

PAKISTAN TANNERS ASSOCIATION

PRESS RELEASE

SHARP DECLINE IN EXPORT OF FINISHED LEATHER @ (-) 40%

Karachi: 21st October'2020 : The **Chairman, Pakistan Tanners Association, Mr. Anjum Zafar** shared his view with the print & electronic media today for the severe condition of declining trend for **Finished Leather Industry in Pakistan**, which is concluded for the export figure of **Aug-Sept'2020 in sharp negative (-) 40%**, as compared to the corresponding period. **Mr. Anjum Zafar, Chairman, PTA** also shared one of the main reason besides other reasons for the continuous declining trend of Finished Leather as discontinuation of "**Finished Leather**" for the DLTL Scheme, from July'2018 which was previously being given and since then the declining trend of the export of finished leather has been broaden gradually year to year and **reached now at (-) 40%**, which is very alarming for the industry and exports.

The Chairman, PTA, Mr. Anjum Zafar also clarified that the Finished Leather is much value added product of Leather Sector of Pakistan and is second best after Italian Leathers where the value addition is around 200% which is highest in comparison with rest of commodities/products of the leather Industry and our finished leathers are sold to worlds major brands for shoes, bags, belts and leather products etc, **BUT unfortunately still deprived to avail the DLTL incentive for this vital product of the Industry and rest of commodities are availing the DLTL** scheme, which is ultimately leading to the cause of **inability/in competitive of our member exporters in International market** . In this context, many meetings we're held with MOC and matter was explained that DYED FABRIC which is much less value added product in textile is given DLTL but regretrfully the Most Highly Value Added Product "**Finished Leather**" is DISCONTINUED and not included in the new DLTL scheme for the year 2018-21. He also informed to the media that the "**Finished Leather**" was included from the beginning of the scheme for the year 2017-18 for some specific period effective from Feb'2017 to June'2018, but suddenly the Finished Leather **was UNILATERALY excluded** for inclusion in the NEW DLTL Scheme effective from July'2018 till date.

It is also shared that Most of Tanneries have already closed down their operation in Pakistan and rest are at verge of closure, if the unrest situation /discriminatory attitude with the Finished Leather Industry is continued.

The **Chairman, PTA, Mr. Anjum Zafar** also shared the ground reality/facts that the Overall Leather Sector exports for the **period of Aug/Sept'2020 as compared to corresponding period is in negative (-) 4%,.** However comparing with the potential of this industry, the over all leather sector was exporting 1.25 billion USD at peak in year (2014-15) which has continued to drop to overall about 750 Million USD only for the year (2019-2020) which is dropped of about 40% in total leather sector, which is very alarming for our country's much needed exports and also for this industry

In view of the above narrations for Finished Leather Industry with facts & figures, the **Chairman, PTA, Mr. Anjum Zafar** strongly appealed to the **Honourable Prime Minister, Mr. IMRAN KHAN and Mr. Abdul Razzak Dawood, Advisor to PM on commerce & textile** for early inclusion of **Dyed/Finished Leather in the new DLT scheme with retrospective from July'2018** to enable/equip finished leather exporters/PTA's members to compete Internationally and contribute to earn additional foreign exchange for the country
