pandemic. While the Angor Adda was operationalised on July 10, two days ahead of its scheduled opening, the Kharlachi was reopened on July 11. Last month, Pakistan reopened Torkham crossing in Khyber Pakhtunkhwa province, Chaman point in Balochistan and Ghulam Khan in North Waziristan tribal district to promote bilateral business and trade activities. Pakistan is the largest importer of Afghani products, while Afghanistan is the 4th largest destination for Pakistani exports.

The Nation
July 14, 2020

Govt asked to address key issues of exporters

ISLAMABAD-Exporters have asked the government to address their key issues to increase the country’s exports, which are continuously declining from last several months due to the COVID-19. Leading exporters of textile and rice sectors have met with Secretary Commerce Muhammad Sualeh Ahmed Faruqui. He was apprised of hurdles faced by the exporters including shortage of gas and other utilities, clearance of DLTL dues, refund of taxes, role of other government departments in promotion of exports, regulatory issues, market access issues with some specific countries and role of the federal government in resolving the problems faced by the exporters at provincial and local levels.

Secretary Commerce assured his full support to resolve the issues raised by the exporters. He said that Ministry of Commerce would take up the matters with other relevant federal ministries as well as respective provincial governments on priority to facilitate the exporters and boost exports of the country. He advised the exporters to maintain liaison with Ministry of Commerce and TDAP for better implementation of policies. Pakistan’s exports are continuously declining after Covid-19. In mid March, because of a lockdown to control the spread of the pandemic, followed by a global economic slowdown, the export-oriented industry in Pakistan suffered as reflected in March 2020 figures, which showed the decline in growth by 8 per cent compared to same period last year. The situation persisted and, in April 2020, the exports showed a downward trend of 54 per cent as compared to April 2019.

After the month of April and with the efforts of the government to encourage the export sector, the first signs of recovery were observed in the month of May 2020, which only saw 33 per cent decline in exports as compared to same month last year. The momentum continued in June 2020,
as the downward trend has been brought down to single digit figure of 6 per cent in dollar value terms. However, the ministry has not shared the figures of exports in absolute terms.

Secretary Ministry of Commerce, Muhammad Sualeh Ahmed Faruqui visited the Trade Development Authority of Pakistan (TDAP) where he was received by Chief Executive and Acting Secretary TDAP. During the visit, Secretary Commerce was briefed about the TDAP’s ongoing initiatives. He advised to focus especially on virtual exhibitions, B2B marketplace, research and data analytics, as the participation in physical exhibitions has reduced drastically, because of ongoing Covid-19 pandemic. He appreciated the TDAP’s prominent role, as direct interface with the trade, in providing policy input to Ministry of Commerce as well as other ministries in addition to trade facilitation and trade promotion work.

## The Nation

**July 14, 2020**

**Embassy of Hungary working on strengthening ties with Pakistan**

ISLAMABAD - The Embassy of Hungary in Islamabad has been working on strengthening economic and commercial ties with Pakistan for years. As the first result of these efforts, the two countries signed an Economic Cooperation Agreement in 2017, which laid down the framework of the further cooperation. Based on that, organizing the first session of Joint Economic Commission in the Hungarian capital, Budapest, between 12-13 September 2019 was another milestone of the deepening relations. In cooperation with the Pakistani Ministry of Commerce, the Trade Development Authority of Pakistan and All Pakistan Business Forum, the Hungarian Embassy was organizing a bilateral Business Forum in Lahore, where numerous Hungarian and Pakistani companies signaled their willingness to participate but it had to be postponed due to the coronavirus pandemic.

As a result of the Hungarian Embassy’s efforts, signing the water management MoU and the amendment of the double taxation avoidance convention are another significant events of the economic relations, which shows the two countries commitment to each other. The purpose of this MoU is to establish a framework for cooperation between the parties in the field of water management on the basis of equality, reciprocity and mutual benefit. The aim of the Protocol amending the Tax Convention is to improve the bilateral exchange mechanism of information in accordance with international standards. The Hungarian Embassy does hope that the next step in this forward-looking process could be the signature of the Agreement for Promotion and Reciprocal Protection of Investments.
Afghan exports thru Wagha border allowed

ALI HUSSAIN

ISLAMABAD: Pakistan on Monday announced reopening of Wagha border crossing from Wednesday (July 15) to allow the export of Afghan goods to India “with a view to facilitating Afghanistan’s transit trade”. “At the special request of the Government of Afghanistan and with a view to facilitating Afghanistan’s transit trade, Pakistan has decided to resume Afghan exports through the Wagha border crossing from 15 July 2020, after implementing Covid-19 related protocols,” the Foreign Office said in a statement. With this step, it added that Pakistan had fulfilled its commitments under the Pakistan-Afghanistan Transit Trade Agreement (APTTA). “Pakistan has restored bilateral trade and Afghan transit trade at all border crossing terminals to pre-Covid-19 status,” it added.

The Foreign Office further stated that Pakistan remained fully committed to further strengthening its bilateral relations with Afghanistan in all areas including trade, and to facilitate Afghanistan’s transit trade under the APTTA. Pakistan had closed all the borders with the neighbouring countries in March this year with a view to contain coronavirus from further outbreak in the country. Last month, Pakistan reopened three major border crossings, Torkham, Chaman and Ghulam Khan, at the request of Kabul to ease transit and bilateral trade activities, which were earlier closed down due to the Covid-19 pandemic. To enhance bilateral trade with Afghanistan, Pakistan reopened two more border crossings, Kharlachi and Angor Adda, on July 12.

In an online conference on “Pakistan-Afghanistan Bilateral Trade–Private Sector Perspectives, Strategy and Recommendations”, organised by the United States Agency for International Development (USAID) on July 8th, 2020, the private sector representatives from Pakistan and Afghanistan had expressed concerns over unscheduled closures of border crossing points, slow clearing processes, lack of facilities at the Torkham border, and increasing transport costs. The participants that included the Pakistan-Afghanistan Joint Chamber of Commerce and Industry, the Sarhad Chamber of Commerce and Industry, and the Chaman Chamber of Commerce and Industry, as well as a number of Afghanistan chambers of commerce and a variety of logistics service providers, transport operators, and traders from both countries, also supported the creation of a core team of representatives to plan subsequent coordination efforts with the governments of Pakistan and Afghanistan.
Pakistan set to implement single window system for trade

ISLAMABAD: The government is all set to comply with the World Trade Organisation provisions to implement Pakistan Single Window (PSW) to streamline cross-border movement of goods and regulatory bottlenecks. The government has set a deadline of 2022 to put in place the whole system which will be implemented at a cost of $67 million. This will not only improve the ease of doing business but also enhance controls through integrated risk management. A senior customs officer told Dawn on Tuesday that the first phase of the PSW will be ready by the end of the current year, which will cover 80 per cent volume of various licenses, permits, certificates and other documents currently issued to regulate trade. The PSW programme includes phased establishment of an ICT based platform involving simplification, harmonisation, and automation of regulatory process related to cross-border trade. It also includes implementation of a port community system to facilitate related logistics.

The World Bank estimates in ease of doing business report that economic operators incurred $500 million more costs in Pakistan than their counterparts in South Asia to comply with the government's regulations on imports, exports and transit trade in 2020. The dwell time to clear cargo lasts for days as compared to hours in other countries. The government has already introduced the PSW Bill 2020 in the parliament on June 8. Its operation will commence soon after the approval of the bill, which according to the customs officer was developed with consensus of all stakeholders. Meanwhile, the Federal Board of Revenue is also completing the process of converting the eight-digit Pakistan Customs Tariff to 12 digits. The need for NSW was felt in the wake of the realisation that the country lacks effective regulatory controls at borders and ports in line with international standards. With several dozens of regulatory authorities working in silos and in a paper-based environment, management of external trade is inefficient and opaque.

Pakistan under its obligation to the WTO’s Agreement on Trade Facilitation decided to implement NSW in October 2017. According to customs, the PSW will establish, maintain and expand ICT-based NSW platform, Port Community System, Trade Information Portal, Integrated Risk Management and Unified Registration, etc. None of these currently exist. The PSW Company has been incorporated under Companies Act, 2017 with seed money provided by Customs from its GD fee fund. Unlike Pakistan Revenue Automation Ltd, the PSWC will work on a cost-recovery model without burdening the government while being accountable for the product rollout. A high-level steering committee chaired by a finance minister with relevant federal secretaries and president of the Federation of Pakistan Chambers of Commerce and Industry is empowered to review every decision before implementation.
Wheat procurement, import
ZAHEER ABBASI

ISLAMABAD: The Economic Coordination Committee (ECC) of the Cabinet has expressed its anger at failure to ensure timely procurement of wheat and wheat import to maintain a buffer stock to keep the wheat flour prices stable in the country. A day after Prime Minister Imran Khan held a meeting on issue of wheat and wheat flour prices in the country and ordered a crackdown on hoarders and smugglers of wheat; the matter landed in the meeting of the ECC of the Cabinet presided over by Adviser to Prime Minister on Finance Dr Abdul Hafeez Shaikh on Wednesday. A participant of the meeting told Business Recorder that the ECC was dissatisfied with the performance of the Ministry of National Food, Security and Research (NFSR) and provinces as neither wheat procurement target was timely achieved nor did the ministry issue limitless wheat import permit to private importers and initially issued 0.5 million metric tons of wheat import permit followed by another over two lac metric tons and now when the international prices of wheat are relatively higher and may involve a sizeable subsidy, the ministry wanted to issue wheat import permit of 7.5 lac metric tons. According to participants, all this was annoying for the adviser on finance, who said to have stated that poor management of wheat created an embarrassing situation for the government, and it was being criticized for rise in flour prices in the country. Had there been sufficient wheat stock, the government may not have been facing this situation; the adviser was quoted as saying.

The ECC directed the Ministry of National Food Security and Research to accelerate efforts for wheat import in order to ensure the availability of wheat and wheat flour in the country throughout the year at affordable prices, after it was told that more than 120 importers have so far shown interest to import wheat. The meeting was also unhappy with the wheat procurement performance of the Khyber-Pakhtunkhwa government as the province has procured only 19,000 metric tons of wheat so far against the target of around 100,000. The ECC directed that the Ministry of NFSR should hold a meeting with the major importers of wheat, at the earliest, and come up with proposals that may indicate that the expected price of the imported wheat, and if there is any need for the government to allow subsidy on the product to keep the prices stable in the domestic markets. The Ministry of NFSR briefed the ECC that combined together the provincial governments and the PASSCO have already achieved 79 percent of their procurement targets.

The ECC directed the Ministry of NFSR to extend requested facilitation to importers, including waivers of different taxes and duties. It was also assigned by the ECC that the provincial governments, Trading Corporation of Pakistan and the PASSCO may arrange wheat imports as soon as possible to avoid shortages during the year. The ECC also allowed the Asian Development Bank to issue offshore Pakistan rupee-linked bonds for international investors subject to completion of all the formalities. The programme, according to the recommendation of
the SBP, would be restricted to maximum of US$200 million. The local currency proceeds of the bonds would be used for financing long-term infrastructure and energy projects in Pakistan. On maturity, a participant of the meeting said that Pakistan would repay to the ADB in rupee after calculating the dollar rate at that point in time. The meeting of the ECC allowed equity investment abroad amounting to SAR 22.5 million by Eastern Products Ltd. On this occasion, the ECC also approved the increase of limit for investments abroad (to be approved/allowed by the SBP) from US$5 million to US$10 million beyond, for which permission will have to be sought from the ECC.

The ECC also allowed the Finance Division to release Rs1 billion to the SSGCL for undertaking gas supply to localities/villages falling within the 5km radius of gas fields in order to comply with the Supreme Court and the High Court decisions. For the implementation of the e-office programme, the ECC directed the Ministry of Information Technology and the FIA to withdraw complaint against LMKR as well as withdrawal of all inquiries by the FIA on projects of the LMKR subject to fulfillment of agreement clauses. The Ministry of Planning Development and Special Initiatives was directed to activate the project on the request of the NITB and provide requisite funds to complete the work. The ECC also approved five projects of different types of development works in North West Industrial Zone and South West Industrial Zone by the Port Qasim Authority with their own funds with the direction to the ministry and PQA to observe all the codal formalities for the completion of the projects.

July 17, 2020

Textile exports decline 6pc to $12.5bn

ISLAMABAD: Pakistan’s textile and clothing exports posted a negative growth of over six per cent year-on-year to $12.526 billion in the fiscal year 2019-20 compared to $13.327bn in the corresponding period last year, data released by the Pakistan Bureau of Statistics showed on Thursday. The pace of fall in textile exports slowed down in the last two months owing to a recovery in the international orders. Compared to 36.5pc decline in May, exports in June declined by 5.43pc over the last year. The easing of lockdown in the North American and European countries top export destinations for Pakistani textile goods are expected to help revive the sinking exports. The Covid-19 has collapsed the demand for the country’s exports during the last five months. Piled up containers at ports since March 22 were mostly cleared in the month of June. Moreover, the government also reopened exports through the land route to Iran and Afghanistan in June. A report produced by the customs authorities who compile export data from good declaration forms showed that cargo handling at Karachi ports posted a growth of 7.23pc in June as 49,953 export containers were shipped this year as against 46,583 of last year. It clearly shows that exports picked up in the month of June from a year ago. It was only in February when the textile and clothing exports jumped nearly 17pc on a year-on-year basis growth witnessed after a long time as the past few years had been marred by single digit increases.

Details showed ready-made garments exports dipped 3.81pc in value and drifted much lower in quantity by 10.07pc during July-June FY20, while those of knitwear dropped 3.64pc in value and 10.11pc in quantity, bed wear posted negative growth of 4.91pc in value and 2.31pc in quantity.
Towel exports fell 6.52pc in value and 6.39pc in quantity, whereas those of cotton cloth dipped by 12.94pc in value and 17.66pc in quantity. However, exports are expected to revive in July as exporters have resumed production to honor their international orders. Among primary commodities, cotton yarn exports dipped by 12.49pc while yarn other than cotton by 23.81pc, made-up articles excluding towels by 13.16pc, and raw cotton 16.64pc. Exports of tents, canvas and tarpaulin increased by a massive 5.95pc during the months under review. On a monthly basis, exports of textile and clothing posted a negative growth of 5.43pc to $959.130 million in June as against $1.014bn over the corresponding month of last year. Exporters are already receiving inquiries about personal protective equipment from foreign buyers as the 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.

The Nation
July 15, 2020

Pakistan, Hungary sign convention to prop up collaboration on taxation

Pakistan and Hungary has signed a Convention for the Avoidance of double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income. The Article 27 of the Convention deals with Exchange of Information under Organization for Economic Cooperation and Development (OECD) approved changes in the Article on Exchange of Information in July 2012 to include provisions concerning cooperation between the tax administrations of the two Contracting States. The present article embodies the rules under which information may be exchanged to the widest possible extent to include taxes other than the income tax. Therefore, to incorporate the latest standard of administrative assistance in the extant Convention, Pakistan and Hungary decided to replace the Article on Exchange of Information with the new version through Protocol.

The Protocol was has been signed at the FBR House, Islamabad. Hungarian Ambassador to Pakistan Istvan Szabo signed the Protocol on behalf of Government of Hungary, while Dr. Muhammad Ashfaq Ahmed, Member (Inland Revenue Operations)/Additional Secretary inked it on behalf of Pakistan. The new Article on exchange of information provides that the competent authorities of the Contracting States shall exchange such information that will not be restricted by Article 1 & 2 of the Convention and no state shall decline to provide information merely for the reason that such information is of no interest to it, or because the information is held by a bank, other financial institution or nominee or a person acting in an agency or fiduciary capacity. According to the new version of the Article, the Contracting States shall exchange such information on request as is foreseeable relevant for carrying out of provisions of the Convention or to the administration or enforcement of the domestic tax laws of the requesting state. “The aim of the Protocol amending the Tax Convention is to improve the bilateral exchange mechanism of information in accordance with international standards,” the Hungarian Embassy said. It hoped that the next step in this forward-looking process could be the signature of the Agreement for Promotion and Reciprocal Protection of Investments.
The investment protection treaty would have utmost importance for MOL Pakistan, the Pakistani subsidiary of the Hungarian MOL Group, which has been operating in Pakistan for twenty years. The company employs 400 Pakistanis, provides 14 per cent of the country’s electricity need and it is among the 50 largest taxpayers in Pakistan. Since MOL Pakistan was founded in 1999, it has proved its commitment to the people of Pakistan. The company has invested $12.9 million for the development of the Pakistani society through its different corporate social responsibility programmes. Meanwhile, the All Pakistan Business Forum (APBF) has signed a memorandum of understanding (MoU) with the Hungarian Export Promotion Agency (HEPA) to promote trade links through exchanges of business delegations to nurture closer understanding between Pakistan and Hungary. The All Pakistan Business Forum president Syed Maaz Mahmood inked the MoU on behalf of his association while HEPA CEO Balázs Hendrich represented his agency. The APBF office-bearers who witnessed the signing ceremony included Khurram Niaz Khan, Amir Munir Malik, Amir Barry while Hungarian embassy officials consisted of Ambassador István Szabó, Deputy Head of Mission Tivadar Takács and Dr. István Grafjódi. APBF president Syed Maaz Mahmood, addressing the ceremony, said the Forum will extend full cooperation and support to strengthen trade and economic ties between Pakistan and Hungary. He said that the Forum through the Hungarian Embassy will arrange B2B meetings, conducting business delegation visits for sector specific match-making and interaction between development initiatives and the stakeholders.

He said that APBF is striving to bring business leaders, chambers and trade associations on a united platform to endeavor for a Pakistan with sustainable growth. On this occasion, Ambassador of Hungary István Szabó called for creating a trilateral trade bloc of Pakistan, Hungary and Turkey with a view to eliminate barriers to investment among these nations, besides exploiting huge trade potential. He appreciated the efforts of APBF to promote bilateral trade and joint ventures between business community of Pakistan and Hungary. He said that the serious and result oriented work of APBF convinced him to get HEPA engaged with APBF to bring the business communities of the two countries closer.

Both sides agreed to boost bilateral trade and investment through proactive approach and improved engagement. He said that the Embassy of Hungary in Islamabad has been working on strengthening economic ties with Pakistan and the two countries also signed an Economic Cooperation Agreement in 2017, which laid down the framework of the further cooperation. Based on that, organizing the first session of Joint Economic Commission in the Hungary in Sept 2019 was another milestone of the deepening relations. He said that the Hungarian Embassy in cooperation with the Pakistan Ministry of Commerce and All Pakistan Business Forum was going to organize a bilateral Business Forum in Lahore but it was postponed due to coronavirus.

The Nation

July 18, 2020

Showing upward trajectory, exports soar by 14pc

ISLAMABAD-Adviser to Prime Minister on Commerce and Investment Abdul Razak Dawood on Friday said that Pakistan’s exports have shown clear signs of recovery in the ongoing month
of July after continuously declined in last few months due to the outbreak of COVID-19. He informed the Senate Standing Committee on Commerce and Textile that Pakistan’s exports have shown clear signs of recovery in first 15 days of the July. The exports were continuously declining after COVID-19. He informed the committee that Pakistan’s exports had reduced less as compared to other countries of the region due to the COVID-19 pandemic. Pakistan’s exports were only 6.8 per cent less than 2018-19, while our regional countries Bangladesh was down 17 per cent and India down by 14 per cent, he added.

Adviser informed that Pakistan’s exports were on an upward trajectory and it showed an increase of 14 per cent in dollar value terms as compared to the same month last year before the outbreak of the pandemic near the end of February 2020. This momentum for February 2020 continued despite the initial outbreak of COVID-19 in the country, as the first 15 days of March 2020 registered an increase of 13 per cent as compared to last year. In mid March, because of a lockdown to control the spread of the pandemic, followed by a global economic slowdown, the export-oriented industry in Pakistan suffered as reflected in March 2020 figures, which showed the decline in growth by 8 per cent compared to same period last year. The situation persisted and, in April 2020 the exports showed a downward trend of 54 per cent as compared to April 2019. Exports saw 33 per cent decline in May and 6 per cent in June this year over corresponding period of last year.

The Senate Standing Committee on Commerce and Textile has also discussed the Afghan Transit Trade. Committee Chairman Senator Mirza Muhammad Afridi said that business community is facing problems due to Afghan Transit Trade. He stressed the government to take action to address the issues related to transit trade. Adviser to Prime Minister on Commerce and Investment assured the committee that government would resolve the issues of Afghan Transit Trade. He said that government is also taking measures to enhance the bilateral trade volume with Afghanistan.

**The Nation**

July 19, 2020

**Cutlery exports decrease 9.39pc during FY2019-20**

ISLAMABAD -The exports of cutlery from the country witness decreased of 9.39 per cent during the fiscal year 2019-20 as compared to the corresponding period of last year. The country exported cutlery worth $82.638 million during July-June (2019-20) against the exports of $91.205 million during July- June (2018-2019), showing negative growth of 9.39 per cent, according to the Pakistan Bureau of Statistics (PBS). Meanwhile, on year-on-year basis, the cutlery exports also decreased by 19.17 per cent during the month of June 2020 as compared to the same month of last year. The cutlery exports in June 2020 were recorded at $ 5.917 million against the exports of $7.320 million in June 2019, the PBS data revealed. On month-on-month basis the export of cutlery however witnessed grew of 23.32 per cent in June 2020 as compared to the exports of $4.798 million in May 2020. It is pertinent to mention here that the country’s trade deficit witnessed significant reduction during the fiscal year 2019-20 and declined by 27.12 per cent as compared to the corresponding period of last year. The exports witnessed decrease of
6.81 per cent and reached to $21.394 billion against the exports of $22.958 billion of the same period of last year. On the other hand, the country’s imports witnessed significant decrease of 18.61 per cent and went down from $54.763 billion last fiscal year to $44.574 billion of same period of fiscal year 2019-20. Based on the figures, the trade deficit during the period under review was recorded at $23.180 billion against the deficit of $31.805 during last year, showing decline of 27.12 per cent.

**The Nation**

July 19, 2020

**Private sector responding positively to govt’s wheat import policy**

ISLAMABAD-Private sector is responding positively to the government’s wheat import policy, as 270,000 metric tonnes of wheat has been booked on 4 vessels by private sector for August and September. Federal Secretary for National Food Security and Research, Omar Hamud Khan consulted with all chief secretaries on Saturday to review availability and prices of wheat. Federal Ministry is taking the measures to ensure the availability of wheat and flour at affordable rates. There will be policy of zero tolerance against hoarders and to not make any concessions in this regard. All provinces are working with federal government to ensure complete prevention of wheat smuggling. Sindh will finalise the wheat release policy in the province at the earliest. Punjab has operationalized its wheat release policy. District Administrations will be empowered in each province to evaluate functionality of flour mills. The ECC has already allowed import of wheat. Ministry of national food security and research said it assures importers to trade in wheat for countering wheat shortage in the country. Few taxes and duties have been abolished including regulatory duty 60 percent, custom duty 11 percent, sales tax 17 percent, and withholding tax six percent.

The Economic Coordination Committee (ECC) of the Cabinet on Wednesday has directed Ministry of National Food Security and Research to accelerate efforts for wheat imports. In order to ensure the availability of wheat and atta in the country throughout the year and on affordable price ECC directed Ministry of National Food Security and Research to accelerate efforts for wheat imports. ECC directed that the Ministry of NFSR should hold meeting with the major importers of wheat at the earliest and come up with proposals that may indicate that what will be the expected price of the imported wheat and if there is any need for the government to allow subsidy on the product to keep the prices stable in the domestic markets. Provincial governments and PASSCO have already achieved 79% of their procurement targets. More than 120 importers have so far shown interest to import wheat in the country. ECC directed Ministry of NFSR to extend requested facilitation to the importers including waivers of different taxes and duties. It was also assigned by the ECC that provincial governments, Trade Corporation of Pakistan and PASSCO may arrange wheat imports as soon as possible to avoid shortages any time during the year.
Pak-China fiber optic cable becomes operational: CEN

BEIJING-China-Pakistan Fiber Optic Project (CPFOP), the major project of digital connectivity between China and Pakistan, has started and for the first time fiber optic cable has become operational between the two countries. This project is considered to be the backbone of digital connectivity and is important for the information technology exchange between China and Pakistan. The digital connectivity technology of China can now be transferred to Pakistan through fiber optics, China Economic Net (CEN) reported on Saturday. Transformation of industrial revolution in the age of information and artificial intelligence has converged the whole world at the finger tips. In a rapidly changing arena, Pakistan has to keep pace with this ongoing revolution to reap the benefits by ensuring ample and seamless global connectivity. In order to improve the international connectivity, special communication organization conceived an optical fiber cable link with China to provide an alternate route for national communication as well as international traffic. The project included laying of 850 km of underground and Ariel optical fiber cable from Rawalpindi to Khunjerab ultimately linking with China.

The system is supported by high capacity microwave links as backup, thus the stage was set to execute one of the most challenging and unique telecommunications and information technologies projects in the highest mountain ranges of the world. Extreme weather conditions, frequent landslides, limited deployment corridors with glaciated mountains, continuous water channels and negotiating large number of bridges and tunnels were some of the major problems. The work was executed in most professional manner with multiple tiers of supervision and management and execution levels. To address the problems of limited deployment corridors, specialized machinery was imported to avoid damage for recently constructed roads. The work on optical fiber cable deployment through the planned route has been completed along with the installation of high-end capacity microwave transmission equipment in a record time of two years against the projected timeline of 3 years. Besides this strategic significance, the project has broad socio economic dimensions as well, with its key role in support of other schemes being implemented under the ambit of CPEC, the optical fiber cabling has great importance for international transit traffic. Due to low latency, the project with such broad socio economic and technological dimensions is excepted to be a game changer by transforming trade corridor into digital corridor.

The Pak-China fiber optic cable is to be laid along three main routes of CPEC, including railway tracks. The project is aimed at enabling another high-speed international connection and caters to the rapidly growing Internet traffic needs of both countries. The project will help improve the telecom and ICT industry of Pakistan, promote tourism and create trading opportunities for northern areas of the country. It will also provide the ICT infrastructure for 3G/4G services in the northern areas and enhance communication security with an alternative fiber route. CPFOP is one of the core projects, which will deliver safe route of voice traffic between both countries. CPFOP is greatly beneficial in terms of enhanced security and revenue generation. Currently, Pakistan’s international connectivity is via submarine cables. CPFOP will provide an alternative
route for international telecom traffic and also assist in achieving the rapidly growing internet traffic demand in Pakistan. It is estimated that 17 million people will get benefit from this project. The new network will be beneficial to Pakistan by improving internet penetration and increasing speed, especially in Baluchistan and Gilgit-Baltistan, regions where internet connectivity has ranged from poor to non-existent. It should also reduce the cost of internet connections.

The Nation
July 20, 2020

Japan keen to see modern, stable, strong Pakistan

ISLAMABAD-Japan has desired a modernised, economically developed and strong Pakistan saying that in order to achieve this, the country must have to follow policy of export led growth through industrial and technological growth. “Japan has set an example for the rest of the world to emerge as a top world economy by modernising its education system, hard work and commitment,” Embassy of Japan in Pakistan Deputy Head of Mission and Minister, Yusuke Shindo said. He said this while addressing a five-day Webinar series titled “Knowing Japan” jointly organized by the Embassy of Japan in collaboration with the Islamabad Institute of Conflict Resolution (IICR) here Sunday. Deputy Head of Mission, Embassy of Japan in Pakistan, SHINDO Yusuke presented his lectures during this first-ever webinar series that included the topics, “Japan- its people, society and tradition, education in Japan-key to Japan’s development”, “secrets of Japan’s economic development”, and “Japanese culture and Japan-Pakistan relationship”.

While expressing his views on secrets beyond economic development of Japan, he said that harmony in Japanese society was a key factor and working group culture, education and commitment are also hallmarks of Japanese society. The senior diplomat said that Japan has transformed its society through modern education to acquire the level of modern technology and innovation and “We established education institutions to equip our youth with modern innovative education. He said that “these are the reasons beyond the modernisation and development of Japan, we achieved through a strong education base, harmony and peace in our society.” Shindo Yusuke said that Japanese have a high rate of saving culture and the government also provides long term credit to support the people for different small and medium businesses. The Japanese government, he said has maintained fiscal discipline in the country and the country also positively retained its exchange rate to strengthen local currency for timely return of credit provided by the international financial institutions including the World Bank. Replying to a question, he said that Japan is now the world’s third biggest economy in the world with $5.15 trillion Gross Domestic Product (GDP) and in spite of all the challenges has achieved the agenda of economic growth through technology and innovation. While updating the Japanese Socio- Economic Cooperation with Pakistan, he said that Japan has always extended economic cooperation including the areas of health, education and infrastructure in its 70 year history of diplomatic and economic ties.

Deputy Head of Mission, Embassy of Japan said that Japan has supported Pakistan and established Children hospital in Pakistan Institute of Medical Sciences (PIMS) in 1984 which
was inaugurated by the then Prime Minister of Japan, Yasuhiro Nakasona. Japan also financed the different infrastructural projects in Pakistan in all four provinces for development and prosperity in the country. He said that Japan wants to extend cooperation for economic and infrastructural development and human security including education and health are the main areas of future collaboration between both sides. The senior diplomat said that increasing Pakistan exports to Japan, bringing investment by Japanese companies in local market and human resources skilled through labour import to Japan would be a future pillar of economic cooperation with Pakistan. He said that Japan sees a huge opportunity to cooperate with Pakistan in agriculture and tourism with Pakistan through transfers of technology and investment in local potential sectors. He said that Pakistan has huge potential in tourism, where they need to provide facilities for foreign tourists including transport and hotel facilities to persuade them for the growth of local tourism industry. While giving his views on the human recourse, import from Pakistan, he said the Japanese government has initiated processes of importing skilled manpower from Pakistan in 14 different sectors aimed to providing employment opportunities for Pakistanis labour force.

According to MoC signed between both sides, the agreement will open new avenues for Pakistanis to work in 14 Japanese sectors, including nursing care, building clinic, agriculture, fisheries, hotel management, food and beverages, aircraft maintenance and airports ground handling staff, shipbuilding, material processing, industrial machinery, constructions, car mechanic, electronics and electronic machinery in cards to import skilled labour force. He said that in Japanese Market, Pakistan has a huge share in importing 345,000 skilled manpower from 10 countries of the world as current scenario, Japan was facing shortage of labour force. The senior diplomat said that three different categories were part of the plan including Technical Intern, ‘Specified Skilled Workers’ and highly skilled professional. Yusuke Shindo said the Government of Pakistan (GoP) had nominated National Vocational and Technical Training Commission (NAVTTC) and National University of Technology (NUTEC) for carrying out necessary service including recruitment of candidates in collaboration with Japanese counterparts. Senior diplomat said that the process of recruitment would continue every year for the next five years to import the labour according to the Memorandum of Cooperation (MoC) signed between Japan and Pakistan on December 23, 2019 in Islamabad. Mentioning the skilled and language proficiency for all three categories, he said that purpose of first category of ‘Technical Intern Training’ programme is to transfer technical skills, techniques and knowledge to foreign countries including Pakistan, through an experience of ‘On Job Training (OJT) to contribute to the human resources development in Pakistan. For this programme, he said that Japan and Pakistan have also signed a Memorandum of Cooperation in February 2019 in Tokyo.

He informed that the foreign nationals, who have successfully completed “Technical Intern Training” are exempted from tests that are normally required for the other two categories. While giving information regarding the second category of ‘Specified Skilled Workers’, he said that for this programme both sides had signed the Memorandum of Cooperation (MoC) in last December 23 and through this agreement foreign national have to prove their necessary level of skill and Japanese language proficiency by appropriate means such as passing skills and language test in different 14 skilled sectors accordingly. While informed that the third category of highly skilled covers a variety of fields including engineering, specialist in humanities and international services. Japanese envoy said that Information Technology (IT) software engineers are included
in this status of residence. He also praised the Pakistani workers who were working in Japan, saying that they were more skilled and working with full commitment and honesty. He said that professional skills and proficiency in Japanese language would be must for workers to work in Japan under this policy. Senior diplomat said that Japan and Pakistan have enjoyed historical diplomatic and economic relations, where Japan has always supported Pakistan in every situation. Replying to another question, the ambassador said that Pakistan and Japan are looking for increasing bilateral cooperation in agricultural-based industry and value addition as Japan has already announced grant aid to enhance productivity in relevant agricultural fields.

The Nation
July 20, 2020

Investments likely to increase up to 15.5 per cent in 2021

ISLAMABAD-Investment and savings for the fiscal year 2020-21 is expected to increase slightly to 15.5 per cent of GDP during the fiscal year 2020-21 and help achieve sustained and inclusive growth keeping in view post corona crisis. Fixed investment is expected to grow to 13.9 per cent of GDP in 2020-21, according to official data which added that the National Savings are targeted at 13.8 per cent of GDP. During the fiscal year 2020-21, the focus would be on replacing consumption led growth with investment led growth. The new monetary policy posture with reduction in interest rate would encourage investors and consumer financing would boost economic activity. Numerous measures to improve ease of doing business, such as tax holiday to special economic zones, withdrawal on constricting taxes on banking transactions, are expected to boost capital formation and attract both domestic and foreign investment. Meanwhile, during the fiscal year 2019-2020, the investment environment improved in the country as the ranking improved by 28 notches in previous two World Bank’s Ease of Doing Business Reports. Foreign Direct Investment (FDI) more than doubled in the first 10 months of the last fiscal year while the Foreign Direct Investment (FDI) more than doubled from net inflows of $1 billion to $2.3 billion this year.

This has helped in preventing the COVID-19 related impact to take its toll on overall investment, it added. The downward sliding of the private investment from 10.3 per cent of GDP in 2018-19 to 10 per cent in 2019-20 was slightly compensated by slight increase in public sector investment to 3.8 percent of GDP from 3.7 per cent last year. The investment-to-GDP ratio declined from 15.6 per cent in 2018-19 to 15.4 per cent in 2019-20. Meanwhile, the National Savings improved to 13.9 per cent of GDP from 10.8 per cent in 2018-19 while the country’s reliance on foreign savings decreased as marginal increase in investment is somehow compensated with increase in national savings. Increased consumption led to subpar growth of savings, given the inverse relationship between the two. Sustainable investment in commodity producing sectors is crucial for consistent growth. However, saving rate has been persistently lower than the required level which prevented investment to reach the level required to accelerate growth further. Low national savings lead to increased reliance on external financing for investment, it added.
Dawood directs enforcement of GI law to support SMEs

ISLAMABAD: Adviser to PM on Commerce Abdul Razak Dawood on Monday directed Ministry of Commerce officials to implement the Geographical Indications (GI) law to sell Pakistani products in the international market. He asked ministry officials to resolve issues on priority basis so that the intended objectives of the law can be achieved. The maximum benefit of the implementation will be for the small and medium enterprises and local communities around the country. He issued these directives during a meeting to review the implementation of the GI since it was promulgated as a law. Pakistan enacted Geographical Indications (Registration and Protection) Act in March. The law had been pending for over 14 years and a number of companies were selling local products under their name tag, without attributing their origins. The GI Act, 2020 provides legal protection to local products which encouraging the SMEs to expand their business worldwide. The protection of geographical indications will boost exports and help support rural development in the country, enhancing the livelihood of agriculture producers and skilled craftsmen.

In addition, the marketing of GI products will also enhance the secondary economic activities and boost regional economic development various regions boosting economic development. This promotion of indigenous products can also support growth in the tourism industry as the people from around the world will be encouraged to access the special products which originate from a particular region and form a part of that region`s cultural heritage. Dawood said that the GI law will protect local products like Peshawari chappals, Multani blue pottery, Hunza apricots, H ala ajrak, Kasuri methi, Chaman grapes, Turbat Dates and many others. He said the government wants premium prices for indigenous products in the international market as a lot of companies sell these products without attributing their origins. After the GI Act, indigenous products will be introduced in the international market as Pakistani brands, he added.

Non-textile exports dip

ISLAMABAD: Exports of non-textile products dipped nearly eight per cent year-on-year to $8.873 billion during July-June in FY20 owing to the cancellation of orders following the coronavirus outbreak since March. In the pre-Covid-19 period, a consistent increase was noted in the exports of non-textile products in the first seven months of FY20, reversing the declining trend in last few years. The only products which posted growth in export proceeds in the outgoing fiscal year were rice, meat, fruits, vegetables, tobacco, and footwear. All of the remaining products posted a negative growth during the year under review. The data released by the Pakistan Bureau of Statistics showed carpet and rug exports declined by 19.33pc during the FY20 from a year ago.
The export of sports goods went down by 14.97pc and foreign sales of footballs dipped by 10.18pc. The export of gloves fell by 26.47pc. Tanned leather goods witnessed a negative growth of 27.01pc in July-June FY20 from a year ago. Data showed a year-on-year decline of 24.74pc in exports of petroleum products. Crude, naphtha and petroleum products contributed to the overall decline in the sector’s exports. The exports of leather products dipped by 2.4pc during the year under review. This decline was mainly led by leather garments, leather gloves, followed by other leather products. Footwear exports went up by 2.86pc on the back of leather footwear, canvas footwear, and others in FY20 from a year ago. However, exports of surgical goods and medical instruments dipped 8.44pc. The export of engineering goods also dipped by 0.05pc during the year under review.-Staff Reporter

July 21, 2020

Wheat import permits issued to 288 private sector importers

ISLAMABAD -Ministry of National Food Security and Research has so far issued 288 wheat import permits to private sector importers for ensuring adequate and timely imports of the commodity in order to keep smooth demand and supply of grains and flour across the country. The import permits were issued in compliance of the decision of Economic Coordination Committee (ECC) of the Cabinet, whereas Department of Plant Protection has issued these permits for the import of wheat in two phases, said Food Security Commissioner in the Ministry of National Food Security and Research Dr Imtiaz Ahmed Gopang. Talking to APP here on Monday, he said that for phase -I (out of 500,000 tonnes) Department of Plant Protection has issued import permits to 122 importers of the private sector for the quantity of 499,500 tonnes of wheat.

Meanwhile, for phase -II (out of 1,000,000 tonnes) it has issued import permits to166 importers of the private sector for the quantity of 514,346 tonnes, he added. As wheat harvesting is expected during the 3rd week of August and September, 2020, he said adding that future trading has already been started. It has been informed by the importers that first shipment carrying about 66,000 tonnes of wheat will arrive in August, 2020 and second shipment of 70,000 tonnes is expected to be arrived in September, 2020, he added. Furthermore, trading of two shipments is also in process which would arrive as per schedule to further cementing the demand and supply of grains in the local market, he remarked. Highlighting the pricing trend of the commodity in international markets, Food Security Commissioner said that price of Black Sea Wheat was estimated at $235 per tonne including freight charges of $30 per tonne. Therefore, import parity of Black Sea wheat was estimated at Rs1,750 per 40 Kg at Karachi by abolishing all duties and taxes at centre level. He said that cost and freight charges for the import of wheat was calculated with dollar exchange rate of Rs167.38 as on July 16,2020 and International Grains Council price report. Giving the details of local wheat stocks, Dr Imtiaz said that about 26.059 million tonnes of wheat available for local consummation, adding that this year wheat output was estimated at 25.457 million tonnes with carry forward stocks of 0.602 million tonnes.
Food Security Commissioner further informed that Punjab has started their releases and so far it has released a quantity of 148,908 tonnes of wheat to their flour mills. Meanwhile, Khyber Pakhtunkhwa has lifted about 55,218 tonnes of wheat from PASSCO’s stock by July 19, 2020 since their signing of Memorandum of Understanding with Pakistan Agriculture Storage and Service Corporation (PASSCO), he added. He further informed that government was also taking measures to check the hoarding and extra profiteering of wheat in the local markets across the country. Federal Secretary also directed the department concerns to make sure that there should be no complain of wheat and flour shortage from any part of the country. He said that all the provinces were cooperating with each other to ensure smooth supply of the commodity in the country. He said that the provincial governments and districts administration were also asked to monitor the progress of flour mills and keep zero tolerance policy on smuggling and hoarding of the commodity. He further said that private sector had expressed confidence over government’s wheat import policy and facilitation measures.

The Nation
July 21, 2020

International Finance Corporation to invest $25m in Packages Limited

ISLAMABAD-International Finance Corporation (IFC), a member of the World Bank Group, has signed a deal for a five-year loan investment of $25 million in Packages Limited, one of Pakistan’s leading packaging and tissue paper producers, to modernise its operations, and cut its water and energy use. IFC has been advising Packages on ways to cut its water and energy use, in a country ranked as among the world’s most energy intensive and facing water shortages. By adopting resource efficiency measures, Packages will be able to annually decrease greenhouse gas (GHG) emissions by about 11,000 tonnes of carbon dioxide equivalent, and save about 43,000 megawatt-hours (MWh) and about 214,000 cubic meters (m3) of water per annum. Overall the company will save annually about $1.4 million in its operations.

The investment in Packages will help the company sustain and expand its operations to respond to rising consumer demand amid the COVID-19 pandemic. Packages produces essential hygiene products such as tissues, toilet rolls, wipes as well as packaging for food, pharmaceuticals and other products needed by other producers of other consumer goods. The company’s market standing as a critical and reliable provider of hygiene products and packaging materials will help ensure that supply chains are not disrupted and that prices in the sector remain at reasonable levels. “This IFC program will not only contribute towards our core sustainability drive for resource conservation but will also upgrade our packaging capability to serve the growing needs of our clients in a more sustainable manner,” said , Packages Chief Executive Officer Syed Hyder Ali.

“This is an investment which will deliver multiple dividends for Pakistan. It will help ensure that people can continue to buy critically needed hygiene products amid COVID-19, at reasonable prices. There’s also the additional benefit of cutting greenhouse gas emissions and importantly conserving water and energy use,” said IFC Senior Country Manager for Pakistan Nadeem A. Siddiqui. “IFC financing will play a countercyclical role during the current COVID-19 crisis and
provide the company with access to much needed long-term foreign currency funding. It will help Packages improve its competitiveness and allow it to stay ahead of the technological curve.” Packages are one of IFC’s oldest clients with relationship initiated in 1964. The project aligns with IFC’s COVID-19 response strategy to support clients. It also addresses IFC’s strategic focus on climate change through investment in energy conservation and efficiency programs.

The Nation
July 21, 2020

Fareena Mazhar assumes charge as BOI Secretary

ISLAMABAD-Fareena Mazhar, an officer of Central Superior Service, has assumed the charge of Secretary Board of Investment on Monday. During the last three years, while serving for Board of Investment as Executive Director General, she was leading Ease of Doing Business initiatives. In this role, she led the business reforms exercise and helped Pakistan make an unprecedented 39 positions jump in DB Rankings in two years. Mrs. Fareena Mazhar possesses a strong experience of more than thirty years, working as a Government officer in various organization including Federal Board of Revenue, Ministry of Commerce, Pakistan Electronic Media Regulatory Authority and Board of Investment. During her career, she took part in a number of senior level trainings and workshops within Pakistan and abroad and also has ample experience in negotiating Free Trade Agreements of Pakistan with different countries.

The Nation
July 21, 2020

Pak apparel sector adopts digital mode to explore world market in post-corona restrictions

LAHORE-As the worldwide economy has been facing slowdown in the post-Corona scenario and all international textile exhibitions have been cancelled the Pakistan Readymade Garments Manufacturers and Exporters Association has taken the initiative to participate in the Digital Global Apparel Sourcing Expo, adopting the latest trend to explore world market for Pakistani apparel goods through virtual mode. The one-month long digital apparel show, organised by the International Apparel Federation (IAF) and the Foursource, has already been launched online on 15th July, running till August 14 2020. In a joint statement issued here on Monday, PRGMEA regional chairman Sohail A. Sheikh and Chief Coordinator Ijaz A. Khokhar observed that this is another initiative of PRGMEA, becoming the first trade body from Pakistan to participate on self-finance basis in a digital textile show and use this worldwide technological fashion industry platform for B2B matchmaking, as both the exporters as well as the importers are now reluctant to travel abroad and attend ‘physical trade exhibitions’ and explore market. Ijaz Khokhar, who is also the Regional President of International Apparel Federation (IAF), said that owing to COVID-19 all trade shows are cancelled, so marketing trends have now moved to Digital Exhibitions. “We are hoping for very encouraging response and all our participants are curious to see the outcome of this first experiment,” he added. He pointed out that many countries are exhibiting their garment products while more than 15,000 buyers are in connection through this
virtual worldwide expo, engaging retail & large brand buyers, sourcing managers, brand owners, start up labels, designers and buying houses agents globally. Ijaz Khokhar stated that keeping in view of the hardships of the business community in the post-pandemic situation, the International Apparel Federation has taken the step for holding Digital Global Apparel Expo to minimize the problems confronted by the business community.

PRGMEA regional chairman Sohail A. Sheikh said that the International event is an ideal opportunity for forward thinking manufacturers, looking to connect with buyers on global scale, as it is providing multi-fold marketing on the Foursource platform and through the network of IAF. Sohail A. Sheikh said that in the wake of COVID-19 impact on the country’s export of textile sector, there was a need on the part of the textile sector to adopt with changing circumstances. He was of the view that digitalization has now become the need of the hour and it is inevitable to use digital tools to explore world market. He said that the digital show fuels the business of fashion by helping facilitate connections between buyers and brands with outstanding services like retail concierge and matchmaking programs, bridging relationships and strengthening connections. Additionally, retailers and buyers have opportunities to learn, network and conduct business with new exhibiting brands, he added. At the virtual show, companies can display all kinds of garments for Men, Women, Juniors and Children. It offers an opportunity for Pakistan to boost its exports as well as revive the closed manufacturing capacity.

July 21, 2020

Rice exports reach $2,1bn mark in FY20

RIZWAN BHATTI

KARACHI: Despite negative impact of COVID-19, rice exports maintained an upward momentum and rose by some 5 percent during the last fiscal year (FY20). After the coronavirus pandemic, global economies including Pakistan facing lower growth and the country’s most exports registered a negative growth due to slow demand. According to the Federal Bureau of Statistics, in terms of value, Pakistan earned all-time high foreign exchange amounting to $ 2.175 billion in FY20 compared to $ 2.069 billion, showing an increase of 5.12 percent or $106 million during last fiscal year. In terms of quantity, during the period under review, rice exports moved up by 1.12 percent. Overall, Pakistan exported 4.166 million MTs of rice during July-June of FY20 against some 4.12 million MTs in the corresponding period of FY19.

During the last fiscal year, some 890,207 tons of basmati rice (including basmati steam, basmati brown, basmati parboiled) and some 3.276 million tons other varieties of rice (including 100 percent broken Irri-6, Irri-9) were exported. Commenting on the rice exports, Convener Rice Export Committee of Federation of Pakistan Chamber of Commerce and Industry (FPCCI) and former chairman Rice Exporters Association of Pakistan (Reap) said that despite COVID-19 and slow demand worldwide, Pakistan’s rice exports posted growth in a difficult time, when the country’s remaining major exports were moving down. He said that during the initial months of
the last fiscal year, rice exports were posting healthy growth; however, the last four months were difficult for the exporters due to COVID-19. “It was a challenge for the exporters to maintain rice export growth after Coronavirus pandemic and Pakistan’s exporters with the support of ministry of commerce successfully achieved all time rice exports,” he added.

He informed that during the last year exporters could not travel abroad to explore new markets and focused the previous market. Exporters have planned some foreign tours during this fiscal year to find the new export markets and achieve another milestone in the rice exports. Currently, African countries, China, and European Countries are leading buyers of Pakistani rice, which quality is much better compared to other competitors like India, he mentioned. Suleman informed that Kenya is the one of the largest buyer of Pakistani non basmati rice and Pakistani have exported approximately 425,000 metric tons of rice during the last fiscal year. “Iran is also a potential buyer of Pakistani Basmati rice, but due to the non availability of banking channel, we are unable to export rice to Iran”, he mentioned. Pakistan has limited access in the Chinese market due to quota system, but Pakistan can increase its share with some concrete efforts. Pakistan’s government should ask China for up to one million tons rice quota, he suggested. In addition, Pakistan can enhance its rice export to Saudi Arabia, if they allow the duty free import of Pakistani rice, he added.

Convener FPCCI committee said that Pakistan can achieve $5 billion mark rice exports with improvement in rice crop and further focusing leading markets like Africa and Europe. There is also need to renegotiate the Free Trade Agreements with Indonesia and China to further enhance the rice exports. Talking about the domestic issues, he said that Pakistan’s rice crop is facing multiple challenges including Seed development, storage and higher cost of production. The federal government should support the rice exports by enhancing cultivation area and providing quality seeds to farmers for an improved and higher crop yield, he demanded. Suleman said that there is need to develop of new rice seed varieties to get a more production and earn more foreign exchange. “The Reap has already plan to increase the rice exports from $2 billion to $5 billion rice in next five years, but it need government’s attention and some serious efforts,” he added. In addition, in order to ensure the quality of rice grain, some quality standards like other should be implemented in the domestic market, he suggested. He also appreciated the rice exporters’ efforts for increases in rice exports and urged them for making more efforts to achieve another milestone in this fiscal year (FY21). Minister of Commerce Abdul Razak Dawood is also supporting exporters, he added.
with India. Therefore, the preferred destination for import of zero-duty jute is Bangladesh, which will enhance the bilateral relations between the two countries. Islamabad is already importing jute from Dhaka at a reduced rate under free trade agreement.

Prime Minister Imran Khan has also spoken to his Bangladeshi counterpart Sheikh Hasina and it is believed that the telephonic talks will also revive stalled discussions at the bilateral and regional level. Ms Hasina’s government is trying to seek market access for Bangladeshi products, especially garments and jute-based ones. The government’s removal of additional customs duty on raw jute will encourage further imports from Dhaka. In budget 2020-21, the government has removed the additional customs duty on jute import. The removal of tax has made local manufacture more cost-competitive, and at present, the productions are fully booked till October, according to an official announcement of the commerce ministry.

Commerce Adviser Abdul Razak Dawood said exports have doubled in one year with growing and first time sales to markets such as Italy, Switzerland, Greece, Turkey, Australia, New Zealand, Iraq and Malaysia. ‘We ended last year with exports constituted 25 per cent of turnover, he said. These facts were shared in an internal strategy meeting held to review the impact of the government’s recent decision on the promotion of exports of nontraditional products. The meeting was informed that as a result of measures, more orders are being received from the international market, and Pakistan is looking at an unprecedented rise in the growth of jute manufacturing industry. It was further said that export of jute products went up by 148pc in terms of weight, fetching more than double foreign exchange in 2019-20, as compared to 2018-19. Jute products exports stood at $6.83 million in value in 2019-20, compared to $3.23m in the previous year. Major destinations are Sudan, followed by Egypt, Turkmenistan, Italy, Turkey, Australia, Switzerland, Jordan, Malaysia, New Zealand, USA, Greece, and Belgium.

Talking about the diversification of products, Razak said the Ministry of Commerce has a firm belief that reducing duties on raw materials decreases the anti-export bias and enhances proceeds. He added that the shipping of jute products from Pakistan is an excellent example that we can still compete, through the importation of raw jute, with countries like India and Bangladesh, who produce the crop in abundance. Underlining the principles of diversification, the adviser stated that export of jute products is a critical element of our diversification policy, by emphasizing non-traditional areas. He further noted that geographical diversification policies are also showing signs of success as our jute products have found new global markets.

The Nation
July 23, 2020

Pakistan starts export of jute products to several countries: Dawood

ISLAMABAD-Advisor to the Prime Minister on Commerce and Investment, Abdul Razak Dawood has said that Pakistan has started export of jute products to several countries. The advisor made these remarks in a meeting to review the implementation of plans under the trade policy and other initiatives of the Ministry of Commerce to promote geographical and product diversification to enhance the exports of Pakistan. Talking about the diversification of products, Razak Dawood said, “Export of jute from Pakistan is an inspiring success story as we have
tapped into the markets of Egypt, Iraq, Malaysia, Turkey, Italy, Australia and New Zealand.” Dawood underscored that the Ministry of Commerce has a firm belief that reducing duties on raw materials reduces the anti export bias and enhances exports. He added: “The export of jute products from Pakistan is a good example that we can still compete, through importation of raw jute, with countries like India and Bangladesh, which produce jute in abundance.” Underlining the principles of diversification, the advisor stated that export of jute products to is a key element in our product diversification policy, by placing emphasis on non-traditional exports. He further noted that geographical diversification policies are also showing signs of success as our jute products have found new global markets.

It was briefed in the meeting that the duty on import of raw jute was brought down to zero in the fiscal budget 2019-20. In addition, the removal of Additional Customs Duties in the budget 2020-21 has made our jute industry more cost competitive. As a result, more orders are being received from the international market and we are looking at an unprecedented rise in the growth of jute manufacturing industry. It was shared in the meeting that export sales of jute products went up by 148% in terms of weight, fetching more than double foreign exchange in 2019-20, as compared to 2018-19. At the end of the meeting, Razak Dawood appreciated the efforts of the Ministry of Commerce as well as the exporters for the success of the trade policy of the government. He noted that albeit the exports are small but important and these numbers would improve in all likelihood, while the jute manufacturing would continue to create more jobs for thousands of Pakistanis.

July 25, 2020

**DAWN**

**Ministry asked to explore new markets for date exports**

ISLAMABAD: A parliamentary panel on Friday asked Ministry of Commerce to evolve a strategy within a month to diversify export of dates to other markets following the suspension of trade ties with India. The National Assembly Standing Committee on Commerce, led by MNA Naveed Qamar, directed the ministry to explore new markets and engage the trade and investment officers posted in Pakistani missions abroad for matchmaking efforts for date exports. He also directed Commerce Secretary Mohammad Sualeh Ahmad Faruqui to prepare a comprehensive plan in consultation with stakeholders and present a plan before the committee in 30 days. Pakistan is the world’s fifth-largest producer of dates and exports have plummeted ever since Pakistan cut off trade ties with India last year.

According to the Ministry of Food Security data, annual date production in the country is estimated at 550,000 tonnes. Moreover, 50 per cent of of this is produced in Sindh alone. The rest of is contributed by: Punjab, Balochistan and Khyber Pakhtunkhwa. There are around 160 varieties of date palm in the country. However, Aseel of Khairpur, Dhakki of D. L Khan and Begum Jangi of Mekran are in popular demand owing to their exotic taste. Statistics show that India, before the end of trade ties, was importing around 90pc of the country’s total dry dates. The bulk of locally-produced dates are exported dry as the country lacks requisite facilities for processing and branding. The standing committee discussed in detail the ban on trade with India, especially on dates.
Commerce Secretary Faruqui informed the committee that after the withdrawal of most-favored nation status from Pakistan, India has imposed 200pc duty on all goods originating in or exported from the country. The increase in duties is in violation of Article 7 of the South Asian Free Trade Association’s Trade Liberalisation Program. Therefore, Pakistan has formally suspended trade with India, secretary informed the committee members. He further said that Pakistan exports $107.4 million worth of fresh or dried dates to the world. The exports have been affected since India imposed 200pc duty on goods originating from Pakistan. Earlier, duty on date imports from Pakistan was at 25pc. To minimize the impact, Faruqui said the commerce ministry had taken several steps, including exploration of new markets to divert exports in order to reduce the losses incurred as a result of trade suspension between the two neighbours.

He said that Pakistan exported dates worth $14.20m in 2019-20 to Nepal, compared to meager $0.03m in 2018-19, registering a hefty increase in a year’s time. Pakistan also exported dry dates worth $1.2m in 2019-20 to Singapore and $1.13m to Thailand for the first time in 2019-20. He said other vital export destinations where date exports witnessed an increasing trend include UAE, Kuwait, Oman, Bangladesh, Turkey, etc. He assured the committee that the commerce ministry would organise meetings for dates exporters` delegations in Germany, Australia and Netherlands. Date growers have asked for government support to modernise production technologies in order to increase yields on date production. They also demanded easy loans on low markups. Meanwhile, in other business, the committee passed the Marine Insurance (Amendment) Bill, 2019 moved by MNA Riaz Fatyana. However, the committee deferred the Safeguard Measures (Amendment) Bill, 2019 in absence of MNA Muhammad Sanaullah Khan Masti Khal who moved the bill.

The Nation

July 25, 2020

Pakistan suspended trade with India due to violation of article 7 of SAFTA, MPs told

ISLAMABAD-The ministry of commerce on Friday said that India has violated article 7 of SAFTA (Trade Liberalization Programme), therefore, Pakistan has formally suspended imports and exports with India in last year. The officials of the ministry informed this to the National Assembly Standing Committee on Commerce. The meeting of the Committee was held under the chairmanship of Syed Naveed Qamar, MNA at Parliament House. The Committee discussed in detail the ban on trade with India especially on dates. The secretary commerce informed the committee that after withdrawal of Most Favoured Nation (MFN) status from Pakistan, India has imposed 200 percent duty on all goods originating in or exported from Pakistan. Imposition of duty on Pakistan’s commodities by Indian government had affected the export of dates. He further informed that Pakistan exports $107.4 million worth of fresh or dried dates to the world. The top importing country of dates in the world is India therefore it was the main product effected after India imposed 200 percent duties.

He added that Ministry of Commerce has taken several steps including exploration of new markets to divert its exports in order to minimize the loss incurred as a result of trade suspension
between the two countries. He further added that to counter the impact of 200% duty by India, Pakistan exported dates worth 14.20 million USD in 2019-20 to Nepal, compared to a meager export value of 0.03 million USD in 2018-19, registering an increase of more than 47000%. Pakistan also exported dry dates worth 1.2 million USD in 2019-20 to Singapore and 1.13 million USD to Thailand for the first time in 2019-2020. He said other key exports destinations where dates witness an increasing trend include UAE, Kuwait, Oman, Bangladesh, Turkey etc. He assured the committee that Ministry of Commerce is organizing dates exporters’ delegations to Germany, Australia and Netherlands. The representatives demanded that government support date growers by providing modern technologies to get a higher yield of dates. They also demanded that government provide them easy loans on low markups.

Chairman Syed Naveed Qamar directed the Ministry of Commerce to explore new markets and engage Trade & Investment Officers for matchmaking efforts for export of dates. He directed the Secretary Commerce to prepare a comprehensive plan with the consultation of all stake holders and present the plan before the committee in 30 days. The Committee passed “The Marine Insurance (Amendment) Bill, 2019” moved by Riaz Fattyana, MNA. However, the Committee deferred “The Safeguard Measures (Amendment) Bill, 2019 on the absence of the mover Muhammad Sanaullah Khan Masti Khal, MNA. The meeting was attended by Ali Khan Jadoon, MNA, Muhammad Yaqoob Shaikh, MNA, Mian Muhammad Shafiq, MNA, Ms. Sajida Begum, MNA, Ms. Tahira Aurangzeb, MNA, Ms Shaista Pervaiz, MNA, Ms. Shaza Fatima Khawaja, MNA, Dr Nafisa Shah, MNA, and Riaz Fattyana.

The Nation
July 25, 2020

Pakistan generating revenue of $3b annually from IT sector: Dawood

ISLAMABAD-Adviser to the Prime Minister on Commerce and Investment, Abdul Razak Dawood on Friday informed that information technology (IT) sector of Pakistan was generating revenue of approximately $3 billion annually, said a press release issued by the Ministry of Commerce here. The adviser had an online meeting with a delegation of Pakistan Software Houses Association (P@SHA) led by its President, Jehan Ara here. The delegation appreciated the excellent collaboration of P@SHA with the Ministry of Commerce for promotion and facilitation of domestic and cross border e-Commerce in Pakistan. The Association requested continuation of same zeal and momentum for growth of IT and IT enabled services. P@SHA members mentioned that domestic size of the IT industry was directly linked to export enhancement therefore private sector participation was also extremely important. Allocation of shares for MSMEs in PPRA rules was also discussed for promoting SMEs and Startups. The delegation also presented some proposals for accelerating growth and global competitiveness of Pakistan’s IT sector. The suggestions included tax incentive schemes for the IT sector, creation of STZs, introduction of Make in Pakistan initiatives, and establishing an export marketing fund for strengthening this sector. The Adviser took keen interest in the bottlenecks faced by the IT sector and directed the Ministry to start working on them. He also added that effective use of the financing schemes of SBP (LTFF, LTTF and EFS) shall be ensured for the benefit of the IT sector of the country. The issues being faced by the Startups and Freelancers were also discussed...
and the Adviser assured of all possible assistance by the Ministry in this regard. Amendments proposed in the DGTO rules/ regulations for online voting were also welcomed by the MoC.

DAWN

July 26, 2020

Exports to Qatar, Saudi Arabia rise despite Covid-19

ISLAMABAD: The Ministry of Commerce informed the National Assembly that exports have seen an upsurge in few countries despite the global economic slowdown since March. The ministry shared details with the lower house in response to a series of questions demanding explanations on government-led measures towards promoting exports. In the post-Covid-19 period, exports have seen a sizable increase in two major destinations: Saudi Arabia and Qatar. Despite Covid-19, Saudi Arabia has emerged as one of the top export destinations for Pakistani goods in the Middle East as exports to the peninsula increased by 34 per cent in June. The volume of bilateral trade between Pakistan and Saudi Arabia increased to $2.181 billion in FY20. Exports to Saudi Arabia have seen a consistent increase from $336.9 million in FY17 to $342.08m in FY19 and $446.18m FY20. However, the imports from Saudi Arabia have declined from $3.213bn FY18 to $1.735bn in FY20. Meanwhile, in the March-June period, exports to Qatar also increased to $50.13m compared to $39.33m in March-June FY19. Over the last few years, Pakistan’s trade with Qatar has increased. In FY20, exports to the country jumped 36pc.

Despite the pandemic, Pakistan’s exports to Qatar have seen an upward trend throughout Feb-June. Exports in June alone increased by 40pc. Qatar has also allowed import of Pakistani origin rice after several years of ban after low quality rice consignments were sent to the country back in 2012. So far, Pakistan has exported 4,000 tonnes of basmati rice to Qatar. Bilateral trade between Pakistan and Singapore was recorded at $679m in FY20 with the trade balance heavily in favor of the latter. Pakistan’s exports to Singapore stood at $52m while imports were recorded at $632m FY20. Pakistan is also exploring the possibility of setting up an institutional mechanism such as the Joint Trade Committee with Singapore. Such an institutional arrangement will play a key role in deepening trade ties as well as economic diplomacy between the two countries. Trade between Norway and Pakistan is showing gradual increase with the balance in favor of Pakistan. Pak-Norway bilateral trade has increased from $69.06m in 2013-14 to $81.47m in 2018-19. Pakistan’s exports to the country have increased from $55.16m 2013-14 to $57.46m in 2018-19. To promote trade relations and gain access to the Norwegian market, the government has initiated negotiations for a Free Trade Agreement (FTA) with the European Free Trade Association (EFTA) states, namely Norway, Switzerland, Iceland, and Liechtenstein. Collectively, these countries offer an import market of around $360bn. The government is actively engaging with the EFTA states for concluding an FTA between the two in areas including trade in goods, services, and investment.

Meanwhile, Pakistan’s exports to Denmark increased from $102.13m in FY14 to $184.91m in FY19 whereas imports decreased from $176.31m in FY14 to $90.46m in FY19. On the other hand, Pakistan’s exports to Bangladesh dropped from $752.67m in FY19 to $654.79m FY20. Even though the trade remained in surplus this year, the overall volume, including exports and imports, decreased in the wake of Covid-19. The government has included Bangladesh in the
List ‘A’ countries since October 2019 facilitating travel of businessmen to Pakistan. However, the Bangladesh government is yet to reciprocate the offer. Pakistan’s exports to Kyrgyzstan stood at $1.75m in FY20 against $1.81m in the previous year, while imports stood at $0.114m during the year under review. Pakistan’s major exports to Kyrgyzstan are medicament mixtures, razors and razor blades, instruments, and appliances used in medical, surgical, dental, fruit and vegetable juices unfermented. Pakistan’s major imports from Kyrgyzstan include dried vegetables and live animals. Draft memorandum of understanding to establish a Joint Working Group to enhance trade cooperation has been shared with the Kyrgyz Republic. However, Kyrgyz side is yet to respond. The National Assembly was also informed about several measures to promote trade with Japan, Turkey, and China.

The Nation

July 26, 2020

Third China International Import Expo to be held in November

BEIJING - The third China International Import Expo (CIIE) will be held as scheduled offline from November 5 to 10 in Shanghai amid the coronavirus pandemic, showing China’s determination to further open up, a CIIE Bureau official said. The event can also accelerate the recovery of the global economy, said Sun Chenghai, vice director of the CIIE Bureau, Global Times reported on Saturday. Despite rising China-US tensions, the US multinationals still show willingness to expand in the Chinese market. Over 150 US companies including industrial leaders such as 3M, Qualcomm Technologies, Pfizer and Exxon Mobil Corp will participate in the expo, based on data released by the CIIE Bureau. More than 190 US firms attended the second CIIE. Despite the impact of the uncertainties between China and the US as well as the pandemic, many US firms still decided to take part in the event “as they trust the market potential and improved business environment in China,” Wang Xiaohong, professor at the China Center for International Economic Exchanges, told the Global Times.

Also, over 140 companies from Germany and 150 companies from Australia are scheduled to take part in the event, according to official data. Both production and consumption have been “seriously impacted” in many countries due to the COVID-19 pandemic, Wang said, noting that the CIIE shows China hopes to establish a platform to “welcome businesses from across the world” to seek opportunities. “It releases a signal that China will firmly continue its opening-up and improve its business environment to attract more international businesses,” Wang said. Many offline events have been moved online or canceled due to the pandemic, such as the Shanghai Rolex Masters and other international sports events. Bai Ming, a research fellow at the Chinese Academy of International Trade and Economic Cooperation, echoed the opinion. The event will be held offline, providing channels for enterprises to demonstrate their products, which also indicates the country’s “confidence and determination” in epidemic prevention and control, Bai said. The Enterprise & Business Exhibition area of the third CIIE will be expanded to 360,000 square meters, up 20 percent from the second expo. The exhibition area for consumer goods, healthcare and services trade has exceeded the planned exhibition area, according to the bureau. It may be mentioned here that in the second CIIE held last year, over 35 Pakistani entrepreneurs participated in the expo 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.

The Nation

July 27, 2020

Fruits worth $431.27m, vegetables $299.29m exported in FY 2019-20

ISLAMABAD-Fruits and vegetables exports from the country during fiscal year ended on June 30, 2020 witnessed 3.80 per cent and 27.95 per cent respectively as compared the exports of the corresponding period of last year. During the period from July-June, 2019-20, the country earned $431.272 million by exporting about 807,313 metric tonnes of fruits as against the exports of $415.497 million 755,688 metric tonnes of same period of last year. Meanwhile, 836,330 metric tonnes of vegetables valuing $299.290 million also exported during the period under review as against the exports of $233.910 million of same period last year.

Rice exports from the country during the period under review registered about 5.12 per cent growth as about 4,166,123 metric tonnes of rice worth $2.175 billion exported, according the data of Pakistan Bureau of Statistics. The rice export from the country during the same period of last year was recorded at 4,120,137 metric tonnes valuing $2.096 billion, it added. Meanwhile, the country earned $790.792 million by exporting about 890,207 metric tonnes of Basmati rice in 12 months of fiscal year ended on June 30, 2020 as against the exports of 659,571 metric tonnes valuing $634.532 million of same period last year.

Meanwhile, 3,275,923 tonnes rice other then Basmati worth $1.384 billion also exported during last year as against the exports of 3,460,555 metric tonnes valuing $1.435 billion of same period last year. It may be recalled that food group exports during fiscal year 2019-20 decreased by 5.38 per cent as it went down from $4.607 billion to $4.361 billion. The decreasing trend in exports of food commodities were mainly attributed to COVID-19 Pandemic, which has also effected the other economies of the world. The exports of food commodities from the country during month of June, 2020 also decreased by 3.38 per cent as compared the exports of the corresponding month of last year.
Ministry seeks plan to rationalize tariffs

ISLAMABAD: The Ministry of Commerce has asked Tariff Policy Centre to work out tariff rationalization roadmap for reducing the burden of excessive protection available to a few sectors to pass on the benefit to end consumers. A high-level meeting chaired by Commerce Adviser Abdul Razak Dawood has asked the TPC to prepare a three-year plan for selected sectors iron and steel, plastics, engineering, pharmaceuticals, chemicals and textile. An official announcement issued here said the adviser directed TPC of National Tariff Commission to conduct detailed studies and suggest three-year roadmap for these sectors. In order to formulate the tariff plan, the NTC will first identify the complete value chains along with potential stakeholders, then collect data from the primary and secondary sources and confirm them from chambers and associations as well as conduct public hearings. The proposed three-year plan will then be submitted to Tariff Policy Board for approval and inclusion in the annual budget. Dawood said that tariff rationalization is vital for export-led industrialization in Pakistan and discussions should start with the relevant stakeholders from next month to develop the roadmap in this regard. The TPB has implemented a reduction of duties on around 2,000 tariff lines, comprising basic raw materials and intermediates goods. According to the adviser, tariff rationalization will improve the competitiveness of domestic industry including the exports sector through duty-free access to imported raw materials and intermediate goods, which will eventually increase employment opportunity in the country by attracting investment in manufacturing. He underlined that the stakeholder consultation process should lead to a constructive plan to develop a export-led ‘Make in Pakistan’ programme.

Pakistan’s exports to recuperate, likely to surge around $2.0 to $2.1 billion in July

The government is expecting that Pakistan’s exports would recover in July and may surge to around $ 2.0 to $ 2.1 billion. The exports of goods and services dramatically declined in April and May 2020, following the outbreak of the COVID-19 pandemic. However in June exports remained at $1.6 billion which implies that revival of economic activities in trading partners has caused 25 per cent growth in exports. “It is expected that exports will further recover in July and may find themselves within a broad margin around $ 2.0 to $ 2.1 billion,” the ministry of finance noted in Economic Outlook July 2020. For the current fiscal year (FY 2021), the target of exports is $22.7 billion which is almost $1.9 billion per month on average. Meanwhile, the target imports for FY 2021 is $42.4 billion which is almost $3.5 billion per month on average. It is expected that imports will recover in June and July and may find themselves within a broad margin around $3.5 to $4.0 billion. The monthly profile of the import propensity (share of imports of goods and services in domestic GDP, both measured at current prices), is very
volatile. Nevertheless, high (low) levels of interest rates and REER exert deflationary (inflationary) shocks on the economy and affect the propensity to import.

The target of workers’ remittances for FY 2021 is $21.5 billion, which implies $1.8 billion per month on average. For July-20, due to Eid and revival of economic activities, it is expected that workers’ remittances may remain with the range of $1.8 to $2.0 billion. In June-20, there was 51 per cent increase in workers’ remittances compared to those in June-19. Thus, for FY 2020, workers’ remittances remained $ 23.1 billion. Growth in workers’ remittances helped in reducing Current Account Deficit significantly. COVID-19 outbreak has raised concerns of a substantial fall in remittance flows to the developing countries especially to Pakistan due to recent contraction in Gulf countries. However, the recovery is underway in major trading partner/remittances destinations and further policy support will encourage people to send remittances to their families. Further the government is making efforts addressing issues related to Pakistani workers working abroad. “With these we expect that Current Account Deficit will be within last year level, however with improvement in Foreign Direct Investment and other Financial inflows, there will be no pressure on foreign reserves and thus stable exchange rate is expected in the next month,” the ministry of finance noted.

**USA, China, UK top 3 destinations of Pakistani exports during FY 2019-20**

The United States of America (USA) remained the top export destinations of the Pakistani products during the fiscal year (2019-20), followed by China and United Kingdom (UK). The total exports to the USA during July-June (2019-20) were recorded at $3897.852 million against the exports of $4042.701 million during July-June (2018-19), showing negative growth of 3.58 per cent during the period under review, according to State Bank of Pakistan (SBP). This was followed by China, wherein Pakistan exported goods worth $1663.672 million against the exports of $1858.878 million last year, showing decrease of 10.50 per cent. UK was the at third top export destination, where Pakistan exported products worth $1637.280 million during fiscal year under review against the exports of $1758.050 million during last year, showing decrease of 6.86 per cent, SBP data revealed. Among other countries, Pakistani exports to United Arab Emirates (UAE) stood at $1585.632 million against $ 1382.792 million during last year, showing increase of 14.66 per cent while the exports to Germany were recorded at $1301.311 million against $1307.459 million last year, the data revealed.

During the fiscal year (2019-20), the exports to Afghanistan were recorded at $888.913 million against $1192.559 million whereas the exports to Holland stood at $981.404 million against $948.911 million. Pakistan’s exports to Spain were recorded at $869.736 million against $929.421 million last year where as the exports to Italy stood at $750.917 million against $805.399 million. Similarly, the exports to Bangladesh during the period under review were recorded at $694.124 million against $744.720 million while the exports to France stood at $422.234 million against $443.532 million. Pakistan’s exports to Singapore were recorded at US $ 178.560 million during the fiscal year compared to $264.831 million last year whereas, the exports to Canada stood at US $ 269.983 million against $285.089 million, to Saudi Arabia $453.847 million against $330.156 million whereas the exports to India stood at $28.644 million during the fiscal year against $311.958 million during last year.
PSO installs its first electric vehicle charging facility in Islamabad

ISLAMABAD-PSO, the largest oil marketing company of the country, continues to pave the way for a sustainable future for Pakistan by successfully installing and commissioning its first electrical vehicle charging station under the brand name “PSO Electro” at PSO Capri Gas Station, F-7, Islamabad. Federal Minister for Power and Petroleum, Omar Ayub Khan and Special Assistant to Prime Minister on Petroleum, Nadeem Babar were the chief guests at the inauguration ceremony. Federal Minister for Power and Petroleum Omar Ayub Khan appreciated PSO’s efforts and said: “We need to address the key challenges of environment protection. Electric vehicles will have a marked edge as they produce almost no running emissions”. Highlighting the government’s efforts in promoting this sustainable form of transportation, he further added: “EV manufacturing units will be established across the country under the National Electric Vehicle Policy that will create job opportunities and have a positive economic impact”.

Special Assistant to Prime Minister on Petroleum, Nadeem Babar said: “Pakistan is moving forward with the aim of reducing air pollution and curbing climate change. We intend to move to 30% of renewable energy in our energy mix, together with another 30% of hydel power generation. These efforts coupled with a move towards electric vehicles will greatly help in achieving the mission of the Prime Minister of Pakistan of a Clean & Green Pakistan. The government is supporting all stakeholders involved as the world adapts to this eco-friendly technology”. MD&CEO, PSO, Syed Muhammad Taha said: “This is yet another step as part of PSO’s ongoing efforts in environmental stewardship. Under the guidance and support of GOP, we will continue to drive the future of e-mobility in Pakistan by installing more electric vehicle chargers at various highways and in major cities across the country. PSO is investing in cleaner energy solutions to reduce the carbon footprint and build a better environment for our future generations. As we lead the sustainable energy revolution, our next step is the introduction of Euro-5 standard fuels at PSO retail outlets”. Living up to its role of the national energy company, PSO continues to enable the journey of all Pakistanis while striving to create a sustainable future for the country’s future generations.

**********************

Disclaimer: The Trade & Investment Section of Consulate General of Pakistan in New York, USA has compiled, collated, and disseminated the ‘Pakistan Business News Letter” for information of trade and business community in the US. The views and opinions expressed in the above news items/ articles are those of/ reported by the cited newspapers. For further information/ details/ confirmation, the relevant organizations/ persons/ institutions may please be contacted.