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### **Over 4.5m cotton bales to be imported**

ISLAMABAD: Pakistan has to import over 4.5 million cotton bales that would cost around \$1.5 billion, owing to 33 percent decline from the target set for cotton production this season, sources revealed to Business Recorder.

Officials said that imports of such a large quantity would not only increase the country's import bill, but also the cost of value-added production. Currently, the customs duty, additional custom duty, sales tax and income tax have been imposed @ 3 percent, 2 percent, 5 percent and one percent respectively on the import of cotton.

Pakistan has produced around 10 million bales of cotton on average for the last several years against consumption of over 14 million bales. Additionally, 1 to 1.5 million bales Extra Long Staple (ELS) cotton per annum is also imported, as this quality is not produced in the country.

According to a fortnightly report of Pakistan Cotton Ginners Association (PCGA) as of 1st October, around 2.93 million bales of cotton have arrived as compared to 4.02 million bales during the same period of last year, registering a 27.04 per cent decline. Out of total arrivals, over 2.47 million have undergone the ginning process. The arrivals in Punjab were recorded at 1.16 million bales and Sindh, over 1.7 million bales. Total sold bales were recorded at over 2 million bales.

The arrivals of seed cotton in Punjab declined by 35 percent to 1.16 million bales as against 1.818 million bales. Seed cotton arrivals in Sindh recorded at 1.767 million bales showing a decrease of 19.74 percent as compared to 2.202 million bales in last year.

Official said that current position of cotton crop in both Punjab and Sindh is that most of the farmers have started cutting their cotton crop and are preparing their land for sowing of wheat crop. The situation is not satisfactory and the production will be very far behind the target. The Cotton Crop Assessment Committee (CCAC) has revised downward cotton production target by around 33 percent, i.e, to 10.2 million bales against the initial target of 15 million bales set for the current season 2019-20, after missing the sowing target by over 6 percent.

Cotton Commissioner Dr Khalid Abdullah said that pests' attacks as well as weather led to revising downward the crop production target.

Cotton was sown on 2.658 million hectares against the target of 2.785 million hectares. Sources said that due to an increase in sugarcane cultivation in cotton areas, delay in harvest of wheat and shortage of water, there was a decline in cotton sowing.

The government fixed the following cotton area and production target for the year 2019-20: (i) Punjab was expected to cover 2.145 million hectares and produce 10.2 million cotton bales, (ii) Sindh had to cover 0.64 million hectares and produce 4.6 million cotton bales, (iii) Balochistan had to cover 0.1 million hectares and produce 0.2 million bales and (iv) Khyber

Pakhtunkhwa had been targeted to sow cotton on 0.01 million acres and produce 0.0002 million bales of cotton.

Sindh reported a drop of 30 percent in the expected cotton crop while Punjab reported a drop of 15 percent over last year's production.

According to All Pakistan Textile Mills Association (APTMA) short fall of 33 percent in cotton production translates to a drop of 2 percent in GDP as well as the requirement of importing of around 5 million bales thereby increasing the import bill very substantially. The expected quality of cotton is also much worse than last year.