

The Newspaper's Staff Reporter

Single tax on imports proposed

ISLAMABAD: The Senate Standing Committee on Commerce and Textile Industry on Wednesday asked the Commerce Division to work out a mechanism in order to reduce the burden of multiple taxes at import stage.

The committee meeting, chaired by Senator Muhammad Afridi, asked the Adviser to PM on Commerce and Textile Industry Razak Dawood to work upon a mechanism to get rid of double and triple taxation on imports.

The meeting discussed at length the impact of infrastructure cess imposed by Sindh and Punjab governments on importers. The committee asked the division to take up the matter in the cabinet and bring it into the notice of prime minister.

It was also suggested to call a meeting of the four chief ministers along with representatives from the Ministry of Communications to sort out the matter of double taxation and report back to the committee.

Leader of the House Shibli Faraz proposed passing a resolution in the senate reiterating the need to remove double taxation, asking for tax to be charged only once and a proper mechanism to deal with the issue. He was of the view that the state should be making matters easier for investors and businesses instead of complicating them.

Adviser to PM Dawood said that trade diversification through engineering goods would increase exports while adding that through Look Africa Policy, the government would facilitate exporters to promote engineering businesses in different untapped markets of African countries as well as in European Union by making their products competitive.

We are paying full attention to increase exports of engineering goods including tractors, air-conditioners, water dispensers, which would be start shipping within three potential markets of African region including Kenya, Tanzania and Mozambique.

He said the government had negotiated and signed memorandum of understanding with Angola's private sector companies for export of 5,000 local tractors.

We also received export order from the EU for 10,000 water dispensers while a separate negotiation was also in process for export of air-conditioners, Dawood added.

He said that local textile exports were increasing and have witnessed a positive trend in past few months, expressing hope that under the second phase of Free Trade Agreement, market share of Pakistan's textiles exports to China would increase.

Briefing the committee, he said the government had got duty-free access for goods worth \$1 billion to China in addition to the access under China FTA-II, which would help boost country's exports, particularly those of sugar, rice and local yarn.

The committee also discussed at length The Trade Organisations (Amendment) Bill, 2019 moved by Senator Naseebullah Bazai seeking amendment in Section 11(1) of the Trade Organisations Act, 2013 calling for increase in tenure of Federation of Pakistan Chambers of Commerce & Industry (FPCCI) president from one year to three years.