PAKISTAN BUSINESS NEWSLETTER
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Govt to revise rates of zero rated industries: Razak

ISLAMABAD: Adviser to PM on Commerce and Investment Abdul Razak Dawood on Tuesday said the government agreed that erstwhile five zero-rated industries would be given a rate of gas of 7.5 ¢/kWh for July and August and nine ¢/kWh thereafter. For gas, the rate will be $6.5/mmBtu throughout the period, the adviser said on his twitter account. ‘In a meeting held today between the Ministries of Commerce, Finance and Energy, it was agreed that erstwhile five zero-rated industries will be given a rate of 7.5 ¢/kWh for July and August and nine ¢/kWh thereafter. For gas, the rate will be $6.5/mmBtu throughout, tweeted the adviser. ‘In wake of the situation created by Covid-19 pandemic, I feel that the Ministry of Commerce has obtained a very good rate and now exporters should concentrate on growth of our exports. I thank the Ministries of Energy and Finance for their continued support,’ he added.

Razzak also informed that a constructive meeting of the American Business Council was held with the Prime Minister Imran Khan yesterday, where issues relating to Urdu labeling, pharmaceuticals, mobile device manufacturing and transshipment of goods were discussed. He said that all these matters were important and would be examined with relevant stakeholders to bring them to a closure.-APP

ECC sanctions $142m for hotel Roosevelt, hike in K-E tariff

ISLAMABAD-The Economic Coordination Committee (ECC) of the Cabinet on Wednesday has approved $142 million for meeting the financial requirements of hotel Roosevelt and also increasing tariff for K-electric limited consumers. The ECC, which was chaired by Adviser to the Prime Minister on Finance and Revenue Abdul Hafeez Shaikh, has approved funds for Pakistan International Airlines Corporation Limited (PIACL) owned Roosevelt Hotel in Manhattan, New York. In order to meet the financial challenges faced by Roosevelt Hotel, New York, the ECC approved the amount up to $142 million for PIACL on the recommendation of the Committee constituted in an earlier meeting of the ECC, headed by Deputy Chairman Planning Commission and including Secretaries of Finance Division, Aviation Division and Law and Justice Division. Earlier, in last month, the ECC had approved the payment of all liabilities and responsibilities resulting from a debt of $105 million secured by Roosevelt Hotel. The government is appointing the Financial Adviser (FA) to undertake the envisaged leasing of Roosevelt Hotel site for setting up a joint venture project for prospective mixed use development. The Privatisation Commission would appoint the FA through the best suited mode of Privatisation as delineated in the Privatisation Commission (PC) Ordinance, 2000. According to the law/rules /regulations of PC as well as PPRA, the Privatisation Commission will hire the services of FA Consortium which will recommend the best suited Transaction Structure under the modes of privatisation provided in the PC Ordinance /Rules and in consultation with relevant stakeholders.
The ECC has also approved the summary moved by the Power Division for the rationalisation of eleven quarterly adjustments of K-Electric Limited from July 2016 to March 2019. The quarterly adjustments of K-Electric (K-E) for period from July 2016 to March 2019 will be notified with effect from 1st September 2020 to bring the tariff K-Electric at par with what is currently in filed for consumers of (ex-WAPDA) DISCOS. Power Division had proposed of Rs2.39 per unit average increase with immediate effect to bring K-Electric at par with uniform national tariff currently applicable for all the distribution companies of ex-Wapda. That would mean about Rs1.09 - Rs2.90 per unit increase for different consumer categories. The ECC had considered a summary submitted by the Power Division on March 4, 2020 for quarterly tariff adjustments for K-Electric Limited for the period July 2016 to March 2019 and had formed a committee, headed by the energy minister, for examining the issue and submitting a report with viable recommendations to the ECC for approval. The committee submitted its recommendations through a summary with the ECC on March 18, 2020. It recommended that the quarterly adjustment to the tune of Rs4.877 per unit – being the differential between the schedule of tariff recommended by Nepra for April to June 2019. Power Division has suggested that the remaining part of about Rs2.59 per unit should be sent back to the Nepra to be dealt under Prior Year Adjustment (PYA) mechanism for gradually making part of the base tariff.

Thinking beyond the Doing Business ranking

On 27th August, 2020, the World Bank Group issued an official statement to pause the publication of the Doing Business Report 2021 after reported data irregularities in the Doing Business Report 2018 and 2020 published in October 2017 and 2019. The changes in the data were inconsistent with the Doing Business methodology as reported by the Bank. “We have asked the World Bank Group’s independent Internal Audit function to perform an audit of the processes for data collection and review for Doing Business and the controls to safeguard data integrity. We will act based on the findings and will retrospectively correct the data of countries that were most affected by the irregularities” excerpt from the statement. The issuance of statement by the World Bank has raised a lot of hue and cry from many corners and data irregularities in the report at this stage has invited criticism from people belonging to different walks of life within and outside the country. However, before bashing this flagship project of the World Bank, which has been running successfully over the last seventeen years, one should take a 360 degree view of the situation emerged as a result of this statement.

Firstly, the official statement regarding irregularity in the data issued by the World Bank seems to be insufficient in order to gauge the consequences it will have on the performance of the countries who will be affected due to data irregularities. The World Bank Group must explain this statement in detail at some early stage to avoid confusion and criticism. Secondly, there’s no doubt that the statement regarding pause of the publication of the Doing Business report has disappointed many countries which have been performing well over the past few years. However, we need to realize and appreciate the fact that the World Bank Group has assigned top priority to integrity and impartiality of their data and analysis and that they will be independently conducting a systematic review and assessment of data changes that occurred subsequent to the
institutional data review process for the last five Doing Business reports. The information regarding data irregularity was not swept under the carpet. The Bank without caring much about the criticism has maintained highest standards regarding transparency of information and has informed all the concerned through this statement. Thirdly, we must understand from the statement that World Bank Group is now expected to conduct an extensive exercise to examine data collection and reporting procedures and make necessary data corrections and improve data integrity. Thereby, countries will now have a more refined methodology and reporting procedures as a result of this exercise.

Lastly and most importantly, regardless of the data irregularity issues in Doing Business Report, one cannot deny the fact that this report has given many countries like us a well-defined framework/roadmap to reform the regulatory procedures to facilitate businesses. We all know that growth of Micro/Small & Medium Enterprises are of paramount importance for the developing countries therefore we must continue reform doing business procedures & processes in order to make conducive environment for them to operate and flourish. The Ease of Doing Business Reform Framework has been developed after thorough research of the global best practices and after having mapped 190 economies by the World Bank. Like, many other countries, Pakistan also decided to leverage this framework and by virtue of this, many reform initiatives were implemented under Ease of Doing Business Reforms Agenda at the Federal & Provincial levels. In Punjab, around 50 number of reform initiatives were implemented during last two years in the areas of starting a business, dealing with construction permits, registering property, enforcing contract, getting electricity and paying taxes etc. The notable reforms included digitalization of property registration procedures, online submission & issuance of building permits, online registration of businesses and payment of different government taxes, online payment of Social Security & Pension Contributions by the employers and dedicated district commercial courts for dealing with commercial matters etc.

All these initiatives were part of the Ease of Doing Business Reforms Framework which was monitored regularly by the highest authorities to ensure their completion. These initiatives were aimed at simplifying doing business procedures and improving efficiency and delivery of services. The question is that can the data irregularity issues in Doing Business Report overshadow the magnificent work performed by all the relevant Federal & Provincial departments? Are we implementing these reforms just to improve our performance in the Doing Business Index? The answer to these questions as per my little understanding is No. Because the work done under this framework has been lauded at all forums and thousands of people benefited from it directly or indirectly. Resultantly, this splendid work is going to be scaled up and replicated in other districts and provinces. We can now develop our own Doing Business Framework at district or divisional level or for any special economic zone. We can build on these reforms already implemented and customize the framework as per our own needs as we have developed in-house capacities to design and implement such reform frameworks.

As far as ranking is concerned, while we should not be afraid of slipping few points down in case of any data corrections, we should keep in mind that there were many reform initiatives implemented by the Federal & Provincial Governments which were not recognized by the World Bank in the previous reports. In case these unrecognized reforms are accepted by the World Bank, we might see our performance getting further improved in coming years. However, we
should not let this statement overshadow the brilliant work done by all the concerned
departments with an aim to reform the regulatory processes in order to improve the business
environment.

Rains cause decline in Aug exports?

MUSHTAQ GHUMMAN

ISLAMABAD: Commerce Ministry is mum on foreign trade figures of August 2020, generating
speculation that silence is due to a considerable decline in exports due to recent rains in Karachi
and some other factors. Usually, Commerce Ministry releases provisional foreign trade figures
on first day of each month in case of slight variation (negative or positive) in exports and
substantial decline in imports. However, export figures of August have silenced the top bosses of
the Ministry. On August 26, 2020, Prime Minister’s Advisor on Commerce and Investment,
Abdul Razak Dawood, in a tweet stated:" it appears that because of the heavy rains, particularly
in Karachi, our exports consignments are being delayed, hence exports of August may be
affected.” However, exports posted over 15 per cent negative growth in August, which is
unusual. It is unclear exports of which products have been affected in August despite the fact that
most of the Trade and Investment Officers posted abroad, claimed in their tweets that exports
have posted growth in their respective countries of posting.

Pakistan Bureau of Statistics (PBS) is expected to release provisional foreign trade figures within
the next few days. However, the detailed foreign trade figures which are released during third
week of each month, will unveil the sectors which are effected in August 2020. In August 2019,
a decline of 7.65 per cent in exports had been witnessed as compared to August 2018. However,
extports of first two months (July-August) 2019-20 posted a growth of 2.79 per cent as compared
to the corresponding period of 2018-19. In July 2020 - first month of current fiscal year, exports
posted a growth of 6 per cent as compared to the same month of 2019. However, the growth was
far less as compared to growth of 16 per cent in July 2019 as compared to July 2018. During
fiscal year 2019-20, exports stood at $ 21.410 billion as compared to $ 22.979 billion of
corresponding period of 2018-19, showing a decline of 6.83 per cent. Commerce Ministry had
failed to achieve export target of $ 26.2 billion for FY 2019-20. The government has missed the
revenue target of August as well.

Exports plunge 20pc in August

ISLAMABAD: Pakistan’s exports dipped by 19.5 per cent year-on-year in August, data released
by the Ministry of Commerce (MoC) showed on Thursday. During the second month of FY21,
export proceeds were reported at $1.586 billion, as against $1.969bn over the corresponding period of last year. The exports returned to a declining trend after witnessing paltry growth in July. A steep fall was seen in exports since March when the government imposed lockdowns to contain the spread of coronavirus. In rupee terms, export proceeds dipped 14.9pc year-on-year in August. Between July and August, exports fell by 7.1pc to $3.584bn, from $3.858bn over the corresponding months of last year. Despite the decline in overall exports proceeds in August, some of the products such as tractors, iron and steel, chemicals and cement have posted a growth of 186pc, 100pc, 90pc and 30pc, respectively in dollar terms.

Commerce Adviser Abdul Razak Dawood said that rains and consequential urban flooding, particularly in Karachi, caused significant problems to the existing infrastructure, disrupting the supply chains and affecting exports for the month of August. He further added that power outages, slowdown in business activities, delays in transportation and hampering of port operations are some of the issues faced by the exporters due to unprecedented monsoon rains in the country. Dawood hoped that exports would begin to recover in September as normalcy should return to Karachi. He noted that although exports have temporarily fallen, the trade balance continues to improve. ‘Exporters are encouraged that despite the calamity of rain and flooding, we must pursue ‘Make in Pakistan’ and export led growth’, stated the Advisor. ‘I have every confidence in our exporters that they will make up for the loss in the subsequent months’, he added. The adviser directed the MoC must resolve issues of the exporters on war-footing in these unprecedented times.

Data show that Pakistan’s exports in August saw substantial growth to Afghanistan, Turkey, Australia, Indonesia, and Singapore. However, proceeds declined from the United States, United Kingdom, UAE, Bangladesh, China, Italy, Netherlands, Spain and Kenya. In FY20, exports fell by 6.83pc or $1.57bn to $21.4bn, compared to $22.97bn the previous year. Meanwhile, imports plunged 20pc in August to $2.968bn, as against $3.710bn over the corresponding month of last year. During 2MFY20, overall import bill dropped by 12.12pc to $6.508bn, down from $7.406bn over the corresponding months of last year. The continuous decline in imports is also providing some breathing space for the government to manage external account despite a downward trend in exports. In 2019-20, the import bill witnessed a steep decline of $10.29bn or 18.78pc to $44.509bn, compared to $54.799bn last year. The country’s trade deficit also decreased by 20.6pc in August, mainly due to a steep fall in imports and in export proceeds. In absolute terms, the trade gap narrowed to $1.382bn, as compared to $1.740bn over the corresponding month of last year. In the first two months, trade deficit dipped by 17.58pc to $2.924bn, as against $3.548bn over the last year. During FY20, it narrowed to $23.099bn, from $31.820bn.

Pakistan’s exports tumble by around 20pc in August

ISLAMABAD-Pakistan’s exports have tumbled by around 20 per cent in the month of August mainly due to the heavy rains in different parts of the country. The exports for the month of August 2020 have recorded a downfall of 19.5 per cent in dollar value terms as compared to the same period last year. Meanwhile, the imports have also dropped by 20 per cent in the same
month. Therefore, the trade deficit has also shrunk by 20.6 per cent in August 2020 against the same month of previous year. This was discussed in an internal review meeting at Ministry of Commerce chaired by the Advisor to the Prime Minister on Commerce and Investment, Mr. Abdul Razak Dawood. However, the ministry has not shared the absolute numbers of exports, imports and trade deficit. It was told in the meeting that due to heavy rains in the country, there were some delays in obtaining and analysing the data. It was further discussed in the meeting that the rains and consequential urban flooding, particularly in Karachi, caused significant problems in the existing infrastructure, disrupting the supply chains and affecting the exports for the month of August. Power outages, slowdown in business activities, delays in transportation and hampering of port operations are some of the issues faced by the exporters due to unprecedented monsoon rains in the country.

Talking in the meeting, the Advisor hoped that the exports would begin to recover in September as normalcy should return to Karachi. Advisor noted that although exports have temporarily fallen, the trade balance continues to improve. “Exporters are encouraged that despite the calamity of rain and flooding, we must pursue ‘Make in Pakistan’ and export led growth”, stated the Advisor. “I have confidence in our exporters that they will make up for the loss in the subsequent months”, he added. Dawood directed that the Ministry of Commerce must resolve the issues of the exporters on war-footings in these unprecedented times. Despite the decline in August, some of the products, like tractors, iron and steel, chemicals and cement have posted a growth of 186 per cent, 100 per cent, 90 per cent and 30 per cent respectively, in dollar value terms, as compared to August 2019. It is worth mentioning here that Pakistan’s exports had shown growth in the first month of current fiscal year. According to the data of Pakistan Bureau of Statistics, the country’s exports had shown an increase of 6 per cent and recorded at $2 billion in the month of July 2020 as compared to $1.89 billion in the same period of previous year. On the other hand, imports have fallen by 0.7 per cent to $3.69 billion in July this year. Meanwhile, trade deficit had recorded at $1.69 billion in July 2020 as against $1.83 billion in the same month of last year showing decline of 7.72 percent.

Exports fall but trade balance improves

MUSHTAQ GHUMMAN

ISLAMABAD: The Commerce Ministry said on Thursday that the country's exports have posted a downfall of 19.5 percent to $1.586 billion in August 2020 as compared to $1.969 billion in the corresponding month of last year. The reasons of decline were discussed in an internal review meeting at the Ministry of Commerce chaired by the Advisor to the Prime Minister on Commerce and Investment, Abdul Razak Dawood. During the same month, imports also dropped by 20 percent, in dollar value terms to $2.968 billion as compared to $3.710 billion in August 2019. Similarly, the overall trade balance has improved by 20.6 percent in August 2020, as compared to the same month last year. The ministry, however, has not shared any data of cumulative trade of two months (July-August) 2020-2021, indicating that exports are in two
months were flat or in the negative trajectory. Commerce Ministry, in an official statement, said that despite the decline in August, some of the products, such as tractors, iron and steel, chemicals and cement have posted a growth of 186 percent, 100 percent, 90 percent, and 30 percent respectively, in dollar value terms, as compared to August 2019. The meeting was informed that due to heavy rains in the country, there were some delays in obtaining and analysing the data.

It was further discussed in the meeting that the rains and consequential urban flooding, particularly in Karachi, caused significant problems in the existing infrastructure, disrupting the supply chains and affecting the exports for the month of August. Power outages, slowdown in business activities, delays in transportation and hampering of port operations are some of the issues faced by exporters due to unprecedented monsoon rains in the country. Addressing the meeting, the advisor was of the view that the exports would begin to recover in September as normalcy should return to Karachi. He noted that although exports had temporarily fallen, the trade balance continued to improve. “Exporters are encouraged that despite the calamity of rain and flooding, we must pursue ‘Make in Pakistan’ and export-led growth,” the statement quoted the advisor as saying. Dawood expressed the hope that the exporters would make up for the loss in the subsequent months.

The Nation
September 5, 2020

Cement despatches up by 5.04pc, exports 5.82pc in August

LAHORE—Cement despatches in August 2020 have increased by 5.04 percent from 3.351 million tons in August 2019 to 3.520 million tons. However, they were much less than the despatches of 4.838 million tons in July 2020. According to the data released by APCMA, the local uptake of cement in August 2020 increased by 4.84 percent to 2.794 million tons from 2.665 million tons in August 2019 while exports registered increase of 5.82 percent, increasing to 0.725 million tons from 0.685 million tons in same month last year. The North based mills despatched 2.493 million tons of cement in the domestic market as compared to 2.347 million tons in August 2019, registering an increase of 6.26 percent. Exports from North were 0.211 million tons, 8.45 percent higher than the exports of 0.195 million tons exports made during the same month last year. The South based mills continued declining trends in the domestic market and despatched only 0.301 million tons cement in August 2020, 5.6 percent less compared to 0.319 million tons in August 2019. Exports from South increased to 0.515 million tons in August 2020 from 0.491 million tons in last year August, depicting an increase of 4.78 percent only. Overall despatches during the first two months of this fiscal have increased by 21.78 percent from 6.863 million tons in August 2019 to 8.358 million tons in August 2020.

Domestic despatches stood at 6.747 million tons in Jul-Aug 2020, an increase of 19.53 percent from 5.644 million tons during the same period last year. Exports during the period under review registered an increase of 32.20 percent, increasing to 1.611 million tons from 1.218 million tons in Jul-Aug 2019. The spokesman of APCMA expressed concern that the jump in cement sales in July looks like a one-off phenomenon. “The industry was expecting that the momentum witnessed in July would continue but an appreciable decline in domestic uptake and exports was
disappointing,” he added. The decline was mainly due to heavy rains, Eid ul Azha and Ashura holidays. He said that the industry is unable to understand that the impact of the construction package has not been felt in the South. Moreover, he added that the normal growth of 6.26 percent in domestic sales in the North suggests that the impact of the construction package was not visible here in August. He appealed the government to minimize duties and taxes on cement sector in order to increase cement consumption. He also wondered why the cement sector and captive power were excluded from subsidized power and gas that is available to five exporting sectors. He said that cement is an energy intensive sector and availability of power at concessional rates would boost the exports appreciably.

The Nation
September 6, 2020

USA, UK, UAE remain top three destinations of Pakistani exports

ISLAMABAD - The USA remained the top export destinations of the Pakistani products during the first month of financial year (2020-21), followed by United Kingdom (UK) and UAE. The total exports to the USA during July 2020 were recorded at $336.640 million against the exports of $373.548 million during July 2019, showing negative growth of 9.88 per cent, according to State Bank of Pakistan (SBP). This was followed by UK, wherein Pakistan exported goods worth $145.374 million against the exports of $147.334 million last year, showing nominal decrease of 1.33 per cent. UAE was the third top export destination, where Pakistan exported products worth $118.088 million during the month under review against the exports of $172.859 million during last year, showing decrease of 31.68 per cent, SBP data revealed.

The Nation
September 6, 2020

Razak Dawood assures exporters of complete support

LAHORE-Advisor to Prime Minister for Commerce and Investment Abdul Razak Dawood Saturday assured full support to exporters. Abdul Razak Dawood was speaking at the Lahore Chamber of Commerce and Industry. He also inaugurated the Export Facilitation Centre at LCCI. He hoped that LCCI Export Facilitation Centre will contribute in enhancing exports and will provide services to the exporters. He also said that government will safeguard the interests of local IT industry by not signing the ITA (Information Technology Agreement). He said that along with goods exports, Pakistan needs to increase exports of services. Razak Dawood informed that the government has abolished import duties on 41% industrial raw materials which are more than 1600 tariff lines. He said the Ministry of Commerce is working on a three-year plan to rationalize tariff, especially the duties on raw materials. The plan would be finalized in consultation with chambers and associations and will encourage value addition. Ministry of Commerce is also working on making the process of getting refunds easier for the exporters, he said, adding that the function of setting tariff is now being done by Ministry of Commerce which was previously being determined by the Federal Board of Revenue (FBR).
Speaking on the occasion, President of the Lahore Chamber of Commerce and Industry Irfan Iqbal Sheikh said that LCCI believes in keeping sound working relations with the govt departments, especially the Ministry of Commerce for the betterment of our economy and industry. The President of Lahore Chamber said that the retail sector has incurred lot of costs and efforts on the development of infrastructure for integration with the FBR’s computerized system for real time reporting. However, the benefit of reduced rate of sales tax (from 14% to 12%) is being provided to limited sectors (i.e. finished fabric, textile and textile made-ups and leather and artificial leather related products). LCCI recommends that all the sub sectors of retail sectors should benefit from the reduced rate of 12%. He suggested that no audit should be conducted for at least 2 years for such retailers who opt for integration under this regime. He said that the COVID-19 has adversely impacted the Pakistan’s economy which is already facing stiff economic challenges including high debt, devaluation, inflation, fiscal deficit and shrinking of GDP. The industrial sector has also been facing negative growth rate since the last couple of years.

Irfan Iqbal Sheikh said the exports hold great importance for Pakistan’s economy as they are the main source of revenue generation, employment creation and maintaining balance of payments stability. He said Pakistan’s export products are heavily concentrated in textiles, leather and few other items. There is a need to diversify our exports, especially focusing on potential sectors like Halal food, information technology, engineering industry, surgical instruments, sport goods and pharmaceuticals etc. He also mentioned the export potential of IT sector, saying that Pakistan has presence of over 5,000 IT companies and call centers and a sufficient number of IT professionals who are also good in spoken English while every year almost 20,000 IT graduates are being produced at national level. There is a great potential of taking our IT exports well beyond the current level of $1 billion. He further said that there is also an immense potential to enhance Pakistan’s halal food exports as we have abundant availability of livestock.

Currently our meat exports are US$ 309 million while the global Halal food market is well above US$ 1 trillion and dominated by non-Muslim countries. He said that there is a need of collective actions for exploring new export markets as about 55 percent of the Pakistan’s exports go to just 10 countries. We have to take concrete steps to fetch better export revenues from untapped potential markets like Africa, Russia, South America and Central Asia etc. Realizing the importance of Africa as a potential market, President LCCI said, “We have established an Africa Desk at LCCI for facilitating our members and addressing the issues involved in enhancing exports to Africa”. It is worth mentioning that our exports to Africa are just 1.4 billion dollars while India’s exports to Africa are 29 billion dollars, he concluded. Senior Vice President LCCI Ali Hussam Asghar emphasized to resolve the issues of bilateral trade with Iran. Iran has the biggest import market of Pakistani rice. Government should consider the 5 billion dollar plan of rice export. LCCI Vice President Mian Zahid Jawaid Ahmed, former Presidents Mian Misbahur Rehman, Shahid Hassan Sheikh, Sohail Lashari, Almas Hyder, former vice president Zeeshan Khalil and Executive Committee members were also present.
Pharmaceutical exports increase by 20.11pc

ISLAMABAD - The exports of pharmaceutical products from the country witnessed increase of 20.11 per cent during the first month of current financial year (2020-21) as compared to the corresponding period of last fiscal year. Pakistan exported pharmaceutical products worth $24.526 million during July 2020 as against the exports of $20.419 million during July 2019, showing growth of 20.11 per cent, according to the Pakistan Bureau of Statistics (PBS). In term of quantity, the pharmaceutical exports rose by 31.24 per cent, by going up from 1,181 metric tonnes to 1,550 metric tonnes during the period under review. On month-on-month basis, the exports of pharmaceutical products also grew by 38.13 per cent during July 2020, when compared to the exports of $17.756 million during June 2020, the data said. It is pertinent to mention here that the trade deficit during the first month of the current fiscal year was dipped by 7.72 per cent as compared to the corresponding period of last year. The trade deficit during July 2020 was recorded at $1.686 billion against the deficit of US $ 1.827 million in July 2019, the data revealed. During the month under review, the exports from the country increased by 6.10 per cent, from $1.886 billion last year to $2.001 billion during the current year. On the other hand, the imports witnessed negative growth of 0.70 per cent by falling from $3.713 billion last year to $3.687 billion this year.

Australian investor explores green opportunities

ISLAMABAD: An Australian green industry developer has shown interest for investment in zero carbon emission technologies particularly fertiliser and steel production plants in Pakistan. On Monday, West Australian Fortescue Metals Group Chairman Andrew Forrest met with Minister for Commerce and Investment Abdul Razzak Dawood and Chairman of Board of Investment (BoI) Atif Bokhari to discuss these opportunities. Over the past two days, a delegation led by Forrest has visited some potential sites for projects which can sustain the industry. The group is undertaking exploration activities in New South Wales and South Australia, as well as in Ecuador and Argentina. The group informed the BoI team that Pakistan is one of the short-listed countries, which are being actively being explored for investments. The investments would focus on green industry, starting from generation of hydropower and development of industry associated land, which would be owned and operated by the group with the help of local partners. The investment from Fortescue Group would result in generating economic opportunities for local communities, employment and large-scale development of green industry for export market and domestic consumption. In addition, it will result in diversification and up-skilling of workforce in Pakistan.
**DAWN**  
September 8, 2020

**IT sector holds huge investment potential: PM**

ISLAMABAD: Prime Minister Imran Khan on Tuesday said the country’s Information Technology (IT) sector held tremendous potential for investment, revenue generation and economic development. He emphasised that IT-solutions in government operations ensured transparency, speed of delivery and good governance. The prime minister expressed these views during a meeting with a delegation of technology giant Huawei led by Hou Tao, the company’s Global SVP (Technology) & President Middle East & Africa. Minister for IT Amin ul Haque, Commerce Adviser Abdul Razag Dawood, Board of Investment Chairman Atif R. Bukhari, Pakistan Telecom Authority Chairman Maj Gen (R) Aamir Azeem Bajwa and senior officers were present in the meeting. The Huawei delegation comprised its Pakistan CEO Qiang Meng, Deputy CEO Ahmed Bilal Masud, Managing Director Weijie Gao, and Director Public Affairs Han Wu. 

The prime minister appreciated the support provided by Huawei towards realising the objectives of Digital Pakistan. He assured the delegation of full support from the government towards implementation of Information and Communications Technology (ICT) solutions in Pakistan. The delegation apprised the prime minister that Huawei was dedicated towards realising the IT initiatives of the government and in that regard planned to train 1,000 federal government employees. The company will also provide support in training university level students to equip them with latest IT skills. Mr Tao said Huawei supported PM Khan’s vision to create a young skillful workforce in the field of IT. Huawei also offered to formulate the ICT White Paper with the help of international consultants as well as identifying existing ICT systems and suggestions for improvements. The company was also undertaking feasibility for setting up a mobile phone manufacturing facility in Pakistan.-APP

**The Nation**  
September 11, 2020

**Pak-Uzbekistan sign MoU for promotion of bilateral trade affairs**

ISLAMABAD - Pakistan and Uzbekistan signed a Memorandum of Understanding (MoU) for establishment of Joint Working Group on trade and economic affairs to work together for trade enhancement, promotion of inter-governmental projects in different sectors and improvement of connectivity. A delegation of Uzbekistan headed by Deputy Prime Minister and Minister for Investments & Foreign Trade H.E, Mr. Sardor Umurzakov arrived in Pakistan. The visiting delegation was received by Mr. Abdul Razzak Dawood, Advisor to the Prime Minister on Commerce and Investment, along with senior officials of Commerce and Foreign Affairs divisions. In the discussions held with the Advisor to the Prime Minister on Commerce and Investment Mr. Abdul Razzak Dawood, both sides agreed to start negotiations for a bilateral Early Harvest Plan, proceeding to Preferential Trade Agreement to provide increased market access to each other’s products. It was also agreed to have Mutual Recognition Agreements
(MRAs) for harmonisation of standards and sanitary and phytosanitary measures. It was also agreed to arrange a business forum for the private sector of both countries.

In the discussion Pakistan and Uzbekistan resolved to optimally utilise trade & investment opportunities and work expeditiously to achieve the shared goal of strengthening political and commercial ties. The nine member delegation comprising of First Deputy Foreign Affairs and Deputy Ministers of Investment & Foreign Trade, Transport, and Senior Officials of Ministry of Investments & Foreign Trade called on the Prime Minister and Chief of Army Staff. The delegation also held meetings with the Ministers for Industries & Production and Maritime Affairs to actualize existing investment opportunities in the fields of textile, agriculture, pharmaceuticals and tourism. Both sides endeavour to work towards improved connectivity through land borders and shipping. Uzbekistan is particularly interested in using sea ports of Pakistan for shipment of imports and exports.

The Nation

September 15, 2020

UK increases limit for investment in Pakistan

ISLAMABAD-The UK’s credit financing agency, UK Export Finance yesterday increased its financing limit for UK businesses looking to export to and invest in Pakistan to £1.5 billion. This announcement will boost trade partnerships between the two countries and unleash Pakistan’s growth potential. UKEF helps secure large contracts by providing attractive financing terms to buyers and supporting working capital loans. The British High Commissioner to Pakistan, Dr Christian Turner met with the Federal Minister of Commerce for Pakistan Razaq Dawood to discuss trade ties and business potential between the two countries. The commerce minister welcomed the UKEF’s announcement of an increase of £500 million in the credit limit for business investment in Pakistan, especially at a time when Pakistan is looking to expand its trade potential to mitigate the impacts of COVID19.

The British High Commissioner, Dr Christian Turner said. “UK credit financing for Pakistan has tripled in the last two years, and is key to achieving my ambition to double the trade between the UK and Pakistan. It is a sign of our confidence in Pakistan and the strength of the unique relationship between the two countries. I encourage all Pakistan businesses to look for opportunities to partner with the UK on their journey towards economic prosperity.” The UK is Pakistan’s third largest export partner. Between July 2019 and March 2020, Pakistan exported 7% of its total exports to the UK, and the increase in the credit financing limit will help turbo-charge trade relations between the two countries.
Antimalarial drugs, Tyvek suits export allowed

ISLAMABAD: The government on Tuesday lifted the ban on exports of Tyvek suits and antimalarial drugs including Chloroquine and Hydroxychloroquine. With the lifting of ban on Tyvek suits, exports of all Personal Protective Equipment (PPE) items are permitted. In a statement, the Ministry of Commerce said the decision was undertaken in the Cabinet meeting on a summary initiated by the ministry. At the beginning of Covid-19 outbreak in Pakistan in March 2020, the Cabinet imposed a ban on the export of various PPE items as well as the antimalarial drugs which were being used as a part of treatment for coronavirus.

The Cabinet also constituted a committee led by Commerce Adviser Abdul Razak Dawood and represented by all the relevant stakeholders to oversee the stock positions of various PPE items and share their recommendations regarding exports of these items. Afterwards, the exports of all Covid-19 related materials were given under the mandate of the committee by the National Command Operation Centre. The committee has been holding regular meetings and based on its recommendations, the ban on all the items, except the Tyvek Suits, was lifted in the Cabinet meetings held on June 6 and August 18.

The Ministry of National Health Services conveyed the decision of the 33rd meeting of the Policy Board of Drugs Regulatory Authority Pakistan held on August 17 for consideration of lifting ban on export of all antimalaria drugs. The committee constituted by the Cabinet will continue to monitor the stock positions and requirements in the country. It is also pertinent to mention that because of the initiative of the government, the production capacity of PPE items has increased considerably in Pakistan and the country is now exporting these goods despite being an importer initially.

Export of COVID-19 related equipment, drugs allowed

ISLAMABAD-The federal government on Tuesday has lifted ban on the export of Tyvek Suits and the anti-malarial drugs: Chloroquine and Hydroxychloroquine which are being used as a part of COVID-19 treatment around the world. “The Federal Cabinet, in its meeting held on Tuesday, has lifted the ban on export of Tyvek Suits, the last of the banned PPE items in wake of COVID-19 outbreak, as well as the anti-malarial drugs, including Chloroquine & Hydroxychloroquine, which are being used as a part of COVID-19 treatment around the world,” said Advisor to the Prime Minister on Commerce and Investment Abdul Razak Dawood on Twitter. He said that this has been possible because of our Government’s efforts to effectively control the spread of COVID-19 in the country, as well as our industry, which has been able to adjust according to the new opportunities amid the outbreak The notifications, in this regard, will be out in a few days, he added. The ministry of commerce has presented the summary in federal cabinet for lifting ban
on export of Tyvek Suits and the anti-malarial drugs: Chloroquine and Hydroxychloroquine. Now, with lifting of ban on Tyvek Suits, there is no ban on export of any of the Personal Protective Equipment (PPE) items.

At the beginning of Covid outbreak in Pakistan in March 2020, the Federal Cabinet imposed a ban on the export of various items of Personal Protective Equipment as well as the anti-malarial drugs, which were being used as a part of treatment for COVID-19. Meanwhile, the Federal Cabinet constituted a Committee, under the chairmanship of the Advisor to the Prime Minister on Commerce & Investment, Abdul Razak Dawood, and represented by all the relevant stakeholders, to oversee the stock positions of various PPE items and make recommendations to the Cabinet regarding exports of these items. Afterwards, the export of all Covid-19 related materials were given under the mandate of the Committee by NCOC. The Committee has been holding regular meetings and, based on its recommendations, the ban on all the items, except the Tyvek Suits, was lifted in the meetings of the Cabinet held on June 06, 2020 and August 18, 2020. The Ministry of National Health Services, Regulations and Coordination, which was represented in the Committee constituted by the Cabinet, conveyed the decision of 33rd meeting of the Policy Board of Drugs Regulatory Authority (DRAP) held on August 17, 2020, for consideration of lifting ban on export of all anti-malaria drugs. The matter was also discussed in the Committee, which made recommendation on lifting of bans.

After the approval of the Cabinet for removing the ban on exports of PPE items as well as the anti-malarial drugs, the Committee constituted by the Cabinet will continue to monitor the stock positions and requirements in the country. It is also pertinent to mention that because of the initiative of the Government, the production capacity of PPE items has increased considerably in Pakistan, which is now exporting PPE despite being initially an importer for many of these items.

The Nation
September 16, 2020

Spices import increases by 60.22pc

ISLAMABAD - The imports of spices products witnessed an increase of 60.22 per cent during the first month of current financial year 2020-21, as compared to the corresponding period of last year. Pakistan imported spices of worth $22.811 million during July 2020 as compared to the imports of $14.237 million during July 2019, showing growth of 60.22 per cent, according to the Pakistan Bureau of Statistics (PBS). In term of quantity, Pakistan imported 18,114 metric tonnes of spices products during the period under review as compared to the imports of 10,645 metric tonnes during corresponding period of last year, showing increase of 70.16 per cent in term of quantity. On month-on-month basis, the spices imports also increased by 8.79 per cent during July 2020 as compared to the imports of $20.967 million in June 2020, the PBS data revealed. It is pertinent to mention here that the country trade deficit witnessed reduction of 8.32 per cent during the first two months current fiscal year (2020-21) as compared to the deficit of the corresponding period of last year.
ECC sanctions import of customs duty free cars under disabled persons’ scheme

ISLAMABAD-The Economic Coordination Committee (ECC) of the Cabinet on Wednesday has approved the import of customs duty free cars under disabled persons’ scheme. The ECC, which was chaired by Adviser to the Prime Minister on Finance and Revenue Dr. Abdul Hafeez Shaikh, has allowed the amendment in the import of Customs Duty Free Cars under disabled persons’ scheme. Under the new amendments the income bracket of the person who is importing the vehicle is increased from the current limit of Rs20,000 to Rs100,000 per month. He will be allowed to import the vehicle if he has not imported or purchased locally assembled car during the last 10 years under the scheme provided that he holds NTN Certificate and files annual tax return.

A detailed discussion on the issue of wheat import was also held but could not be finalised due to the paucity of time. ECC Chairman decided that the issue being critical in nature would be further deliberated in a special meeting of the ECC to be held within the current week. The Ministry of National Food Security and Research has requested ECC to allow 1.5 Million Metric Tonnes (MMT) import of wheat through Trading Corporation of Pakistan (TCP) immediately. Meanwhile, it has also asked to import 0.2 Million Metric Tonnes from Russia through G2G (government to government arrangements). The import of wheat on G2G basis with the Russian Federation is under way. PASSCO has been nominated as procurement agency on behalf of Government of Pakistan to negotiate terms and conditions with the Russian side in order to import a minimum quantity of 0.20 Million Metric Tonnes of wheat. National Price Monitoring Committee meeting headed by the Prime Minister has recently directed the Ministry of National Food Security and Research to submit a new summary to the ECC for import of 1.5 Million Metric Tonnes of wheat as approved earlier by the ECC in order to control the soaring prices of wheat and flour in the country.

The ECC has also approved the Incorporation of Pakistan Single Window Company under section 42 of the Companies Act, 2017 with its objectives as contained in the Memorandum & Articles of Association. The composition of the Board of its Directors was also approved. The ECC has also gave approval for the provision of technical supplementary grant of Rs. 219.631 million for the reimbursement of the expenditure of National Coordination Committee on COVID-19 for the current financial year. Rs6 billion were approved for the Ministry of Railways as additional grant Rs500 million per month to defray its mandatory liabilities including pay and pensions. Two technical supplementary grants amounting to Rs160 million and Rs96 million were approved for the Ministry of Federal Education and Professional Training to carry out the “Skill for all” program and for “Mainstreaming of Religious Education and matters related to Deeni Madaris” respectively. The Publication of Rolling Spectrum Strategy 2020-2023 was also approved by ECC.
Exports to USA decrease by 9.88pc in July 2020

ISLAMABAD - Pakistan’s exports of goods and services to United State of America (USA) witnessed a decrease of 9.88 per cent during the first month of current fiscal year (2020-21) as compared to the exports of corresponding period of last year, State Bank of Pakistan (SBP) reported. The overall exports to USA were recorded at $336.640 million during July 2020 against exports of $373.548 million during July 2019, showing negative growth of 9.88 per cent, SBP data revealed. Overall Pakistan’s exports to other countries witnessed decline of 14.57 per cent in first month, from $2.216 billion to $1.893 billion, the SBP data revealed. On the other hand, the imports from USA into the country during the period under review, was recorded at $152.512 million against $128.997 million last year, showing growth of 18.22 per cent in July 2020. The overall imports into the country however, decreased by 13.26 per cent, from $4.184 billion to $3.629 billion, according to the data. Based on the trade figures, the trade of goods and services with USA witnessed decrease of 24.70 per cent in surplus during July 2020 as compared to the corresponding period of last year. The surplus during the period under review was recorded at $184.128 million against $244.551 million during same period of last year, showing negative growth of 24.70 per cent, the data revealed.

Machinery group imports reduce by 6.38pc

ISLAMABAD -Machinery group imports during FY 2019-20 reduced by 6.38 per cent as compared the corresponding period of the last year. According to Pakistan Bureau of Statistics (PBS), the Machinery group imports came down from $725,793 thousand in FY 2019-20 of last financial year to $679,463 thousand of the same period of current financial year. Textile Machinery imports decreased by 33.91 per cent, worth $32,825 thousand as compared the imports of valuing $49,667 thousand of the corresponding period of last year. During the period under review, construction and mining machinery imports also came down by 29.72 per cent, valuing $9,810 thousand imported as compared the imports worth $13,959 thousand of same period of last year.

Disabled persons: Duty-free import of cars allowed

ISLAMABAD: The Economic Coordination Committee (ECC) of the Cabinet has allowed the disabled persons, import of customs duty-free cars under disabled persons’ scheme, and decided
to hold a special meeting on the issue of wheat import on Friday after the Food Ministry failed to satisfy the meeting on the issue of subsidy as well as other questions. The meeting presided over by Adviser to the Prime Minister on Finance and Revenue Dr Abdul Hafeez Shaikh held a detailed discussion on import of wheat but as discussion remained inconclusive due to time factor, the adviser decided to convene a special meeting on Friday. The meeting wanted to know from the Ministry of National Food Security and Research how the assessment was made as to how much quantity of wheat was required to be imported, whether it would involve any amount of subsidy. The meeting also asked the ministry whether provinces have been consulted, and if so, how much imported wheat provinces would purchase from the PASSCO? Sources further stated that some members asked why provinces were not importing wheat themselves, if they were in need of the commodity.

The Food Ministry, sources said, had no plausible answer to these questions, hence adviser on finance decided to hold a special meeting on the issue of wheat import on Friday, and instructed the Food Ministry to come to the meeting along with answers to the questions raised in the meeting, and more relevant details. The ECC has allowed amendment in the import of customs duty-free cars under disabled persons’ scheme. The ECC was told 408 persons have obtained permission to import vehicles after submitting disability certificates but only three to four vehicles have been imported. The ECC wanted to know the reasons in this regard. The meeting was informed that as per new amendments, the income bracket of the person importing a vehicle has been increased from the current limit of Rs20,000 to Rs100,000, and Rs100,000 to Rs200,000 per month. A person would be eligible to import the vehicle, if he has not imported or purchased locally-assembled car during the last 10 years under the scheme, provided that he holds NTN certificate and files annual tax returns.

The ECC also approved the incorporation of Pakistan Single Window Company under Section 42 of the Companies Act, 2017, with its objectives as contained in the Memorandum and Articles of Association. The composition of the Board of its Directors was also approved. The meeting also gave approval for the provision of technical supplementary grant of Rs219.631 million for the reimbursement of the expenditure of the National Coordination Committee on Covid-19 for the current financial year. Rs6 billion was approved for the Ministry of Railways as additional grant of Rs500 million per month to defray its mandatory liabilities, including pay and pensions. Two technical supplementary grants amounting to Rs160 million and Rs96 million were approved for the Ministry of Federal Education and Professional Training to carry out the “Skill for all” programme and for “Mainstreaming of religious education and matters related to deeni madaris”, respectively. The ECC also approved Publication of Rolling Spectrum Strategy 2020-2023.

DAWN

September 18, 2020

Foreign investment jumps 24pc in August

KARACHI: Foreign Direct Investment (FDI) jumped 23.5 per cent to $112.3 million in August, up from $90.3m in same month of 2019, reported the State Bank of Pakistan on Thursday. Month-on-month, the FDI edged lower by $2m or 1.75pc from July’s figure of $114.3m. In the
first two months of FY21, the FDI surged 40pc to $226.7m, compared to $162m in the same period of last fiscal year. Since the emergence of Covid-19 in March this year, the inflows started falling before the FDI posted an impressive increase of 61pc year-on-year to $114.3m in July. Details showed that highest inflow of $85.4m during July-August was noted in the financial business, which attracted just $14m in the first two months of the previous year. Communications also received $37m during the period under review, as against $44.9m in corresponding months of FY20. Similarly, the FDI in electrical machinery more than doubled to $36.5m, from $15m. Inflows in the oil and gas exploration sector witnessed $34.3m FDI during the two months, as against $25m in the same period of last fiscal year.

Country-wise, FDI from China stood at a mere $6.6m during July-August, but it still higher than $2.9m recorded in the same period of 2019. For the last several years, China has been the biggest foreign investor in Pakistan as well as the largest trading partner with the balance of trade heavily skewed in its favour. Other important investors were the UK and US and the inflows showed no significant improvement. The FDI from the Great Britain came in at $18.6m in 2MFY21, compared to $17.4m in corresponding period of last fiscal year while those from latter fell to $14.9m, versus $20.7m. Lower inflows from the US could be a result of the economic damage caused by the coronavirus outbreak in that country, which has the most cases on record. The highest FDI of $45m was noted from Norway in July-August, which was significantly higher compared to a negligible $0.1m in the same period of FY20. Netherlands and Malta showed no significant change as the inflows from the two countries were $39.6m and $37m, respectively during July-August. The economic environment has relatively improved in Pakistan in terms of foreign investment due to relatively low impact of coronavirus.

**DAWN**

September 18, 2020

**Turkey seeks maize seeds market access**

ISLAMABAD: Turkey has requested for phytosanitary clearance for export of maize seeds to Pakistan besides seeking market access for an oak specie which is used in medicine. In a meeting held on Thursday, Minister for National Food Security and Research Syed Fakhr Imam and Ambassador of Turkey to Pakistan Ihsan Mustafa Yurdakul discussed progress on various aspects of bilateral cooperation. The Department of Plant Protection (DPP) has conducted the pest risk analysis for import of Turkish maize seeds and shared results with the National Plant Protection Organisation (NPPO) of Turkey for further action. At the same time, NPPO Turkey has also made a request to the DPP for grant of market access for the export of 'Quercus infectoria' known as Aleppo oak an oak specie traditionally used in Asian medicines. The department is currently evaluating the technical information shared by NPPO and based on analysis, a decision for its import will be taken. The DPP has requested NPPO for market access of Pakistani potato in Turkey. The NPPO has initiated pest risk analysis for its import in Turkey since 2019. It notified Pakistan to importers for import of table potato due to its growing demand in Turkey in the wake of failure of local crop without finalisation of pest risk analysis. 'The signing of Strategic Framework Agreement will further strengthen bilateral relations and the development of agriculture and livestock sector in Pakistan.'-Our Reporter
The Nation
September 18, 2020

Plastic imports increase 11.20pc in July 2020

ISLAMABAD - The imports of plastic materials witnessed increase of 11.20 per cent during the first month of current financial year 2020-21, as compared to the imports of last year. Pakistan imported plastic materials of worth $175.801 million during July 2020 as compared to the imports of $158.089 million during July 2019, showing growth of 11.20 per cent, according to the Pakistan Bureau of Statistics. In term of quantity, Pakistan imported 150,154 metric tonnes of plastic materials during the period under review as compared to the imports of 116,121 metric tonnes during corresponding period of last year, showing increase of 29.31 per cent in term of quantity. On month-on-month basis, the plastic materials imports also increased by 14.86 per cent during July 2020 as compared to the imports of $153.059 million in June 2020, the PBS data revealed. It is pertinent to mention here that the country trade deficit witnessed reduction of 8.32 per cent during the first two months current fiscal year (2020-21) as compared to the deficit of the corresponding period of last year. The deficit during July-August (2020-21) was recorded at $3.382 billion against the deficit of $3.689 billion, the data revealed. During the period under review, the country’s exports registered negative growth of 4.27 per cent, by going down from $3.744 billion last year to $3.584 billion during the current year. On the other hand, the imports witnessed decreased of 6.28 per cent, from $7.433 billion last year to $6.966 billion this year.

The Nation
September 18, 2020

TCP asked to start importing wheat for maintaining strategic reserves

ISLAMABAD - The Economic Coordination Committee (ECC) of the Cabinet has decided that Trading Corporation of Pakistan (TCP) will start importing wheat in the required quantities through small tenders from time to time to maintain the wheat supply at a reasonable price and for keeping additional strategic reserves. Adviser to the Prime Minister on Finance and Revenue Dr. Abdul Hafeez Shaikh chaired the meeting of the Economic Coordination Committee (ECC) of the Cabinet here at the Cabinet Division. ECC discussed in detail the need to import wheat in the country through the government and private sector. The Chair directed that the availability of wheat is an important issue and there is a need to maintain sufficient stock of wheat in the country which could be made available at a reasonable price. The ECC met on consecutive second day on Thursday to discuss the issue of importing wheat in the country. The Ministry of National Food Security and Research has requested ECC to allow 1.5 Million Metric Tonnes (MMT) import of wheat through Trading Corporation of Pakistan (TCP) immediately. Meanwhile, it has also asked to import 0.2 Million Metric Tonnes from Russia through G2G (government to government arrangements).

The import of wheat on G2G basis with the Russian Federation is under way. PASSCO (Pakistan Agricultural Storage and Services Corporation) has been nominated as procurement agency on
China, Pakistan agree to boost cooperation in transport sector

BEIJING/ISLAMABAD-China’s Minister for Transport, Li Xiaopeng had a meeting with Pakistani Ambassador to China, Moin-ul-Haque and both sides agreed to boost cooperation in transport sector. Li Xiaopeng welcomed the newly appointed Ambassador of Pakistan, and expressed satisfaction at the state of bilateral cooperation in the transport domain, and reiterated China’s complete support for joint efforts to forge even stronger multi-modal linkages, China Economic Net (CEN) reported on Friday. Li Xiaopeng expressed his gratitude to Ambassador Moin-ul-Haque for his continuous support for China-Pakistan’s traditional friendship, China-Pakistan transportation cooperation, and the completion of the China-Pakistan Economic Corridor various projects. In his remarks, Moin-ul-Haque stated that bilateral cooperation in the transport sector was a longstanding pillar of bilateral cooperation that had been given new impetus through the China-Pakistan Economic Corridor (CPEC). The Ambassador pledged to do the utmost for furthering Pakistan-China transport-sector cooperation to the greater benefit of the peoples of both countries. Ambassador Haque and Minister Li held an in-depth exchange of views on various aspects of transport cooperation under CPEC, including the Karakoram and other major highways, connectivity projects in Gwadar, the Main Line I (ML-I) railway upgrade, and metro mass-transit; as well as deepening of regional connectivity initiatives and economic exchanges.

Meanwhile, Federal Minister for National Food Security and Research, Syed Fakhar Imam on Friday had a farewell meeting with outgoing Chinese Ambassador to Pakistan, Yao Jing and appreciated his contributions for fostering bilateral ties between the two countries. It was also decided that China will assist in developing dates processing plants and onion cold storages in southern Balochistan. Syed Fakhar Imam acknowledged the existence of expanding friendly relations between the two countries. Federal minister stated that the high level visits from both sides have opened up new horizons for our bilateral cooperation, particularly in the field of agriculture by signing MoUs and agreements. He mentioned that the remarkable contribution of Yao Jing for the growth of bilateral cooperation in all spheres has further strengthened our brotherly relations. He appreciated ambassador’s efforts to push bilateral cooperation within economic framework under the China – Pakistan Economic Corridor (CPEC). He mentioned
Yao Jing’s substantial contribution for the growth of bilateral cooperation particularly in the field of agriculture. Syed Fakhar Imam acknowledged his efforts to appoint an Agricultural Counselor in the Chinese Embassy, which has helped in effective coordination in all areas of agricultural cooperation. He appreciated outgoing ambassador interest and persistent help in Pakistan’s efforts to fight against locust and COVID-19. He mentioned that CPEC will go a long way to further strengthen relations as well as development of agriculture and livestock sector in Pakistan.

The ambassador induced his side for a working level meeting between the two sides to kick start process for the JWG. Accordingly, a working level delegation of Pakistan led by Senior Joint Secretary visited Ministry of Agriculture & Rural Affairs (China) in July 2019, he added. Imam said that first China-Pakistan Agricultural Cooperation forum provided a platform for B-2-B interaction with participation of leading business enterprises from both sides and conclusion of private sector related MoUs. The Minister said that Chinese Embassy is also continuously following this with their authorities for its early finalization. The ambassador and Dr. Gu Wenliang followed up with their side for the visit of the Chinese Quarantine inspectors to meat processing units and to grant market access to Pakistani cherry, potato and onion.

The Nation
September 19, 2020

Foreign investment surges 40pc in 2 months

ISLAMABAD-The foreign direct investment (FDI) into the country witnessed an increase of 39.9 percent during the first two months of the current fiscal year as compared to the corresponding period of last year. The FDI during July-August (2020-21) was recorded at 226.7 million against the direct investment of $162 million during July-August (2019-20), showing growth of 39.9 percent, State Bank of Pakistan (SBP) reported Friday. In absolute terms, the FDI into the country increased by $64.7 million during the first two months compared to the last year, the SBP data revealed. On year-on-year basis, the direct investment increased by 23.5 per cent to $112.3 million during the month of August 2020 as compared to the investments of $90.9 million in the same month of 2019. Meanwhile, the portfolio investment into the country increased by 310.1 percent to $76.3 million during July-August (2020-21) against the investment of $36.3 million during the corresponding period of last year. During the month of August 2020, the portfolio investment increased 112.6 percent from $2.4 million in August 2019 to $3.1 million in August 2020.

The Nation
September 19, 2020

Maldives delegation visits TDAP

KARACHI-The trade delegation from Maldives visited TDAP and met chief executive and secretary TDAP. The chief executive and secretary TDAP welcomed the delegation and
expressed hope that this delegation would pave way for the enhancement of trade between the two countries and would strengthen the economic ties. Chief executive informed the delegates that Pakistan is exporting high quality products to the world and it can export to Maldives all required products which include textile, fruits and vegetables, cements, pharmaceutical, iron and steel, surgical instruments and construction material. He said that although bilateral trade volume is quite low and both countries need to explore avenues to enhance bilateral trade. Pakistan is ready to fulfill import needs of Maldives by supplying quality products at competitive rates. The leader of the Maldivian delegation expressed gratitude to chief executive and secretary TDAP for facilitating the visit of the delegation to Pakistan. He stated that this visit would provide them opportunity to meet exporters of relevant sectors and explore business prospects. He also expressed hope that this visit would go a long way in strengthening the trade relations between the two countries. During their stay, the delegation would visit several manufacturing units and leading business houses as well as financial institutions. Vice President FPCCI also attended the meeting and assured full cooperation in arranging meetings of the delegates with leading exporters of identified sectors for enhancing business between the two countries.

The Nation
September 20, 2020

Common Expo Centre to be set up for Sialkot, Gujrat, Wazirabad, Gujranwala

ISLAMABAD-A common Expo Centre will be established for cities of Sialkot, Gujrat, Wazirabad and Gujranwala, for which government of Punjab will be approached for allocation of land. This was agreed in principle by the Advisor to the Prime Minister on Commerce and Investment, Abdul Razak Dawood in an official visit to Gujrat Chamber of Commerce and Industries (GTCCI). The advisor recognized and appreciated the role of the industry in these cities for their contribution in overall exports of Pakistan and assured full support to exporters and industrialists. He underlined, “For sustainable growth in exports, we need to diversify our products, into the developmental sectors, and find new markets, including Africa and Middle East etc.” During the visit, the advisor commerce discussed development of fans, furniture and pottery industries with the representatives. Dawood visited the Pakistan Electric Fan Manufacturers Association, where the representatives shared different issues related to export of fans and discussed practical and constructive solutions for development of industry and resolution of problems. The Association members appreciated Ministry of Commerce for various measures and interventions for boosting exports and promoting engineering sector, especially the recent move for revision of rates of duty drawbacks for electric fans. In addition, the problems related to Mandi Bahauddin were also raised by the Chamber representatives. The advisor assured that the government will play its facilitative role in finding solutions to their issues.

In the meetings with industry representatives, the advisor said that Pakistan has been able to successfully deal with the health and economic challenges posed by Covid-19 pandemic because of the effective coordination between the federal and provincial authorities, as well as the private
sector. Dawood underscored that due to these joint efforts and proper implementation of SOPs, Pakistan was able to bounce back quickly, in terms of exports, as compared to its regional competitors. The advisor on commerce apprised the representatives of the industry of various cost reduction measures, like tariff rationalization on raw materials and intermediaries, taken by the Ministry of Commerce, to enable the industry to manufacture their products on globally competitive rates and ensure value-addition. He reiterated that these measures are essential for strengthening of economy by promoting ‘Make in Pakistan’, export led growth and import substitution. The advisor informed that the government has already done tariff rationalization for 41 percent of the raw materials and intermediaries, while the next measures are also under consideration for different sectors, including chemicals, engineering, pharmaceuticals, leather, food processing and textiles, under the three years tariff rationalization plan of the MOC.

The Nation

September 20, 2020

Iran ready for barter trade with Pakistan

LAHORE-Iranian Consul General Reza Nazeri has stressed the need for strengthening trade ties between two neighboring countries, saying Iran is ready for barter trade and it will export petrochemical, steel and LPG to Pakistan while importing rice, meat and other agriculture products from Pakistan. While addressing the second meeting of the FPCCI Pak-Iran Business Council held here at its regional office, the Iranian Consul General said that Iranian Consulate of Lahore is ready to facilitate Pakistan’s private sector to promote bilateral trade and investment. Zahid Iqbal Ch., Vice President FPCCI, Dr. Mohammad Reza Karbasi, Director General of ICCIA & ICCIMA, Ali Asghar, Commercial Counselor, Najam-ul- Hassan, Chairman FPCCI Pak-Iran Business Council, and Syed Ali Raza Rizvi, Senior Vice Chairman FPCCI Pak-Iran Business, also spoke on the occasion. We are trying to restore air link between Tehran and Lahore as early as possible which was suspended due to Covid-19, also affecting tourism sector of Iran, he added. He lamented that the volume of two-way trade between Pakistan and Iran is negligible, as the mutual trade of two countries does not match their respective potentials. Reza Nazeri observed that Pakistan and Iran have the potential to cater to each other’s needs provided the businessmen have the exposure to the available opportunities. The business community in the two countries would have to increase interaction to share their experiences in the larger interests of the people of two brotherly nations, he added. He said the chambers of commerce in the two countries would have to focus on expansion of trade by holding single-country exhibitions and through trade delegations to each other’s country. Dissemination of sector-specific and trade-related information would go a long way in achieving the goal. The Iranian Consul General said that agriculture, tourism and metal industry of Iran have opportunities of investment and Pakistani business community should come forward.

Earlier, addressing the meeting, FPCCI President Mian Anjum Nisar welcomed the FPCCI’s Pak-Iran Business Council’s second meeting. He said that both brotherly Islamic countries have been enjoying amicable business relations. “I admit that the advantages like common religion
and traditional values, geographical connectivity and interdependence of work of our economics have not been materialized in true perspective,” he added. He said that the analysis of bilateral trade shows that the trade between the two countries is growing at a very slow pace, as current volume of bilateral trade is just $359 million dollars out of which Pakistan exports to Iran accounts for $36 million dollars against the imports of $323 million dollars. Mian Anjum Nisar said that some of the hurdles that are the reasons for low volume of trade and impeding the growth of trade between the two countries include ignorance about each other’s’ potential and non-utilization of the territorial connectivity. “In addition to these the tariff and non-tariff barriers are major obstacles in the way of trade enhancement between both neighboring countries.” He said that all the four traditional transportation modes are available for bilateral trade between and Pakistan and Iran including air, sea, road and rail but unfortunately none of these modes of transportation are efficiently and economically are being utilized at present. The businessmen have been emphasizing that the transportation facilities must be improved for the enhancement in economic relations. The transportation through land routes and railways need to be improved properly to facilitate the exporters of both sides, he added.

He urged both countries to issue transport licenses by equal number of vehicles to freely work across the border, as through this step the exporters of both the countries would be able to get direct access to the consumers. The other step is to provide proper and complete information about the products of both the countries which can be done by organizing single country exhibitions, he suggested. Actually, various decisions regarding the expansion of trade and economic relations between Pakistan and Iran has been taken up previously, he said and added that unfortunately, due to the instable and un-predictable international and regional political processes, these have remain slow. FPCCI President said that Iran and Pakistan are member of emerging SCO and ECO blocks. Geographical location of both countries affects their neighboring countries. It’s required that both countries should seek various avenues of cooperation for penetration of their products in these markets. We should study and review our bilateral PTA and incorporate various avenues of investment that has been emerging due to changing regional dynamics, he added. FPCCI President reassured the Iranian consul general that the apex chamber of the country would continue to play its role for increasing bilateral trade and economic relations.

DAWN
September 22, 2020

Textile exports fall 15pc in August

ISLAMABAD: Pakistan’s textile and clothing exports declined by over 15 per cent year-on-year to $1.007 billion in August, compared to $1.19bn in the corresponding month of 2019, data released by the Pakistan Bureau of Statistics showed on Monday. The export proceeds dipped in the second month of current fiscal year after posting growth in the first month. As a result of Covid-19, the demand for country’s exports has collapsed during the last five months. It was only in February when the textile and clothing exports jumped nearly 17pc on a yearly basis. This growth was reported after a long time as the past few years had been marred by single-digit
increases. However, in July-August, textile exports edged lower by 0.98pc to $2.28bn, from $2.302bn in same period of previous year.

Details showed ready-made garment exports fell by 13.74pc in value while plunging in quantity by 51.83pc during August. Those of knitwear dropped 10.65pc in value and 27.2pc in quantity, bed wear 12.29pc and 25.52pc, respectively. Towel exports fell by 10.12pc in value and 15.85pc in quantity, whereas those of cotton cloth dipped 17.91pc and 33.42pc. The government lifted the ban on exports of seven products classified as personal protective equipment (PPE) in a bid to allow manufacturers to honour international orders. Among primary commodities, cotton yarn exports plunged by 51.36pc, yarn other than cotton by 100pc, made-up articles excluding towels -5.82pc and raw cotton 94.4pc. On the other hand, tents, canvas and tarpaulin increased by a massive 34.07pc during the month under review. The import of textile machinery dropped by 30.27pc during the second month of FY1 a sign that no expansion or modernisation projects were taken up by the industry in the given period. The country’s textile and clothing exports tumbled over 6pc year-on-year to $12.526bn in FY21, compared to $13.327bn in the corresponding period of FY20. Oil imports Petroleum imports declined 24.27pc in August to $770.586 million, compared to $1.017bn over the last year. It is estimated that petroleum consumption since March 22 has fallen significantly since the full lockdown was enforced and private transport came to a standstill. Of these, petroleum product imports were down 24.78pc in value in August despite increasing by 48.36pc in quantity.

Similarly, import of crude oil rose 9.49pc in value and 65.04pc in quantity during August while those of Liquefied Natural Gas fell by 51.01pc in value. On the other hand, liquefied petroleum gas imports jumped 13.19pc in value in August, largely to plug a shortage in local production. As a result, imports of petroleum products were down 50.39pc year-on-year during the month under review. Machinery imports dipped 5.89pc to $646.949m, from $687.409m while those of power generating machinery were up by 15.23pc and office machinery 31.50pc during August. In the telecommunication group, imports surged by 61.0pc led by mobile handsets higher by 85.84pc. This was the result of a crackdown on smuggling and doing away with free imports in baggage schemes. Import of other apparatus fell by 0.67pc. The overall transport group also witnessed contraction of 38.35pc. An increase of 38.45pc was seen in imports of textile group raw cotton, synthetic and artificial silk yarn. The overall food group import jumped by 10.95pc during August from a year ago. The government import wheat and sugar to bridge the local shortages. Total imports during July-August were lower by 10.65pc to $3.674bn, as against $3.720bn in the corresponding period of previous year.

**The Nation**

*September 22, 2020*

**Govt ready to privatisate 19 PSEs, including PSM and Roosevelt Hotel**

ISLAMABAD-The incumbent government is working to privatisate 19 Public Sector Entities (PSEs) simultaneously including Pakistan Steel Mills (PSM) and Pakistan International Airlines owned Roosevelt Hotel, New York. The privatisation commission had already started the privatisation of federal government owned properties from 7th September. The privatisation
Pakistan Bureau of Statistics (PBS) reported.

Exports from the country, in rupee term, increased by 1 per cent during the first two months of the current fiscal year as compared to the corresponding period of last fiscal year, Pakistan Bureau of Statistics (PBS) reported. The exports from the country during July– Aug
(2020-2021) were recorded at Rs599,260 million as against Rs593,306 million during the corresponding period of last year, showing an increase of 1 per cent, according to provisional data released by PBS. However, on year-on-year basis, the exports from the country decreased by 9.57 per cent in August 2020 when compared to the exports of August 2020. The exports in August 2020 were recorded at Rs265,605 million as against the exports of Rs293,718 during August, 2019. On month-on-month basis the exports decreased by 20.40 per cent per in August 2020 when compared to the exports of Rs333,655 million in July, 2020.

The main commodities of exports during August, 2020 were knitwear (Rs41,691 million), readymade garments (Rs34,041 million), bed wear (Rs30,353 million), cotton cloth (Rs24,375 million), rice others (Rs10,996 million), towels (Rs9,271 million), cotton yarn (Rs9,159 million), made-up articles excluding towels & bedwear (Rs.8,224 million), Basmati rice (Rs5,639 million) and surgical goods & medical instruments (Rs5,517 million). On the other hand, imports during July – August, 2020 totaled Rs1,170,081 million as against Rs1,177,808 million during the corresponding period of last year, showing a decrease of 0.66 per cent.

Imports into Pakistan during August, 2020 amounted to Rs557,418 million (provisional) as against Rs612,663 million (provisional) in July, 2020 and Rs. 588,070 million during August 2019 showing a decrease of 9.02 per cent over July, 2020 and of 5.21 per cent over August 2019. The main commodities of imports during August, 2020 were Petroleum products (Rs60,821 million), petroleum crude (Rs.40,331 million), mobile phones (Rs26,562 million), plastic materials (Rs25,942 million), palm oil (Rs24,618 million), natural gas, liquefied (Rs24,311 million), iron and steel scrap (Rs23,979 million), power generating machinery (Rs18,984 million), electrical machinery & apparatus (Rs15,060m) and medicinal products (Rs13,750 million).

The Nation
September 23, 2020

Cutlery export increases 9.43pc

ISLAMABAD - The cutlery exports from the country witnessed an increase of 9.43 per cent during the first two months of current financial year (2020-21) as compared to the corresponding period of last fiscal year. The country exported cutlery worth $18.446 million during July-August (2020-21) against the exports of $16.856 million during July-June (2019-20), showing growth of 9.43 per cent, according to the PBS. Meanwhile, on year-on-year basis, the cutlery exports witnessed nominal increase of 1.58 per cent during the month of August 2020 as compared to the same month of last year. The cutlery exports in August 2020 were recorded at $8.288 million against the exports of $8.159 million in August 2019, the PBS data revealed. On month-on-month basis, the exports of cutlery however witnessed decrease of 18.41 per cent during August 2020, when compared to the exports of $10.158 million during July 2020, according to the data.
Export of regulated agri commodities to South Korea up by 7.54pc

ISLAMABAD-Pakistan’s export of regulated agriculture commodities to South Korea increased by 7.54 percent during the first two years of the incumbent government, it was learnt here reliably. The country’s export of regulated agriculture commodities to South Korea increased to Rs 7773 million in 2019-20 from Rs 7228.14 million in 2017-18, official data reveals. The commodities that were exported include alfalfa seed, animal feed, cotton products, rice, sesame seed, wheat straw and wheat flour. Besides agriculture commodities, Pakistan also exported animal products, dairy products, meat, tanned hide and skin worth Rs 1859 million to South Korea during 2018-19. While it imported same products of worth Rs 751.9 million from South Korea. Meanwhile, a press statement issued here stated that Pakistan and South Korea agreed to develop new varieties of potato as the first project of cooperation. Federal Minister for National Food Security and Research (NFSR) Syed Fakhar Imam met with Kwak Sung-Kyu, Ambassador of the Republic of Korea along with Dr Cho Gyoung-rae, newly appointed Director, KOPIA Pakistan Centre. Federal minister said that signing of MoU between PARC and its counterpart RDA-Korea will promote cooperation in the field of agricultural research. The Rural Development Administration (RDA) of the Republic of Korea launched the Korea Programme on International Agriculture (KOPIA) in 2009 to share the Korean experiences and knowledge.

Korean Embassy in Pakistan indicated that Pakistan can also take benefit of KOPIA and MoNFS&R also expressed its intention to join KOPIA. The proposal was formally taken up through EAD with the Korean side. Pakistan Agricultural Research Council (PARC) was selected as the technical organization from Pakistan side to further collaborate with the Korean side for establishment of KOPIA Centre. Subsequently, PARC and Rural Development Administration, Korea signed the MoU on 6th August, 2020 for establishment of KOPIA Pakistan Centre. KOPIA Centre will be housed at NARC, Islamabad. Under the MoU, KOPIA Centre’s cooperative projects and activities includes technology development projects related to agriculture and livestock which aim to increase incomes of smallholder farm households; exchange of research materials, publications and technical information; technology development activities of Korean experts and scientists at PARC as the Centre’s counterpart; training of Pakistan researchers, extension agents, community organizations and farmers at the RDA in Korea or at the Centre and other activities which intend to promote technological cooperation in agriculture and livestock. Two sides agreed to develop new varieties of potato as the first project of cooperation under this MoU.
Cement export increases 5.60pc in 2 months

ISLAMABAD - The exports of cement from the country witnessed an increase of 5.60 per cent during the first two months of ongoing financial year (2020-21) as compare to the corresponding period of last fiscal year. The country exported cement worth $44.540 million during July-August (2020-21) as against the exports of $42.149 million during July-August (2019-20), showing growth of 5.60 per cent, according to the Pakistan Bureau of Statistics (PBS). In terms of quantity, the exports of cement increased by 29.35 per cent by going up from 1,064,154 metric tonnes to 1,376,536 metric tonnes, according to the data. Meanwhile, on year-to-year basis, the exports of cement increased by 28.93 per cent during the month of August 2020 as compared to the same month of last year. The exports of cement from the country during August 2020 were recorded at $21.585 million against the exports of $16.742 million in August 2019. On month-on-month basis, the exports of cement however decreased by 5.85 per cent during August 2020 as compared to the exports of $22.925 million in July 2020, the PBS data revealed. The country trade deficit witnessed reduction of 8.32 per cent during the first two months current fiscal year (2020-21) as compared to the deficit of the corresponding period of last year. The deficit during July-August (2020-21) was recorded at $3.382 billion against the deficit of $3.689 billion, the data revealed. During the period under review, the country’s exports registered negative growth of 4.27 per cent, by going down from $3.744 billion last year to $3.584 billion during the current year. On the other hand, the imports witnessed decreased of 6.28 per cent, from $7.433 billion last year to $6.966 billion this year.

Pakistan earns $25 million from travel services’ export

ISLAMABAD-Pakistan earned $25.030 million by providing different travel services in various countries during the first month of current financial year 2020-21. This shows negative growth of 34.27 per cent as compared to $38.082 million same services were provided during the corresponding period of last fiscal year 2019-20, Pakistan Bureau of Statistics (PBS) reported. During the month under review, the personal travel services decreased by 34.19 per cent, from $37.622 million last year to $24.760 million during July 2020. Among these personal services, the exports of personal expenditure however witnessed increase of 50 per cent while the education related expenditure decreased by 20 per cent. In addition, the other personal services also dipped by 34.54 per cent, out of which travel and other travel services witnessed negative growth of 98.55 and 34.42 per cent respectively. Meanwhile, the exports of business services decreased by 41.30 per cent, from $0.460 million to $0.270 million, the PBS data revealed. The country’s services trade deficit witnessed decline of 13.79 per cent during the first month of current financial year (2019-20) as compared to the corresponding period of last year. The exports during July 2020 were recorded at $436.05 million against the exports of $459.99 million, showing decline of 5.20 per cent, according to latest data of PBS. The imports into the
country also witnessed decline of 9.30 per cent by falling from $879.88 million in July 2019 to $798.05 million, the PBS data revealed. Based on the figures, the services trade deficit in July 2020 was recorded at $362 million against the deficit of $419.89 million in July 2019, showing decline of 13.79 per cent.

September 29, 2020

**US remains top buyer of Pakistani goods**

KARACHI: The United States remained Pakistan’s top export destination August as the country earned $334.5 million in proceeds during August, even as they witnessed a decline compared to $341.08m in same period of 2019. According to data released by the State Bank, Pakistan received $671.75m from the US during July-August, compared to $714.63m in the corresponding months of 2019 registering a fall of six per cent. The United Kingdom was the second biggest buyer from Pakistan at $129.17m in August, down 6.1pc over $137.56m in the corresponding period last year. On the other hand, Pakistan’s merchandise exports to Germany rose by 6.75pc to $111.79m during August, from $104.725m in same month of 2019. Next came China which bought goods worth $93.649m from Pakistan during the month under review, plunging by 25.88pc over $126.345m in the same period last year. The United Arab Emirates closely followed purchasing Pakistani merchandise valued at $93.219m in August, lower by 6.51pc compared to $99.714m in the same month of 2019. Meanwhile, exports to Afghanistan edged up 5.36pc year-on-year to $60.975m in August, from $57.873m.

On the flip side, Pakistan unsurprisingly imported the most merchandise from China at $783.365m in August, inching up 1.84pc from $769.235m in same month of 2019 while plunging by 28.88pc compared to $1.101 billion in outgoing July. Imports from the UAE also edged up by 3.78pc year-on-year to $559.544m in August, from $539.154m with Dubai accounting for the largest share of the value. The country bought goods worth $192.378m from Singapore during August, which represented a decline of almost 7pc year-on-year against the corresponding month last year’s figure of $206.788m. Pakistan’s imports from the US also surged by 42.14pc to $140.392m during the month under review, as against $98.772m recorded in August 2019. Another $109.969m of goods were purchased from Switzerland in August, more than doubling over $40.15m in the corresponding month last year.

September 29, 2020

**Islamabad, Kabul to discuss PTA and revision of APTTA**

ISLAMABAD: Pakistan and Afghanistan will soon commence negotiations for Preferential Trade Agreement (PTA) and revision of Afghanistan-Pakistan Transit Trade Agreement to optimally utilise capacities for mutually-beneficial trade and transit. Talking to media after his
meeting with Chairman High Council for National Reconciliation Dr Abdullah Abdullah upon his arrival on a three-day visit to Pakistan, Foreign Minister Shah Mahmood Qureshi said that Prime Minister’s Adviser on Commerce Abdul Razak Dawood would soon be visiting Kabul for strengthening economic ties between the two countries, where he would also hold discussions with the Afghan leadership on regional connectivity projects. He said that Pakistan wanted a new beginning of relationship with Afghanistan to promote bilateral trade and regional connectivity, adding that prosperity and stability in Afghanistan was in Pakistan’s national interest.

Qureshi said that Pakistan desired an end to the violence in Afghanistan and peaceful environment aimed at bringing peace and prosperity in the war-torn country. Welcoming Dr Abdullah Abdullah and his delegation to Pakistan, the foreign minister expressed the hope that his visit would open a new chapter in bilateral relations. He said that Dr Abdullah Abdullah’s visit would greatly help to strengthen relations with Afghanistan, and forge a common understanding on the Afghan peace process. He also extended best wishes to Dr Abdullah in steering the peace negotiations to a successful outcome. Reaffirming Pakistan’s steadfast support to the peace process, Foreign Minister Qureshi emphasized that Pakistan had always maintained there was no military solution to the Afghan conflict, and encouraged all parties to reach a political solution through an Afghan-led and Afghan-owned process. Welcoming the inaugural ceremony of Intra-Afghan Negotiations, held in Doha on 12 September, Qureshi noted that it was now up to the Afghan leadership to seize this historic opportunity to bring an end to the decades’ long conflict and secure an inclusive, broad-based and comprehensive political settlement. He underscored Pakistan’s support for a peaceful, stable, united, sovereign and prosperous Afghanistan. He stressed that mistakes of the past should not be repeated; nor should past history dictate the future course of action.

Foreign Minister Qureshi further underlined that there was a need to guard against the detrimental role of “spoilers”, both within and outside Afghanistan, who did not wish to see return of peace in the region. He underlined the high importance Pakistan attached to its brotherly relations with Afghanistan. He stated that recently, at the request of the Afghanistan government, Pakistan opened five border crossing-points for facilitating transit trade, bilateral trade and pedestrian movement. He also highlighted the US $1 billion development and capacity-building assistance that Pakistan had extended to support reconstruction and economic development in Afghanistan. Emphasizing importance of bilateral economic relations, he noted that negotiations for Preferential Trade Agreement (PTA) and revision of Afghanistan-Pakistan Transit Trade Agreement (APTTA) would commence soon to optimally utilise our capacities for mutually-beneficial trade and transit. The foreign minister stressed that return of Afghan refugees to their homeland with dignity and honour should be part of the peace and reconciliation process. Highlighting that terrorism was a common threat; the foreign minister emphasized the need for close cooperation through bilateral institutional mechanisms including relevant working groups of the APAPPS for effective border management. He said that Pakistan backed a peaceful and durable political solution of Afghanistan's conflict through an Afghan-led and Afghan-owned peace process. Pakistan, as a shared responsibility, has been playing the role of facilitator in the Afghan peace process, he added.

Qureshi said that the US-Taliban peace agreement and later the intra-Afghan dialogue held in Doha had raised the prospects of durable peace in Afghanistan. He said the Afghan leadership
should seize this historic opportunity and undertake serious efforts to take the Afghan peace process to a logical conclusion. He said that the international community would have to come forward for the reconstruction and economic stability of Afghanistan. The foreign minister said Pakistan respected the territorial integrity and sovereignty of Afghanistan, and wanted to develop strong economic cooperation with the neighboring country. He also thanked the visiting delegation of Afghanistan led by Abdullah Abdullah to promote bilateral relations. Dr Abdullah Abdullah commended conciliatory and sincere efforts being made by Pakistan to take the Afghan peace process to a logical conclusion. He expressed his gratitude to Pakistani leadership over its role in the Afghan peace process. The top Afghan leader is on his first visit to Pakistan as Chairman, High Council for National Reconciliation of Afghanistan. He would hold meetings with President Dr Arif Alvi on Wednesday, and Prime Minister Imran Khan today (Tuesday). Dr Abdullah Abdullah will also hold a one-on-one meeting with Chief of Army Staff General Qamar Javed Bajwa followed by delegation-level talks at the COAS camp office in Rawalpindi today (Tuesday). As per schedule of his engagements, Dr Abdullah Abdullah will also hold one-on-one meeting with Chairman Senate Sadiq Sanjrani, besides interactions with think tankers.

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