

Coronavirus impact: Pak exports may dip by 25pc in March

ISLAMABAD: In a serious development, impact of the deadliest wave of coronavirus has forced buyers from the world in general and Europe in particular to send emails to Pakistani exporters, asking for immediate halt in shipping of consignments containing export products to them.

"And against those consignments that have already been shipped to their destinations, the exporters will get export proceeds after six months' long time," say the essence of the emails from buyers.

This will result in dip of exports by 25 percent in the current month and 50 percent next month and more importantly it will aggravate the cash flow situation for exporters. Till the disappearance of coronavirus's deadliest spread, the halt of exports may continue in the mammoth damage to Pakistan's economy. "This has been intimated by eminent exporters to commerce and textile ministry," a senior official confided to The News. "The halting of shipping of consignments for prepared products and late payments from buyers for the consignments that have already been shipped has caused the cash flow situation."

Executive Director of All Pakistan Textile Mills Association (APTMA) Shahid Sattar, when contacted, confirmed the development saying that many exporters had received emails from buyers of European Union asking for halt of consignments of export products to them because of the spread of coronavirus and in the emails, buyers also intimidated the delay of amount against the consignments that have already been shipped to them.

Under this new scenario, the exports of the country are feared to go down by 25 percent in the ongoing month of March and 50 percent in next month i.e. April. Sattar said that ports and docks of the main economies in the world are no more functional, which is why the buyers have asked Pakistani exporters to immediately halt shipping of consignments.

To a question, he said that right now Pakistani exporters are flooded with orders and the industry is working in full swing, but exporters will not be able to exploit the situation because of halt of export on account of coronavirus.

According to a senior official of the Commerce Ministry, currently trade between Pakistan and China is already on halt since the emergence of coronavirus in China in December 2019 and the government is working to seek compensation from Beijing for dip in exports to China.