

# Textile Briefs

## National

- ❖ The government is withdrawing concessions available to Pure Terephthalic Acid (PTA) to avoid imposition of provisional countervailing duty on the complaint of M/s Plastic Europe. ICI, PTA plant was provided tariff protection of 15% in 1998 through a sovereign guarantee by the government for a period of ten years. In June 2008, the tariff on PTA import was reduced to 7.5%.
- ❖ Australia has cut its import tariff in several areas, particularly in the textile sector, from which Pakistan, being a major textile exporting country can benefit, said Timothy George, High Commissioner of Australia in Pakistan
- ❖ The yarn crisis severed as 70% of the spinning mills are gradually closing down as soon as their domestic cotton stocks are exhausted and we did not import cotton because of uncertain government policies on yarn, said Ejaz Gohar, Chairman, All Pakistan Textile Mills Association (Punjab Zone).
- ❖ Textile ministry has refused to withdraw 15% duty on yarn export whereas Aptma has called countrywide emergency videoconference to chalk out future strategy. The All Pakistan Textile Mills Association (Aptma) has closed the spinning mills across the country including Lahore against 15% duty on yarn exports and hold protest demonstrations at various places.
- ❖ Punjab Chief Minister Shahbaz Sharif said he was taking a number steps to meet the energy crisis and next step of the government is establishment of 200 MW coal plant with the financial assistance of Turkish government... He said that line losses in Punjab were much less than other provinces and the people of Punjab pay their electricity bills regularly but Punjab was not being accommodated in power load management.
- ❖ On the instructions of Federal Adviser Textile Ikhtiar Baig, Minister Trade High Commission for Pakistan, New Delhi, has taken up the matter with the Joint Secretary SAARC, Ministry of Commerce, New Delhi, requesting Textile Commissioner Mumbai, to expedite the process of revalidation of the contracts to resume export at the earliest and said all the pending consignments might be exported within next few weeks.
- ❖ Spinners and a huge number of textile workers protested on against 15% regulatory duty on yarn export, demanding the government to immediately reverse its decision. They shouted slogans against the regulatory duty on export of yarn and demanded it to be withdrawn immediately.
- ❖ The value-added textile sector has rejected the Prime Minister's Committee expressing concerns that two of the three members of the committee are the stakeholders and they will look after their own interests. Earlier, the APTMA delegation, led by Ejaz Ghoar, met with Prime Minister Yusuf Raza Gilani and informed him about their problems after imposition of yarn quota export and 15% duty.
- ❖ Multan—Secretary, Commerce and Investment, Fazal Abbas Maken, has said that the government had exempted the textile sector of power load shedding besides providing relief to domestic consumers through load management. However, energy crisis would end in due course of time. He said that the government was executing long-term and short-term energy projects to meet this crisis on permanent basis.
- ❖ Value Added Textile (VAT) Forum have announced to stage protest rallies and demonstrations to stress their demand for imposition of Regulatory Duty of 30% on export of cotton yarn from the country. In a meeting of the Forum the imposition of 15% Regulatory Duty on export of cotton yarn by the government was considered to be insufficient and half-hearted measure.
- ❖ Bilal Mulla, a former Chairman of Pakistan Readymade Garments Manufacturers and Exporters Association (PRGMEA), has urged the government to impose 30% regulatory duty (RD) on export of yarn for six months, till the next crop comes into the market. He said that imposition of 15% RD is a first step in the right direction but is not enough to ensure availability of yarn to local industry.
- ❖ Cotton growers and ginners have joined All Pakistan Textile Mills Association (Aptma) in protest against the imposition of 15% regulatory duty on export of yarn. Chairman APTMA Punjab, Gohar Ejaz said restriction on export of yarn has led to foreign exchange loss of \$150 million per month. Director FAP, Farooq Bajwa said the imposition of 15% regulatory duty has panicked the farmers' community at large.
- ❖ The government's decision of imposing 15% regulatory duty on cotton yarn exports will affect the major fibre of the textile sector, said Pakistan Yarn Merchant Association (PYMA). He said Textile Minister Rana Farooq Ahmad is unaware of the industry and bowed down before the near and dear of downstream textile units, and supporting downstream textile sector at the cost of spinning industry.
- ❖ Textile Minister Rana Farooq Ahmad said spinning industry is operating and also competing in the export market even though about 25% of the shortage of raw cotton is met through import. The total requirements of spinning industry is about 15.5 million bales (170 kg) per annum whereas average production of cotton in the country is 11.5 to 12.0 million bales. ◆