

**Razak optimistic about getting much better FTA from China**

Pakistan will get a much better Free Trade Agreement (FTA) from China on April 9, claimed Adviser to the Prime Minister on Commerce, Textile and Industry Abdul Razak Dawood. "Pakistan is going to sign a much better-negotiated FTA with China as trade balance had already been greatly in favour of China," said Dawood while addressing a Pre-Budget Consultation and launching ceremony of a book titled "Growth and Inequality in Pakistan" authored by former Finance Minister Hafiz Pasha here on Tuesday.

The advisor said that FTA with China was negotiated in a very badly manner. "Now Phase-II is coming and luckily we have an opportunity to correct some of the errors that were there in the previous FTA," he added.

Dawood said that Pakistan did not get yet the same market access like Association of Southeast Asian Nations (Asean) countries have. Now China has agreed to allow market access on the same pattern, which was denied in November last year. "I don't blame Chinese alone, but mistake was on our part as well, as agreement was not negotiated in a proper way," he added.

The advisor further said that Pakistan will have duty free access to Indonesia on twenty items. Dawood said industry and trade policies are being improved. He said financing will be arranged for industries, instead of offering them subsidies. He further said, "Pakistan has asked for sharing information on trade figures and now we will have exact data." Trade balance is in their favour and trade deficit mainly comes from China, he added.

He said that the government will not provide any subsidies to the industries, but to help arrange funding for upgrading the industries on technology front.

He blamed the previous governments for promoting imports that led to the decline of local industries.

Shandana Khan, Parliamentary Secretary of Commerce and Textile expressed confidence that the system would change in 2-3 years, at the same time highlighted the issues faced by the federal and provincial governments and the remedy she proposed was higher coordination among institutions for enhanced effective and timely decisions.

Sartaj Aziz, Former Deputy Chairman Planning Commission, said the most important objective of the incumbent government should be to maintain the growth momentum.

He urged the government to focus on agriculture sector, where rapid and quick growth with low investments can be achieved. He said the government should avoid cutting the funding for Public Sector Development Programme (PSDP), otherwise it will harm the economy in the long-run. He further said, "If we get into political point-scoring then we won't be able to solve issues of economy." Aziz said that there is revenue shortfall in the first 9 months.

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