

Leather export decline

PTA chief urges minister to make prompt decisions

RECORDER REPORT

KARACHI: Chairman, Pakistan Tanners Association (PTA), Gulzar Firoz has urged Commerce Minister to look into the decline of leather exports and meet PTA delegation on urgent basis to take prompt decisions to arrest the declining trend of exports.

Expressing concerns on the decline of leather and allied products' exports for the year July-June 2015-16, he said that the exports decline in leather was by 26 percent, leather apparel and clothing by 12.36 percent, leather gloves by 11.44 percent, leather footwear by 18.84 percent, other leather Mfg. by 6.25 percent and overall average decline was about by 18 percent.

Firoz said that he had been continuously pointing out to the government about this serious situation, saying: "we have asked for very simple and basic incentives, which are as

follows:"

-The Duty Drawback rates should be re-notified as recommended by IOCO which were slashed by FBR without any justification. The Duty Drawback rates in the neighboring countries are 8-10 times more than Pakistan.

- waive 3 percent Custom Duty on Import of Raw Hides and Skins

- allow Zero-Rating of local taxes on export in shape of D.L.T.L at the rate of 5 percent to be reimbursed through Banks on realization of export proceeds.

- include Highly Value added "Finished Leather" in SRO 415(I)/2015 dated 15th May'2015 for availing the incentives of 4 percent of the FOB value of their enhanced exports as already allowed for allied Leather Sector

- extend and notify Scheme for Assistance/reimbursement of 75 percent cost for

Mandatory Certifications/Lab Testing from internationally-accepted Labs on the pattern as was announced in Trade Policy 2005-2006.

- continue facility of Matching grant for setting-up of Effluent Treatment Plants in individual Tanneries for PTA's remaining member tanners and also for newly-established Tanneries.

- extend incentive for sharing 25 percent financial cost for setting-up of labs in individual tanneries for PTA remaining member tanners and also for Labs of newly-established Tanneries."

Gulzar Firoz also said that he had been in contact with S.M. Muneer, CEO TDAP, who has always responded positively and has supported our above mentioned proposals apart from TDAP's support for participation in International Fairs with financial assistance.