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Bilwani seeks special status for textile sector

RECORDER REPORT

KARACHI: Chief Coordinator and Former Chairman Pakistan Hosiery Manufacturers & Exporters Association Jawed Bilwani has said that apparel is the largest sub-sector of textile export sector with \$5.3 billion exports per annum and largest contributor to earn precious foreign exchange and largest employment provider.

During the visit of Prime Minister's Adviser on Commerce & Textile, Abdul Razak Dawood to PHMA House, in his presentation, Bilwani said that in 1990, textile export of Pakistan stood at \$3.67 billion, Bangladesh \$0.98 billion and India \$4.71 billion and now in 2018 the textile exports of Pakistan stood at \$13.53 billion with 269 percent growth, Bangladesh \$30.61 billion with 3,023 percent surge and India's textile exports are \$36.74 with 680 percent

growth.

Bilwani said that in 1991 cotton production of Pakistan stood at 10 million bales (480 lbs), India at 9.7 million bales (480 lbs) while in 2017 Pakistan stand at 8.20 million bales (480 lbs) with 18 percent decrease, India stands at 28.70 with 205 percent growth. He said that the main reasons behind the slow growth in exports is that the exporters are facing tough competition with neighbouring countries due to high cost of doing business on one hand while there is persistent liquidity crunch on the other hand. He said that the severe liquidity crunch lead to lower production and closure of a number of exporting industries resulted in drop of textile exports. Jawed Bilwani voiced that policy decisions of the Government must be sustainable and continuous. He further demanded that in extended Prime Minister's Export

Package for three years, the imperative role of association is missing which should be included for the sustainability of the associations.

Bilwani emphasised that the value added textile sector needs special attention of the government to achieve milestone in exports in this connection, the government has to take crucial steps and decisions to enhance per hectare yield of the cotton crop, cotton contamination and development of seeds.

Zubair Motiwala Chairman CAPTA in his keynotes appreciated the government for not increasing the gas tariff for the export sectors and announcement to separate tariff in utilities structure for export sectors. He urged that the cost of doing should be brought down at par with regional competitors to make us competitive in the international market and this will benefit the entire manufacturing chain.

Govt likely to introduce different electricity, water tariffs for export industry

Prime Minister's Adviser on Commerce & Textile, Abdul Razak Dawood on Wednesday said the government has introduced separate gas tariff for export industry while same for electricity and water tariffs for export industry is also under-consideration.

During his visit to Pakistan Hosiery Manufacturers & Exporters Association, Dawood while addressing to leading value added textile exporters have stated that the role of value added textile is vital in the national exports and the Government wants to accord top priority to this sector taking necessary steps and measures to enhance its export efficiency.

Efforts are underway to reduce the cost of manufacturing and making the value added textile export industry more viable. He sought proposals from PHMA and other Value Added Textile Associations for discussion in the cabinet for export enhancement.

Dawood stated that the Ministry is also working to rationalize and duties structures and wants to minimize taxes and duties on import of raw materials and instead apply duties on import of finished / luxury goods in order to facilitate the domestic industry become more viable with reduced cost of manufacturing.

Ministry will also hold the meeting to simplify the DTRE Scheme and make Soft DTRE with improvement in rules and system. Ministry is working on a strategy to discourage export of raw material and encourage export of value added items and decision shall be taken sooner. He added that on request of Value Added Textile Export Associations, he will recommend the Governor, State Bank of Pakistan to allow facility for exporters' Authorized Dealer to make import advance payments against irrevocable Letters of Credit (L/C) upto 100% of the value of the goods and upto US\$10,000/- per invoice for the import of all eligible items without the requirement of L/C or Bank Guarantee from the supplier abroad.

Razak Dawood informed that the Government is strengthening further its strategic partnership with China on bilateral trade and CPEC. In recent meetings with Chinese Foreign Minister and Ambassador, Pakistan has convinced China to renegotiate Free Trade Agreement to bridge the trade gap enhancing preferential tariff lines for Pakistan from 57 to 313 tariff lines. A big delegation of Chinese Buyers is visiting Pakistan on 8 Oct to hold broad based meetings with Pakistani Exporters and huge orders are expected. He highlighted that he has asked the Chinese Buyers to give orders rather than signing any MoUs. In the continuous process to strengthen Pak-China Trade Ties, Prime Minister has planned to visit China to meet his Chinese counterpart in November for meeting on bilateral relations on trade, investments and joint ventures. Dawood added that he has also urged that beside preferential treatment under CPFTA, China should also allow Pakistan preferential treatments and concessions given to ASEAN Countries.

Adviser to PM informed that to earn more foreign exchange and enhancement of exports, it is imperative that Pakistani Value Added Textile Industry should do more value addition with domestic cotton and yarn. To bring reforms in Agriculture produces, he will meet the Cotton Growers and Ginners soon for due diligence on enhancement of per hectare of yield of cotton crop, cotton contamination and development seed bank.

Earlier, Chief Coordinator and Former Chairman, PHMA, Jawed Bilwani welcomed Prime Minister's Adviser on Commerce & Textile, Abdul Razak Dawood to PHMA House, Karachi.

Zubair Motiwala Chairman CAPTA in his keynotes that appreciated the Government for not increasing the Gas Tariff for the Export Sectors and announcement to separate tariff in Utilities Structure for Export Sectors.

Razak concerned over falling cotton output

By Parvaiz Ishfaq Rana

KARACHI: Adviser to Prime Minister on Commerce and Textile Industry, Production and Investment Abdul Razak Dawood on Wednesday expressed concern over low cotton production and crop contamination.

Talking to textile industry leaders and exporters at PHMA House, the adviser said production cannot be increased without introducing new cotton seeds. Similarly for contamination-free cotton, ginning units have to go for better technology, he added.

He said the issue of wide trade gap between Pakistan and China was taken up during the recent visit of Chinese foreign minister. After detailed discussions, both sides agreed to work on narrowing down the trade gap, he added. Pakistan's imports from China are presently at \$15.38 billion and exports at \$1.5bn only.

The adviser informed the textile leaders that the number of preferential tariff lines with China has now been increased from 57 to 313. Also discussions were under way for revising the Free Trade Agreement (FTA) with China and Pakistan is seeking concessions equal to Asean countries.

On the occasion, he said a large buying mission from China is arriving on Oct 8. The adviser assured that no negotiations will take place without consultation with trade and industry.

Razak said a delegation headed by him will leave for China on Nov 4 with a aim of luring Chinese investors.

He said Pakistan's tariff policy needed to be rationalised. Responding to a question, he said the Chinese foreign minister assured to provide special corridor and space to Pakistan in bilateral trade which in the past was not fully explored.

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High-profile Chinese delegation to arrive in October

Beijing wants to bridge huge trade gap with Islamabad

KARACHI

Adviser to the Prime Minister on Commerce, Textile, Industry and Investment Abdul Razak Dawood said on Wednesday that the Pakistan Tehreek-e-Insaf (PTI) government has made the Chinese government realise to bridge the huge trade gap between the two nations, which is in favour of Beijing.

China genuinely wanted to bridge the trade gap and establish a good trade balance. "As a step forward in this direction, a high-profile Chinese delegation, having many Pakistani products on their purchase list, is scheduled to arrive on October 8," he informed the value-added textile sector representatives in a meeting at the Pakistan Hosiery Manufacturers and Exporters Association (PHMA) office.

He added that on November 4, Pakistan's delegation, led by him, would leave for Beijing to meet with the Chinese commerce minister and other authorities and discuss how to revisit the free trade agreement (FTA) between the two countries.

"We have already discussed the trade imbalance with the Chinese foreign minister during his recent visit to Islamabad and the Chinese ambassador to Pakistan," he said, adding the PTI government would seek tariff concession on 330 items.

"The big gap in Pakistan-China trade is a serious issue and the PTI government is making efforts in this regard," he said. "However, it will take some time."

The adviser assured the business community that he would not negotiate anything with China on trade and investment without consultation with the business community through their representative trade bodies. APP

ویلیو ایڈڈ ٹیکسٹائل کو ترجیح دے کر برآمدی پالیسی بنائیں گے مشیر تجارت

پیداواری لاگت کم کرنے پر سب سے زیادہ توجہ، برآمدی صنعتوں کیلئے گیس کے بعد بجلی پانی کے بھی علیحدہ ٹیرف متعارف کرانے پر غور کر رہے ہیں

جانی چاہئے جس سے ملک کے قیمتی زرمبادلہ میں اضافہ ہوگا۔ ملک میں کپاس کی پیداوار بڑھانے کے لیے وہ عنقریب کاشتکاروں اور جنرل سے ملاقاتیں کریں گے اور اس سلسلے میں فی ہیکٹر پیداوار میں اضافے اور آلودگی سے پاک کپاس کے فروغ کے لیے عملی اقدامات کیے جائیں گے۔ انہوں نے کہا کہ حکومت سے کہا گیا ہے کہ وہ صنعتی خام مال کے بجائے تیار مصنوعات پر ریگولیٹری ڈیوٹی کا نفاذ کرے تاکہ ملک میں ٹیکسٹائل مصنوعات کی پیداواری لاگت میں کمی آسکے۔ انہوں نے کہا کہ عنقریب حکومت ملک سے خام مال کی برآمدات سے متعلق جامع حکمت عملی مرتب کر کے اہم فیصلے کرے گی۔

تجارت سے متعلق اشیاء کی فہرست کو 53 اشیاء سے بڑھا کر 313 اشیاء کی تجویز دی گئی ہے، جن میں سے کہا گیا ہے کہ وہ پاکستان کی برآمدات کے فروغ کے لیے رعایتی ٹیرف متعارف کرائے اس ضمن میں چین سے کہا گیا ہے کہ وہ پاکستان کو آسان سماں ملک کی طرز پر ترجیحی تجارت کی رعایتیں اور سہولتیں فراہم کرے، انہوں نے بتایا کہ 8 اکتوبر کو کھڑے سے ٹیکسٹائل مصنوعات کے خریداروں کا ایک بڑا وفد پاکستان کا دورہ کر رہا ہے جبکہ گلگت مرہٹے میں سرمایہ کاری اور مشترکہ منصوبوں کی حکمت عملی مرتب کی جائے گی۔ انہوں نے کہا کہ پاکستان سے ٹیکسٹائل کا خام مال نکلتا نہیں چاہئے بلکہ کپاس اور یارن کی زیادہ سے زیادہ ویلیو ایڈیشن کی

ہے جسکے بعد بجلی پانی کے بھی علیحدہ ٹیرف متعارف کرانے پر غور کیا جا رہا ہے، ویلیو ایڈڈ ٹیکسٹائل سیکٹر کی ایسوسی ایشن اس سلسلے میں تیاریاں مکمل کریں تاکہ کابینہ کے اجلاس میں برآمدات بڑھانے سے متعلق تجاویز پیش کی جاسکیں، انہوں نے اسٹیٹ بینک آف پاکستان کی طرف سے ایکسپورٹرز کیلئے ایکسپورٹ مصنوعات کی تیاری کی خاطر کی جانے والی ایپورٹس کیلئے 100 فیصد تک یا انوائس کے مطابق 10 ہزار ڈالر تک ایڈوائس منس کی سہولت ختم کرنے کے حوالے سے کہا کہ وہ خود کو رٹرائسٹ بینک سے بات کریں گے۔ انہوں نے کہا کہ چین سے ترجیحی تجارت کے معاہدے ایف ٹی اے سے متعلق ہونے والے مذاکرات میں ترجیحی

کراچی (کامرس رپورٹر) وزیراعظم کے مشیر برائے تجارت و ٹیکسٹائل عبدالرزاق داؤد نے کہا ہے کہ ملکی برآمدات میں ویلیو ایڈڈ ٹیکسٹائل سیکٹر کا اہم کردار ہے اور حکومت اس شعبے کو ترجیح دیکر برآمدی حکمت عملی مرتب کرے گی، ویلیو ایڈڈ ٹیکسٹائل سیکٹر کی ترقی کے لیے خصوصی اقدامات کیے جائیں گے جس میں پیداواری لاگت کم کرنے پر سب سے زیادہ توجہ دی جائے گی۔ یہ بات انہوں نے پاکستان ہوزری مینوفیکچررز ایسوسی ایشن کے تحت پی ایچ ایم اے ہاؤس میں ویلیو ایڈڈ ٹیکسٹائل ایسوسی ایشن کے نمائندوں سے خطاب کے دوران کہی۔ انہوں نے کہا کہ حکومت نے برآمدی صنعتوں کے لیے گیس کا الگ رعایتی ٹیرف دیا



کراچی: پاکستان ایبیل فورم کے چیئرمین جاوید بلوچی اور ذیہر مونی والا وزیراعظم کے مشیر برائے تجارت و ٹیکسٹائل عبدالرزاق داؤد کو شیلڈ پیش کر رہے ہیں

Strategic partnership with China to be strengthened further: Dawood

RECORDER REPORT

KARACHI: Prime Minister's Adviser on Commerce & Textile, Abdul Razak Dawood has said that Pakistan is further strengthening its strategic partnership with China on bilateral trade and CPEC.

"In recent meetings with Chinese Foreign Minister and Ambassador, Pakistan has convinced China to renegotiate Free Trade Agreement (FTA) to bridge the trade gap by enhancing preferential tariff lines for 57 Pakistani products to 313 items", he informed.

In a meeting with members of Pakistan Hosiery Manufacturers & Exporters Association (PHMA) on Wednesday, he said that a big delegation of Chinese buyers is visiting Pakistan in the first week of October to hold broad based meetings with Pakistani exporters.

"We have urged Chinese Buyers to place orders rather than signing MoUs and we are expecting huge export orders in these meetings", he added.

In the continuous process to strengthen Pak-China trade ties, Prime Minister Imran Khan has planned to visit China to meet his Chinese counterpart in November to discuss a number of projects relate to bilateral trade, investments and joint ventures, he informed.

Adviser to PM urged industrialist that with an aim

to earn more foreign exchange and enhancement of exports, it is imperative that Pakistani value added textile industry should do more value addition with domestic cotton and yarn.

"To bring reforms in Agriculture sector, we will soon arrange consultation sessions with cotton growers and ginners to enhance per hectare of yield of cotton crop and address other issues like cotton contamination and development seed bank."

He said that the role of value added textile is vital in the national exports and the government wants to accord top priority to this sector taking necessary steps and measures to enhance its export efficiency.

"A number of efforts are underway to reduce the cost of manufacturing and making the value added textile

export industry more viable. As a part of these efforts, the government has introduced separate gas tariff for export industry while it also under consideration to introduce separate tariff for electricity and water", he mentioned.

He also sought proposals from PHMA and other value added textile associations for discussion in the cabinet for export enhancement.

Abdul Razak Dawood informed that the ministry of commerce is also working to rationalize duties structures.

"We will minimize taxes on import of raw materials and enhance duties on import of finished and luxury goods to facilitate the domestic industry", he added.

In addition, ministry is working on a strategy to discourage export of raw material and encourage export of value added items and decision shall be taken sooner.

Ministry will also hold the meeting to simplify the DTRE Scheme and make Soft DTRE with improvement in rules and system.

He said that on request of value added textile export associations, ministry will recommend the governor State Bank of Pakistan to allow advance payments import facility against irrevocable Letters of Credit (L/C) up to 100 percent of the value of the goods and up to \$10,000 per invoice for the import of all eligible items without the requirement of L/C or Bank Guarantee from the supplier abroad.

Earlier, Chief Coordinator and former Chairman PHMA Jawed Bilwani during his presentation apprised about the issues and difficulties faced by the apparel export sector which is the backbone and engine of textile sector.

■ COMMERCE

Beijing sending 'buying mission' to bridge trade gap: adviser

By Javed Mirza

KARACHI: A Chinese 'buying mission' is arriving in Pakistan on October 8, 2018, with the sole purpose of striking import contracts with local producers, as Beijing has agreed to bridge the trade gap between the two countries, a top government official said on Wednesday.

"I had meetings with the Chinese foreign minister and their ambassadors and underlined that trade balance between two countries was grossly tilted in China's favour and they should buy more from Pakistan," Abdul Razak Dawood, Adviser to Prime Minister on Commerce

and Textile Industry, said while talking to stakeholders at Pakistan Hosiery Manufacturers Association (PHMA) House. "China is genuinely willing to bridge the trade gap."

Dawood said the mission, comprising Chinese businessmen, exporters, traders etc, would make supply contracts with local producers in many sectors for goods which China may use for home consumption or re-export. "The value-added textile exporters should be ready for and make the most of this opportunity," the adviser said.

China, the largest trade partner of Pakistan, has further increased its exports to \$11.458 billion in

FY18, an increase of \$1.381 billion compared to FY17.

However, exports to China increased by just \$120 million to \$1.744 billion, creating a trade gap of \$9.7 billion, which accounts for over 30 percent of the overall trade deficit of the country.

The adviser expressed serious concerns on reports that Chinese companies were mostly venturing in businesses of primary goods and material, and exporting these primary goods back to China for value-addition and re-export.

The adviser was informed at the meeting that Chinese companies were coming in jewelry, textiles,

leather, and other sectors, and exporting raw, semi-finished, and primary products out of Pakistan.

To this, the adviser said if they (Chinese) took all the primary goods and raw materials then what local industry would be left with.

"We need to improve the quality of our negotiations. I will put my foot down that this does not happen to our local industry," Abdul Razak Dawood said. He further said that discussions were on and China would grant preferential access on 313 tariff lines exportable to China.

Ensuring the exporters that no decision would be taken against their consent, Dawood said Prime

Minister Imran Khan and his team would be visiting China in the first week of November 2018 to deliberate the second phase of the free trade agreement.

Javed Bilwani, a top PHMA official, said the cost of doing business was very high in Pakistan due to high prices of utilities, thus the government should do away with gas infrastructure development cess (GIDC) to assist local industry.

"Apparel sector is the engine of Pakistan's textile exports as it accounts for 39 percent of the overall textile exports, but it is yet to receive the support and attention it deserves," Bilwani said.