

GSP Plus, FPCCI chief proposes strategy for proper utilization

KARACHI: President of the Federation of Pakistan Chambers of Commerce and Industry (FPCCI) Mian Anjum Nisar has proposed a comprehensive strategy for proper utilization of GSP Plus by ensuring uplift of export-oriented sector through removal of all impediments.

He appreciated the efforts of the Adviser to the Prime Minister on Commerce and Textile Abdul Razzak Dawood for playing an instrumental role in the extension of GSP Plus status for Pakistan.

Extension in the GSP Plus would further boost exports of Pakistan, he said.

Pakistan's export to EU is mainly dominated by textiles and clothing which accounts for 82 percent of total exports and facing strict competition, hence all issues such as refunds claim, energy at the lowest rate and priorities to the export-oriented sector should be ensured, he said.

Mian Anjum Nisar said that the country's exports and imports gap had widened which could only be reduced through promotion of exports which required government support to produce exportable surplus at a competitive price to attract the global markets, particularly the European Union.

"Pakistan is the major beneficiary of GSP Plus from EU which is the second largest trading partner of Pakistan after USA and has positive trade balance with the bloc; however, we need to produce more exportable goods to capture the EU market and their demand as presently Pakistan's export goes to six members of the EU in significant volume while in other members the exports from Pakistan are insignificant," he said.

Mian Anjum Nisar said that the GSP Plus allowed 20 percent of Pakistani exports to enter the EU market at zero tariffs and 70 percent at preferential rates, and it was expected that Pakistan's exports to the EU would increase after extension in the GSP Plus.

"EU GSP Plus was granted in 2013 and since then our export has increased to US \$7.9 billion from US \$6.2 billion, but this increase is only in textile and clothing while the exports of other products like carpet, pharmaceuticals, iron & steel, fruit, oil seed, copper, plastic, sugar etc. have low penetration," he said.