

### **Taxes, duties on raw materials to be phased out**

ISLAMABAD: The government is working to gradually remove duties and taxes on raw materials for the industry under a three-year plan, Adviser to the PM on Commerce Razak Dawood said on Friday.

He made the announcement while meeting a delegation of commerce and industry chambers from Islamabad, Rawalpindi, Lahore, Gujranwala, Faisalabad, Gujrat, Multan and Mirpur at the Ministry of Commerce.

He said the government will focus on the engineering sector to boost exports including power sector equipment, auto industry (auto parts, two-wheelers, three wheelers, and tractors), home appliances, mobile phones, sanitary ceramics ware, utensils, and cutlery, pumps and motors.

Dawood assured the delegation that the government has taken important policy decisions in this regard and the engineering sector exports would improve considerably in the FY2020-21.

Discussing different opportunities for the production of value-added products and their exports, he also underlined the importance of investing in certifications and laboratories, particularly to exploit the potential in the food processing sector.

Adviser also informed the delegation that the Ministry of Commerce is working to resolve issues faced by exporters on priority basis particularly with regards to the exports of personal protective equipment (PPEs).

He reassured the members that export of all items including hand sanitisers, disposable gowns, and gloves, face shields, biohazard bags, goggles and shoe covers, made from various classes of materials, including woven and non-woven chlorinated polyethylene, polypropylene, spunbond and melt blown has been allowed.

However, PPE items that will not be allowed for exports include N-95 masks, surgical masks and Tyvek suits.

He said the commerce ministry is cognisant of the problems faced by exporters and assured the delegation that they are being discussed at appropriate forums with relevant stakeholders for early resolution. He said it is the need of the hour for us to pursue the policy of 'Make in Pakistan' diligently and have rapid industrialisation to promote import substitution and enhance exports.

Informing the delegation about the steps undertaken by the commerce ministry in the current budget, Dawood said that tariffs need to be rationalised in order to achieve the 'Make in Pakistan' objectives.

He added that primarily due to the Covid-19 situation and to address its impact on the economy, some of the sectors have not been considered for the tariff rationalisation, while some important sectors have been given benefits.

He reiterated that the budget anomalies have been addressed to a large extent while the remaining will be resolved in consultation with stakeholders.