

Strategic partnership with China to be strengthened further: Dawood

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KARACHI: Prime Minister's Adviser on Commerce & Textile, Abdul Razak Dawood has said that Pakistan is further strengthening its strategic partnership with China on bilateral trade and CPEC.

"In recent meetings with Chinese Foreign Minister and Ambassador, Pakistan has convinced China to renegotiate Free Trade Agreement (FTA) to bridge the trade gap by enhancing preferential tariff lines for 57 Pakistani products to 313 items", he informed.

In a meeting with members of Pakistan Hosiery Manufacturers & Exporters Association (PHMA) on Wednesday, he said that a big delegation of Chinese buyers is visiting Pakistan in the first week of October to hold broad based meetings with Pakistani exporters.

"We have urged Chinese Buyers to place orders rather than signing MoUs and we are expecting huge export orders in these meetings", he added.

In the continuous process to strengthen Pak-China trade ties, Prime Minister Imran Khan has planned to visit China to meet his Chinese counterpart in November to discuss a number of projects relate to

bilateral trade, investments and joint ventures, he informed.

Adviser to PM urged industrialist that with an aim to earn more foreign exchange and enhancement of exports, it is imperative that Pakistani value added textile industry should do more value addition with domestic cotton and yarn.

"To bring reforms in Agriculture sector, we will soon arrange consultation sessions with cotton growers and ginneries to enhance per hectare of yield of cotton crop and address other

issues like cotton contamination and development seed bank."

He said that the role of value added textile is vital in the national exports and the government wants to accord top priority to this sector taking necessary steps and measures to enhance its export efficiency.

"A number of efforts are underway to reduce the cost of manufacturing and making the value added textile export industry more viable. As a part of these efforts, the government has introduced separate gas tariff for export industry while it also under-consideration to introduce separate tariff for electricity and water", he mentioned.

He also sought proposals from PHMA and other value added textile associations for discussion in the cabinet for export enhancement.

Abdul Razak Dawood informed that the ministry of commerce is also working to rationalize duties structures.

"We will minimize taxes on import of raw materials and enhance duties on import of finished and luxury goods to facilitate the domestic industry", he added.

In addition, ministry is working on a strategy to discourage export of raw material and encourage export of value added items and decision shall be taken sooner. Ministry will also hold the meeting to simplify the DTRE Scheme and make Soft DTRE with improvement in rules and system.

He said that on request of value added textile export associations, ministry will recommend the governor State Bank of Pakistan to allow advance payments import facility against irrevocable Letters of Credit (L/C) up to 100 percent of the value of the goods and up to \$10,000 per invoice for the import of all eligible items without the requirement of L/C or Bank Guarantee from the supplier

abroad.

Earlier, Chief Coordinator and former Chairman PHMA Jawed Bilwani during his presentation apprised about the issues and difficulties faced by the apparel export sector which is the backbone and engine of textile sector.