

Industry inputs, NTC chairperson assures APTMA of tariff rationalisation

LAHORE: Chairperson National Tariff Commission Robina Ather has assured the All Pakistan Textile Mills Association (APTMA) Punjab of rationalisation of tariff on all industry inputs.

She was talking to Chairman APTMA Punjab, Adil Bashir during her visit to the Association office on Saturday.

Chairperson NTC said the government has assigned NTC the task of rationalising tariff in consultation with all stakeholders. Earlier, the Federal Board of Revenue (FBR) was working on it, she added.

She said she has visited APTMA Punjab to consult the industry on the subject.

Chairman APTMA Punjab made a detailed presentation on the occasion and pointed out that APTMA has drafted an integrated export-oriented scheme covering the whole value-added chain.

The proposed scheme, he said, provides integration of all existing schemes and extends the coverage to the whole value-added chain with free mobility of inputs, intermediary and output goods from one licensee to another licensee and simultaneously protecting the government revenue through a foolproof mechanism and a fully automated system. The same may now be considered and approved by Ministry of Commerce and FBR, he asserted.

He further proposed to abolish Anti-Dumping Duty (ADD) and reduce customs duty on import of Polyester Staple Fibre (PSF).

He also asked for exempting the import of cotton from all duties and taxes throughout the year. NTC may determine realistic levels of effective tariff protection for the entire textile value-added chain, he said.

According to him, all inputs required for the export industry should be zero-rated.

Protection to the local industry may be considered and extended through tariff rate quota, he suggested.

Furthermore, chairman APTMA Punjab urged to amend section 51 of the Anti-Dumping Duties Act, 2019 through Finance Act, 2019 regarding levy of anti-dumping duty on import of inputs under export-oriented schemes may be withdrawn.

He has sought withdrawal of customs duties and taxes on import of chemicals, hydrogen peroxide (HP) and other inputs used in the textile industry.

He said separate customs sub-classification as per international HS code should be applied to raw materials required to produce high value-added and sophisticated textile products and a long term tariff policy should be announced to develop man-made fibre industry in the country with an adequately rationalized duty and tariff structure for inputs and outputs considering the levels of protection.

Bashir also stressed on the implementation of Textile Policy immediately.

According to him, there is an urgent need to upwardly revise duty drawback rates and make them realistic and rationale. He has also proposed to impose 15% regulatory duty on the import of synthetic yarns entering into the domestic commerce of Pakistan.

According to him, machinery parts falling in Part II of the twelfth Schedule also now attract WHT@2% and provisions of exemption certificates are needed to be restored.

Also, chairman APTMA Punjab said, textile machinery and parts should be exempted from Customs duty, sales tax, and WHT to upsurge investment and for BMR of the industry.

He said there is also an urgent need to abolish ADD on PSF on expiry of five years period and drastic reduction of customs duty to boost exports.

He said the government should ensure the availability of inputs and basic raw materials at competitive prices.

The visiting chairperson NTC assured him of considering the demands and proposals of APTMA in order to facilitate the textile industry through tariff rationalisation.