

PAKISTAN TANNERS ASSOCIATION

PRESS RELEASE

TDAP IRRATIONAL/UNREALISTIC CUT ON INT'L MARKETING/PARTICIPATION OF PTA'S MEMBERS IN INT'L LEATHER FAIRS AROUND THE GLOBE

Karachi: 12th Dec.2019: **Sheikh Afzal Hussain, Chairman, Pakistan Tanners Association** informed to the print & electronic media in a specific/exceptional press release that after having 2 consecutive meetings held at TDAP, karachi we were informed that TDAP is going to **curtail the Budget which is around 75% or more for PTA's members participation in 7 International Leather Fairs, which are regular annual events for the last 2 decades.**

Talking to the press, **Mr. Amanullah Aftab, Chairman, Standing Committee on Int'l Fairs** shared more real ground facts & figures for the previous participation with the Government's financial support as below :-

EXHIBITIONS ORGANISED BY PTA FOR THE YEAR 2018-19

S/#	Name of Fairs	Dates	Total 100% Expenditure	Subsidy Claimed by PTA @ 40%	Subsidy Received from TDAP	%
1	All China Leather Exhibition 2018	29-31 Aug' 2018	4,125,480	1,650,192	1,323,296	32%
2	Lineapelle Fair Italy Sep 2018	25-27 Sep' 2018	19,213,892	7,058,224	3,757,164	20%
3	LeatherTech Fair , Bangladesh 2018	22-24 Nov' 2018	2,353,568	941,427	946,379	40%
4	Lineapelle Fair Italy Feb 2019	20-22 Feb ' 2019	18,975,177	8,270,760	3,399,775	18%
5	Asia Pacific Leather Fair 2019 HK	13-15 March' 2019	50,829,103	20,331,669	9,204,090	18%
6	Indo Leather & Footwear Fair 2019	4-6 April' 2019	6,026,163	2,410,488	1,575,488	26%
7	Shoes & Leather Vietnam Fair 2019	10-12 July' 2019	3,908,515	1,563,406	934,752	24%
TOTAL			105,431,898	42,226,166	21,140,944	20%

105 Million 42 Million 21 Million

It was really astonished/surprised to receive the meager subsidy percentage on average which was around **20% out of total claimed subsidy @ 40% against the total 100% expenditure incurred by PTA for organizing National Pavilion of Pakistan in various Int'l well reputed Fairs around the globe for marketing & promotion of exports INSTEAD of their committed amount which was @ 40%. In other fact revealed during the meeting held with TDAP that original provision for the budget for Leather was allocated by them for the year 2018-19 was Pak Rs.34 Million but released to PTA only Rs.21 Million against total 7 regular Int'l leather Fairs and rest of amount which was Rs. 84 Million which was around 80% of the participation cost was borne/absorbed by PTA's member participants for the sake of Austerity drive announced by the Honourable Prime Minister of Pakistan for one year only.**

It has also been informed by **Mr. Amanullah Aftab, Chairman, Standing Committee** on Int'l Fairs to the media that apart from 80% burden of participation of stand fee, the member exporters have also borne the allied expenses of travelling, air freight charges of samples, hostelling etc., etc., from their pocket, which was around **Rs.1.5 Million for each exhibitor for each destination of Int'l Fairs.**

The most important point for the reduction of subsidy percentage as revealed during the meeting held with TDAP, Karachi that **an amount of Rs.4.5 Million ONLY is proposed** to be allocated to PTA for organizing 7 regular Int'l Fairs with the plea of budget restriction being faced by TDAP, which is non other than a "Joke" with PTA/leather exporters.

PTA has already submitted the budget of next year participation **during 2020 to TDAP** for the allocation of amount to the tune of Pak **Rs.55 Million @40% subsidy ONLY against only 7 regular annual events of PTA**, which have been organizing for the last several years consecutively **against the total 100% expenditure for Pak Rs.137 Million and the allocation proposed by TDAP to PTA for Pak Rs.4.5 Million ONLY, which is around @3.3 %.**

Meeting of PTA's Delegation with Advisor to PM on commerce & textile, Mr. Abdul Razzak Dawood on 18.09.2019 at MOC, Islamabad.

It was also shared with the media a meeting of **PTA's Delegation led by Ex-chairman, PTA, Mr. Agha Saiddain with other senior members of PTA** held with the **Advisor to PM on commerce & textile, Mr. Abdul Razzak Dawood on 18.09.2019** at MOC, Islamabad wherein it was categorically approved by the Advisor Sahib for the **80% Government financial support for all upcoming events of PTA henceforth including some Addl.,, New Fairs, which are emerging markets for Leather on PTA's instance and issued directives to issue letter to convey to TDAP for proceeding with 80% Government financial support to PTA's member exporters for the next year participation of all total (10) International Leather Fairs i.e. 7 Regular events + 3 new emerging markets for Leather, which is the dire need of the hour to make more aggressive marketing for penetration in the international markets for yielding the sizeable foreign exchange for the country as per real aspiration of the Government.**

We are very disappointed & demotivated with the ground realities as revealed from TDAP that the allocation of fund for **ONLY 7 Int'l regular events is Pak Rs.4.5 Million, which is ONLY 3.3% INSTEAD OF 80% as already approved by the Advisor Sahib during the meeting held on 18.09.2019 at Islamabad.**

The **Chairman, PTA, Sheikh Afzal Hussain** has refused the peanut amount of Rs. 4.5 Million for International marketing, which is vital tool for this **95% export oriented sector of the country** who are contributing to the country's GDP considerably and labor intensive Industry of the country with much more value addition from raw hides to finished leather with innovations. He also apprehended that all the exercise made by MOC for 2nd FTA with China with inclusion of Leather H.S. would be futed/waste **as no marketing budget for participation of our members Int'l Fairs including China is provisioned/allocated to PTA for participation Int'l leather Fairs.**

Chairman, PTA also shared the statistics for the fund collecting by the Government from Leather Sector on account of EDS Cess @ 0.25% and the total accumulated amount collected by the Government of Pakistan for the year July-June-2018-19 is **around Pak Rs.195 Million**, which is exclusive/parked at Government for the promotion of trade activities in terms of participation in Int'l Fairs & Trade Delegations.

Sheikh Afzal Hussain, chairman, PTA strongly appeared to the Advisor to PM on commerce & Textile, Mr. Abdul Razzak Dawood, Secretary, MOC & rest of concerned Ministries & Government Department to look into the VERY SPECIFIC/SIGNIFICANT MATTER for the approval of 80% Subsidy percentage for participation of PTA's members in well reputed Intl Leather Fairs around the globe, WHICH IS ONLY ONE WAY TO PROMOTE THE TRADE & EXPORTS OF LEATHER SECTOR OF PAKISTAN, which is already in declining trend and need PROMPTLY, otherwise PTA's member exporters would not be blamed for further collapse.
