

### **Jul-Feb, Exports post 3.62pc growth**

ISLAMABAD: The country's exports have posted 3.62 per cent growth during the first eight months (July-February) of 2019-20 to \$ 15.643 billion from \$ 15.096 billion during the corresponding period of 2018-19, official sources told Business Recorder.

However, imports have shown 14.49 per cent decline to \$ 31.302 billion during this period from \$ 36.562 billion in corresponding period 2018-19. The provisional foreign trade figures show that trade deficit has shrunk by 27.05 per cent to \$ 15.659 billion from \$ 21.466 billion.

The sources said, exports showed impressive performance in February 2020 as growth was recorded at 13.61 per cent to \$ 2.137 billion from \$ 1.881 billion same month in 2019. If the exports figures of February 2020 are compared with figures of January, 2020, growth was recorded at 8 per cent.

Imports in February 2020 recorded at \$ 3.954 billion as compared to \$ 4.143 billion, showing a decline of 4.56 per cent. The figures indicate that trade deficit has shrunk by 19.67 per cent from \$ 2.262 billion in February 2019 to \$ 1.817 billion.

The sources said, the country's exports are affected by a number of factors all of which are not in the control of Commerce Ministry. Both in 2019 and 2020, there were strikes by the goods transporters as a result of policy interventions made by the Ministry of Communications.

Insiders claim that exports in January showed a negative growth of 0.75 per cent due to transporters strike and the delayed shipments delivered to the buyers late due to which their impact has been witnessed in export figures of February 2020.

The first strike 2019 was against the Axle Load Control regime, which took place in June and October 2019. These strikes came to an end only after the Prime Minister intervened and deferred the implementation of the Axle Load regime for a year.

The second strike took place in January 2020, against the new regulations and fines and against put in place by the Ministry of Communication. The strike continued for 9 days and stalled the movement of export containers.

Talking to a group of journalists, Prime Minister Advisor on Commerce, Industries and Production, Abdul Razak Dawood that positive trend in exports is encouraging as current Pakistan's competitors excluding Vietnam are showing negative growth.

"I think it is ok as almost all our competitors are down and we are 3.62 per cent up. Whatever our target is we will be close to it," he continued. However, when this correspondent said that 80-85 per cent target will be achieved, he endorsed it without

saying yes or no. India's textile situation is not good and Bangladesh is also facing similar situation.

In reply to a question, he said, the new Strategic Trade Policy Framework (STPF) will be ready next week as he has almost completed consultation with the stakeholders. He said, the STPF will be submitted to the federal cabinet for approval prior to announcement. He presided over a meeting on STPF on Monday and the other meeting on Tuesday (today) on this.

"He was of the view that everybody wants better results but whatever results, the government have achieved are not bad as there are issues of funds etc.

Abdul Razak Dawood said, exporters say that their refunds are not cleared in time due to which they face issues. He was of the view that Commerce Ministry has released refunds of Rs 17.5 billion of DTL from 2009.

"Exporters are still not satisfied. They say when they make hue and cry, government pays refunds and after payment government tries to take the credit but after two months exporters face similar problem," he said.

Abdul Razak Dawood further stated that there is a possibility that increase of 13.6 per cent growth in exports in February was due to delayed dispatching of consignment which were due in January, adding that exports results of March will indicate the real position.

Abdul Razak Dawood further said that Monetary and Fiscal Policy Coordination Board will meet on March 9 and possibly discuss discount rate. He said he has his views about discount rate and would make them known in the meeting, but would not share it with media. He said, businessman always say that interest rates should be slashed. However, Governor SBP gives data very professionally. During discussion it was assessed that SBP will reduce 50 basis points.

"There are many other people on the Board I am one voice," he said.

Shabir Ahmed Patron-In-Chief of Pakistan Bedwear Exporters Association (PBEA) stated that only selected businessmen/exporters have access to the Prime Minister who is also Minister in- Charge of Commerce due to which their issues of refunds are resolved.

Another view is that Secretary Commerce Sardar Ahmed Nawaz Sukhera is extending full cooperation to the exporters and fighting their case at the highest level so that exporters are facilitated to the maximum level.