

**PAKISTAN TANNERS ASSOCIATION
(CENTRAL OFFICE)**

PRESS RELEASE

FINISHED LEATHER DEPRIVED FOR INCLUSION IN 2ND FTA WITH CHINA

Karachi: 19th October, 2019: Sheikh Afzal Hussain, Chairman, Pakistan Tanners Association issued a specific press statement to all print & electronic media today and informed that the finished Leather is still deprived for the inclusion in 2nd FTA with China at zero rated export from Pakistan into China as revealed from the Commercial Counselor, Embassy of Pakistan, Beijing, P.R. It is also revealed that 2nd FTA is going to be effective from December, 2019 with the inclusion of ineffective trade lines/H.S Codes for Leather Sector, which are not productive for the promotion of export to China as already informed to MOC vide PTA's letter dated 19.10.2019.

Mr. Afzal Hussain, Chairman, PTA also shared with the media that the finished leather was earlier kept in isolation for the zero rated import into China in 1st FTA, for which it was firmly assured to PTA during various meetings held in MOC, Islamabad with PTA's Delegation for the inclusion of following related H.S. Codes in 2nd FTA with China

<u>Finished</u>	<u>Leather</u>	<u>H.S.</u>	<u>Codes #</u>
4107.1100/4107.1200/4107.9100/4107.9200/4112.0000/4113.1000 & 4113.9000 for inclusion in 2 nd FTA with China.			

It was also informed that the existing custom duty on import of finished leather/dyed leather into China is around 8-9%, which is real hurdle for the promotion of exports of leather to China and would bring negative repercussion to the export of leather to China without the inclusion of finished leather in 2nd FTA with China at zero rated.

The Chairman, PTA, Sheikh Afzal Hussain also shared with the print & electronic Media that the Leather Sector of Pakistan is also facing problem with 5% Custom Duty on import of finished leather into South Korea while rest of neighbor competitors particularly India is enjoying with "Zero Rated Status" under FTA made with them by South Korea for which PTA highlighted this issue with MOC at various platforms but nothing has come out positively for execution of FTA between Pakistan with South Korea to provide level playing field to this specific Industry. Besides, there is a duty ranging from 8% to 16% with Quota in Japan, which is also hurdle for the promotion of exports of finished leather to Japan, which needs to be addressed promptly for the relaxation at zero rated for Pakistan.

At the conclusion, the Chairman, PTA Sheikh Afzal Hussain strongly appealed to the Honorable Advisor to PM on Commerce & Textile, Mr. Abdul Razzak Dawood to look into the specific issues of Leather Sector as raised above PARTICULARLY for inclusion of finished Leather/Dyed Leather H.S. Codes in 2nd FTA with China immediately without delay to make it effective with others from December, 2019 so that this vital Industry of the country would be benefited for the promotion of exports to China with zero rated status as already assured by MOC to PTA earlier.
