

**GOVERNMENT OF PAKISTAN  
MINISTRY OF COMMERCE  
ISLAMABAD**

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**YEAR BOOK  
2022-23**

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**MESSAGE OF  
MR. JAM KAMAL KHAN  
FEDERAL MINISTER FOR COMMERCE**

The Year Book for financial year 2022-23 of the Ministry of Commerce highlights the Ministry's efforts to facilitate, support and promote trade and commerce of the country.

The Ministry of Commerce formulates and implements the national trade policies and contributes to the national economy by safeguarding and promoting Pakistan's trade interests through trade liberalization and facilitation, improving export competitiveness and reducing cost of doing business. It aims to achieve higher market access for Pakistani products in existing markets as well as new markets with ultimate aim of improving quality of life of the people of Pakistan.

Ministry of Commerce while playing its role in the government machinery to lift the economy of Pakistan has developed Strategic Trade Policy Framework 2020-25, as a milestone to harmonize regulatory regime and support the private sector.

This publication features achievements and activities of Ministry of Commerce and its attached departments for the FY 2022-23. It would be a useful document to the business community and researchers alike.

**(MR. JAM KAMAL KHAN)**  
Federal Minister for Commerce  
Ministry of Commerce



## **MESSAGE OF SECRETARY MINISTRY OF COMMERCE**

Year book of the Ministry of Commerce for the financial year 2022-23 has been prepared in pursuance of Rule 25(2) of the Rules of Business 1973. It elaborates functions, organizational structure and overall overview of the Ministry and its attached Departments/Organizations. The book represents the broad features of the Trade Policy and its achievements. It also gives an overview of the performance of the state owned insurance entities and other trade bodies and organizations i.e. Trade Development Authority of Pakistan, Intellectual Property Organization of Pakistan and National Tariff Commission etc. which come under the administrative control of Ministry of Commerce.

Every effort has been made to make this book a useful document to different stakeholders including researchers, scholars and general readers. Any suggestions/observations for further improvement of this publication are highly welcomed and will surely add value to the document.

**{CAPT. (RETD.) MUHAMMAD KHURRAM AGHA}**

Federal Secretary  
Ministry of Commerce

## ABBREVIATIONS

ASEAN	Association of Southeast Asian Nations
CPFTA	China-Pakistan Free Trade Agreement
CEPA	Comprehensive Economic Partnership Agreement
ECO	The Economic Cooperation Organization
EDB	Export Development Board
EPZA	Export Processing Zone Authorities
EDF	Export Development Fund
EPO	Export Policy Order
FTA	Free Trade Agreement
FGCC	Faisalabad Garments City Company
HLSCC	High-Level Strategic Cooperation Council
IPO	Import Policy Order
JTC	Joint Trade Committee
JETRO	Japan External Trade Organization
JRC	Joint Review Committee
KGCC	Karachi Garments City Company
LGCC	Lahore Garments City Company
MOU	Memorandum of Understanding
NAMA	Non-Agricultural Market Access
NESPAK	National Engineering Services Pakistan (Pvt.) Ltd.
NICL	National Insurance Company Limited
NTC	National Tariff Commission
NTTFC	National Trade and Transport Facilitation Committee
NCC	National Compliance Centre
PAC	Public Accounts Committee
PITAD	Pakistan Institute of Trade and Development
PRCL	Pakistan Reinsurance Company Limited
PSDP	Public Sector Development Program
SECP	Securities and Exchange Commission of Pakistan
SLIC	State Life Insurance Corporation of Pakistan
STPF	Strategic Trade Policy Framework
TCP	Trading Corporation of Pakistan
TDAP	Trade Development Authority of Pakistan
TDRO	Trade Dispute Resolution Organization
TFA	Trade Facilitation Agreement
TPRM	Trade Policy Review Mechanism
WTO	World Trade Organization
WEF	World Economic Forum

## **1. THE MINISTRY**

### **1.1 Introduction**

The Commerce Division formulates and implements the national trade policy and contributes to the national economy by safeguarding and promoting Pakistan's trade interests through trade liberalization and facilitation, improving export competitiveness and reducing cost of doing business. It aims to achieve higher market access for Pakistani products in existing markets as well as new markets with ultimate aim of improving quality of life of the people of Pakistan.

The Division has developed a network of overseas Commercial Sections to facilitate the business community and to improve the prosperity of all Pakistanis in general. The network consists of 55 Commercial Sections in six continents and the officers deployed are highly skilled at their work which includes trade diplomacy, developing and implementing trade policy, negotiating international trade agreements and fetching investment opportunities for the country.

### **1.2 History**

The Ministry of Commerce was established immediately after independence of Pakistan in 1947. Mr. I. I. Chundrigar took oath as Commerce Minister in the first Federal Cabinet on 15<sup>th</sup> August, 1947. Mr. A.D. Moss was appointed as first Secretary Commerce on 1<sup>st</sup> September, 1947.

### **1.3 Functions**

As per Rules of Business, 1973 functions of the Commerce Division are as under:-

1. Imports and exports across custom frontiers.
2. Inter-Provincial trade.
3. Commercial intelligence and statistics.
4. Organization and control of Chambers and Associations of Commerce and Industry.
5. Tariff (protection) policy and its implementation.
6. Law of insurance; regulation and control of insurance companies; actuarial work; insurance of war, riot and civil commotion risks and life insurance but excluding health and unemployment insurance for industrial labor and post office insurance.
7. Export promotion.
8. Special Selection Board for selection of Commercial Officers for posting in Pakistan Missions abroad.
9. Anti-dumping duties, countervailing and safeguard laws.
10. Management of EDF/EMDF with representation of Textile Industry Division on their Boards.
11. Domestic Commerce reforms and development in collaboration with other Ministries, provincial and local government.

12. Intellectual Property Organization of Pakistan (IPO-Pakistan).
13. e-Commerce Policy and its implementation.
14. Textile Industrial Policy.
15. Coordination and liaison with Federal Agencies/Institutions, Provincial Government and Local Government entities for facilitation and promotion of the textile sector.
16. Liaison, dialogue, negotiations, except trade negotiations, and cooperation with international donor agencies and multilateral regulatory and development organizations with regard to textile sector.
17. Setting of standards; and monitoring and maintaining vigilance for strict compliance of the standard throughout production and value chain.
18. Textile related statistics, surveys, commercial intelligence, analysis and dissemination of information and reports on international demand patterns, market access etc.
19. Linkages with cotton and textile producing countries.
20. Training, skill development, research for quality improvement and productivity enhancement throughout the production/value chain.
21. Management of Textile Quotas.
22. Administrative control of Attached Organization of Textile.
23. Cotton Hedge Markets.

#### **1.4 Policy Objectives**

People centric: Poverty alleviation and employment generation through export led growth.

##### **1.4.1 Supply side**

- Value addition and Higher Unit Value
- Coordination for improvement of infrastructure
- Improving competitiveness through reduction in cost of doing business
- Facilitating investment in manufacturing sector

##### **1.4.2 Market Side**

- Focus on Export Marketing
- Better Commercial Intelligence
- Trade diplomacy/market access
- Diversification of export products and markets

#### **1.5 Organizational Structure**

##### **1.5.1. Main Ministry**

After merger of Textile Division in Commerce Division, restructuring in Ministry of Commerce has been made and following Wings are working under Commerce Division:

- a. **Human Resource Management Wing**
- b. **Administration & Finance Wing**
- c. **Trade Policy Wing**
- d. **Export-Import Wing**
- e. **Tariff Policy Wing**
- f. **Agro Products Wing**
- g. **Non-Agro Products Wing**
- h. **Foreign Trade Wings**

There are three Foreign Trade Wings in the Ministry:

- i) Foreign Trade-I
- ii) Foreign Trade-II
- iii) Foreign Trade-III
- i. **China Wing**
- j. **Textile Wing**
- k. **Services Wing**
- l. **World Trade Organization Wing**
- m. **Development Wing**

### **1.5.2. Attached Organizations / Subordinates Offices**

The following attached departments/subordinate organizations are operating under the administrative control of the Joint Secretary (Admin & Finance), Ministry of Commerce:

- 1) National Tariff Commission (NTC), Islamabad.
- 2) Trading Corporation of Pakistan (TCP), Karachi.
- 3) Intellectual Property Organization of Pakistan (IPO-Pakistan), Islamabad.
- 4) Trade Development Authority of Pakistan (TDAP), Karachi.
- 5) Pakistan Institute of Trade and Development (PITAD), Islamabad.
- 6) Directorate General of Trade Organizations (DGTO), Islamabad.
- 7) Trade Dispute Resolution Organization (TDRO), Islamabad.
- 8) Pakistan Expo Centres (Pvt) Ltd, Lahore.
- 9) Textile Commissioner's Organization (TCO), Karachi.
- 10) Lahore Garments City Company (LGCC), Lahore.
- 11) Faisalabad Garments City Company (FGCC), Faisalabad.
- 12) Karachi Garments City Company (KGCC), Karachi.
- 13) State Life Insurance Corporation of Pakistan (SLIC), Karachi.
- 14) National Insurance Company Limited (NICL), Karachi.
- 15) Pakistan Reinsurance Company Limited (PRCL), Karachi.
- 16) Export Development Fund (EDF), Islamabad.
- 17) Liaison Office Afghan Transit Trade, Chaman / Quetta.





# ORGANOGRAM

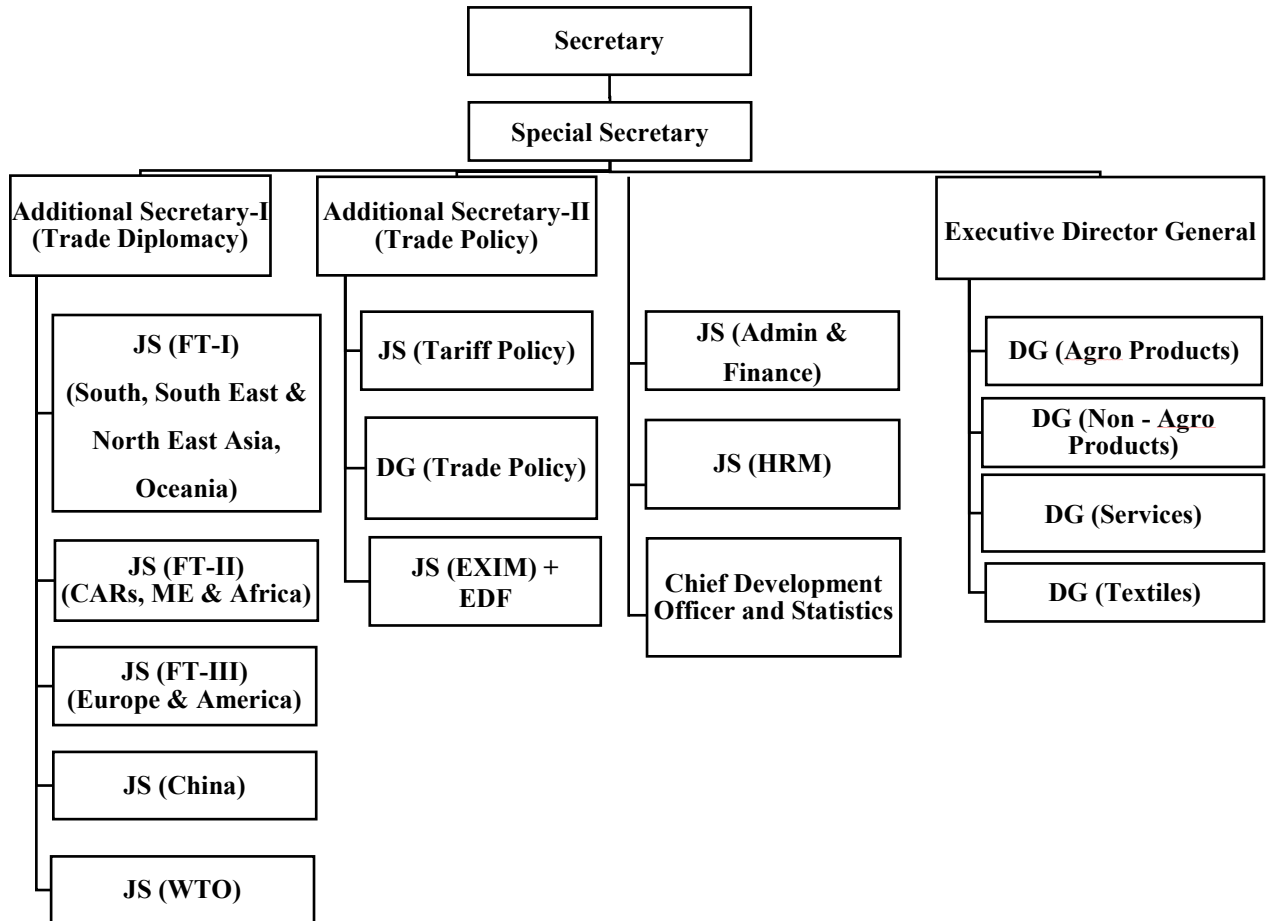


Year Book 2022-23

**Ministry of Commerce  
Government of Pakistan  
Islamabad**

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## Organogram of Ministry of Commerce



# Human Resource Management Wing

### **3. HUMAN RESOURCE MANAGEMENT WING**

The HRM Wing is responsible for overall human resource management, capacity building, posting/transfers, career planning, promotions, pay fixation and other services matters of the Officers/ Officials of main Ministry and its attached Organizations/Departments. HRM Wing consists of following sections. The name and work distribution of the sections of HRM wing is given below: -

<b>Sr.No</b>	<b>Name of Section</b>	<b>Work Distribution</b>
i.	HR-I	<ul style="list-style-type: none"> <li>• Administrative matters related to regular officers of BS-17 and above of the Ministry</li> <li>• Posting/ transfer of the regular officers of BS 17 and above within the Ministry</li> <li>• Nomination of officers for foreign and local trainings other than MCMC, SMC, NIM.</li> <li>• Matters related to appointment of contractual employees under EOF funded projects, e.g. Trade Experts / Researchers, etc</li> <li>• Maintenance of PERs/ICP Charts of officers of Commerce &amp; Trade Group</li> <li>• Maintenance of PERs of all officers/officials of main Ministry and Trade Missions abroad</li> <li>• Collection of Declaration of Assets of officers of main Ministry and Trade Missions abroad.</li> </ul>
ii.	HR-II	<ul style="list-style-type: none"> <li>• Administrative matters related to Superintendents / Private Secretaries / staff of erstwhile Textile Division;</li> <li>• Recruitment, promotion, posting and transfer of employees of all officials of the Ministry (BS-1-16) and Superintendents / Private Secretaries / staff of erstwhile Textile Division;</li> <li>• Processing of cases regarding training of staff in local institutions, etc.</li> <li>• All general / coordination matters including performance agreement, national assembly / senate questions, distribution of work of the Ministry, etc</li> <li>• Maintenance of service books, pay fixation, loan advances for officials only</li> </ul>

- Collection of Declaration of Assets of officers of main Ministry and Trade Missions abroad.
- iii. CTG
- Management of commerce and Trade Group including their recruitment, Management promotion, career planning and other personal matters;
  - Maintenance of PERs/ICP Charts of Officers of C & T Group,
  - Nomination of officers of C&T Group for MCMC, SMC, NMC etc.
  - Collection and maintenance of record regarding declaration of assets by the officers of C&T Group
- 
- iv. TO-I
- Selection of officers.
  - Intelligence clearance.
  - Obtaining medical fitness certificate.
  - Official / private passports matters to the officers, their family members.
  - Processing of visa.
  - Extension of tenure of posting.
  - Intermission transfer of officer.
  - Leave cases.
  - Sanctions/remittances (posting/transfer, education subsidies, home / emergency leave passage, transportation charges, air-fare passage).
  - Adjustment of TA / home / emergency leave passage etc. of officers.
  - Court cases of officers.
  - National Assembly / Senate questions pertaining to officers.
  - EMDF matters pertaining to trade missions.
  - Purchase and write off of furniture and machinery.
  - Purchase and dispose off of vehicles of trade missions.
  - Audit Paras pertaining to officers / missions.
- 
- v. TO-II
- Selection of staff.
  - Intelligence clearance.
  - Obtaining medical fitness certificate.
  - Official / private passports matters to the officials, their family members.
  - Processing of visa.
  - Extension of tenure of posting.
  - Intermission transfer of staff.

- 
- Leave cases.
  - Sanctions/remittances (posting/transfer, education subsidies, emergency leave passage, transportation charges, air-fare passage).
  - Adjustment of TA / home / emergency leave passage etc. of staff.
  - Local staff from EMDF account.
  - Appointment of Trade Development Officers (Local) home / etc.
- vi. AOs-HR
- To deal with all HR related matters relating to following organizations
    - i. Trade Development Authority of Pakistan (TDAP)
    - ii. Trading Corporation of Pakistan (TCP)
    - iii. Directorate General of Trade Organizations (DGTO)
    - iv. National Tariff Commission (NTC)
    - v. Pakistan Expo Centers (Pvt.) Ltd.
    - vi. Liaison Office, Afghan Transit Trade, Chaman
    - vii. Pakistan Institute of Trade and Development (PITAD);
    - viii. Trade Dispute Resolution Organization (TDRO);
    - ix. Intellectual Property Organization (IPO)
    - x. National Insurance Company Limited (NICL)
    - xi. Pakistan Reinsurance Company Limited (PRCL)
    - xii. State Life Insurance Corporation of Pakistan (SLIC)
    - xiii. Textile Commissioner's Organization (TCO)
    - xiv. Export Development Fund (EDF)

**SANCTIONED STRENGTH OF THE MINISTRY**  
**SANCTIONED STRENGTH OF OFFICERS IN MINISTRY OF COMMERCE (MAIN)**

<b>S. No.</b>	<b>Designation</b>	<b>BPS</b>	<b>Sanctioned Posts</b>
1.	Secretary	22	01
2.	Special Secretary	22	01
3.	Additional Secretary	21	02
4.	EDG	21	01
5.	Sr. Joint Secretary / JS	20	09
6.	Director General	20	04
7.	Director General (TR)	MP-I	01
8.	Chief Development Officer	20	01
9.	Deputy Secretary	19	15
10.	Director	19	05
11.	Director	MP-II	02
12.	Manager	MP-III	02
13.	Technical Advisor	MP-III	01
14.	Deputy Chief	19	04
15.	Assistant Chief	18	07
16.	Deputy Director	18	10
17.	Accounts Officer	18	01
18.	Section Officer	17/18	35
19.	Statistical Officer	17	01
20.	Research Officer	17	09
21.	Assistant Accounts Officer	17	04
22.	Assistant Director	17	04
23.	IT Officer	17	01
24.	Database Administrator	17	01
<b>Total</b>			<b>122</b>



**SANCTIONED STRENGTH OF MINISTERIAL STAFF IN MINISTRY OF  
COMMERCE**

<b>Sr.No</b>	<b>Name of Post</b>	<b>BPS</b>	<b>Sanctioned post</b>
1.	Private Secretary	17/18/19	12
2.	Assistant Private Secretary	16	56
3.	Superintendent	16	10
4.	Translator	16	01
5.	Assistant	16	90
6.	Statistical Assistant	16	01
7.	Steno-typist	14	71
8.	Grading Inspector	13	01
9.	Data Entry Operator	12	02
10.	Marketing Inspector	11	01
11.	Upper Division Clerk	11	31
12.	Receptionist	11	01
13.	Lower Division Clerk	09	46
14.	Draftsman	07	01
15.	Khidmatgar	05	01
16.	Staff Car Driver	04/05	30
17.	DMO	04	01
18.	Photo State Operator	04	01
19.	Dispatch Rider	04	06
20.	Daftry	03	03
21.	Qasid	03	07
22.	Naib Qasid	01	140
23.	Regular Frash	01/02	06
24.	Chowkidar	01	03
25.	Sweeper	01	04
<b>Total</b>			<b>526</b>

**SANCTIONED STRENGTH OF CTG OFFICERS**

<b>Sr. No</b>	<b>Department</b>	<b>BS-17</b>	<b>BS-18</b>	<b>BS-19</b>	<b>BS-20</b>	<b>BS-21</b>
01	Trade Development Authority of Pakistan	85	51	23	09	01
02	Trade Offices Abroad	Nil	08	16	06	01
03	Ministry of Commerce	04	10	05	04	01
04	Directorate General of Trade Organization	Nil	04	02	Nil	01
05	Pakistan Institute of Trade and Development	05	02	02	Nil	01
06	Trade Institute Resolution Organization	Nil	06	03	02	01
<b>Total Duty Posts</b>		<b>94</b>	<b>81</b>	<b>51</b>	<b>21</b>	<b>06</b>
<b><u>RESERVES</u></b>						
01	Deputation, Training and Leave Reserve @ 30%	28	24	15	06	02
<b>Grand Total</b>		<b>122</b>	<b>105</b>	<b>66</b>	<b>27</b>	<b>08</b>

**ACHEIVEMENTS OF HRM WING**

**HR-I Section:**

HR-I section has performed all assigned tasks efficiently and effectively with the available resources and allocated budget of financial year 2022-23. The prevailing rules, regulation and codal formalities, on case to case basis have been fully observed. The functions of the Ministry were efficaciously performed.

The Ministry of Commerce nominates its officers for capacity building, job oriented and meaningful trainings for the National and International forums.

Invitations are received from different foreign countries like China, Japan, Korea, Malaysia etc. For various training programs, seminars, workshops, courses, degree programs and long/short term training programs. These international facilities are offered through Economic Affairs Division, Planning and Developing division, World Trade Organization, Geneva and other Government and Non-Government Organizations. Further the achievements of HR-I section during FY 2022-23 are given below: -

- Detailed working on TORs of contractual employees of different setups has been completed. Revision in the eligibility criteria of contractual employees in order to harmonize and having uniformity in their salaries, experience, qualification, etc.
- A training session on “web-based version of e-office” for officers of Ministry of Commerce has been organized.

- Postings / transfers of regular officers of BS-17 & above was carried out within the Ministry in wake of acute shortage of officers belonging to Secretariat / Economist Group.
- Cases pertaining to administrative matters of regular officers of BS-17 & above of the main Ministry were processed diligently.
- Nomination of suitable officers / officials from the Main Ministry as well as its attached departments for foreign and local trainings was carried out from time to time.
- Timely collection of data regarding Declaration of Assets of officers / officials of main Ministry and Trade Missions abroad was ensured.
- Cases of officers pertaining to issuance of sanctions for G.P Fund Advance, House Building Advance, Motor Car / Motor Cycle Advance, etc. were taken up with the AGPR after seeking approval of the competent authority.

### **HR-II Section:**

HR-II section has performed entire assigned task efficiently and effectively, within the available resources and allocated budget of FY 2022-2023. The prevailing rules, regulation and codal formalities, on case to case basis, have been fully observed. The functions of the Ministry were efficaciously performed.

<b>S.No</b>	<b>ACTIVITY</b>	<b>CASE SUCCESSFULLY CONCLUDED</b>
1.	Recruitment/ Appointment of Ministerial Staff	15 (under P.M package and Qadir Khan Mandokhel Committee)
2.	Promotion and grant of time scale cases of officials BS-01 to BS-18	54
3.	Cases of pay fixation	380
4.	G.P Fund advance	58
5.	House Building Advance	53
6.	Motor Car/Motor cycle Advance	37

### **CTG Section:**

CTG section deals with the management of Commerce and Trade Group including recruitment matters in BS-17 through competitive examination in C&T group,

maintaining of seniority lists of BS-17 to 21 officers of CTG group, Transfer and posting of officers, nominating officer for mandatory trainings and career planning, promotion matters etc. CTG Section has successfully conducted following meetings of CSB, DSB and DPC during the period 2022-2023.

S. No.	Activity	Frequency	Number of Officers Promoted
1.	DPC	01	16
2.	DSB	01	08
3.	CSB (BS-19 to BS-20)	01	01
	CSB (BS-20 to BS-21)	00	00

PENSION CASES 2022-2023		
S. No.	BPS	No. of Pension Cases
1.	17	06
2.	18	01
3.	19	01

### **TOs (TO-I, TO-II) Sections**

Ministry of Commerce manages fifty-seven (57) Trade and Investment Officers in forty-five (45) countries. These Officers have a critical role in creating suitable environment in enhancing Pakistan's exports and attracting Trade investment to Pakistan.

Ministry of Commerce constantly strives to improve the performance of Trade Officers (TOs) posted abroad. In this regard, a Trade Officers Monitoring and Evaluation Committee (TOMEC) has been formed in the Ministry of Commerce to evaluate the performance on the basis of Key Performance Indicators (KPIs). TOs whose performance is "Below Average" are recalled while those whose performance is "Average" are cautioned to improve their Performance.

The Prime Minister directed the Ministry of Commerce to formulate a comprehensive policy for selection, training and monitoring of the Trade Officers posted in Pakistan's Missions abroad. This is the first ever holistic major reform of the whole system in the last thirty years. Based on these reforms, new Policy was announced. In particular, this focused on the following:

- a) ***Reforms of the Selection Process***, which now has been made merit-based and it ensures that the best possible human resource, with requisite qualifications

and work experience, is selected for the job. This favors the candidates having exposure to trade, who would undergo two-months' training after selection.

- b) ***Market Diversification***, to create and consolidate demand for Pakistan's export products in new markets.
- c) As a part of the "***Look Africa Policy Initiative***", Pakistan increased its export foot print in Africa by relocating six Trade and Investment Offices to the continent at no additional cost to the exchequer.
- d) For the first time in Pakistan's history, a ***20% quota has now been allocated / reserved for the Pakistani Diaspora*** to utilize their experience and contacts for enhancement of Pakistan's exports and attracting investment to Pakistan.
- e) ***Creation of Trade Clusters for Economic Diplomacy*** has been done for the first time in Pakistan's history in order to better coordinate and strengthen Pakistan's trade diplomacy and lobbying efforts in the economic blocs and Free Trade Areas.



Admn & Finance  
Wing

#### 4. ADMIN & FINANCE WING

The Administration & Finance Wing deals with the administrative, financial and budgetary affairs of the Ministry, its attached departments, insurance companies and trade offices abroad. The working/activities of Admn & Finance Wing during the financial year 2022-23 are given below: -

##### 4.1 BUDGET SECTION

Finance Division allocated Indicative Budget Ceilings (IBC) of recurrent budget Rs. 5,261.797 million in respect of Commerce Division under demand No. 23 during the Financial Year 2022-23. Budget Orders/NISs and Fund Centre Forms of the Main Ministry, 8th attached Departments and 55 Trade Missions Abroad were prepared within stipulated period, set by the Finance Division. The same were submitted to Finance Division for punching in SAP System.

Distribution of the above ceiling among the spending units of Commerce Division is given below:-

(Rs. in million)		
Sr. No.	Name of Departments	Budget 2022-23
1	Main Secretariat (Commerce Division), Islamabad	699.157
2	Pakistan Institute of Trade and Development (PITAD), Islamabad	68.546
3	Directorate General of Trade Organizations (DGTO), Islamabad	48.974
4	National Tariff Commission (NTC), Islamabad	257.158
5	Trade Development Authority of Pakistan (TDAP), Karachi	1,416.275
6	Liaison Office Afghan Transit Trade, Chaman,	1.977
7	Trade Dispute Resolution Organization (TDRO), Islamabad	31.310
8	Trade Missions abroad	2,682.946
9	Textile Commissioner Organization (TCO), Karachi	52.973
10	Textile Commissioner Organization (TCO), Faisalabad	2.481
	<b>GRAND TOTAL</b>	<b>5,261.797</b>

Re-appropriation cases in respect of 55 Trade Missions, 8<sup>th</sup> attached departments and release cases in respect of National Tariff Commission (NTC), Trade Development Authority of Pakistan (TDAP) were finalized during year 2022-23.

## 4.2 AUDIT SECTION

### Overview:-

Audit Section is responsible for coordinating Departmental Accounts Committee (DAC) & Public Accounts Committee (PAC) matters for settlement of the Audit Reports of Main Secretariat and its attached departments. This Section is also responsible for conducting of Internal Audit of Main Secretariat and its attached departments and deals the cases wherein opinion / clarification required from Finance / Law Division / MOFA etc.

### Achievements:-

- |    |  |   |
|----|--|---|
| 01 | Public Accounts Committee (PAC) meetings                               | 06 Public Accounts Committee meetings on the accounts of Ministry of Commerce were held during the year 2022-23           |
| 02 | Departmental Accounts Committee (DAC) meetings                         | 21 Departmental Accounts Committee meetings on the accounts of Ministry of Commerce were arranged during the year 2022-23 |
| 03 | Advice/Comments on financial & services matters as and when sought for | Approximately 250 No. of cases received for opinion and fully complied  |

### Other misc. matters deals during the year 2022-23:-

- i. Correspondence with the Departments for compliance to PAC / DAC directives
- ii. Cases for regularization / clarification from Finance, Law Division, MOFA etc.
- iii. Circulation of misc. orders / directives of PAC Secretariat, AGPR, Finance Division, AGP's office etc.

## 4.3 Council & Coord Section:

Council Section works under Admin & Finance Wing handles the business of National Assembly and Senate Secretariat which includes getting replies of Questions/Resolutions/Motions/Bills Assembly Session and working papers alongwith presentation National Assembly Standing Committee's Meetings. During the Financial Year 2022-23, following functions are performed by Council & Coordination Section:-

- i. Preparation of Year Book 2021-22 and its uploading on Ministry's Website in pursuance of in pursuance of Rule 25(2) of the Rules of Business 1973.
- ii. Preparation of Annual Report on the observance and implementation of principles of policy (2021-22) under articles 29(3) of the Constitution of the Islamic Republic of Pakistan and forwarded to Cabinet Division for preparation of comprehensive report.



- iii. Council Section also arranges pre-briefing with Minister for Commerce, Parliamentary Secretary, Secretary Commerce on upcoming Session/Questions/Bills/agenda items of Standing Committee's meetings.
- iv. Nominating officers to attend Sessions of both Houses and arranging their entry cards during the Financial Year 2022-23.
- v. Circulation of Orders/Directions/Recommendations received from President Secretariat, Prime Minister's Office and difference Ministries/Divisions for information and compliance.
- vi. Provision of updated status of Implementation of Decisions made by Cabinet/ECC/CCoP/CCLC etc.
- vii. Provision of requested Information under the Right of Access to Information to general public.

#### **4.4 AOs-Coord Section:**

Attached Organizations Coordination Section is working under Admin & Finance Wing and deals with the business of Attached Organizations of this Ministry. During the Financial Year 2022-23, following functions are performed by AOs-Coord Section:-

- i. Approval of National Tariff Commission (Procedure) Rules, 2023 from Cabinet Committee for Disposal of Legislative Cases (CCLC) and got printed from Printing Corporation of Pakistan (PCPP).
- ii. Approval of Anti-Dumping Rules, 2022 from Cabinet Committee for Disposal of Legislative Cases and the same is forwarded to PCPP for printing.
- iii. Amendment in Anti-Dumping Duties Act, 2015 to give retrospective effect to cover the period from Financial Year 2020-2021
- iv. Approval/Publication of National Tariff Commission's Fund Utilization Rules, 2022 from Cabinet Committee for Disposal of Legislative Cases (CCLC) and Printing Corporation of Pakistan (PCPP) respectively.
- v. Circulation of Orders/Directions/Recommendations to Attached Organizations of this Ministry received from President Secretariat, Prime Minister's Office and difference Ministries/Divisions for information and compliance.

# Trade Policy Wing

## 5. TRADE POLICY WING

Trade Policy Wing serves as a think tank of the Ministry of Commerce, performing various functions from developing policy guidelines for enhancement and promotion of exports to reviewing public sector policies and coordinating with international donors including World Bank, USAID, International Trade Center, Asian Development Bank and others. The following work was performed by TP Wing in the FY 2022-23 among other routine tasks:

- i. The Strategic Trade Policy Framework (STPF) 2020-2025 focuses on 18 priority sectors, both emerging and established, aimed at diversifying the export base and strengthening local production. To this effect, the National Priority Sector Export Strategies (NPSES) for nine sectors out of the 18 priority sectors of the STPF 2020–2025, were launched on 19<sup>th</sup> August 2022 under the ReMIT Programme. These sectors include business process outsourcing, engineering goods, fruits and vegetables, leather and leather goods, meat, pharmaceuticals, processed food and beverages, software development, and logistics.
- ii. Trade Policy Wing reviewed trade data along with Federal Board of Revenue and Pakistan Bureau of Statistics and identified data discrepancies on which consultation is under process for improving data convergence.
- iii. Trade Policy in coordination with Pakistan Institute of Trade and Development has initiated a capacity enhancement exercise for the officers of the Ministry of Commerce to equip them with updated skills.
- iv. Initiation of digitization of Ministry of Commerce record in collaboration with the Growth for Rural Advancement and Sustainable Progress, a project of the World Bank.
- v. Development of Export Section of 5Es Framework in collaboration with the Ministry of Planning, Development and Special Initiatives.
- vi. In wake of shortage of foreign exchange and for enhancing trade with the countries where formal banking channel is missing, the Trade Policy Wing carried out an analysis for B2B Barter Trade and proposed a mechanism to this effect.
- vii. Continuous coordination with Agro, Non-agro and Textile Wings of the Ministry of Commerce to incorporate private sectors' concerns in the policy formulation.
- viii. Collection, analysis and dissemination and presentation of trade data.
- ix. Oversight of all trade related initiatives/policies.

- x. Coordinating with Ministry of Planning, Development and Special and Initiative on Agriculture Policy and Strategy for Green Revolution 2.0.
- xi. Revision of policy regulation for gems and precious metal jewelry.
- xii. Consultation with the World Bank and other public sector stakeholders on drawback of local taxes and levies.
- xiii. The following policies were reviewed by TP wing:
  - a. Draft National Energy Efficiency and Conservation (NEEC) Action Plan 2023-2030.
  - b. Islamic Forum for Halal Accreditation
  - c. Draft National Aviation Policy-2023
  - d. Letter of Intent (LOI) on Closing the Skill Gap Accelerator Initiative in Pakistan by World Economic Forum (WEF).
  - e. Draft Zero Time to Start Policy
  - f. Technology Based Augmentation of Customs Risk Management System.
  - g. Preparation of Annual Plan 2022-23
  - h. Draft Pakistan Oil Refining Policy, 2023 for New Refineries and Up-gradation of Existing Refineries.
  - i. Draft Summary for the ECC of the Cabinet- Solar Panel & Allied Equipment Manufacturing Policy 2023
  - j. Strategic Roadmap - Policy Framework of Ministry of Food Security
  - k. Strategic Roadmap - Follow up Energy Conservation Measures.
  - l. MOU with the Office of His Highness Sheikh Ahmed Dalmook al Maktoum UAE and Ministry of NHR&C ad Hayat Biotech, Abu Dhabi UAE on Cooperation to Develop Plasma Farming Facilities, Across Pakistan.
  - m. Draft summary for the ECC of the Cabinet – Financing Facilities for Electric Bikes.
  - n. Draft Medium Term Macroeconomic Framework (MTMF) (FY2023-24 to FY 2025-26)



EXIM Wing

## 6. EXIM WING

### 1. Functions of EXIM Wing:

EXIM Wing regulates and monitors the implementation of Import Policy Order (IPO) & Export Policy Order (EPO). The wing is divided into two sub-wings i.e. Imports and Exports. The main functions of EXIM Wing are as under:

- Formulation and carrying out amendments in IPO and EPO.
- Interpretation and implementation of regulatory matters of IPO and EPO.
- Preparation and submission of summaries for ECC of the Cabinet for allowing import of products on restricted or banned lists contained in IPO and EPO.
- Operational matters related to Trading Corporation of Pakistan (TCP).
- Duty free import of cars under the Disabled Persons Scheme.
- Coordination with President and Prime Minister Secretariat's for meetings with Chamber of Commerce & Industry and Trade Bodies.
- Recommendation for issuance of protocol passes to exporters after the examination of the requisite documents and criteria.
- To provide information & facilitation to Trade Associations, Chambers and Government Departments on regulations relating to export.
- To provide policy input/views/recommendations for the development of export sectors.
- To address grievances and issues being faced by the exporters and representative trade associations, and recommending policy and procedural amendments.
- To coordinate with trade bodies, DGTO, TDAP and Export Processing Zone Authorities.
- Coordination with relevant stakeholders regarding quality certification/ standard and inspection etc.

### 2. Performance of EXIM Wing:

#### Policy Measures:

- a) A total of fifty five (55) authorizations were issued to disabled persons for duty free import, or purchase of locally assembled cars of engine capacity not exceeding 1350CC, on the recommendations of federal and provincial governments.
- b) Import 2.6 Million metric ton of wheat and 400,000 metric ton of Urea by TCP for building strategic reserves and to meet the shortfall in the country.
- c) Following major amendments were introduced in the Import Policy Order, 2022 to facilitate trade and improve the overall balance of payment:

- Vide SRO 642(I)/2023 dated 1.6.2023, Government allowed B2B barter trade with Afghan, Iran and Russia, besides regular trade.
- Vide SRO 215/2023 dated 23-02-2023 Government allowed import of upto 5 year old Agriculture tractors under the Kissan Package.
- Vide SRO 2257/2022 dated 14-12-2022 import of the Holy Quran was made subject to NOC from M/O Religious Affairs, and /or Provincial Auqaf Departments.
- Vide SRO 598/2022 dated 19-05-2022, imposed ban on import of luxury and non-essential goods. Later the said ban was removed vide SRO 1562/2022 dated 19-08-2022.
- Vide SRO 561(1)/2023 dated 15-05-2023, custom station Angoor Adda was authorized for export land route to Afghanistan and through Afghanistan to Central Asian Republics.

Coordination with President's Secretariat and Prime Minister's Office (FY 2022-23):

**EXIM Wing of the Ministry liaised with President's Secretariat and Prime Minister's Office for the organization of following events by Chambers/Associations during the FY 2022-23:-**

- Meeting of Honorable President of Pakistan with the delegation of Women Chamber of Commerce and Industry (WCCIP) on 15-07-2022.
- Federation of Pakistan Chamber of Commerce & Industry (FPCCI) invited the Honorable President of Pakistan to grace the "45<sup>th</sup> FPCCI Export Award Ceremony" as Chief Guest on 29-09-2022.
- Meeting of Honorable President of Pakistan with the delegation of Women Business Network (WBN) on 18-11-2022.
- Visit of Honorable President of Pakistan to Korangi Association of Trade and Industry, Karachi (KATI) on 03-12-2022.
- Meeting of Honorable President of Pakistan with Office Bearers of various Chambers of Commerce on 05-12-2022.
- Pakistan Association of Exhibition Industry (PAEI) invited the Honorable President of Pakistan as Chief Guest for the "2<sup>nd</sup> international property Housing & Construction Expo & Convention (PIPEC)".
- Honorable President of Pakistan presided the 'First All Pakistan Small and Medium Enterprises (SMEs) Award ceremony' organized by Sargodha Chamber of Small Trader & Small Industries (SCSTSI) and Rawalpindi Chamber of Small Traders & Small Industries (RCSTSI) on 20-02-2023.
- Meeting of Honorable President of Pakistan with the delegation of Overseas

- Investor Chamber of Commerce & Industry,(OICCI) on 16-02-2023.
- Visit of Honorable President of Pakistan to Hyderabad Chamber of Commerce & Industry (HCCI) on 18-02-2023.
  - Start-Ups Grind, invited the Honorable President of Pakistan as Chief Guest for the “Hosting Business Net 2023: Glamorizing Pakistan Starts-Ups” on 16-03-2023.
  - Honorable President of Pakistan chaired the “Education Excellence Ceremony-2023” of Rawalpindi Chamber of Commerce & Industry (RCCI) on 03-05-2023.
  - Honorable President of Pakistan chairs the LCCI IT Recognition Ceremony 2023 by Lahore Chamber of Commerce & Industry on 18-05-2023.

### **Matters related to Directorate General of Trade Organizations:**

The Federal Committee under Trade Organization Act, 2013 finalized appeals filed by the following Trade Organizations against the decisions of DGTO:

- All Pakistan Alloy Rim Manufacturers Association (APARMA)
- All Pakistan Carbon Solvent Importer Association (APCSIA)
- Pak-Iran Joint Chamber of Commerce & Industry (PIJCCI)
- Submersible Pump Importer Association (SPIA)
- Musa Khail Chamber of Commerce & Industry
- Qilla Saifullah Chamber of Commerce & Industry (QSCCI)
- Chaghi Chamber of Commerce & Industry (MKCCI)
- Pakistan Ship Breakers Association
- Oil Companies Advisory Council (OCAC)
- Zhob Chamber of Commerce & Industry
- Air Cargo Agents Association of Pakistan (ACAAP)

The Federal Committee under Trade Organization Act, 2013 finalized condonation appeals finalized by the following Trade Organizations:

- Homeopathic Pharmaceutical & Chemist Association of Pakistan.
- All Pakistan Corrugated Cartons Manufacturers Association.
- Mardan Chamber of Commerce & Industry.
- Pakistan Pharmaceutical Importers Association.
- Pakistan Pharmaceutical Manufacturers Association.
- Women Chamber of Commerce & Industry, Lahore.
- Pakistan Poultry Association
- Karachi Women Chamber of Commerce & Industry (East).
- Attock Women Chamber of Commerce & Industry.



- Kotri Association of Trade & Industry.
- Mirpur Chamber of Commerce & Industry.
- Larkana Chamber of Commerce & Industry.
- Sundar Trade & Industry Association.
- The Surgical Instruments Manufacturers Association of Pakistan.

**Miscellaneous Matters:**

The Ministry of Commerce recommended issuance of sixty nine (69) protocol passes for leading exporters and office bearers of Trade Organizations to the Aviation Division.

# Tariff Policy Wing

## **7. TARIFF POLICY WING**

Tariff Wing is responsible for implementation of National Tariff Policy. The Tariff Policy Board (TPB), with administrative and technical support of Tariff Policy Centre (TPC) analyzed numerous tariff rationalization proposals as well as possible anomalies for budget exercise (F.Y. 2023-24). Besides, proposals received from public and the private sectors for budget exercise (F.Y. 2023-24) were also analyzed. Considering these proposals, and sectoral studies conducted by the TPC, custom tariffs have been rationalized on a number of tariff-lines, as per the objectives of the National Tariff Policy (2019-2024). The work undertaken by the TPB and Tariff Policy Wing/TPC in Financial Year 2022-23 is as follows:

In order to meet the objectives of the NTP and to remove distortions in the tariff structure, in line with the requests received from the public and the private sectors, following policy measures were taken during the fiscal year 2022-23 (July-March):

- Addressed the tariff anomalies identified after the budget exercise for the Fiscal Year 2022-23.
- After lifting Import ban, import compression exercise was carried out on FBR's proposal, whereby Regulatory Duties (RDs) up to 100% and Additional Customs Duties (ACDs) were proposed to be levied on more than 800 non-essential/luxury items. Recommendations were approved by the Cabinet, and implemented vide FBR SRO No. 1571(i)/2022 dated 22-08-2022. Expiry dates of SROs 1571(i)/2022, and 1572(i)/2022 both dated 22-08-2022 were extended till 31-03-2023 vide recommendation of 46th meeting of the Tariff Policy Board dated 18-02-2023.
- In order to finalize Pakistan's offer-list for Pakistan-Turkiye Trade in Goods Agreement (TGA), TPB approved Pakistan's Tariff Reduction Schedule on 130 Tariff Lines, along with inclusion of Article 5 (clause 2) and Article 6 of the text of the Trade in Goods Agreement as negotiated between both sides, to ensure the transparency of the agreement.
- On industry's review request, TPB recommended imposition of 5% Regulatory Duty on filament Yarns (PCT 5402.3300, 5402.4600, 540233.4700, 5402.5200, 5402.5200). Recommendations were approved by the Cabinet, and implemented vide SRO No. 2293(I)/2022, dated 21st December, 2022.
- On industry's tariff rationalization proposal, TPB recommended reduction of Regulatory Duty on Disodium Carbonate (PCT 2835.2000) to 10%.

- Recommendations were approved by the Cabinet, and implemented vide SRO No. 2293(I)/2022, dated 21st December, 2022.
- Tariff Policy Centre under the ambit of Ministry of Commerce initiated sectoral studies for rationalization of entire value chains of Sport Goods, Glass, and Technical Textile sectors.
  - As of April, 2023, two (02) Tariff Policy Board meetings have been conducted since January 2023, i.e., 46<sup>th</sup> and 47<sup>th</sup> TPB meetings. Various agenda items related to tariff rationalization were analyzed by the Sub-committee of TPB, such as extension to the SROs 1571(i)/2022 and 1572(i)/2022 regarding enhanced/imposed rates of RD and ACD on non-essential goods expiring on February 21, 2023.
  - In the 47<sup>th</sup> TPB meeting held on 19<sup>th</sup> April, 2023, the board members discussed tariff related matters on MoIP's summary on Solar Panel & Allied Equipment Manufacturing Policy 2023 to indigenize production of solar panels and related equipment in Pakistan. To support the SME sector and specially, fan manufacturers, removal of Regulatory Duty on import of Electrical Steel Sheet (for all manufacturers and vendors) was analyzed.
  - Every year, the Tariff Policy Centre (TPC), which is the technical wing established under National Tariff Policy 2019-2024, also conducts sectoral studies to map and study complete value chains of export-oriented sectors. This exercise provides decision support to Ministry of Commerce in devising the export enhancement plans through identification of issues and anomalies in tariff structures of goods/items starting from raw materials to finished goods. Currently, the TPC is conducting sectoral studies for rationalization of entire value chains of Sport Goods, Glass, and Technical Textile sectors.

**Summary of tariff rationalization (budget) exercise for F.Y. 2023-24 is as follows:**

- A total of twelve (12) Sub-committee meetings, ten (10) Tariff Policy Board meetings were held since July 2022 till date, besides 86 proposals, for change in tariff structure of 1366 tariff-lines, were received at Tariff Policy Centre from individual industries/sectors, as well as Federal ministries/departments. 5 of them are based on studies conducted by NTC.
- On 1028 tariff-lines - no change was proposed by the Sub-Committee of the TPB.
- Total of 136 tariff-lines were referred to TPB, along with recommendations of the Sub-Committee, for final decision on change in tariff structure.
  - a. Out of these 136 tariff-lines, Sub-Committee members agreed to change duties on 42 tariff-lines, however 24 tariff-lines are referred to TPB for final decision.

- b. And the decision on remaining 70 tariff-lines is linked with policy direction on Iron & Steel Sector study conducted by NTC for rationalization of tariff for the entire value chain.
- 202 tariff-lines related pharma sector are awaiting consideration as no response is received from Drug Regulatory Authority of Pakistan (DRAP) on these proposals.
  - Conducted annual tariff rationalization (budget) exercise with the public and private stakeholders for the F.Y. 2023-24. Tariff Policy Board evaluated 102 proposals received from the public and the private sectors suggesting changes in 1381 tariff lines, throughout the year. Consequently, rationalization of 30 tariff-lines were approved with the Finance Bill for F.Y. 2023-24.
  - In the 47th meeting of TPB, the exemptions of RD on import of Silicon (electrical) Steel Sheet were extended to facilitate all manufacturers and vendors of electrical appliances vide the SRO No. 565(I)/2006 as the board recommended remove RD on import of Silicon (electrical) Steel Sheet to all manufacturers and vendors of electrical appliances.
  - Pursuing the policy of exploring avenues of renewable energy as prime objective of the government, in the 47<sup>th</sup> TPB meeting, RD and ACD was reduced to zero on inputs used in local manufacturing of solar panels and allied parts. Details of parts / components of Solar Inverters, material/parts of Lithium Ion Batteries, and machinery/equipment for solar assembly/manufacturing industry have been provided by EDB's OM No. 3(43)/SPP/SDG/EDB/2022 dated 21-03-2023.
  - In the 48<sup>th</sup> Meeting of Tariff Policy Board held on 24<sup>th</sup> May, 2023, total of forty (40) proposals were discussed by the board under the chairmanship of Federal Minister for Commerce. Aside from these proposals, the cases decided include Finalization of the offer-list for Pakistan-GCC Free Trade Agreement (FTA) as proposed by FT-II Wing, localization of mobile phone manufacturing, ban on Export of wooden Match Splints" referred by MoC (EXIM wing) and rationalization on medicine and chemical inputs to pharmaceutical inputs and medicines was done to facilitate consumers specifically kidney and cancer patients.
  - In the 48<sup>th</sup> Meeting of Tariff Policy Board held on 24<sup>th</sup> May, 2023, total of forty (40) proposals were discussed by the board under the chairmanship of Federal Minister for Commerce. Aside from these proposals, the cases decided include Finalization of the offer-list for Pakistan-GCC Free Trade Agreement (FTA) as proposed by FT-II Wing, localization of mobile phone manufacturing, ban on Export of wooden Match Splints" referred by MoC (EXIM wing) and rationalization on medicine and chemical inputs to pharmaceutical inputs and medicines was done to facilitate consumers specifically kidney and cancer patients. Furthermore, Tariff Policy Board approved the proposed definition of Customs Duty for PAK UAE CEPA (meaning that CD, ACD and RD will be part of CEPA and elimination/reduction will be negotiated), in spirit of transparency and predictability.

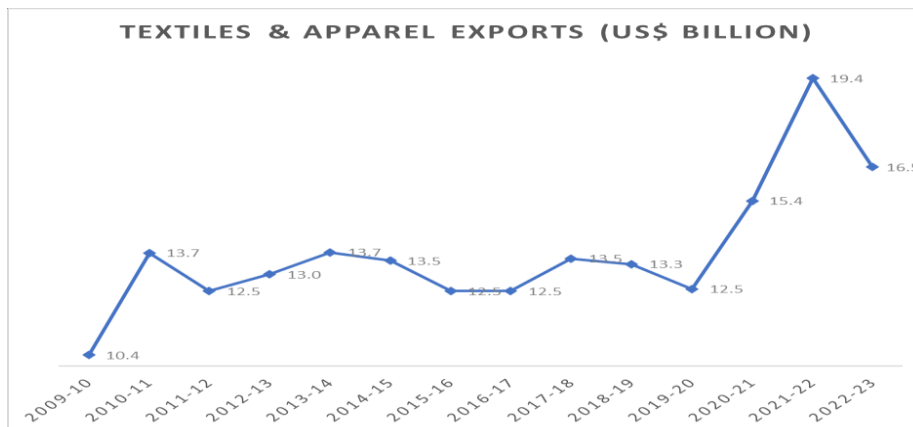
- In the 49<sup>th</sup> TPB a total of 73 proposals suggesting changes in 2000 tariff lines were received at the Tariff Policy Centre for analysis. Proposals received regarding changes in tariff for different APIs as provided by DRAP were analyzed and the TPB placed 31 APIs related PCTs in 5<sup>th</sup> schedule to help keep medicines affordable for consumers. In order to promote local production decided that the duties on parts/components of mobile phone accessories including charger, earphones, cables (data), and battery was decided to be exempted with a sunset clause of 2 years.
- Examined the tariff structure of the offer list of Pakistan for the negotiations of the bilateral trade agreement between Pakistan and UAE (Pakistan UAE CEPA Agreement). Most importantly, TPB defined the customs duties as collective of Customs Duty, Additional Customs Duty, and Regulatory Duty, in order to ensure transparency while entering into bilateral trade agreements.
- During 49<sup>th</sup> TPB meeting, the board also decided that Regulatory duty should be removed on 152 tariff lines by the margin it crosses the bound rate in view of Pakistan's commitments under WTO.

# Textile Wing

## 12. TEXTILE WING

Textile Wing oversees the matter related to entire value chain of the textiles, apparel and leather sectors and provides policy advice and keep liaises with ministries/ departments. Textile and apparel industry occupies a pivotal position in Pakistan's economy contributing around 60% of total exports and 40% in industrial employment. It encompasses distinctive and self-reliant value-added production chain that is developed by its own industrial resources starting from cotton to ginning, yarn manufacturing (spinning, texturing), fabric manufacturing (weaving, knitting), processed fabric manufacturing (dyeing, bleaching and washing) and finished product manufacturing (apparel, made ups, carpets and technical textiles). Pakistan is 7<sup>th</sup> largest producer of cotton (production dropped due to the devastating floods in CY 2022), 2<sup>nd</sup> largest exporter of towels, cotton cloth and denim fabric, 3<sup>rd</sup> largest exporter of made ups, 6<sup>th</sup> largest exporter of hosiery products and 14<sup>th</sup> largest exporter of apparel products.

The global outbreak of COVID-19 brought an unprecedented disruption to the global economy and trade, resultantly the demand of commodity products has been curtailed. However, despite severe economic challenges, Pakistan achieved historical high textile exports of US\$ 19.3 billion in FY 2021-22 with an increase of 25.53% as compared to FY 2020-21. During FY22, various facilitations were extended to export oriented sectors to reduce their cost of doing business and boost exports which majorly included the uninterrupted supply of energy at regionally competitive tariffs, rationalization of custom tariffs for imports of input materials, availability of working capital by SBP at low mark-up, timely clearance of refunds by FBR to mitigate liquidity crisis, etc. However, momentum of increasing exports is discontinued in FY 2022-23 due to global demand contraction in key markets (including USA, UK, EU); and the internal market situation in the aftermath of Ukraine war, strict IMF conditionalities, resulting in withdrawal of incentive schemes and pressure on foreign exchange reserves.





Details of incentives provided and withdrawal during FY 2022-23 are as follows:

- i. Supply of energy at regionally competitive tariffs to reduce cost of manufacturing and make industry internationally competitive:
  - a. Electricity was provided at US cents 9 per kWh to five export-oriented sectors (including textiles and apparel) from Aug-2022 to Feb-2023 and discontinued thereafter.
  - b. RLNG was provided at US\$ 9 per MMBtu for five export-oriented sectors including textiles and apparel.
- ii. Continuation of duty-free import of textiles and apparel machinery.
- iii. No refunds were allocated under Federal Budget for clearance of ready for payment claims under Government Incentive Schemes (DLTL, TUF, Reimbursement of Social Contribution)

Under the Memorandum of Understanding (MoU) signed between International Labor Organization (ILO) and Government of Pakistan on 9<sup>th</sup> March 2022, Better Work Pakistan has so far enrolled 30 companies (out of total 120 companies in three-year pilot phase) across Karachi, Faisalabad and Lahore by implementing factory engagement model.

The Government of Japan and the Government of Pakistan signed a MoU for technical cooperation for “The Project for Skill Development and Market Diversification of Garment Industry in Pakistan (PSDMD)” which had conducted its activities in three phases from May 2016 to December 2022. The 6<sup>th</sup> Joint Coordinating Committee Meeting for the final review of the Project was held on 28<sup>th</sup> September 2022 at Islamabad. PSDMD ended with a Fashion Show arranged by the students/trainees of this project in consultation with the master trainers and consultant of JICA PSDMD Project and the event was attended by Mr. Satomi Ryuji, Parliamentary Vice-Minister of Economy, Trade and Industry on the behalf of Government of Japan.

In accordance with the interventions proposed under Textiles and Apparel Policy, 2020-25 and thorough consultations with the public and private stakeholders and analysis of global benchmarks, Ministry of Commerce established “National Compliance Center” to facilitate exporters/manufacturers in embracing the compliances (on Labor and Human Rights, Climate Change, Occupational Safety and Health, Governance, Sustainability, Traceability, Quality) as per the international laws/standards/regulations and buyer specific requirements.

Further, unilateral/bilateral/multilateral trade with the partner countries were critically analyzed along-with compilation of offer and request list for trade negotiations including FTA/PTA, JMCs, JTCs, JWGs, etc.

- Market access for the value-added textile products (garments, home textiles) under the upcoming Canada General Preferential Tariff Plus (GPT+) Scheme
- Review of trade issues with Central Asian Republics (CARs)
- Proposals on Inclusive and Sustainable Trade for Commonwealth Minister Meeting
- Review of multilateral trade of Developing-8 (D8) countries
- Capacity building programs (Conferences, Workshops) for textiles and apparel sector on EU Strategy on Sustainable and Circular Textiles, EU Due Diligence Directives on Sustainability, New York Fashion Act, US Uyghur Forced Labor Prevention Act, EU Eco-design for Sustainable Products Regulation, EU Packaging and Packaging Waste Directive, EU Microplastic Regulation, UK Plastic Packaging Tax, EU Textile Regulation and EU Taxonomy in collaboration with GIZ Pakistan and GIZ Regional Project (FABRIC)
- Negotiations under Pakistan Gulf Cooperation Council (GCC) Free Trade Agreement
- Negotiations under Pakistan United Arab Emirates (UAE) Comprehensive Economic Partnership Agreement (CEPA)
- Proposals for 7<sup>th</sup> Pakistan Japan Joint Business Dialogue (JGBD)
- Proposals for future collaboration with JICA on skill development projects related to textiles and apparel sector
- Proposals for Pakistan-USA Trade and Investment Framework Agreement Council Meeting (TIFA)
- Meeting with National Cotton Council of America and American Apparel and Footwear Association (AAFA) for strengthening and enhancement of bilateral trade
- Collaboration with Target Sourcing, USA to enhance its sourcing from Pakistan

During the year, various issues of prime importance were also raised, and proper analysis were carried out to resolve the sectoral issues. Details are as follows:

- i. Policy formulation and implementation to promote industrialization, enhance exports and generate employment.
- ii. Regional competitive energy tariffs for export-oriented sectors including textiles.
- iii. Decline in domestic cotton production and its impact on textiles and apparel value chain
- iv. Improvement of Labor/Social, Environmental and Occupational Health and Safety (OSH) Compliance Standards in Pakistan textiles and apparel industry.

Comprehensive budget proposals were provided to various ministries/divisions including Finance Division, Federal Board of Revenue (FBR), Ministry of Energy (Power Division and Petroleum Division). The position was taken for every parameter which may affect textiles and apparel exports.

Collaborated with International Agencies/institutes (JICA, GIZ, GIZ FABRIC, WWF, World Bank, UNIDO) in the respect of technical cooperation for skill development, product diversification, sustainability, resource efficiency and women participation in textiles and apparel industry.

**ATTACHED DEPARTMENTS / OTHER ORGANIZATIONS ASSOCIATED  
WITH TEXTILE WING, MINISTRY OF COMMERCE**

**1. TEXTILE COMMISSIONER’S ORGANIZATION (TCO)**

Textile Commissioner’s Organization existed since pre-partition with the Head Quarter at Bombay, served as advisory level in 1961, merged with IP&S under Ministry of Industries and then revived as TCO in 1973 as attached department of Ministry of Industries. After the creation a dedicated Ministry of Textile Industry, it functioned as its attached department from 2004 to 2019. Currently, it is working as an attached department of Ministry of Commerce since it’s the merger in 2020. The performance of TCO during FY 2022-23 is as follows:

**i. Stitching Machine Operators Training (SMOT) Program:**

SMOT Program was launched in June 2006 by erstwhile Ministry of Textile Industry under Textile Skill Development Board (TSDB) and TCO as Secretariat. The concept was to attract textile industry to organize in-house training programs in garment units, support them on cost sharing basis and motivate them to keep on running the training scheme for availability of skilled workforce. Phase-III of SMOT to train 1,800 workers in one year was approved during 12<sup>th</sup> and 13<sup>th</sup> meetings of TSDB convened in 2019 under chairmanship of the then Advisor to Prime Minister on Commerce and Textile.

Stage	Duration	Trainees Trained
SMOT-III	FY 2022-23	120

However, SMOT was put on hold due to similar programs already being run by the EDF funded institutes (of Commerce Division), approval of a new project of Punjab Skill Development Fund (PSDF) by EDF Board; and owing to initiation of the Prime Ministers Skill Development Program.

**ii. Statistics and Database Centre:**

- a. In accordance with General Statistics Act and SRO 11(KE)/79, TCO managed collection of monthly statistics of cotton yarns, cotton cloth and jute-based industry through web-based platform (RDA Cell) after the reconciliation to avoid mis-declaration and forwarded consolidated report to Ministry of Commerce (Textile Wing) for onward submission to Pakistan Bureau of Statistics (PBS) for publication of Quantum Index of Manufacturing (QIM) report.

- b. Provision of data to various ministries/divisions/departments (Ministry of National Food Security and Research, Karachi Cotton Association, Planning Division) for publication of monthly/yearly reports.
- c. Managed collection of textile cess in accordance with the President Order.11/KE of 1983. The cess collected (in Rs. million) in FY 2022-23 are as follows:

Value in Rs.

Year	Cess Assessment	Cess Collected	Disbursement to NTU
FY 2022-23	11,250,000	16,176,831	3,665,396

- d. Initiated survey on “Reduction in Production Survey, 2022-2023” through web portal (RDA Cell) to highlight key reasons of decline in exports and recommend way forward for revival of textile industry in collaboration with private sector.

**iii. Textile Training Institute Management Board (TTIMB)**

TTIMB (funded from EDF) was placed under the administrative control of the erstwhile Ministry of Textile Industry in January 2008. TCO is acting as a Secretariat of the Board.

**iv. Others**

- a. Meeting with All Pakistan Textile Mills Association (APTMA) on 18<sup>th</sup> February 2023 to introduce female workers in Spinning and expand SMOT Program
- b. Meeting with Pakistan Readymade Garment Manufacturers and Exporters Association (PRGMEA) and Pakistan Hosiery Manufacturers Association (PHMA) dated 12<sup>th</sup> February 2023 and 13<sup>th</sup> February 2023 regarding the collection of textile statistics from value-added textile industry.
- c. Participated in 2<sup>nd</sup> International Conference on Knowledge-Based Textiles on 14-15<sup>th</sup> February 2023 at Faisalabad.
- d. Participated in Inspiring Change 5th International Conference on 31<sup>st</sup> August 2022 at Lahore.
- e. Physical surveys of various textile units were conducted by TCO (Faisalabad) for enhancement of cess collection and enrolment of new spinning and weaving units Provided training for the Capacity Building of officers and staff of TCO.

**2. LAHORE GARMENT CITY COMPANY (LGCC)**

Under Trade Policy 2003-04, LGCC was established on 16<sup>th</sup> September 2004 as Section 42 of Companies Ordinance, 1984 with Registrar Joint Stock Companies, Lahore. The total area of LGCC is 19.34 acres. The underlying objective was to reduce capital outlay of value-added textile manufacturers and provide them with a built-up space, fully

compliant and equipped with state-of-the-art facilities where they can establish their units by avoiding the lengthy process of buying land and constructing factories thereon.

**i. Revenue Generation (FY 2022-23)**

Details of revenue and expenditures from the constructed building are as under:

<b>In-Flows</b>	Rent of Buildings	81.8
(Rs. million)	Profit on deposit	43.48
	<b>Sub-Total (Rs. million)</b>	<b>125.28</b>
<b>Out-Flows</b>	Administration Expenses	32.20
(Rs. million)	Depreciation	18.60
	<b>Total (Rs. million)</b>	<b>50.8</b>
<b>Profits</b>	<b>Net Savings</b>	<b>74.49</b>
(Rs. million)		

**ii. Detail of Phase-I (Completed)**

<b>Building Type</b>	<b>No. of Floors</b>	<b>Covered Area (sqft)</b>
A	Basement + 5 stories	191,150
B	Basement + 4 stories	80,400
C	Basement + 4 stories	41,100
Multipurpose buildings	Ground + 2 floors	34,960
Security and Staff Residence		2,504
Misc Buildings (Pump Room, U/G water tank)		1,751
<b>Total</b>		<b>347,865</b>

**iii. Achievements/Progress of the Project:**

- The constructed buildings were leased out at monthly rental of Rs. 21.45 per square feet on 10% annual escalation.
- LGCC is generating the direct employment to 6,008 persons (84% male and 16% females) and indirect employment to 25,000 persons.
- Annual exports of US\$ 77 million in 2022-23.
- In-house job training facilities for 1,270 workers quarterly.

- e. Free pick and drop facility to the workers, especially females and remote areas.
- f. On-site medical dispensary with stand by Ambulance for workers and their families.
- g. Child Day Care Center for female workers/staff and officers.
- h. Marriage grants and strictly implemented Women Harassment Laws.

### **3. FAISALABAD GARMENT CITY COMPANY (FGCC)**

FGCC was registered with Securities and Exchange Commission of Pakistan (SECP) on 8th May 2006, having status of Company Limited by Guarantee under Section 42 of Companies Ordinance, 1984. The total area of FGCC is 38.9 acres. The underlying objective was to reduce capital outlay of value-added textile manufacturers and provide them with a built-up space, fully compliant and equipped with state-of-the-art facilities where they can establish their units by avoiding the lengthy process of buying land and constructing factories thereon.

#### **i. Revenue Generation (FY 2022-23)**

Details of revenue and expenditures from the constructed building are as under:

<b>In-Flows</b>	Rent of Buildings	71.949
(Rs. million)	Profit on deposit	33.446
	<b>Sub-Total (Rs. million)</b>	<b>105.395</b>
<b>Out-Flows</b>	Administration Expenses	52.195
(Rs. million)	Depreciation	20.657
	<b>Total (Rs. million)</b>	<b>72.852</b>
<b>Profits</b>	<b>Net Savings</b>	<b>32.543</b>
(Rs. million)		

#### **ii. Detail of Phase-I (Completed)**

Building Type	No. of Floors	Covered Area (sqft)
A	6	232,136
B	6	135,078
Training Center	1	11,845

Multipurpose building,		
Hall and Lobby, Admin Block	4	26,775
Security and Staff Residence		1428
Misc Buildings (Pump Room, U/G water tank)		5360
Masjid		2800
<b>Total</b>		<b>415,422</b>

iii. **Future Projects (Phase-II and III for construction of three buildings)**

FGCC on the approval of its Board of Directors and Ministry of Commerce decided to get its buildings constructed for SMEs through Public Private Partnership (PPP). The case has already been moved to Public Private Partnership Authority (P3A) and concept paper has been approved in its Executive Committee meeting held on 13<sup>th</sup> July 2023, for provision of Advisory Services by P3A to FGCC.

iv. **Female Exclusive Training Institute (FETI)**

- FETI was established in November 2017 and became operational in June 2018 with provision of machinery and technical support from JICA. FETI is imparting garments related training for two to six months to female students.
- NAVTTTC provisionally selected/considered FETI for execution of two courses (Industrial Stitching Machine Operator and Quality Control of 6 months each) from March to September 2022.
- In collaboration with Ministry of Commerce (Textile Wing), FETI and JICA signed Memorandum of Understanding with Interloop Limited, Faisalabad during FY 2022-23 for the provision of skilled workforce as per its requirement. Details of batches inducted so far for Interloop Limited are as follows:

Batch	Start Date	End Date	Enrolled
1.	Dec-22	Feb-23	30
2.	Feb-23	Aprl-23	30
3.	May-23	Jun-23	33

- d. FETI is also engaged with Punjab Technical Board (PTB) which does not issue certificates and conducts exams only. Certificates are issued by Punjab Skills Development Authority (PSDA) on behalf of all skills development institutes.
- v. **Other Achievements/Progress of the Project:**
- a. The constructed buildings were leased out at monthly rental of Rs. 15.5 per square feet on 10% annual escalation.
  - b. FGCC is generating the direct employment to 3,000 persons (70% males and 30% females) and indirect employment to 10,000 persons associated with activities such as manufacturing of accessories, packages, documentation, logistics, etc.
  - c. Annual exports of US\$ 25 million in 2022-23.
  - d. In-house job training facilities for 93 people in FY 2022-23.
  - e. Solar System of 50 kW installed in FGCC and operational from 4<sup>th</sup> May 2023.
  - f. Free pick and drop facility to the workers, especially females and remote areas.
  - g. On-site medical dispensary with stand by Ambulance for workers and their families.
  - h. Child Day Care Center for married female workers/staff and officers.
  - i. Enforcement of Women Harassment Laws.
  - j. 7000 small trees have been planted under the Prime Minister Green and Clean Pakistan Move on 16 acres of land.

#### **4. KARACHI GARMENT CITY COMPANY (KGCC)**

KGCC, a project of Ministry of Commerce, is spread over an area of 300 acres of prime industrial land, situated about 55 Kms from the city center and located next to Arabian Sea Country Golf Club, in the vicinity of Port Qasim, Karachi. KGCC is registered with SECP as a Company under Section 43 of Companies Ordinance, 1984. KGCC is planned to have internationally standardized buildings, industrial plots and common facilities and establish ISO 9000 compliant clothing and made up factories.

Land Utilization Department (LUD), Board of Revenue, Sindh allotted 300 acres of industrial land at DehPipri, Karachi in the Port Qasim area to KGCC on 29<sup>th</sup> March 2007 and an amount of Rs. 300 million received from Export Development Fund (EDF) was paid to Government of Sindh on 23<sup>rd</sup> January 2008 as full cost of land.

- i. **Funding of Project as on 30.06.2023**
- a. KGCC received a sum of Rs 500.93 million from Export Development Fund to meet expenses of the project, as per following details:



<b>Receipt Date</b>	<b>On Account (Purpose)</b>	<b>Amount (Rs. in Million)</b>
27.03.2006	To set up KGC Project	5.00
11.01.2008	To purchase project land	300.00
08.03.2008	For Govt. levies, office expenses and mobilization etc.	30.00
25.03.2008	For Govt. levies, office expenses and mobilization etc.	20.00
29.05.2014	For Construction of Boundary Wall.	20.00
15.06.2015	For Construction of Boundary Wall for lease and mutation charges	1.78 51.15
04.10.2021	For lease and mutation charges	63.63
	For Two years recurring expenses	9.37
<b>Total</b>		<b>500.93</b>

- b. Rs. 9,368,615 has been approved by EDF for KGCC to meet recurring expenses such as staff salaries, office rent, utilities bills and other miscellaneous expenses for 2021-22 and 2022-23, however said amount has not been transferred to KGCC yet.

**ii. No Profit Organization (NPO) Status**

- a. KGCC was granted NPO status by FBR on 28<sup>th</sup> March 2019, under Section 2(36) of Income Tax Ordinance 2001 for six months and was extended from time to time until 30<sup>th</sup> June 2020. Commissioner, IR, Legal RTO, Karachi passed order on 18.03.2021 not to grant further renewal of NPO status, as the criteria has changed under Finance Act 2020. According to the said change, the definition of NPO given in section 2(36) of the Ordinance excluded reference of establishment of an entity for ‘development purposes. In other words, entities set-up for any development purposes would not to be recognized as NPO.
- b. On KGCC’s application/appeal for review of Order dated 18.03.2021, following order was passed on 23.06.2022 by Chief Commissioner, IR, CTO, Karachi.

**Quote** *In the light of the above observation of DG(WHT), the order of the CIR is remanded back with the direction to re-visit her findings in the case, while keeping the DG(WHT) observation, and after giving opportunity of being heard to the taxpayer beyond a shadow of doubt*  
**Unquote**

- c. On 27.06.2022 following remarks given by KGCC Tax Consultant, Crowe Hussain Chaudhury & Co. on said Order of Chief Commissioner, IR.

*Quote After pleading your case and many follow ups we finally were successful in remanding back the case. Now, our offices will prompt the Commissioner Legal to issue a fresh notice and arrange an out of turn hearing. We feel confident that the case should be favorable Unquote*

**iii. Registration / lease of Project Land**

- a. Funds of Rs. 73 million (Rs. 63.631 million for lease/mutation charges including Rs 9.369 million for two years allied recurring expenses) were granted by EDF and received from TDAP on 30.09.2021. Both the aforesaid amounts are unutilized in a current bank account maintained with NBP, jointly operative with TDAP.
- b. On the basis of latest lease charges intimated by BOR, Sindh on 28.07.2021 for registration of land, Rs. 334.541 million (1% stamp duty and 1% advance tax under 236K) is payable.
- c. KGCC faced difficulties in follow-up with Govt. of Sindh for seeking exemption on the payment of lease charges for considerable long time and FBR indecision on NPO application for very long time.
- d. In case if NPO status is restored, KGCC will be exempted from paying advance tax and short amount will be reduced to Rs. 52.49 million. In case, FBR decision on KGCC appeal does not result in a positive outcome, advance tax under Section 236K will become payable on registration of land.

**iv. Development Concept of Project**

KGCC–BOD approved to hire NESPAK as engineering and architectural consultant for the development of project as per PPRA procedures. In pursuance of appointment, NESPAK after discussion with KGCC initially submitted following recommendations which are to be considered and finalized by the Board:

- a. Project to be developed in 5 phases (60 acres each)
- b. Each phase to have one Park, one mosque and one club/guest house
- c. Each phase to have underground and overhead water tanks of appropriate capacity
- d. Factory plot sizes: 1 ½ Acre 20%, 1 Acre 50% and ½ Acre 30%
- e. Factory buildings on the pattern of FGCC and LGCC to be constructed as well
- f. Establish treatment plant in 3<sup>rd</sup> phase of development

NESPAK further prepared three options of master plan along with layouts and salient features of each plan, which are to be considered and finalized by the Board.

- v. **Code of Corporate Governance for Public Sector Companies**
- a. SECP vide SRO. 180(1)/2013 dated 08.03.2013 notified Public Sector Companies (Corporate Governance) Rules, 2013 which are applicable to all public sector entities for the year ending June 30, 2014 and onwards.
  - b. As commercial operations of KGC project did not start during the year, it was practically not possible for the Company to frame/formulate all the required policies and implement all requirements under the Rules. Nevertheless, KGCC will file statement of compliance with SECP for the year 2022-23.

## 5. EDF FUNDED INSTITUTES

### 5.1. **PAKISTAN KNITWEAR TRAINING INSTITUTE (PKTI), LAHORE**

PKTI is a EDF funded project of erstwhile Ministry of Textile Industry (now Textile Wing, Ministry of Commerce) and business community established in 1994 to produce trained manpower for the knitwear garments industry. It is being run by a Management Committee constituted by federal government comprising of government officials and the leading businessmen from knitwear sector.

PKTI has its own furnished building in a two-story complex and the ability to impart training with minimum expenses to at least 120 students at a time which can be increased to 350 students in a day. It has fully equipped laboratories (cutting, stitching, knitting, dyeing, printing, quality, computer) and runs different courses to cater the needs of industry. It is a unique initiative to empower women by providing them a Day Care Center facility.

#### i. **Programs at PKTI**

##### a. Donor Funded Short Course Programs (3-6 months)

Name of Course	Curriculum
Industrial Stitching Machine Operators	NAVTTTC, P-TEVTA, PSDF
Industrial Stitching Machine Mechanics	NAVTTTC, PSDF
Knitting Machine Operators	
Knitting Machine Mechanics	
Fabric Cutting Expert	
Quality Control in Garments	
Merchandising Management Techniques	
Import Export Documentation & Procedures	

Production Planning & Control	
Industrial Engineering	
Apparel Supervisors / Line Supervisors	
Pattern Drafting & Cutting	
Fashion Designing (Hosiery)	
Home Textile Product Maker	
Dress Making & Designing	
Textile Designing	NAVTTTC
Computerized Embroidery Machine Operators	
Fabric Printing / Screen Printing	
Supply Chain Management	
Inventory Management	
Textile Sales and Marketing	P-TEVTA

b. Self-Finance Based Short Programs

- Import Export Management
- Merchandising Management Techniques
- Costing and Pricing
- Production, Planning and Control
- Textile Quality Management
- Textile Sales & Marketing
- Management of Production Operations
- Financial Accounting
- Business Communications
- Human Resource Management
- Business Mathematics / Statistics

c. Self-Finance Based Diploma Programs in Garments Manufacturing

d. Undergraduate Diploma in Garments Manufacturing

ii. **Achievements of PKTI**

- a. The Government of Japan, through Japan International Cooperation Agency (JICA) decided for technical cooperation project namely “The Project for Skills Development & Market Diversification (PSDMD) of Garment Industry” and selected PKTI as its collaborating partner. JICA signed the record of discussion in February 2016 with the objective that management capacity of target training institutes is developed to fulfill needs of garment industry and human resource is developed for market expansion of Pakistani garment industry. The Government

of Japan donated 62 latest computerized sewing machine and Gerber CAD/CAM system to PKTI.

- b. On the basis of the performance in PSDMD, PKTI (Principal) was selected as panelists to represent its achievements in the side event of the 64<sup>th</sup> session of the United Nations Commission on the Status of Women which was held in UN Headquarters in New York. The event was co-organized by the Permanent Mission of Japan to United Nations and three Japanese NGOs; Japan Women's Watch (JAWW), National Women's Committee of United Nations NGOs and International Women's Year Liaison Group (IWYLG).
- c. Sale of products developed by PKTI trainees/graduates through "Online Artifact Shop ([www.artifactshop.pk](http://www.artifactshop.pk))". This online platform is a multi-vendor shop which provides trainees with the ability to create accounts, open online stores, showcase their work and market their products. It encourages them especially female graduates who could not join industry due to certain reason, want to work from home and support their families.
- d. As a result of JICA's utmost efforts in providing hands on practical training of trainers, PKTI is providing advisory services to public and private sectors for their requirements of uniform and clothing. Punjab Daanish Schools and Center of Excellence Authority (PDS&CEA), Lahore Development Authority and Lahore Zoo are the prime examples from public sector to be the beneficiary of these services while NGS Preschool, Ittefaq Apparels, Ailya's Nightwear and Pristine Apparels and so many other companies are foremost examples from private sector.
- e. Over the period, PKTI has become a key player in not just providing skilled labor force to the industry but has also become a platform for providing much demanded services like pattern making, sampling, R&D, training of trainers and floor planning consultancy to small and medium sized garments units. PKTI has therefore decided to establish a Product Development Center to assist garment companies and started running knitting machines on a commercial basis and providing sewing sampling services on subsidized rates to help SMEs.
- f. Trained over 3,500 graduates under Punjab Skill Development Fund (PSDF).
- g. Initiation of two-year BA Programs and Scholarships for Students (with the support of industry).

- h. PKTI got registered as Public Sector Manufacturing Unit and enlisted on website of PPRA at Federal and Provincial level to make institute self-sustainable, less dependent on public funds and better utilization of its resources.
- i. Trained 100 batches of around 3,000 trainees on Import-Export Management Course
- j. Publication of a book by PKTI faculty member on “Complete Import Export Business Manual”. Five editions of this book have been consumed and a sixth edition is under consideration.
- k. Signing of an agreement with Gender Guarding and Special Education Department, Government of Punjab. Special classes for transgenders and hearing-impaired persons in Industrial Stitching Machine Operators and Knitting Machine Operators are being conducted in PKTI on regular basis and its placement is ensured on industrial level.

## **5.2. Pakistan Readymade Garments Technical Training Institute (PRGTTI)**

PRGTTI was established in 2001 with an objective to provide skilled human resource to readymade garment industry of Pakistan. It was a project of erstwhile Ministry of Textile Industry (now Textile Wing, Ministry of Commerce) and Pakistan Readymade Garments Manufacturers and Exporters Association (PRGMEA). Institute is equipped with the latest machinery and equipment for different trades and so far, almost 20,000 skilled human resources have been trained and employed in the sector.

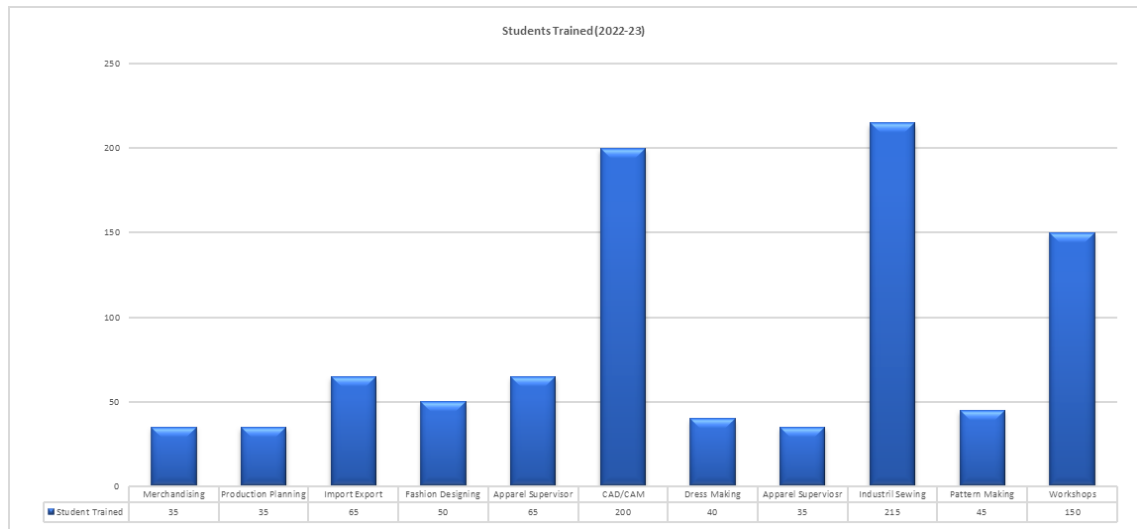
### **i. Programs at PRGTII, Lahore**

PRGTTI is offering courses related to the garment industry. It has working experience with different national and international organizations like ILO, GIZ, JICA, SGS, NAVTTC, PSDF, etc.

- a. Dress Making
- b. Industrial Sewing
- c. CAD/CAM
- d. Pattern Making
- e. Merchandising
- f. Production Planning
- g. Import Export
- h. Fashion Designing
- i. Quality Assurance and Compliances

### **ii. Key Achievements**

- a. The Government of Japan, through JICA decided for technical cooperation project namely “The Project for Skills Development and Market Diversification (PSDMD) of Garment Industry” and selected PRGTTI as its collaborating partner. JICA signed the record of discussion in February 2016 with the objective that management capacity of target training institutes is developed to fulfill needs of garment industry and human resource is developed for market expansion of Pakistani garment industry. JICA has provided the latest sewing machinery for the training of students. Training of trainers and course outline development is also in process.
- b. The following progress overview focuses on the key areas of training offered by the PRGTTI during FY 2023:



- c. Throughout FY2023, PRGTTI conducted several workshops to enhance the practical skills and industry exposure of students. These workshops covered topics like sustainability, fashion trends, and advanced sewing techniques, enriching the learning experience of students and promoting industry-relevant knowledge.

### 5.3. SMARTI

SMARTI was a joint EDF funded project of erstwhile Ministry of Textile Industry and Towel Manufacturers Association (TMA). It started functioning in 1998 with the aim of providing quality education in the field of textile and other allied technologies. The institute is located in Karachi (Korangi Industrial Area), housed in two storied buildings and spreading over 5,556 square yards. It is equipped with the latest machinery, equipment and laboratories.

**i. Program at SMARTI**

The institute is registered with Sindh Board of Technical Education (SBTE), Karachi and offering the following degree and diploma programs:

- a. Printing and Dyeing
- b. Textile Weaving
- c. Mechanical, Chemical, Electrical, Electronics and Civil

**ii. Performance and Achievement**

- a. During FY 2022-2023, 232 students are enrolled in the different technologies of Diploma of Associate Engineers (DAE).
- b. Started BS Textile program in 2019. The program is affiliated with the University of Karachi. At present, 88 students have been enrolled in the program.

**5.4. PAKISTAN BEDWEAR DESIGNING AND TRAINING INSTITUTE (PBDTI)**

PBDTI, is a EDF funded project of erstwhile Ministry of Textile Industry (now Textile Wing, Ministry of Commerce) was established in 1994 and situated at P.E.C.H.S, Block-6, Karachi in a two-story building with covered are of 600 yards. It has been operational since 1999 and affiliated with Sindh Board of Technical Education (SBTE).

**i. Programs at PBDTI**

- a. 02 Years Diploma in Textile Processing and Designing with CAD/CAM
- b. 01 Year Diploma in Fashion Designing
- c. 06 Months Short Certificate Courses:
  - Textile Processing including Laboratory Testing.
  - CAD/CAM Technology (Computer Textile Designing).
  - Fashion Designing.
  - Textile Merchandising & Marketing.
  - Computer Graphics (Print Media).
  - Textile Printing and Treatment.
  - Digital Textile Designing.

**ii. Record of Students**

Year	02 Years Diploma	01 Year Diploma	Short Courses	Total Enrollment
2022	29	17	18	64
2023	08	06	02	16 and on-going



# Agro Products Wing

### **13. AGRO PRODUCTS WING**

Agro Products Wing deals with supply chain issues of grains, meat, poultry, livestock, horticulture, processed food, fisheries, analysis of domestic production and liaises with relevant ministries / departments.

#### **1. Protection of Pakistan Rice in EU:**

The Prime Minister established a high-level committee Chaired by the Secretary of Commerce and the Co-Chair of the Ministry of National Food Security & Research to increase rice exports to the EU. The Committee is also responsible for improving the overall quality of the rice products by ensuring strict compliance in the line of the guidelines set by the EU. As per the committee's Terms of Reference, the Agro Wing of the Ministry of Commerce organized several meetings and, after consulting with relevant stakeholders, submitted a report on the matter to the Prime Minister's Office. Now, Agro wing is working on the implementation of the recommendations. It may be added that during February-June, 2022, EU Reported 41 Red Alerts caused by Aflatoxin and other pests, which were reduced to 2 during July-December, 2022 and only one case in the year, 2023, as of now. Furthermore, a report on Rice Sector was also submitted to the Prime Minister's Office.

#### **2. Report on National Food Security:**

The Agro Wing of the Ministry of Commerce, under the direction of the Prime Minister's Office, undertook consultations with federal ministries such as the Ministry of National Food Security & Research and the Ministry of Climate Change, as well as all provincial departments, to develop a food security strategy. After completion, the strategy was submitted to the Prime Minister's office. This is comprehensive report of the food security in Pakistan and how our agriculture sector is being affected by the changing climatic conditions, and way for improving resilience and productivity of the sector. The PM Office has shared the report with all stakeholders for implementing their respective parts.

3. **Facilitation in import of Essential Items:**

Following the severe floods during the 2022 monsoon season, the country experienced a shortage of essential food items such as onions and tomatoes due to vast areas of land being submerged and crops being destroyed. The Agro Wing of the Ministry of Commerce worked closely with relevant stakeholders, including the Ministry of National Food Security & Research, provincial agriculture and food departments, trade associations, trade missions in Iran, Turkey, and Afghanistan, the Federal Board of Revenue, and other departments to maintain a steady supply of these essential commodities and stabilize domestic prices.

4. **Draft Action Plan for Development & Export Enhancement of Pakistan's Fruits & Vegetables:**

On directions of the Federal Minister for Commerce, the Agro Products Wing in collaboration with the Trade Development Authority of Pakistan (TDAP) undertook comprehensive consultations with the private sector stakeholders, especially with members of the Council for Agriculture and Food Processing and the respective trade organizations for formulation of a draft action plan for development and export enhancement of Pakistan's Fruits and Vegetables Sector.

5. **Efforts to Enhance Export of Cherries to China:**

The Agro Products Wing collaborated with all the concerned departments for market access of Pakistani Cherries to China. A protocol on Phytosanitary requirements for the export of fresh Cherries from Pakistan to China was signed between the two countries on 31st October 2022. Agro Products Wing in collaboration with TDAP and DPP facilitated visit of a 14-member Chinese business delegation to fresh cherry orchards in Gilgit-Baltistan from 15<sup>th</sup> to 18<sup>th</sup> May 2023, with the objective of exploring and establishing cherries' export from Pakistan to China. During their visit, the Chinese delegation actively engaged in seminars, Business to Business (B2B) meetings, and

conducted an inspection of the cherry orchards in Gilgit-Baltistan. As a result of the active engagement of the Ministry of Commerce, the General Administration of Chinese Customs (GACC) has published a list of Pakistani orchards and packaging houses which are allowed to export Cherries to China.

6. **Sectoral Councils for Agro Products:**

The Ministry of Commerce has constituted sectoral councils for Rice, Agriculture Products, and Meat & Dairy, with the aim of bringing together private and public sector expertise to create policy options that will increase agricultural production and exports. Agro Products Wing coordinated with these sectoral councils and facilitated meetings of these councils to devise a strategy for boosting the production and export of agricultural products.

# Non-Agro Products Wing

## **14. NON-AGRO PRODUCTS WING**

Non-Agro Products Wing deals with critical analysis of trade & issues of Non-Agro Products, domestic production of NAPs sector and liaises with relevant ministries / departments.

### **1. Constitution of Sectoral Councils for Non-Agro Products**

As envisioned in the Strategic Trade Policy Framework, 2020-25, Ministry of Commerce constituted the following Sector-Specific Councils to provide a vital link between the public and private stakeholders for ensuring an environment of collaboration, trust and ownership, and convergence of diverse set of approaches and thinking on a well thought out, considered and balanced set of recommendations for consideration of the Government:

- i. Sectoral Council for Sports Goods
- ii. Sectoral Council for Gems & Jewelry
- iii. Sectoral Council for Pharmaceuticals & Cosmetics
- iv. Sectoral Council for Chemicals
- v. Council for Engineering Goods
- vi. Council for Marble & Granite and Minerals
- vii. Council for Surgical Instruments

### **2. Export of Surplus Plasma**

Plasma Derived Medicinal Products (PDMPs) are medicinal products extracted from blood plasma used as therapies for the treatment of a range of diseases. M/s Lab Diagnostic System (SMC) Pvt. Ltd and M/s United Prime Health Biopharmaceutical have shown interest to venture into this new field and have entered into agreements with foreign importers of plasma like National Bio products Institute NPC, South Africa and are in the process of developing the requisite infrastructure in this regard. Surplus plasma will be collected from blood banks and will be exported to plasma fractionation facilities abroad. In exchange, plasma derived finished medicinal products will be imported to meet domestic needs. Once necessary infrastructure is established within the country, precious foreign exchange will be saved with the domestic production of PDMPs. Ministry of Commerce facilitates the stakeholders with regard to the prevalent regulations governing import and export of plasma.

### 3. **Establishment of Testing Facilities for Industrial Sectors**

Ministry of Commerce conducted an exercise, collecting sector-wise data on mandatory international testing requirements for exports/imports and availability of these facilities in the country. The data so collected had revealed inadequacies of testing facilities in the country, hence required immediate attention of the Government to make the requisite testing infrastructure available in the country to facilitate the business community. The data was shared with the Ministry of Science & Technology for development of lacking testing facilities in the country. Accordingly, the following project proposals developed by Pakistan Council of Scientific & Industrial Research (PCSIR), MoST have been submitted for consideration of the Export Development Fund Board:

- Development of the State of the Art R&D, Training and Testing Facilities at Leather Research Center to comply with ZDHC, REAC, LWG & E Market.
- Establishment of Accredited Facilities under ISO/IEC: 17025:2017 for compliance with MDR.
- Bio-compatibility (Safety Evaluation) Lab for medical devices, surgical implants, instruments and Manufacturing, Material to ensure the safety of patient and user.
- Strengthening the Capacity of PCSIR Karachi Accredited (ISO-1725) for Fruits & Vegetables Quality & Safety Testing to Enhance Export.
- Establishment of Accredited Testing Facility for Quality Assessments of Sports Goods to uplift the Pakistan Sports Goods Manufacturing Industry.

### 4. **World Bank Project Concept – P Grow**

Ministry of Commerce is working on a project concept with the World Bank titled *“Pakistan Grows Resilient Open and Wealthy (P-GROW)”* having various results areas which include *“Workers skills”* and *“Wage Subsidies to Increase Female Labour Force Participation”*. In this regard, interventions are being identified to be made part of the result areas to provide support to the firms.

### 5. **Promotion ‘Pink Rock Salt’ – a GI Product Of Pakistan**

A Geographical Indication (GI) identifies a product with a specific area of its origin that impart unique and distinguishable characteristics to a product. The protection of GIs is, therefore, regarded as a prerequisite for economic well-being of manufacturers/producers and for promoting economic activities in the specific region. The Government of Pakistan has enacted the Geographical Indication (Registration and Protection) Act, 2020 and notified important products and their Registrants for the GI Registration. To promote and protect the commercial interest of the country in the marketing of Pink Rock Salt, the following measures have been taken:

- Pink Rock Salt having its origin in the Salt Range, Potohar Region of Pakistan has been registered under the GI Law as a product of Pakistan.
- Pakistan Customs Tariff 2022-23 refers to "Himalayan Rock Salt" with no mention of the "Pink Rock Salt", which is misleading to its correct source of origin and misuse by third parties as they have been reflecting it as their product by calling it Himalayan rock salt. The matter has been taken up with the FBR to amend/change the description of ‘Himalayan Rock Salt’ under PCT 2501.0021 to “Pink Rock Salt” to reflect its true source of origin and avoid its misuse by the third parties and to ensure effective protection of the GI products of Pakistan.

#### **6. Promotion of Marble & Granite Sector**

Pakistan has great potential for export in the dimension stone sector, especially in marble, granite and onyx. Pakistan has major deposits of high quality marble and granite in a wide range of color, shades and patterns. Marble & Granite is the sixth largest mineral extracted in Pakistan. Dimension stone reserves of the country are estimated around 2902.3 million tons. In order to tap the vast potential in the sector and to facilitate the stakeholders, the following project proposals have been identified by All Pakistan Marble Industries Association (APMIA), which have been submitted for consideration of the EDF Board for funding:

- Common Facility and Training Center (CFTC) at Risalpur, Khyber Pakhtunkhwa.
- Common Facility and Training Center (CFTC) at Gaddani, Balochistan.



7. **Capacity Building of the Surgical Instruments Sector for Compliance with the EU MDR**

The European Union Medical Device Regulation (MDR)/Regulation (EU) 2017/745 (EU MDR) entered into force on 26 May 2021, and will be fully implemented from May 2024, which now has been extend further till 2027. Manufacturers will have to enhance their quality systems, and introduce new procedures for document storage, post-market surveillance, and risk assessments for their products. Non-Agro Products Wing is working for the development of the testing infrastructure at one place that could cater to the needs of the entire industry located in the Golden Triangle (Gujranwala, Sialkot, Sheikhpura, and Wazirabad), providing services to the sectors like Medical devices & surgical instruments, leather goods, sports and other allied industries at their door step.

8. **Up-Gradation of Sports Industries Development Centre (SIDC), Sailkot.**

Pakistan Sports Goods Manufacturers and Exporters Association have requested to upgrade the Sports Industries Development Centre (SIDC) in Sailkot. Export Development Fund and Small and Medium Entreprises Development Authority are working on proposal amounting to PKR 93,586,000 funding for three years on SIDC. Non-Agro Products Wing supported the proposal for up-gradation of Sports Industries Development Centre, Salikot.

# Foreign Trade-I Wing

## 7. FOREIGN TRADE-I WING

The Foreign Trade-I Wing is responsible for trade promotion / diplomacy and taking market access initiatives related to its respective region.

### Key Initiatives undertaken by FT-I Wing:

- **7<sup>th</sup> Session of Japan-Pakistan Joint Government Business Dialogue**

The 7<sup>th</sup> Session of Joint Dialogue between Pakistan and Japan was held on 29<sup>th</sup> September, 2022 in Islamabad wherein productive discussions were held on cooperation in a wide range of areas like Trade, Agriculture, Information Technology, Standards, Overseas Remittance, Investment, and Automobile sector development. Moreover, a Memorandum of Understanding (MOU) for cooperation on Trade Promotion was also signed between Trade Development Authority of Pakistan (TDAP) and Japan External Trade Organization (JETRO).

The minutes of 7<sup>th</sup> Japan-Pakistan Joint Government Business Dialogue were signed on 16<sup>th</sup> February 2023 in a ceremony held at the Ministry of Commerce by Federal Commerce Minister of Pakistan Syed Naveed Qamar, and Ambassador of Japan to Pakistan H.E. WADA Mitsuhiro.

- **Resumption of Pakistan and Malaysia Talks after a Break of 6 Years**

To activate the forum of Joint Review Committee (JRC) lying dormant for 6 years, the Ministry of Commerce, Pakistan proposed to hold the 4th Meeting of Joint Review Committee (JRC) of Malaysia Pakistan Closer Economic Partnership Agreement (MPCEPA), however, the Malaysian side proposed holding an ice-breaking session before moving forward with JRC. Consequently, an online icebreaking session was held between the two countries on 11th October, 2022 wherein it was resolved to revive the talks on Early Harvest Program started in last JRC.

- **Outreach to East Asian Market – First Ever Pak-ASEAN Trade Development Conference & Single Country Exhibition**

Ministry of Commerce is working on the “1<sup>st</sup> Pak-ASEAN Trade Development Conference & Single Country Exhibition”, an initiative being undertaken for market diversification. The objective of the initiative is to diversify Pakistan’s

export basket to the ASEAN countries, increase B2B linkages, create awareness about our products and explore new avenues to enhance trade and investment relations with ASEAN as a bloc and also with the countries. To this end, the First Pakistan-ASEAN Trade Development Conference (PATDC) and a Pakistan Single Country Exhibition (PSCE) is being organized at Jakarta (Indonesia) tentatively in November, 2023. It will be a major initiative to bring together the public and private stakeholders at one place to explore the opportunities of enhancing trade potential between Pakistan and ASEAN member states. Next edition of the event will be organized in Philippines.

- **Resumption of the Process and Approval/Accreditation of 2 Meat Companies from Pakistan with DVS and JAKIM Malaysia**

The Department of Veterinary Services (DVS), Malaysia and the Department of Islamic Development Malaysia (JAKIM) have approved certification of two Pakistani companies, namely, Fauji Meat Limited and Abedin International Private Limited in October, 2022 for export of meat from Pakistan to Malaysia which is a breakthrough as Malaysia is lucrative market for export of halal meat.

- **3<sup>rd</sup> Meeting of the Joint Working Group on Trade, Investment and Auto Sector between Pakistan and Sri Lanka**

The 3<sup>rd</sup> Session of the Joint Working Group between Pakistan and Sri Lanka was held virtually on 15<sup>th</sup> December, 2022 wherein the outstanding issues between the two sides came under detailed discussion. For expeditious resolution of issues of technical nature, two sub-committees comprising the technical experts from both sides were established with mutual agreement.

- **9<sup>th</sup> meeting of Pakistan-Australia Joint Trade Committee (JTC)**

The 9<sup>th</sup> Session of Pakistan-Australia Joint Trade Committee (JTC) was held on 16<sup>th</sup> March 2023, at the Ministry of Commerce, Islamabad. Both sides discussed matters of bilateral trade and mutual importance. Matters pertaining to market access, rights related intellectual property rights especially with regard to Pakistan rice exports, import procedures in agricultural, Information Technology and Trade promotion were also discussed.

- **Ice-Breaking Session between Pakistan and South Korea on Possibility of Trade Agreement (FTA)**

An ice-breaking session was held between Pakistan and South Korea on 18<sup>th</sup> April, 2023 virtually wherein both sides agreed to discuss and explore the possibility of a trade agreement.

- **SAARC-ADB 5th Special Meeting on the Regional Economic Integration Study (Phase-II)**

The 5<sup>th</sup> Special Meeting of the SAARC-ADB on Regional Economic Integration Study (Phase-II) took place on 5<sup>th</sup> and 6<sup>th</sup> June, 2023, in Colombo, Sri Lanka. This meeting marked a significant event after a four-year hiatus. During the meeting, rectifications were discussed and adopted in order to address anomalies that had been identified in official record/report since 2016. These issues were brought to light by the head of the Pakistani delegation. The changes resulting from the discussions have been incorporated and are now reflected in the Final Report of the Secretariat.

- **Extension of MFN Status on Rice Exports from Pakistan**

After sustained efforts of the ministry of Commerce and Pakistan's Mission in Philippines, the Government of Philippines in December 2022 extended the MFN status on import of rice from Pakistan till December 2023, thus providing a favorable opportunity for the export of rice from Pakistan at par with ASEAN.

- **Offer of FTA from Viet Nam**

The Government of Vietnam has recently expressed its interest to sign an FTA with Pakistan. An offer in this regard has been shared through the Embassy of Pakistan in Viet Nam in March 2023.

Aggregate Bilateral Trade of financial years 2021-22 and 2022-23 is as under:-

<b>Aggregate Bilateral Trade (\$ Million)</b>					
<b>S. No</b>	<b>Country</b>	<b>2021-22</b>		<b>2022-23</b>	
		<b>Export</b>	<b>Import</b>	<b>Exports</b>	<b>Imports</b>
<b>1</b>	<b>Japan</b>	213	2,170	208.51	1,053.4
<b>2</b>	<b>Republic of Korea</b>	226.28	952.63	188.74	648.63
<b>3</b>	<b>Sri-Lanka</b>	392.57	75.96	301.28	68.36
<b>4</b>	<b>Australia</b>	307.1	474.9	297.8	772.3
<b>5</b>	<b>Malaysia</b>	459.6	1263.4	371.9	890.1
<b>6</b>	<b>Indonesia</b>	131.77	4593.22	145.46	4319.11
<b>7</b>	<b>Philippines</b>	160.89	71.23	144.68	29.87
<b>8</b>	<b>Vietnam</b>	303.91	603.89	233.52	257.10

**Source: TDAS**

# Foreign Trade-II Wing

## 8. FOREIGN TRADE-II WING

The Foreign Trade-II Wing is responsible for trade promotion / diplomacy and taking market access initiatives related to its respective region.

### 1. AFRICA REGION

Total bilateral trade between Pakistan and Africa was US\$ 4.44 billion in 2022-23. Exports were US \$1.55 billion, while imports were US \$2.89 billion in 2022-23. The details are provided below:

#### **BILATERAL TRADE OF PAKISTAN WITH AFRICA (US\$ MILLION)**

<b>Year</b>	<b>Pakistan Imports (US\$ Billion)</b>	<b>Pakistan Exports (US\$ Billion)</b>	<b>Total Trade (US\$ Billion)</b>
2017-18	2.74	1.51	4.25
2018-19	2.92	1.36	4.28
2019-20	2.70	1.48	4.18
2020-21	3.11	1.37	4.48
2021-22	4.80	1.54	6.34
<b>2022-23</b>	<b>2.89</b>	<b>1.55</b>	<b>4.44</b>

#### 1.1 Look Africa Policy of Ministry of Commerce

In order to enhance trade and increase outreach to major African economies, the Ministry of Commerce launched “Look Africa Policy Initiative”, which envisaged various measures to enhance trade with Africa. The initiatives have been undertaken by the Ministry of Commerce to diversify exports to Africa including enhancing Commercial representation, enhanced participation in exhibitions, coordination with regulatory authorities, organization of Pakistan Africa Trade Development Conferences and Single Country Exhibitions in regional trading hubs of Africa. In pursuance of this, following initiatives have been taken during fiscal year 2022-23:

#### 1.2 3<sup>rd</sup> Pakistan Africa Trade Development Conference and Single Country Exhibition

3<sup>rd</sup> Pakistan-Africa Trade Development Conference and Single Country Exhibition (PATDC) was held at Johannesburg, South Africa from 29<sup>th</sup> Nov-1<sup>st</sup> December 2022. Federal Minister for Commerce led the Pakistani delegation which include 120 companies from Pakistan. An estimated US\$ 2.4 million worth of trade deals were penned during the event. More than 700 B2B meetings



took place during the two-day Single Country Exhibition and 20 MoUs were signed during the event which will ultimately lead to trade deals.

### **1.3 Preferential Trade Agreement between Pakistan and Mozambique**

Negotiations on Pakistan-Mozambique PTA have been initiated in June 2023.

### **1.4 Preferential Trade Agreement between Pakistan and Kenya**

Preliminary working on Pakistan-Kenya PTA has been initiated.

### **1.5 MoU on JTIC between Pakistan and Mozambique**

Memorandum of Understanding between the Government of Islamic Republic of Pakistan and the Government of the Republic of Mozambique on the establishment of Pakistan-Mozambique Joint trade and Investment Committee was signed on the sidelines of 3<sup>rd</sup> PATDC in Johannesburg, South Africa.

### **1.6 Bilateral trade Agreement between Pakistan and Ethiopia**

Bilateral Trade Agreement (BTA) between the Federal Democratic Republic of Ethiopia and the Government of the Islamic Republic of Pakistan have been signed in February 2023. Both sides are working on holding first session of JTC.

### **1.7 Trade Promotional Activities**

During FY 2022-23, Trade Missions in collaboration with TDAP arranged 65 delegates/buyers from Africa for participation in the 4<sup>th</sup> Edition of TEXPO held on 26-28<sup>th</sup> May 2023 at Expo Center Karachi. Similarly, 150 delegates/buyers from Africa participated in the 2<sup>nd</sup> Engineering and health care show held on 23-25<sup>th</sup> February 2023.

### **1.8 Webinars/online consultative sessions**

Ministry of Commerce, Trade Development Authority of Pakistan and Trade & Investment Officers abroad have organized around 25 webinars with the focus on informing our exporters regarding trade regulatory regimes and potential sectors in African countries.

## **2. MIDDLE EAST REGION**

In the Middle East region, an increase of 3.2% in exports has been recorded during FY 2022-23 as compared to exports in FY 2021-22 while during FY 2022-23 imports have declined to 24% as compared to imports in FY 2021-22. The detail of bilateral trade between Pakistan and Middle East is as follows:

**BILATERAL TRADE OF PAKISTAN WITH MIDDLE EAST (US\$ MILLION)**

<b>Years</b>	<b>Pakistan Exports</b>	<b>Pakistan Imports</b>	<b>Total Trade</b>
2017-18	1,625.54	14,269.03	15,894.57
2018-19	1,902.23	14,594.74	16,496.97
2019-20	2,314.07	10,309.85	12,623.92
2020-21	2,049.39	12,113.36	14,162.75
2021-22	2,574.28	22,188.15	24,762.33
2022-23	2,657.26	16,969.41	19,626.67

**Source: FBR/PRAL****2.1. Pak-GCC Free Trade Agreement (FTA):**

Pakistan is negotiating a Free Trade Agreement (FTA) with Gulf Cooperation (GCC) which is at an advanced stage. The agreement covers trade in goods, service, investment and e-commerce. Both sides have held four rounds of Negotiations and various intersessional meetings. The text of the agreement is almost finalized and annexures are being negotiated.

**2.2. Pak-UAE Comprehensive Economic Partnership Agreement (CEPA):**

Pakistan is negotiating a Comprehensive Economic Partnership Agreement (CEPA) with the UAE and negotiations are at an advanced stage. The agreement covers trade in goods, service, investment, digital trade and sanitary and Phyto sanitary measures and technical barriers to trade. As of now, two rounds of negotiations and various inter-sessional meetings have been held. The text of the agreement is almost finalized and annexures are being negotiated.

**3. ECO & CARS REGION**

Pakistan's total trade with Afghanistan was US\$ 1864.64 million in 2022-23, with exports of US\$972.43million and imports of US\$ 893.21million. Pakistan's total trade with Iran was US\$ 880.51million in 2022-23, with exports of US\$ 0 million and imports of US\$ 880.51 million.

On the other hand, trade with Central Asia has increased from US\$ 345.91million in 2021-22 to US\$ 345.12 million in 2022-23. The exports of Pakistan to Central Asia have witnessed an increase of 25% in 2022-23 as compared to 2021-22. The Trade Statistics are given as under:

**BILATERAL TRADE OF PAKISTAN WITH Afghanistan, Iran and CARs  
(US\$ MILLION)**

Pakistan's Bilateral Trade with Iran & Afghanistan (\$ Million)					
S. No	Country	2021-22		2022-23	
		Export	Import	Exports	Imports
1	Afghanistan	717	801.26	972.43	893.21
2	Iran	0	773.77	0	880.51

Pakistan's Bilateral Trade with Central Asian Economies (\$ Million)					
S. No	Country	2021-22		2022-23	
		Export	Import	Exports	Imports
1	Azerbaijan	9.7	0.78	12.08	24.38
2	Kazakhstan	162.9	56.22	132.73	5.58
3	Kyrgyzstan	4.09	0.18	10.99	0.25
4	Tajikistan	3.52	4.6	23.63	1.04
5	Turkmenistan	1.66	10.54	2.23	6.17
6	Uzbekistan	56.61	35.12	88.18	37.86
	<b>Total Trade</b>	345.91		345.12	

**Source: FBR/PRAL**

Following measures have been taken by the Ministry of Commerce for export diversification in the non-traditional market of Central Asian Republics, which resulted in exports

**3.1 DEVELOPMENT OF ECONOMIC CORRIDOR AND REGIONAL CONNECTIVITY**

As envisaged under para 5.4.4 of the STPF 2020-25, Ministry of Commerce has taken following actions to develop Economic Corridor and enhance regional connectivity with landlocked CARs:

**a) Inauguration of Mand-Pishin Border Market**

The Border Sustenance Market Place at Mand-Pishin was jointly inaugurated by Prime Minister of Pakistan and President of Iran on 18th May 2023. Two other BSMPs at Chegdi-Kouhak and Gabd-Rimdan have also been completed.

**b) Negotiations on Transit Trade Agreement with Turkmenistan**

Pakistan and Turkmenistan started negotiations on Transit Trade Agreement on 2<sup>nd</sup> June 2023 as part of Regional Connectivity Policy.

**c) Signing of Transit Trade Agreement with Tajikistan**

Pakistan-Tajikistan Transit Trade Agreement was signed during the visit of the Tajik President to Islamabad on 14<sup>th</sup> December, 2022. The Agreement will be operationalized soon.

**3.2 TRADE PROMOTIONAL ACTIVITIES**

**a) Pakistan-Azerbaijan Preferential Trade Agreement:**

Pakistan and Azerbaijan have exchanged their respective Requests Lists for Preferential Trade Agreement in June 2023 before the visit of Prime Minister of Pakistan to Azerbaijan. The Request Lists are being analyzed by both countries.

**b) Visit of Minister for Industry & Commerce of Afghanistan**

A high-level delegation from Afghanistan led by Minister for Industry and Trade visited Pakistan from 5<sup>th</sup> to 12<sup>th</sup> May 2023. A meeting to discuss bilateral trade and transit matters was held on 6<sup>th</sup> May 2023 between Commerce Ministers of both countries and relevant officials. The delegation also visited Karachi and Gwadar ports, along with meetings with Pakistani business community.

**c) 2<sup>nd</sup> Meeting of Joint Working Group on trade between Pakistan and Kazakhstan**

In November, 2022 Second Session of Joint Working Group on Trade and Investment was held in Astana. Both sides agreed to finalize draft of the Kazakhstan-Pakistan Transit Trade Agreement on priority basis. Two rounds of Technical Level Negotiations have been held in December 2022 to finalize the draft of the Agreement.

**d) Visit of Minister for Trade of Kazakhstan**

Minister of Trade of Kazakhstan visited Pakistan on 23-24<sup>th</sup> December 2022, leading official and business delegation. B2B meetings were arranged for Kazakh buyers and potential of Pakistan seaports and logistics was presented to the Minister.

**e) Visit of Minister for Trade of Uzbekistan**

Minister of Trade of Uzbekistan visited Pakistan on 26-27<sup>th</sup> December 2022, leading official and business delegation to follow up on trade and investment initiatives and prepare an action plan to enhance the trade turnover to USD 1 Billion.

# Foreign Trade-III Wing

## **8. FOREIGN TRADE-III WING**

FT-III Wing of Ministry of Commerce has been mandated, inter alia, to promote Pakistan's trade with American and European Regions and to ensure optimum market access opportunities for Pakistan's export products in these regions. In this regard, major achievements and initiatives taken to promote and facilitate trade in the regions in last one year are given below:

### **1. AMERICAN REGION**

#### **1.1. Pak-USA Trade and Investment Framework Agreement (TIFA):**

Pakistan and USA signed Trade and Investment Framework Agreement (TIFA) in the year 2003. Under this Agreement, both sides discuss issues of mutual interest with the objective of improving cooperation and enhancing opportunities for trade and investment. The Agreement has also constituted a council comprising representatives of both countries, co-chaired by the Minister of Commerce, Government of Pakistan, and the Trade Representative of the US Government (USTR). 9 TIFA Council meetings have been held so far.

The 9<sup>th</sup> TIFA Council meeting was held on 23<sup>rd</sup> February, 2023 at Washington, D.C. after a gap of almost 07 years. Major agenda items for discussion included market access for agricultural products, digital trade, intellectual property, investment climate, and women economic empowerment (WEE). A joint statement by Minister for Commerce and Ambassador United States Trade Representative (USTR) on promoting efforts for Women Economic Empowerment was also issued on the sidelines of the meeting.

#### **1.2. Engagement with Canada:**

The Canadian High Commissioner for Pakistan, H.E. Leslie Scanlon met Minister for Commerce Syed Naveed Qamar on 12<sup>th</sup> April, 2023 at 11:00 AM in Ministry of Commerce. Matters of mutual interested were discussed during meeting which included Pakistan's support for Canada's proposal of introducing a GPT+ program as it would

accrue tariff benefits to additional products that are currently not subject to the GPT, such as apparel, and footwear.

### **1.3. 2<sup>nd</sup> Session of Pakistan and Mexico Joint Commission (Virtual Format)**

An inter-Ministerial meeting was held in Ministry of Economic Affairs Division under the chairmanship of Joint Secretary (EC) on 1<sup>st</sup> June, 2023. This meeting was attended by officials from the relevant Ministries and Divisions. In this meeting, it was decided to ask from concerned Ministries /Divisions to provide their feedback regarding the agenda for 2<sup>nd</sup> session of Pakistan and Mexico JC. After receiving the feedback from all the concerned Ministries /Divisions, the dates for 2<sup>nd</sup> session of JC will be finalized with Mexico shortly.

### **1.4. Trade Performance:**

<b>Aggregate Bilateral Annual Trade</b>				
<b>USD Million</b>				
<b>Country</b>	<b>FY 2020-21</b>		<b>FY 2022-23</b>	
	<b>Exports</b>	<b>Imports</b>	<b>Exports</b>	<b>Imports</b>
<b>USA</b>	6,644.11	3,764.04	5,239.35	2,033.06
<b>Canada</b>	438.73	306.54	366.01	492.06
<b>Mexico</b>	111.80	89.87	126.90	76.90
<b>Brazil</b>	111.58	1,516.37	102.43	844.14
<b>Chile</b>	126.76	37.30	61.24	36.99
<b>Colombia</b>	52.55	1.00	40.85	0.82
<b>Argentina</b>	55.29	209.85	45.09	261.36
<b>Peru</b>	38.30	4.38	27.79	2.83
<b>Panama</b>	21.84	0.39	25.38	0.08
<b>Ecuador</b>	9.18	0.38	8.26	0.14

**Source: FBR**

## **2. EUROPEAN REGION**

### **1.1.**

#### **a. Generalized System of Preferences Plus (GSP Plus):**

- Pakistan has been availing EU’s scheme of “Special Incentive Arrangement for Good Governance and Sustainable Development”, also known as GSP Plus Scheme, since 2014, whereby 66% of Pakistan’s tariff lines have duty free access to EU market.
- The program is linked with the implementation of Pakistan's obligations under the 27 UN Conventions. The continuous engagement of the Federal Treaty Implementation Cell (TIC) and other stakeholders has proved instrumental to fulfill Pakistan’s commitment under GSP Plus Scheme. So far three successful biennial reviews concerning Pakistan’s compliance to the implementation of the 27 UN Conventions have been conducted.
- Pakistan submitted its latest response to the priority areas in October 2022 after the visit of Monitoring mission from 22<sup>nd</sup> June -30<sup>th</sup> June 2022.
- Currently exports to EU stand at US\$ 8.5 billion in year 2022-23 as compared to US\$ 8.9 billion in year 2021-22.

#### **b. Pakistan EU Sub Group on Trade**

Pakistan EU Sub Group on Trade is a bilateral trade forum under the umbrella arrangement of Pakistan EU Joint Commission where both sides discuss the issues of common interest. Ministry of Commerce is co-chair for the said sub group.

So far 13 sessions of Pakistan EU Sub Group on Trade have been held, 13<sup>th</sup> being the latest held in Brussels, Belgium on 21<sup>st</sup> June 2023. Both sides discussed to enhance cooperation in the various fields including agriculture, customs and road & transit arrangement

### **1.2. Turkiye:**



- Pakistan and Turkiye are conducting bilateral trade and economic relations under the High-Level Strategic Cooperation Council (HLSCC) which is the highest-level political consultations mechanism that Turkey has with other countries.
- On 13th February, 2020, Ministry of Commerce arranged Business to Business meetings with the visiting Turkish delegation in which 40 Turkish companies participated and around 450 meetings were held for possible Joint Ventures and to explore avenues of cooperation among the private sectors of both the countries.
- The first ever Pakistan Turkey Business and Investment Forum was held on 14th February, 2020 in order to promote trade and investment opportunities in Pakistan for the Turkish side. The Forum was addressed by H.E. Recep Tayyip Erodgan, President of Turkey and H.E. Imran Khan, Prime Minister of Pakistan.
- So far 6 meetings of the HLSCC have been held. The 6<sup>th</sup> HLSCC meeting was held on 13-14 February, 2020.
- The 7<sup>th</sup> HLSCC meeting is expected to be held in 2023 shortly.

### **1.3. Italy:**

- Italian climbers, skiing, trekking and rafting clubs were approached to promote adventure tourism in Pakistan. Italian Team of climbers Headed by Ms. Tamara Lunger was sent to Pakistan for winter ascent of K2 in Dec 2020. The team aborted the ascent after Sadpara`s tragedy. The team helped in creating hype among Italian tourists about Pakistani mountains.
- Pakistan was pitched as a destination for adventure tourism among Italian Alpine clubs, adventure sports clubs, tourism associations, tour operators etc. As a result, a number of tourist expeditions were sent to Pakistan and some of them were even recognized and appreciated by the Prime Minister of Pakistan.
- Some of these expeditions included:
  - Italian team for first ever winter ascent of K2. (Jan 2021)
  - Eight-member Italian skiing team to participate in winter sports and first ever winter traversing of Deosai Plains (and training of Pakistan Air Force Pilots

and GB Reuse workers to conduct rescue operations on high altitude) (March 2021)

- 13 Member tracking team to Swat valley to make travel book for international audience. (August 2021)
- Travel Documentary by Italian National TV RAI-1 on tourism in GB (15 September 2021)
- National Geographic team for documentary on Indus River (October 2021)
- Establishment of Pak-Italy Textile Technology Center at Faisalabad (3 December 2020). The Center will focus on technology upgradation and skill development in textile exports. The textile machinery for the center was secured free of cost from Italian Government/Italian trade Agency (ITA). The center is functional now in collaboration with National Textile University Faisalabad. Master Trainers were also arranged from Italy.
- Establishment of Pak-Italy Footwear Technology Center at Lahore (October 2020). The center focuses on upgradation of manufacturing and training facilities in footwear exports. The footwear machinery and testing laboratory equipment for the center was secured free of cost from Italian Government/Italian Trade Agency (ITA). It is functional now in collaboration with Pakistan Footwear Manufacturers Association. The master trainers for the center were also arranged from Italy.

#### **1.4. Trade Performance:**

<b>Aggregate Bilateral Annual Trade</b>				
<b>USD Million</b>				
<b>Country</b>	<b>FY 2020-21</b>		<b>FY 2022-23</b>	
	<b>Exports</b>	<b>Imports</b>	<b>Exports</b>	<b>Imports</b>
<b>UK</b>	2,205.23	807.21	1,943.11	555.66
<b>Germany</b>	1,800.46	1,029.65	1,579.12	780.17
<b>Netherlands</b>	1,695.78	569.55	1,580.63	487.86
<b>Sweden</b>	180.21	265.28	152.92	209.18
<b>Belgium</b>	795.42	537.59	723.90	321.49
<b>Switzerland</b>	14.51	235.34	14.61	206.77

<b>France</b>	514.61	430.82	499.09	394.55
<b>Spain</b>	1,279.38	577.17	1,415.75	170.61
<b>Italy</b>	1,152.74	575.50	1,162.96	355.61
<b>Hungary</b>	22.38	46.28	16.49	34.92
<b>Russia</b>	139.82	457.06	73.66	846.10
<b>Turkey</b>	372.73	517.70	328.01	350.00

# China Wing

## **9. CHINA WING**

The China Wing is responsible for trade promotion / diplomacy and taking market access initiatives related to China.

### **Bilateral Trade (July-June FY 2022-23)**

China is an important trade partner for Pakistan and both countries have signed an FTA to enhance the bilateral trade among the two neighbouring countries. Pakistan's exports to China for the FY 2022-23 were recorded to be US\$ 2.614 billion while the imports were recorded to be US\$ 11.702 billion.

### **Activities Related to Market Access:**

#### **1. Joint Working Group on Trade Investment and E-commerce between Ministries of Commerce of China and Pakistan**

The JWG is aimed at promoting bilateral trade and investment relationships by providing a platform to discuss issues of bilateral trade for their pragmatic solutions. The first meeting of the JWG was held virtually on 1<sup>st</sup> September, 2022.

#### **2. Signing of Memorandum of Understanding (MoU) between Ministries of Commerce of China and Pakistan on E-commerce cooperation**

In order to boost Pakistan's exports by utilizing leading Chinese e-Commerce platforms, the Ministry finalized a MoU on e-Commerce Cooperation with MOFCOM China, which was signed during PM's visit to China in November, 2022. Online country pavilions on famous E-commerce platforms including JD.com and Douying (tiktok) have been established.

#### **3. Enhancement of Trade under China-Pakistan Free Trade Agreement (CPFTA)**

As per agreement of leadership of both countries during visit of the Prime Minister of Pakistan to China in November 2022, Ministry of Commerce undertook extensive stakeholder consultations during January 2023, both with public as well as private sector, to finalise the request list. The request list is in the final stages of approval and will be taken up with the Chinese side during the meeting of Committee on Trade in Goods.

#### **4. Market Access of Agri-Products**

Protocols for enabling market access for many Agri-products such as dry chilli, dairy, poultry meat, mutton, etc. have been finalized. As a result of such efforts, China has also allowed the import of cherries from Pakistan. In this regard, a Chinese delegation of buyers visited GB during second week of May 2023. Procedural requirements for online inspection by Chinese side were also carried out during June 2023. In addition to these, protocol of cooked beef for import from Pakistan has also been signed, opening huge opportunities for Pakistani exporters of cooked beef in Chinese market.

#### **5. Facilitation of trade through land route via Khunjerab**

Ministry of Commerce has held a series of meetings with all stakeholders to resolve border trade related issues and efforts are underway to resolve the same in consultation with Chinese side.

#### **Activities Related to Export Promotion:**

##### **1. Participation in TEXPO**

Chinese buyers showed great interest in TEXPO (26th to 28th May, 2023) and 88 Chinese buyers visited the event.

##### **2. Holding of Webinars**

A series of webinars were held to promote exports from Pakistan in areas such as opportunities for Pakistan on Chinese e-commerce platforms as well as free trade zones, rice, agri-products, etc.

#### **Activities Related to Shanghai Cooperation Organization:**

Under the framework of SCO, Ministry of Commerce being the lead on the matters relating to the Foreign Trade and Economic Activities of SCO Member States has been coordinating with Ministry of Foreign Affairs (Pakistan) and SCO Secretariat for carrying out necessary business pertaining to Foreign Trade and Economic Activities. Extensive stakeholder consultations were carried out on

"Memorandum between the Ministries & Departments of the SCO Member States Responsible for Foreign Economic & Foreign Trade Activities on Strengthening Cooperation in Supply Chains", which has now been approved by the Federal Cabinet for signing. Furthermore, inter-ministerial coordination for participation in meeting of Commission of Senior Officials of Ministries and Departments of the SCO Member States Responsible for Foreign Economic and Foreign Trade Activities (scheduled from July 10-12, 2023) was also carried out during June 2023.

# Services Wing



## 15. SERVICES WING

Services Wing provides analytical support to Trade Diplomacy Wing on services, liaises with relevant trade bodies, chambers and associations, insurance policies related matters. During the financial year 2022-23, the following activities/initiatives taken by Services Wing:-

### 1. Sector Specific Councils for Services Sectors:

The sectoral councils for I.T, Logistics and Tourism sectors have been formulated. The same will be notified after approval of the competent authority. The sectoral councils will play an advisory role to bridge the gap between public and private sectors and give recommendations for export promotion.

### 2. Sectoral Strategies:

The national strategies on Logistics, Business Process Outsourcing (BPO) and I.T have been formulated in collaboration with the International Trade Centre (ITC) and were launched in August 2022.

### 3. Draft Domestic Commerce Policy:

The Ministry of Commerce has formulated a draft Domestic Commerce Policy. In this regard, extensive consultations have been held with all the Federal Ministries, Provincial Governments, State Bank of Pakistan, Securities and Exchange Commission of Pakistan and private sector stakeholders. The Domestic Commerce Policy has been prepared and is at an advanced stage prior to approval.

### 4. Pak – GCC Free Trade Agreement:

The Ministry of Commerce (MoC) is negotiating a Free Trade Agreement with the six countries of Gulf Cooperation Council (GCC). In order to get better market access in Services Sector, the Schedules of Commitments, for services sector, under Pak – GCC FTA have been prepared and exchanged by both parties.

### 5. Pak – U.A.E CEPA:

The Ministry of Commerce is also negotiating a Comprehensive Economic Partnership Agreement (CEPA) with the United Arab Emirates (U.A.E) which includes and exclusive chapter on enhanced market access to the Services sector. The Schedules of Commitments, for services sector, under Pak – U.A.E CEPA have been prepared and exchanged by both parties.

## **A. E-COMMERCE CELL**

### **1. National E-Commerce Policy:**

To create an enabling e-Commerce ecosystem the government launched **Pakistan's first National E-Commerce Policy on 1<sup>st</sup> October 2019**. The policy focuses on **nine key pillars** that capture the entire e-Commerce ecosystem.

### **2. Initiatives for Improved Regulation and Facilitation:**

- National and provincial e-Commerce councils have been notified for implementation of National E-Commerce Policy's initiatives.
- Amazon added Pakistan in its sellers list on May 2021, which has opened access to USA market for SMEs. From 1<sup>st</sup> May 2021 till 30<sup>th</sup> April 2023 a total of **34.5 million USD** has been earned by Pakistani sellers.
- SECP has created a separate category of e-commerce for company registration.
- B2B trade portal was launched to promote and showcase SMEs and their products ([www.pakistantradeportal.gov.pk](http://www.pakistantradeportal.gov.pk))

### **3. Initiatives to Facilitate Cross Border E-Commerce Exports:**

- B2B2C e-Commerce export framework has been introduced to support selling via international online platforms such as Amazon.
- SBP has enhanced the per year limit assigned to 62 white-listed digital service provider companies from USD 200,000 to USD 400,000 per annum and for companies not included in the list from USD 20,000 to USD 40,000.
- Return of goods guidelines for e-commerce exporters have been issued.

### **4. Initiatives to Support Startup Ecosystem:**

**Equity Investment Abroad Policy** has been introduced in February 2021 that supports Pakistani startups to raise capital from abroad by allowing operating company (OpCo) to incorporate a holding company (HoldCo).

### **5. Initiatives to Encourage Freelancers:**

- Freelancers' monthly remittance limit has been increased from **\$5000 to \$25,000** and they have been allowed to retain 35% of earning in USD in Pakistan.

- As a result, International Labor Organization's (ILO) World Employment and Social Outlook report 2021 ranked Pakistan as **3<sup>rd</sup> in the world behind India and Bangladesh** in terms of online labor supply on major freelancing platforms.

#### **6. Initiatives to Ensure Financial Inclusion and Digital Payments:**

Instant Digital Payment System (RAAST) has been established. RAAST is Pakistan's first instant payment system that enables end to end digital payments among individuals, businesses and government entities.

#### **7. Initiatives to Improve Logistics:**

The Ministry of Commerce (MoC) held two days logistic workshop in August 2022, where stakeholders gave their inputs to improve the logistic for domestic and cross-border ecommerce, the concerned departments have been engaged with necessary actions need to be done to optimize logistic sector.

#### **8. Initiatives to Enhance Global Connectivity:**

- MoC through its trade minister based in Washington has initiated talks with PayPal to extend their services to Pakistan online merchants, the outcome of the meeting is very welcoming, the proposal has been forwarded to PayPal for further working.
- To enhance bilateral cooperation with China in Digital Trade and ecommerce, MoC has signed an ecommerce MoU with China. The MoU was signed during visit of the Prime Minister to China in November 2021.

### **B. GEOGRAPHICAL INDICATION (G.I) CELL**

#### **1. Introduction:**

Geographical Indications (Registration and Protection) Act was enacted in March, 2020 and Rules thereunder were notified in December, 2020. Subsequently, 65 Geographical Indications (GI) were notified by the Federal Government in the year 2021 as potential GIs of Pakistan for registration.

Upon the directions of the Prime Minister, a dedicated GI Cell was formed in the Ministry of Commerce on 28<sup>th</sup> January, 2022. The purpose of the establishment of the GI Cell is to research and develop a baseline review on the potential of different goods to be tagged as GI, facilitation to registrant in the preparation of the books of specifications and to expedite the process of GI protection and registration. In addition

to that, it will provide awareness session and seminars to relevant stake holders to highlight the economic and legal benefits of GI protection.

**2. Books of Specifications:**

In pursuance of the notified list, the GI Cell completed the Books of Specifications of Pink Rock Salt, Hyderabad Bangles, Sargodha Kinnow, Chaunsa Mango and Sindhri Mango with registrants and handed over to Intellectual Property Organization of Pakistan (IPO-P) for registration.

**3. G.I Registered Products:**

Six products have been registered, namely; Basmati Rice, Pink Rock Salt, Hyderabad Bangles, Sindhri Mango, Chaunsa Mango, and Sargodha Kinnow.

**4. Products Recommended for G.I Protection:**

The list of 65 notified products has been thoroughly reviewed and discussed with the provincial governments/departments and research institutions. Based on inputs received from stakeholders and in-depth research, 34 products are recommended for the GI protection.

**5. Performance and Programme of G.I Cell:**

S#	Name of GI Product	Status
1	Basmati Rice	Registered
2	Pink Rock Salt	-do-
3	Hyderabad Bangles	-do-
4	Sindhri Mango	-do-
5	Chaunsa Mango	-do-
6	Sargodha Kinnow	-do-
7	Aseel Dates	The Book of Specifications of Aseel Dates has been completed and 3 consultative sessions have been held with Research Scientists/Experts

8	Dhakki Dates	-do-
9	Begum Jangi Dates	-do-
10	Mouzawati Dates	-do-
11	Peshawari Chappal	The first draft of the Peshawari Chappal has been completed and shared with the Registrant for comments
12	Sindhi Ajrak	The initial draft of the Sindhi Ajrak is completed and ready for a consultative session with the Registrant
13	Sindhi Topi	The initial draft of the Sindhi Topi is completed and ready for a consultative session with the Registrant
14	Swat Emerald	The first draft of Swat Emerald has been completed. Liason in this regard with the Pakistan Mineral Development Corporation, being the registrant of the product is under process.
15	Qasuri Meethi	The first draft of Qasuri Meethi has been completed. Meeting with technical experts in this regard would be held soon.

#### 6. **Protection of Basmati Rice Abroad:**

GI cell is dealing with legal cases against India in various jurisdictions regarding registration of Basmati Rice as GI. It has also started filing of Basmati registration case in different destinations to protect Pakistan's national interest.

#### 7. **GI Activities in Gilgit Baltistan:**

The GI team is working with the Government of Gilgit Baltistan for identification of agricultural / non-agricultural products.

#### 8. **GI Activities in Provincial Governments / Departments:**

The GI team visited concerned departments of all provinces, briefed them about importance of GI protection and registration process. Discussions were also held on Books of Specifications of potential GI products and identification of GI products.

### **C. INSURANCE SECTION**

**1. Increase in Paid Up Capital of State Life Insurance Corporation (SLIC):**

Notified the increased Paid Up Capital of State Life Insurance Corporation (SLIC) after approval of the Federal Cabinet for fulfilling the requirements of UAE Government to increase the business of SLIC in UAE.

**2. Development of Digital Micro Insurer**

Coordinated with SECP Insurance Committee in developing digital micro insurer to increase insurance infrastructure in the country

**3. Working on Clarification regarding Insurance of Government Departments**

Coordinated with SECP, Ministry of Law & Justice for clarification that all government departments are bound to get insured with NICL as per Article 166 of Insurance Ordinance 2000.

# World Trade Organization Wing

## **16. WORLD TRADE ORGANIZATION WING**

World Trade Organization Wing deals with multilateral trade negotiations and harmonization of domestic laws with WTO laws. Pakistan is one of the founding members of the GATT (General Agreement on Tariffs and Trade) and its successor organization, the World Trade Organization (WTO). Pakistan has been actively participating in multilateral trade negotiations under the WTO framework since its inception in 1995 and is a staunch supporter of multilateralism. Pakistan's role in protecting the interests of developing and least developed economies and support to the finalization of the Doha Development Agenda has often been appreciated and recognized by the member countries.

Following major activities of WTO Wing and Pakistan's Permanent Mission to the WTO are submitted below:

### **1. Implementation of the Decisions Reached at the 12<sup>th</sup> WTO Ministerial Conference (MC12)**

The topmost decision-making body of the WTO is the Ministerial Conference, which usually meets every two years. It brings together all members of the WTO, which are countries or customs unions. The Ministerial Conference can take decisions on all matters under any of the multilateral trade agreements. The twelfth Ministerial Conference (MC12) was held in Geneva, Switzerland from 12 to 16 June 2022, while implementation of the decisions reached at MC-12 is ongoing.

Pakistan's position, developed in the light of National Stance, in all areas of negotiations was to safeguard the national interest while upholding the fundamental pillars of the WTO. At MC12, Pakistan was actively engaged in negotiations and main decisions were reached on the following lines:

- i. Waiver from certain provisions of TRIPS Agreement.
- ii. WTO's Response to the current Pandemic and Future Preparedness.
- iii. Agreement on Fisheries.
- iv. Ministerial Declarations with Respect to Food Security:
  - a. Ministerial Declaration on World Food Program (WFP) food purchases exemptions from export prohibitions and restrictions.
  - b. Ministerial Declaration on the Emergency Response to Food Insecurity.
- v. Extension in Moratorium on customs duties on electronic transmissions.

#### **(i) Waiver from certain provisions of the WTO TRIPS Agreement**



Pakistan's delegation, participated in the negotiations in MC12 on TRIPS Waiver, as per the mandate provided by the National Stance. After extensive deliberations, Members agreed to the Decision. The decision provides TRIPS waiver for production of COVID-19 vaccines for five years with a possibility of extension by the General Council. Moreover, as per the deceleration, a decision had to be made within six months whether to extend the coverage of the waiver to diagnostics and therapeutics. Currently, negotiations on the issue of extension of the waiver to diagnostics and therapeutics have been extended till the next meeting of the WTO General Council.

In this behalf, a National Workshop for Policymakers from Pakistan on Intellectual Property and Public Health was held on 06 to 07 June 2023 with the cooperation of Geneva-based developing country-think tank South Centre. The Workshop was attended by officials from the Ministry of Commerce, Intellectual Property Organization of Pakistan, Drug Regulatory Authority of Pakistan and Pakistan's Permanent Missions to the UN and WTO in Geneva. The workshop shared and assessed the experience at the multilateral, regional and national level on ensuring policy coherence in the areas of trade, intellectual property and public health for promoting the full use of TRIPS flexibilities for access to medicine. The workshop also addressed key themes relevant to contemporary intellectual property and public health agenda in the context of Pakistan.

## **(ii) Agreement on Fisheries Subsidies (AFS)**

The Agreement on Fisheries Subsidies (AFS) was adopted at the MC12. This multilateral agreement aims at protecting and preserving marine life under the United Nations Sustainable Development Goals (SDG) 14.6 by prohibiting certain forms of fisheries subsidies contributing to IUU (Illegal, Unregulated and Unreported) fishing. The Agreement incorporates Special and Differential Treatment (SDT) provisions for developing countries, as well as envisages the creation of a voluntary WTO funding mechanism to provide technical assistance and capacity building to developing country members for the purpose of implementing the new disciplines. For the Agreement to become operational, two-thirds of members have to deposit their "instruments of acceptance" with the WTO. Members also agreed at MC12 to continue negotiations on outstanding issues, with a view to making recommendations by the 13<sup>th</sup> Ministerial Conference (MC13) for additional provisions that would further enhance the disciplines of the Agreement. Pakistan actively participated in the negotiations of AFS for the inclusion of flexible provisions for developing countries, as per the national stance approved by the Prime Minister. Post-MC12, negotiations on outstanding issues at the multilateral forum are ongoing.

The WTO Wing of Ministry of Commerce has been actively involved in several discussions concerning the Agreement on Fisheries Subsidies and the subsequent Phase II negotiations with the relevant stakeholders. These negotiations are critical, focusing on the contentious issue of fisheries subsidies within global trade and sustainability. The crux of the discussions lies in finding a balance between economic developmental needs and the conservation of marine resources.

A significant part of the WTO Wing's responsibility has been to provide comprehensive and regular inputs to the Permanent Mission of Pakistan at the WTO in Geneva. These inputs are informed by Pakistan's national interests and proposals put forth by other WTO members regarding outstanding issues related to fisheries subsidies. The goal of this endeavour is to solidify Pakistan's stance in WTO forums by providing detailed analysis, insights, and recommendations based on ongoing developments. The WTO Wing ensures that the potential impacts of these proposals on Pakistan's fisheries sector and the broader socio-economic context are thoroughly understood and considered.

Furthermore, the WTO Wing has been regularly attending WTO meetings centred around Phase II negotiations on fisheries, including dedicated 'Fish Weeks'. This stage of the negotiations delves into the more complex and outstanding issues pertaining to fisheries subsidies, including special and differential treatment for developing and least developed countries.

The WTO Wing of the Ministry of Commerce carried out engagement with stakeholders, providing valuable inputs to the Permanent Mission of Pakistan and attending key meetings at the WTO. The WTO Wing has also played a key role in the reconstitution of the National Working Group on Fisheries. This initiative has the primary objective of deliberating on the issues pertinent to Phase II of the WTO Agreement on Fisheries Subsidies. By facilitating dialogue and enabling a multi-stakeholder approach, the National Working Group aims to solidify Pakistan's stance on the matter. The reconstituted group consists of representatives from diverse sectors, including the public sector, private sector, and academia, to ensure a holistic and inclusive approach to the discussions.

The WTO Wing has also regularly engaged with the Ministry of Maritime Affairs and international donors on projects focused on the development of the Blue Economy in Pakistan.

- (iii) Ministerial Declarations with Respect to Food Security:**
  - a. Ministerial Declaration on World Food Program (WFP) food purchases exemptions from export prohibitions and restrictions.**

### **b. Ministerial Declaration on the Emergency Response to Food Insecurity.**

At MC12, WTO members adopted a Ministerial Declaration on the emergency response to food insecurity and a Ministerial Decision on World Food Programme (WFP) Food Purchases Exemptions from Export Prohibitions or Restrictions.

In the declaration, members reaffirmed several key principles and committed to several actions aimed at addressing food security challenges. These include reaffirming the vital role of trade in improving global food security, committing to take concrete steps to facilitate trade and improve the resilience of markets for food and agricultural products and agricultural inputs, and stressing the need to minimize trade distortions when applying emergency measures, in conformity with WTO disciplines.

Members also acknowledged in the declaration the specific needs of least-developed countries and net food-importing developing countries and recognized the role of food stocks in relation to domestic and international food security while stressing the importance of transparency. In addition, they reaffirmed their overall commitment to making progress towards the achievement of a fair and market-oriented agricultural trading system, with the aim of achieving food security and improved nutrition and promoting sustainable agriculture and food systems, including resilient agricultural practices. The ministerial decision exempted from export restrictions the food bought for humanitarian purposes by the WFP.

The WTO Wing of Ministry of Commerce has undertaken significant initiatives in response to the outcomes of MC12 held in Geneva. Among the critical decisions adopted at the conference were a Ministerial Declaration on the emergency response to food insecurity and a Ministerial Decision on World Food Programme (WFP) Food Purchases Exemptions from Export Prohibitions or Restrictions. In accordance with these decisions and the commitments outlined in the declaration, the WTO Wing engaged in regular meetings with key stakeholders, specifically focusing on the Work Programme established pursuant to para 8 of the Declaration on food security and the thematic areas under it. These meetings were part of an effort to translate the principles and actions outlined in the MC12 declaration into practical strategies and initiatives for Pakistan.

In these meetings, the WTO Wing worked closely with representatives from the public sector and the discussions were centred on access to international food markets and financing of food imports. In addition, the discussions also considered the specific needs and challenges faced by developing countries like Pakistan, a net food-importing developing country. In this context, the role of food stocks in relation to both domestic and international food security was thoroughly examined.

In tandem with these stakeholder engagements, the Ministry of Commerce is in the process of establishing a National Working Group on Agriculture. The aim is to form a specialized body of experts that can proactively navigate the challenges and opportunities presented by the MC12 decisions and the negotiations on Agriculture issues in the lead-up to MC13. The Working Group is expected to play a pivotal role in shaping Pakistan's strategies and policies regarding agricultural trade, food security, and the implementation of WTO decisions, therefore, setting the stage for more resilient and sustainable agricultural practices in the country.

The Working Group will comprise representatives from relevant stakeholders, including public and private sectors and academia. This diverse composition will enable a comprehensive examination of the issues at hand and facilitate the development of a robust stance for Pakistan. By deliberating on these matters at the national level, Pakistan aims to articulate a cohesive position that safeguards its agricultural sector while addressing the concerns and aspirations of other developing countries in the WTO negotiations on agriculture.

#### **(iv) Extension in Moratorium on Customs Duties on Electronic Transmissions**

During MC12, as per mandate, Pakistan's delegation, actively engaged in the negotiations on moratorium. At the conclusion of MC12, the WTO members had adopted a declaration on global electronic transmissions. The declaration included that "WTO members will not be imposing customs duties on electronic transmissions" until the submission of report by the General Council on the progress of the work programme and any recommendations for action to be submitted at MC13 and that the moratorium will expire unless Ministers or General Council take a decision to extend it. It may be noted that the moratorium had been renewed every two years by mutual consensus at all subsequent Ministerial Conferences since MC-3 and it was renewed again in MC-12.

Moreover, consultations with relevant stakeholders is ongoing as per the Action Matrix approved by the Prime Minister, for the development of modalities for the introduction of HS Codes of electronic transmissions and also development of regulatory mechanism for imposing tariffs on it, in case the subject moratorium would be discontinued in MC13. Moreover, deliberations upon the future decision on this moratorium keeping in view its financial, industrial development and revenue impact on trade, industry and economy of the country are being undertaken with stakeholders.

## **2. WTO Chair Program**

With the support of the Ministry of Commerce and collaboration of our WTO Mission, Pakistan's 'Lahore School of Economics' has secured its first WTO Chair program, whereby the institute will be provided support by the WTO for four years in the areas of curriculum development, research and outreach activities. This will help in developing linkages between the public sector, private sector and academia by institutionalizing the understanding of WTO and multilateral trading regime in the country.

The Chair Program also offers a platform for training trade experts, generating new ideas, insights and innovative responses to challenges faced by the economy in multilateral trade. Evidence-based research shall lay strong foundations for economically and legally sound policy choices in the future. To date, a number of activities, including training for the officers of the Ministry of Commerce and research activities, have taken place under the Chair programme through collaboration between the Ministry of Commerce and the Lahore School of Economics.

### **3. Updating Pakistan's Intellectual Property Laws and Rules to Adapt to International Standards**

WTO Wing of Ministry of Commerce has been actively engaged with the Intellectual Property Organization of Pakistan, Cabinet Division, Ministry of Law & Justice, Ministry of Foreign Affairs and other relevant organizations in order to update Pakistan's intellectual property laws and rules, in order to ensure an improved intellectual property legal and regulatory framework in Pakistan as well as to fulfil our international commitments under various agreements, protocols etc. In this regard, initiatives including the Trade Marks (Amendment) Bill, 2023, Registered Design Rules, 2023, Copyrights (Amendment) Bill, 2023 and Pakistan's Accession to Marrakesh Treaty for Visually Impaired Persons (VIPs) are under process and are expected to be completed in the near future.

Moreover, process for Pakistan's accession to the Geneva Act 2015 of the Lisbon Agreement for the International Registration of Geographical Indications has also been commenced. The Intellectual Property Organization of Pakistan, in consultation with Ministry of Commerce and other relevant stakeholders, is currently in the process of completion of consultations.

### **4. Trade Facilitation Initiatives**

Ministry of Commerce has taken following initiatives in order to improve its trade competitiveness and compliance regime:

**i. Rejuvenation of National Transport Trade Facilitation Committee**

National Trade and Transport Facilitation Committee (NTTFC) has been designated as the national committee for Pakistan under Article 23.2 of Trade Facilitation Agreement (TFA) of the WTO which oversees the implementation of TFA and facilitates private stakeholders in national and regional trade matters pertaining to transport, logistics, digital trade, trade documentation optimization, transport sector insurance issues etc. Keeping in view, the current needs of the private sector, NTTFC was reconstituted, with a wider scope to develop synergies for regional connectivity and by including relevant stakeholders in its governing body. Moreover, Pakistan is ahead of its peers with an accumulative compliance of 95.0% to provisions of TFA while the average accumulative compliance of the developing countries is at 79.6% and total average rate of implementation of TFA commitments by all WTO members is 76.2%.

**ii. Establishment of National Compliance Centre**

The Ministry of Commerce has rolled out the National Compliance Centre (NCC) in order to improve the market access for Pakistani exporters and manufacturers by improving their capacity to meet up with the growing challenges of complex compliance regimes. The NCC is mandated to regularly map and monitor the international compliance requirements and facilitate the manufacturers, exporters, and certification agencies through information sharing, training/capacity building and incentivizing.

The WTO Wing of Ministry of Commerce undertook a series of consultations to define the scope and objectives of the NCC. These negotiations involved active participation from a broad spectrum of 116 stakeholders, spanning federal and provincial ministries and departments, the private sector, and international partners. The goal was to outline a comprehensive strategy for the NCC that aligns with the global compliance norms and promotes the competitiveness of Pakistani exporters and manufacturers.

These consultations centred on the need for an efficient system to map and monitor international compliance requirements regularly. By understanding and addressing the challenges faced by Pakistani exporters and manufacturers in complex compliance regimes, the WTO Wing of Ministry of Commerce aims to boost Pakistan's presence in global markets. The discussions also focused on ways to facilitate manufacturers, exporters, and certification agencies through information-sharing, capacity building, and incentivization.

A key milestone in this regard was the successful roll-out event of the NCC held on the 18<sup>th</sup> of April in Islamabad. This event marked the official inauguration of the NCC

and its commitment to enhancing the compliance capacities of Pakistani exporters and manufacturers. The roll-out event for the NCC was a resounding success, drawing a diverse and influential audience. Attendees included foreign delegates, several ministers, and representatives from both the private and public sectors. Diplomats from various countries attended the event, including those from the EU Mission, EU member state embassies, China, the US, UK, Japan, Saudi Arabia, UAE, Azerbaijan, Uzbekistan and Kazakhstan. The gathering also attracted a significant number of notable industrialists, representatives from the International Labour Organization (ILO), the World Bank Group, Pakistan Regional Economic Integration Activity (PREIA), USAID, and other developmental sector agencies. The academia's presence further enriched the diversity of the attendees.

Federal Ministers for Interior, Foreign Affairs, Climate Change, National Food Security and Research, Overseas Pakistani and Human Resource Development, Human Rights, and Industry were present, along with the Minister of State for Foreign Affairs and senior officials from these departments. Chief Secretaries of the provinces and representatives from provincial departments of Labour, Industry, Planning and Development also attended the event online. The broad-based participation from both federal and provincial levels underscored the importance of the NCC and its nationwide impact on trade compliance issues, reflecting the far-reaching implications of this initiative in enhancing market access for Pakistani exporters and manufacturers.

The event provided a platform for the stakeholders to better understand the mission and objectives of the NCC. It allowed for constructive dialogue on the ways in which the NCC can enhance market access for Pakistani exporters by improving their ability to navigate complex compliance regimes.

##### **5. Framework Agreement on Facilitation of Cross-Border Paperless Trade in Asia and the Pacific**

The second session of the Standing Committee and Trade Council of the Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific was held at UNCC, Bangkok and online, from 19 to 21 June 2023 and 22 to 23 June, respectively. The session was attended online by the representatives from WTO Wing of the Ministry of Commerce and Pakistan Single Window. Ministry of Commerce is in the process of consultations with the stakeholders to weigh the implications of the said framework in order to arrive at an informed decision regarding accession to this Framework Agreement.

# Development Wing



## 17. DEVELOPMENT WING

### ➤ FUNCTIONS

#### • PUBLIC SECTOR DEVELOPMENT PROGRAM (PSDP) SECTION:

1. Implementation of the Project Management Policy and ECNEC Guidelines of Project Management notified by Planning Commission.
2. Coordination with Planning and Finance Divisions, Executing Agencies and other stakeholders for preparation and implementation of PSDP funded projects of M/o Commerce.
3. Technical input / preliminary appraisal in process of PC-Is preparation before submitting to relevant competent fora for consideration/approval.
4. Monitoring of PSDP projects both under implementation and completed through PC-III & PC-1V, PC-V respectively.
5. Preparation of Briefs and replies for APCC, DDWP, CDWP, ECNEC, National Assembly and Senate Questions on PSDP of M/o Commerce.
6. Assist the Project Directors/PMU in preparation and submission of PC-I, PC-II, PC-IV, PC-V, New Item Statements (NIS) / Budget Orders (BO), release of funds and other administrative and financial matter pertaining to preparation and implementation of PSDP projects.

#### • STATISTICS SECTION:

1. Focal Section of M/o Commerce for compilation / provision of international trade data Compilation/Maintaining Pakistan's country-wise, commodity-wise/ group-wise international trade data on monthly basis.
2. Provision of trade (Exports & Imports) data by Commodity-wise, country-wise as per requirements of all concerned Wings of M/o Commerce.
3. Preparation of monthly summary of trade and group-wise circulation within Ministry.
4. Providing necessary trade data within Ministry for preparation of reply to the questions of National Assembly, Senate and Standing Committees.

5. Providing external trade Statistics to Secretary Commerce for discussion / participating in Economic Coordination Committee (ECC).
6. Providing external trade data to Minister Office on requirements.

### **OVERVIEW OF PSDP PROJECTS:**

Pakistan Expo Centre Pvt. Ltd is executing the following PSDP funded projects in FY 2022-23 under the sponsorship of Ministry of Commerce:

- i. Expo Centre Peshawar
- ii. Expo Centre Quetta

#### **1. EXPO CENTRE, PESHAWAR**

The project was approved by CDWP on 29<sup>th</sup> October, 2015 at a total cost of Rs. 2500 million. The project aims to provide international standard infrastructure for the promotion of economic activities through trade exhibitions, consumer fairs and conferences in the province. Scope of the project consists of two Exhibition Halls of 45000 sq. ft. each, plus one Convention Centre with capacity of 600 people, parking with capacity of 1000 vehicles, Admin Block, Warehouse and external development work. An amount of Rs. 174.44 million was earmarked in FY 2022-23 for the project. Actual expenditure stood at Rs. 2,407.44 million by end of June, 2023. The physical progress of the project is 60 percent and financial progress is 96.9 percent with respect to original PC-I. It is further stated that the said project was revised for consideration of CDWP due to cost escalation. Consequently, the Position Paper of the project was considered by CDWP during its meeting on 01-06-2023 and decided to close the project after completing critical infrastructure while remaining within the original scope & cost. However, remaining essential work i.e. finishing of halls/minimum critical balance work may be completed with funds from Export Development Fund (EDF).

#### **2. EXPO CENTRE, QUETTA**

The project was approved by CDWP on 25<sup>th</sup> September, 2019 at an estimated cost of Rs. 2500.00 million. The objective of the project is to provide international standard infrastructure for the promotion of economic activities through trade exhibitions,

consumer fairs and conferences in the province of balochistan. M/s Pakistan Expo Centres Pvt. Ltd. is in possession of 42 acres piece of land for construction of Expo Centre provided by Govt. of Balochistan. An amount of Rs. 1044.71 million has been spent on the project till 30<sup>th</sup> June, 2023. The physical progress of the project with respect to original PC-I is 23 percent and financial progress is 41.7 percent. The project is at initial stage of implementation which has been revised due to cost escalation. The project is under revision awaiting consideration by the CDWP followed by two pre-CDWP meetings held on 06-07-2023 and 11-07-2023 respectively.

## **PART-II**

**ATTACHED DEPARTMENTS /  
SUB-ORDINATE OFFICES /  
COMPANIES / CORPORATIONS  
UNDER THE ADMINISTRATIVE  
CONTROL OF MINISTRY OF  
COMMERCE**

## **18. TRADING CORPORATION OF PAKISTAN (PVT) LTD**

### **TCP's Functions as per Revised Mandate:**

In January 1995, the Federal Cabinet assigned the following new role to TCP: -

#### **1. IMPORTS:**

- a) Import of essential commodities in emergent conditions, as in the past.
- b) Import of Soybean Oil in future under PL-480 Programme and CC Credit.
- c) Import of Palm Oil from Malaysia under Malaysian credit.
- d) Import of Industrial raw materials and other selected bulk items.
- e) Utilization of Credit Facilities.

#### **2. EXPORTS:**

- a) Export of selected items of public sector corporations, agencies, etc.
- b) Channelizing exports through TCP to various markets under credit line given by the Government to expand business in areas such as Commonwealth of Independent States (CIS)/Central Asian Republics (CAR)/Malaysia, African countries, etc.
- c) Export of Pakistani products to new/non-traditional markets by way of giving concessions/incentives offered by Government to prospective buyers for capturing new markets.
- d) To perform innovative role of undertaking export of non-traditional items to nontraditional markets on experimental basis.
- e) To undertake and develop export of fresh fruits/vegetables and minerals in collaboration with and on partnership basis with the private sector.
- f) TCP acts only on the directions of the Federal Government to implement trade related decisions in the larger public interest.
- g) To undertake counter trade with designated countries.
- h) TCP undertakes lint cotton procurement operation on Government direction for stabilizing cotton prices.
- i) After the merger of Rice Export Corporation of Pakistan with TCP, the corporation is also carrying out inspection of Brown Rice meant for export to European Countries this is being done since August 2002.
- j) TCP undertakes market operations through purchases (both at home & abroad) and off-loading (both at home & abroad) of some other critical commodities such as wheat, pulses other grains etc.

## 1. BUSINESS DEVELOPMENT PLAN.

TCP has traditionally been dealing with Government procurements only which has its own limitations to respond faster to the Federal Government needs/timelines based on the transparency in procurement rules and regulations and it was also concentrated on few commodities only. In order to streamline and diversify operations, TCP has proposed few permissions, which are required from the Cabinet i.e. Pre-qualification of international commodity supplying companies, exemptions/relaxation of some clauses of PPRA Rules 2004, which are in process. Moreover, for broader diversification, permission for intervention into commodity market at no cost to the Govt. of Pakistan for the private sector to stabilize prices, indenting operations for essential commodities like wheat, procurement for neighboring land locked countries, Real Estate Management diversification and streamlining of exiting real estate properties as well as venturing into non-life Insurance Operations has also been proposed and sought.

A research function has been set up in TCP which would assess the market trends at both domestic and international levels on current and futures market prices for all commodities that are being procured or which may be procured by the Government of Pakistan for domestic consumption/usage.

## 2. ORGANIZATIONAL STRUCTURING AND DEVELOPMENT.

TCP is currently in process of re-organization of the Corporation and a management consulting firm namely M/s. A.F. Ferguson has been hired for development and revision of organizational structure alongwith developing manuals for the respective policies as well as detailed JDs and KPIs for the TCP Human resource.

## 3. SALES/RECOVERIES/RECEIVABLES.

- During the year 2022-23, TCP issued fifty two (52) Delivery Orders amounting to **Rs. 285,852.664 million** on account of sale of **2,655,677.66 M.T. imported wheat&399,667.40 MT imported urea** and received an amount of **Rs.261,906.998 million** leaving a balance outstanding amounting to **Rs. 23,945.666 million** and Seven (07) Delivery Orders amounting to **Rs.71,162,939/-** in favour of various parties for sale of sweeping Wheat and Urea.
- Claimed and recovered / received an amount of **Rs.1,699.578 million** on account of Excess Insurance Premium paid to NICL, Vessel Overage Insurance Premium and Short Landing of Wheat & Urea.
- Arranged total Fifty Two (52) Marine Insurance policies amounting to **Rs.984.106 Million.**
- TCP has finalized an independent third party subsidy audit, conducted pursuant to the directions of Finance Division and also requesting via reminders to the recipient agencies/debtor to schedule meetings for reconciliation and payment of TCP's

outstanding dues in the light of the subsidy Audit Report on account of outstanding amounts against Federal & Provincial Agencies.

#### 4. IMPORTS.

##### a. IMPORT OF WHEAT:

During the year 2022-23 on the instructions of the ECC/Federal Cabinet, TCP imported a total quantity of **2,661,031 MT Wheat**. Out of which, **1,889,188 MT** through competitive bidding process and balance **711,843 MT** of Wheat was imported from Russia on G2G basis. The import was meant to overcome wheat shortage in the country and to build strategic reserves. The entire imported quantity of Wheat was delivered to **M/s. PASSCO**.

##### b. IMPORT OF UREA:

During the year 2022-23 on the directives of the ECC / Federal Cabinet, TCP imported total quantity of **401,270 MT of Urea**. Out of the whole quantity, **335,875 MT Urea** was imported on G2G basis from China, **32,395 MT Urea** was imported from Azerbaijan on G2G basis and balance **33,000 MT Urea** was imported through international tender. The whole imported quantity of Urea was delivered to M/s. NFML.

#### 5. RENTS.

During the year 2022-23 an amount of **Rs.373,547,513/-** received against the rent of TCP's **Pipri, Landhi and Korangi Godowns** and an amount of **Rs. 6,747,121/-** has also been received against rent from the Residential Colonies at **Pipri and Landhi Godowns**.

#### 6. RICE INSPECTION FEE.

In order to facilitate the Rice Exporters of the country, TCP has developed software wherein Rice Exporters would be able to apply online for processing and issuance of **Inspection and Authentication Certificates** as required by **European Union Countries and Sri-Lanka** without visiting the offices of TCP and during the year 2022-23, TCP issued **879** (Eight Hundred Seventy Nine) Authenticity Certificates for **Export of 274,577.760 MT** Brown/ Parboiled Rice exported to European Union Member Countries and **earned an amount of Rs.43,272,000/=** in terms of inspection fee.

#### 7. DIVIDEND.

During the year 2022-23 dividend of **Rs. 190 Million** (Un-Audited) paid to the Federal Government.

## **19. STATE LIFE INSURANCE CORPORATION OF PAKISTAN (SLIC)**

The Life Insurance Business in Pakistan was nationalized during March 1972. Initially Life Insurance business of 32 Insurance Companies was merged and placed under three Beema Units named “A”, “B” and “C” Beema Units. However, later these Beema Units were merged and effective November 1, 1972 the Management of the Life Insurance Business was consolidated and entrusted to the State Life Insurance Corporation of Pakistan. The major function of the State Life Insurance Corporation of Pakistan is to carry out Life Insurance Business, Health and Accidental Insurance and Family Takaful Business. The Corporation has five statutory funds:

- Pakistan Life Business (Individual Life Conventional Participating Products (with and without profits), Term Products, supplementary riders, Annuities, Group Life Term)
- Overseas life Fund (Individual Life Conventional Participating Products (with profits)).
- Takaful Fund (Individual Family Takaful, Group Life Takaful, Group Health Takaful)
- Health & Accidental Fund (Universal Health Program (Sehat Sahulat), Corporate Health)
- Pension Fund

State Life is providing insurance services through different channels such as Agency force, Bancassurance, Corporate Agents, Digital distribution etc.

Corporation is also involved in the other related business activities such as investment of policyholders’ fund in Government securities, Stock market and Real Estate etc.

SLIC has expanded its operation to United Arab Emirates (UAE) catering to the insurance needs of both local residents and the expatriate community. SLIC is offering tailored insurance solutions to individuals living and working abroad.

In response to the expanding needs of a growing population, SLIC is proactively addressing diverse financial requirements by introducing Sharia-compliant Takaful insurance products. These encompass a range of offerings such as Individual Life Takaful, Group Takaful, and Health Takaful products, providing a comprehensive suite of Sharia-compliant insurance solutions.

State Life demonstrates a commitment to the financial security of the public sector by offering group life insurance coverage to both corporate & government employees all over Pakistan, ensuring comprehensive protection for individuals and their families.



State Life collaborated with the Government of Pakistan to deliver vital social security through health insurance, contributing significantly to the nation's healthcare infrastructure and ensuring comprehensive health coverage for the well-being of citizens.

In conclusion, the State Life Insurance Corporation of Pakistan stands as a pillar of financial security and stability, constantly delivering a comprehensive range of services since its inception. From providing life and health insurance coverage to offering pension plans and group insurance, our commitment to safeguarding the future of individuals and organizations remains unwavering.

### **Performance of State Life Insurance Corporation of Pakistan**

#### **FIRST YEAR PREMIUM – TOTAL INDIVIDUAL LIFE BUSINESS:**

First year gross premium income under Individual Life policies during the year **2022** was Rs. **20.17** billion as compared to Rs. **16.44** billion in the year **2021**, showing an increase of **22.7%**. Furthermore, individual life first year premium amounts to Rs. **6.70** billion during first half of **2023**. This figure previously stands at Rs. **5.47** billion, showing an increase of **22.3%**.

#### **RENEWAL YEAR PREMIUM – TOTAL INDIVIDUAL LIFE BUSINESS:**

Gross renewal premium was Rs. **111.79** billion in **2022** whereas it was Rs. **99.17** billion in **2021**, resulting an increase of **12.7%**. Furthermore, individual life renewal premium amounts to Rs. **45.34** billion during the first half of **2023**. This figure previously stands at Rs. **36.89** billion, resulting an increase of **22.9%**.

#### **GROUP LIFE BUSINESS:**

Premium under Group Life policies during the year **2022** was Rs. **10.76** billion excluding experience refund/ERF as compared to Rs. **14.69** billion in the corresponding year, showing a decrease of **26.8%**. Furthermore, group life premium excluding experience refund/ERF amounts to Rs. **8.53** billion during the first half of **2023**. This figure previously stands at Rs. **9.34** billion, showing a decrease of **8.7%**.

#### **HEALTH INSURANCE BUSINESS:**

Premium under Health Insurance policies during the year **2022** was Rs. **101.43** billion excluding experience refund/ERF as compared to Rs. **32.18** billion in **2021**, showing a remarkable increase of **215.2%**, mainly due to health insurance policies undertaken for the Prime Minister's National Health Insurance Program. Furthermore, health insurance business during the first half of **2023** amounts to Rs. **64.02** billion. This figure previously stands at Rs. **46.04** billion, showing an increase of **39.1%**.

The details of the health insurance schemes are as follows:

## **1. Sehat Sahulat Program - Federal**

The Federal Sehat Sahulat Program, previously named as the Prime Minister National Health Programme, is being executed in over 57 districts throughout Pakistan. It offers cashless services for catastrophic health expenditures and is considered as one of the most remarkable initiatives of the Government of Pakistan. By enabling access to quality healthcare, the Sehat Sahulat Program has provided millions of individuals with health protection.

State Life has once again emerged as the winner of the competitive bidding process for executing universal Health Coverage in Pakistan by the end of 2021. Starting from January 2022, the program was launched for the entire population residing permanently in Islamabad, GB, AJK, FATA, Tharparkar, and Punjab.

Under the Federal schemes, State Life is providing cover to 37,950,187 families i.e., 120,061,840 individuals across Pakistan and a total of 4,570,696 patients have been provided the health care services upto Rs. 60,000/- for secondary procedures and Rs. 400,000/- for tertiary procedures per family per annum from a network of more than 1,140 empaneled hospitals across Pakistan.

State life has incurred more than 103 billion of claims in lieu of provided services under the federal schemes. As per recent 3rd party satisfactory survey more than 97 percent of families have shown

satisfaction upon the services provided under the program. Plans are underway to start a scheme to cover 100% population of Balochistan.

## **1. Sehat Sahulat Program – KP**

The Social Health Protection Initiative (SHPI) was initially launched in four districts of Khyber Pakhtunkhwa, but it has now been extended to cover all districts of the province. The original target beneficiary population of 2.1 million families was expanded in 2020, and as of 2022, the initiative now provides coverage to the entire population of KP, which is estimated to be around 9.82 million families. Impressively, the implementation of the program throughout the province was completed in just seven months, setting a record for its speedy execution.

KP scheme provides the secondary coverage of Rs. 40,000/- per member per annum and Rs. 400,000/- per family per annum. Under the KP schemes, around 36.4 million individuals are covered and a total of 2,355,053 patients have been provided the health care services upto Rs. 58 billion for from a network of more than 1,140 empannelled hospitals across Pakistan.

**LIFE FUND:**

State Life's huge Life fund clearly reflects the confidence and trust of policyholders in its business. The total life fund in the year 2021 was Rs. 1,265.6 billion which has increased by 13% to Rs. 1,430.7 billion by 2022. Furthermore, the life fund during the first half of 2023 amounts to Rs. 1,520.2 billion. This figure previously stands at Rs. 1,346.9 billion, showing an increase of 12.9%.

**ANNUAL PROFITS:**

The profit after tax attributable to Shareholders for the financial year 2022 is Rs. 13.73 billion, as compared to Rs. 6.56 billion earned in year 2021, showing a remarkable increase of 109.4%.

**BONUS ALLOCATED TO POLICYHOLDERS:**

State Life has been successfully meeting the expectations of policyholders who generally demand a good return (Bonuses) on their policies. It is worth mentioning here that SLIC is the only life insurance company that is distributing 97.5% of its Actuarial Surplus to policyholders as compared to only 90% distributed by the private life insurance companies of Pakistan. The total amount of bonus distributed to policyholders in 2022 was Rs. 98.98 billion as compared to Rs. 86.97 billion in 2021, showing an increase of 13.8%.

**FINANCIAL RATING**

PACRA has assigned Insurer Financial Strength rating of 'AAA' to State Life. This is the highest possible rating an insurer can achieve. It reflects the Corporation's exceptionally strong capacity to meet policyholder and contractual obligations. State Life has successfully maintained the rating to date.

**20. TRADE DEVELOPMENT AUTHORITY OF PAKISTAN (TDAP)**

The Trade Development Authority of Pakistan (TDAP) is mandated to develop and promote export holistically, through focus, synergy, and with collective wisdom and counsel of its stakeholders. In addition to aggressive, innovative and proactive marketing and promotional efforts. It achieves the objective of rapid export growth through interaction and coordination with respective public and private sector stakeholders and enhancing value of products and services by broadening the export base of our products;

enhancing capability and capacity of the supply base of goods and services; by fostering supportive export culture and facilitation; and by encouraging export oriented foreign investment and joint ventures. TDAP also help improve market access through advising the Government on matters of trade diplomacy and promoting the “business” image of Pakistan in the key export markets for Pakistani products and services, the world over. TDAP’s mission is to achieve a quantum-leap in Pakistani exports. To fulfill such a mission, TDAP employs the right skills and competencies, professional management techniques, advanced international marketing strategy backed by competent market research and trade analysis, supported by use of latest technology. TDAP creates a high level of motivation amongst its staff as they see themselves embarking on upwardly mobile career paths within a TPO environment. It persuades them to significantly enhance their capabilities and skills, and thus assures their personal growth along well-defined career paths. TDAP strive to achieve a role model status for a TPO in the developing countries.

### **INTERNATIONAL EXHIBITIONS:**

#### Agro Food Division:

- Fine Food, 5-8 September 2022 Australia Melbourne
- Asia Fruit Logistica 2-4 Nov, 2022, Thailand Bangkok
- SialInterfood, 9-12 November, 2022 Indonesia Jakarta
- Foodex Japan 7-10 March 2023 Japan Tokyo
- Uz foods 28-30 March 2023 Uzbekistan Tashkent
- ThaifexAnuga Asia 23-27 May, 2023 Thailand Bangkok
- World Food, 20– 23 Sep, 2022 Russia Moscow
- Sial Food Fair, Paris 15-19 Oct 2022 France Paris
- Fruit Logistica Feb 2023 Germany Berlin
- Food Africa 5-7 December 2022 Egypt Cairo
- Africa Big Seven 18-20<sup>th</sup> June 2023 South Africa Johannesburg
- Foodex Riyadh 13-16 September 2022 Saudi Arabia Riyadh
- Food & Hospitality Expo 26-28 September 2022 Oman Muscat
- ISM Middle East 8-10 November 2022 UAE Dubai
- World Tobacco 15-16<sup>th</sup> November 2022 UAE Dubai
- Gulf Food 20-24 Feb 2023 , UAE Dubai
- Sial Food Fair 9-11<sup>TH</sup> MAY Canada Toronto

Engineering & Minerals Division:

- SAHARA Expo Egypt 11-14 September, 2022
- Medic West Africa Nigeria 7-9, September 2022
- Automechanika, Frankfurt Germany 13-17 Sep-2022
- The Munich Show, Munich Germany 30 Sep to 2 October 2022
- Africa health south Africa 26th – 28th Oct-2022
- Eurasia Packaging Istanbul Fair Turkey 12-15 October 2022
- Beauty World, Dubai, UAE 31 Oct - 2 Nov-2022
- Beauty Istanbul Turkey October 13-15, 2022
- Saudi Build Saudi Arabia 14-17 Nov 2022
- Medica Dusseldorf Germany 14-17, Nov 2022
- ISPO Fair Munich Germany November 28-30, 2022
- Index Dubai UAE 23-25 May 2023
- Big 5 Dubai UAE 5-8, December 2022
- Tucson Gems, Mineral and Fossil Show, Tucson USA January 26 - February 12-2023
- Arab Health, Dubai UAE 30 JAN - 02 FEB 2023
- Middle East Energy UAE 14-16, March 2023
- Automechanika Istanbul Turkey 8-11 June-23

Textile & Leather Division:

- Expo Riva Schuh, Italy June 2022
- Magic Show USA 8-11, August 2022
- Lineapelle Fair, Italy 20-22 September 2022
- APLF Asean Thailand 19-21 October 2022
- Fashion World Tokyo, Japan October 2022
- International Sourcing Expo – Melbourne, Australia 15-17 November 2022
- FAST TEXTILE, Poland 15-17 November, 2022
- Expo-Protection, Paris, France 15-17 November 2022
- Heimtextil Germany 10-13 January 2023
- Expo Riva Schuh, Italy 14-17 January 2023
- Domotex, Germany 12-15 January 2023
- Texworld Paris, France 6-8 February 2023
- Magic Show USA 13-15 February 2023
- Lineapelle Fair, Italy 21-23 February 2023
- TEXTYL TEXPO, Algeria 19-21 December, 2022
- APLF Fashion(Tanners) Access, (Dubai) 13-15 March 2023
- APLF Fashion Access, (Dubai) 13-15 March 2023

Services, Halal & New Opportunities Division:

- GITEX/Expo, Dubai 10<sup>th</sup>-14<sup>th</sup> Oct, 2022
- Digital Tech Summit, Denmark 25<sup>th</sup>-26<sup>th</sup> Oct, 2022
- Web Summit, Portugal 1<sup>st</sup>-4<sup>th</sup>Nov, 2022
- Leap, Saudi Arabia 6<sup>th</sup>-9<sup>th</sup> Feb, 2023

- Game Developers Conference, USA 23<sup>rd</sup>-24<sup>th</sup> Mar, 2023
- Japan IT Week 5<sup>th</sup>-7<sup>th</sup> Apr, 2023
- Gitex, Africa, Morocco 31<sup>st</sup> May- 2<sup>nd</sup> June
- Dublin Tech Summit, Ireland 31<sup>st</sup> May-1<sup>st</sup> June
- London Tech Week, UK 13<sup>th</sup>-17<sup>th</sup> June, 2023
- Viva Tech, Paris France 14<sup>th</sup>-17<sup>th</sup> June, 2023
- Collision Canada 20<sup>th</sup>-23<sup>rd</sup> June, 2023

### **LOCAL SHOWS / EVENTS & ACTIVITIES:**

#### Engineering & Minerals Division:

- Engineering & Healthcare Show 2023, Expo Center Lahore, 23-25 February 2023
  - ❖ To inculcate the importance among the importers of African & CARs, Middle East, Srilanka, Afghanistan etc region / countries that Pakistan is also manufacturing such sectors / sub-sectors which currently has 84% share in world Trade
- Surgical Instruments 2 Days Local Exhibition Islamabad 21-22 March 2023
  - ❖ To create awareness by approaching the foreign countries through their Missions posted abroad
  - ❖ To create awareness among the decision makes of local hospitals about the products being manufactured in Pakistan
- Minerals Export Procedures and Documentation Quetta March 2023
  - ❖ Providing guidance and awareness to the mineral exporters regarding the steps and processes involved in mineral exports

#### TDAP Sukkur:

- Awareness Session on Handicrafts, Khairpur, Aug-2022.
- Seminar on Pickles of Shikarpur, Shikarpur, Sept-2022.
- Organized various meetings of University of Agriculture Faisalabad Team with Dates, Cotton, Rice and other stakeholders of the region in 1st week of October, 2022
- Liaison and meeting with Larkana Chamber CC&I, Larkana Oct-2022.
- Global Dates Market Virtual Awareness Session on 'Dates Market of Sweden & Denmark" Oct-2022.
- Global Dates Market Virtual Awareness Session on 'Dates Market of Germany' Nov-2022.
- Panel Discussion Virtual Session on 'Import and adaptation of elite and sustainable Date Palm varieties in Pakistan' Nov-2022.
- Global Dates Market Awareness Webinar on 'Dates Market of Canada' Nov-2022.
- Seminar on Fresh Water Fish, Sukkur Jan-2023.
- Virtual Awareness Session on "International Food Safety Standards and Certifications for Agro & Food products of Pakistan" in collaboration with SGS Pakistan Feb-2023.
- Virtual Meeting with the team of M/s CarrefourSA Turkey March-2023.

- Awareness Session with SRSO, Sukkur Jun-2023.

TDAP Lahore:

- Webinar on Pakistan-Kazakhstan Trade Potential 20th July 2022
- Workshop on ITC Market Analysis Tools to FPCCI 27th July 2022
- Webinar on Pakistan-Australia Trade Potential 21st September 2022
- 5 member Delegation from Malaysia (Coordination and facilitation) 26th to 29th September, 2022
- 2 member Sudan Delegation (Coordination and facilitation) 14th to 24th October, 2022
- Webinar on Pakistan-UK Trade Opportunities and New GSP Scheme 26th October 2022
- Webinar on Trade Opportunities in Netherlands 8th November 2022
- Webinar on Pakistan-USA Trade Potential 14th December 2022
- Webinar on Pakistan-South Africa Export Potential 11th January 2023
- Webinar on Pakistan-Japan Trade Opportunities 23rd January 2023
- Webinar on Pakistan Indonesia Trade Opportunities 22nd March 2023
- Seminar on Financial Schemes for SMEs and Women Entrepreneurs 2nd May 2023
- Webinar on Pakistan-Turkiye PTA 25th May 2023
- Webinar on Pakistan-Uzbekistan PTA 15th June 2023

TDAP Multan:

- Seminar on Women in Trade Export Readiness 101, Organized by TDAP Multan with the support of ITC and WCCIB 26th August 2022
- Seminar on Women in Trade Export Readiness 101, Organized by TDAP Multan with the support of ITC and WCCI DG Khan 27th August 2022
- Seminar on Effective Trade Fair Participation, Organized by TDAP Multan with the support of ITC and WCCI Multan 29th August 2022
- Amazon Training Session by TDAP in collaboration with MCC&I, How to Start Selling on Amazon from Pakistan 10th October 2022
- Amazon Training Session by TDAP in collaboration with APBUMA Multan, How to Start Selling on Amazon from Pakistan 11th October 2022
- Amazon Training Session by TDAP in collaboration with BCC&I, How to Start Selling on Amazon from Pakistan 13th October 2022
- Amazon Training Session by TDAP in collaboration with WCC&IB, How to Start Selling on Amazon from Pakistan 15th October 2022
- Amazon Training Session by TDAP in collaboration with RYKCC&I, How to Start Selling on Amazon from Pakistan 17th October 2022
- Amazon Training Session by TDAP in collaboration with WCCI DG Khan and Ghazi University DG Khan, How to Start Selling on Amazon from Pakistan 19th October 2022
- Visit to Multan of Pakistan's Ambassador Designate to Denmark 3rd June 2023

TDAP Gujranwala:

- Seminar on Pakistan Single Window (PSW) at Gujranwala 15th June 2023
- Seminar on Financing Schemes & Funding Opportunities for SMEs and Women Entrepreneurs (WE) at Gujrat 1st June 2023
- Seminar on Export Financing at Wazirabad 31st May 2023

TDAP Sialkot:

- Financial Time Correspondent Visited Sialkot 27th August 2022
- 2 member Malaysian Delegation 25th November 2022
- Incoming Japan Delegation (Coordination & Facilitation) 8th-9th May 2023
- Seminar on Value Addition & Product Diversification-Rice at MandiBahaudin 18th May 2023
- Seminar on Financing Schemes and Funding Opportunities for SME's and WE, SCCI, Sialkot. 13th June 2023
- Seminar on Value Addition & Product Diversification-Rice at Hafizabad 20th June 2023
- Seminar on Value Addition & Product Diversification-Rice at Narowal 21st June 2023

TDAP Faisalabad:

- B2B Meetings of Pakistani Textile Exporters with UK based Textile Importers 6th July 2022
- B2B/Matchmaking of M/s Berger Paints with Pak-Azerbaijan Chamber in collaboration with respective trade office 22nd July 2022
- Seminar on "Effective Trade Fair Participation" 2nd August 2022
- Seminar on "Government's Export Financing & Funding Schemes for SMEs" 31st August 2022
- Seminar/Workshop on Trade Tools (trademap) and export procedures and COOs 18th October 2022
- Incoming Chile Delegation (Coordination & Facilitation) 29th November to 2nd December, 2022
- B2B Meetings of Netherland based company with Pakistani Textile Exporters 5th December, 2022
- Webinar on "UK market and Potential for Faisalabad Region" 22nd December 2022
- Seminar on Foreign Exchange Settlement Policy of SBP 28th December 2022
- Interactive session on PSW 31st January 2023
- Webinar on "Export Potential of Fruits & Vegetable in Afghanistan" 15th February 2023
- Webinar on "Exploring opportunities for IT Exports in USA" 27th March 2023
- Visit of Chinese Delegation to Gilgat 12th - 19th May, 2023
- Seminar on "Export Financing Schemes 2021" 14th June 2023
- Seminar on "Value Addition & Packaging" 21st June 2023

TDAP Gwadar:

- Seminar on Supply/Demand Side Issues of Dates Sector of Balochistan & Export Potential of Dates in International Markets. 18/01/2023
- Seminar on Importance of Gwadar Industrial Zone and Free Trade Zone for Export. 15/06/2023

TDAP Islamabad:

- Seminar on Women in Trade –Export Readiness 101 - 23/09/2022 - A series of seminars with the common objective of equipping women with the right set of tools and ideas to flourish as an exporter.



- Seminar on Effective Participation in Trade Fair - 09-03-2022 - Series of seminars for creating awareness on how to participate in local and international trade fairs for women and SMEs
- Seminar on Effective Participation in Trade Fair - 09-05-2022 - Series of seminars for creating awareness on how to participate in local and international trade fairs for women and SMEs
- Seminar on Fashion Forecasts and Trends - 10-06-2022 - To create awareness on latest fashion trends among W.E.
- Seminar on Financial Inclusion - 22/12/2022 - This training session focused on Financial Literacy among W.Es.
- Webinar on WEConnect International Capacity building programs - 28/02/2023 - enhancing their businesses and learning more about how to sell their products and services to large corporate buyers.
- Webinar on WEConnect International Capacity building programs - 03-01-2023 - enhancing their businesses and learning more about how to sell their products and services to large corporate buyers.
- Her Hunar 2023 Exhibition - 4/3/2023-5/3/2023 - for women entrepreneurs of north Pakistan to display their products
- Seminar on Pakistan Trade Portal - 03-04-2023 - To equip women entrepreneurs with the tools to explore the new markets through e commerce platform
- Seminar on Digital literacy - 03-04-2023 - To equip women entrepreneurs with the tools to explore the new markets through e commerce platform
- Awareness session on IP Rights awareness - 03-04-2023 - Awareness related to IP Rights protection
- Seminar on Export Procedures - 04-05-2023 - Awareness related to export documentation and procedures
- Seminar on Financial Inclusion - 05-05-2023 - This training session focused on Financial Literacy among W.Es.

**WEBINARS / SEMINAR / B2B:**

<b>Engineering &amp; Minerals Division</b>				
<b>Sr.</b>	<b>Product</b>	<b>Webinar / Seminar / B2B</b>	<b>Date</b>	<b>Product</b>
1.	How to produce quality products	Webinar	05-Jul-22	Cutlery
2.	Export potential of Paints and chemicals in CARs	Webinar	July 2022	Chemicals & Paints
3.	Export Packaging Practices for Footwear Sector	Webinar	July 22	Packaging / Stationery
4.	Prospects for Pakistan in the Furniture Market of Tajikistan/ Dushanbe	Webinar	July, 2022	Furniture

5.	Issues related to the Fluoride export	Webinar	July 2022	Metallic and Non Metallic Minerals
6.	Training on ITC Tools	Seminar	July 2022	Surgical Instruments
7.	Training on Amazon	Seminar	July-2022	Pharmaceutical & Cosmetics
8.	Match-making webinar between gemstone sectors of the China & Pakistan. To enhance the Export of gems & jewelry sector to China.	Webinar	July, 2022	Gems & Jewelry
9.	Webinar for understanding of South African and SADC Market for Autoparts, 2 & 3 Wheelers	Webinar	Aug-22	Auto Parts
10.	Introductory session on how to become MDR Compliant by SGS	Seminar	August 2022	Surgical Instruments
11.	Exploring the potential of the Australian market for marble exports	Webinar	August-2022	Construction Material
12.	GMP & Registration procedures of Kenya	Webinar	August-2022	Pharmaceutical & Cosmetics
13.	Pakistan Export of Gems & Jewelry to Hong Kong, China	Webinar	August, 2022	Gems & Jewelry
14.	East Asia Market Opportunities for packaging industry of Pakistan	Webinar	24 August 2022	Packaging / Stationery
15.	Building up role of e-commerce in the export arena	Webinar	Sep-22	Cutlery
16.	Introduction to Mexican industry and business opportunities offered by Pakistani chemical industry	Webinar	18 <sup>th</sup> Sept	Chemicals & Paints
17.	Introduction to environmental Friendly packaging Standards -Oceania Market	Webinar	Sep-22	Packaging / Stationery
18.	Online Training on Amazon	Webinar	September	Furniture &

			, 2022	Mattresses
19.	Issues related Chromite Export	Webinar	September 2022	Metallic and Non Metallic Minerals
20.	Consultative session on subsidy criteria in consultation with SGS & SIMAP	Webinar	Sep 2022	Surgical Instruments
21.	Securing opportunities regarding ceramics and sanitary fittings sector in Saudi Arabia.	Webinar	Sep-2022	Construction Material
22.	Introductory session on how to export Organic Products in China/Africa/ Middle East	Webinar	Sep-2022	Pharmaceutical & Cosmetics
23.	Awareness Session on sending export shipment of Gems & Jewelry through Courier/cargo services	Webinar	Sept, 2022	Gems & Jewelry
24.	Launch of Auto Parts Exporters on <a href="http://JD.com">JD.com</a> & Douyin	Webinar	Oct-22	Auto Parts
25.	Import Regulations for the chemical Industry in Mexico	Webinar	Oct-22	Chemicals & Paints
26.	1)K-show webinar for Plastic & Packaging sector with CC Germany 2) E-commerce platforms to explore Chinese Market	Webinar	Oct-22	Packaging
27.	Prospects for Pakistan in the Furniture Market of Qatar	Webinar	October, 2022	Furniture
28.	Webinar on Chemicals and Paints for Chinese E commerce platform(JD.com and Douyin)	Webinar	24th Oct	Chemicals & Paints
29.	Webinar on Plastic Finished Products for Chinese E commerce platform(JD.com and Douyin)	Webinar	24th Oct	Plastic Products
30.	Webinar on Sports Goods for Chinese E commerce platform(JD.com and Douyin)	Webinar	Oct – 2022	Sports Goods
31.	Introductory session on how to export Halal Cosmetics Products in Malaysia/	Webinar	Oct – 2022	Pharmaceutical

	Indonesia			1 & Cosmetics
32.	Creating awareness for Chinese E-Commerce platforms (JD.Com & Douyin) opportunities for gems & jewelry sector.	Webinar	October, 2022	Gems & Jewelry
33.	Webinar on 'Export of Electric Machinery to Senegal'	Webinar	9 Nov 2022	Electrical Machinery
34.	Product sophistication and market diversification awareness session for stationery sector of Pakistan	Webinar	Nov-22	Packaging / Stationery
35.	Export Procedure	Webinar	November, 2022	Furniture & Mattresses
36.	"Import Procedures & Orientation of Brazilian market of Sports Goods"	Webinar	Nov- 2022	Sports Goods
37.	Webinar on Musical Instruments for Chinese E commerce platform(JD.com and Douyin)	Webinar	November - 2022	Musical Instruments
38.	Webinar on Essentials of quality products for export business (In collaboration with PSQCA)	Webinar	Nov-22	Cutlery
39.	Export of Gold Jewelry Through WeBoC	Webinar	November, 2022	Gems & Jewelry
40.	Export Strategy for Export Business	Webinar	Dec-22	Cutlery and Cookware
41.	Challenges in Exports of Agricultural Machinery to Afghanistan	Webinar	Dec-22	Agriculture Machinery and Implements
42.	Introduction to jute packaging - Opportunities in global market	Webinar	Dec-22	Packaging
43.	Prospects for Pakistan in the Furniture Market of Kenya	Webinar	December, 2022	Furniture
44.	Support in the formulation of Proposal and its submission to EDF for allocation and release of funds to provide financial support	Webinar	Dec 2022	Surgical Instruments

	to Surgical Industry			
45.	Export Potential of Agricultural Machinery to Gulf Countries	Webinar	Jan-23	Agriculture Machinery and Implements
46.	Export Strategy for Export Business	Webinar	Jan-23	Cutlery and Cookware
47.	Issues and problems related to the minerals sector and the way forward	Webinar	January 2023	Metallic and Non Metallic Minerals
48.	Export related issues regarding Afghanistan	Webinar	Feb-23	Chemicals & Paints
49.	Webinar on challenges and opportunities of exporting chemicals to Afghanistan and CARs	Webinar	Mar-23	Chemicals & Paints
50.	WPO Interactive session	Webinar	Mar-23	Packaging
51.	Prospects for Pakistan in the Furniture Market of Afghanistan	Webinar	Mar-23	Furniture
52.	“Awareness about Market Procedures, Market Standards and understanding Trade Dynamics for Entrance in African markets” (Morocco & Algeria)	Webinar	March 2023	Sports Goods
53.	Potential of Nigerian market for Pakistan’s marble exports	Webinar	Mar – 2023	Construction Material
54.	How to make linkages with foreign buyers	Webinar	May-23	Cutlery & Cookware
55.	Match-making of Pakistani exporters with Mexican buyers of Sports Goods.	B2B	July- 2022	Sports Goods
56.	B2B interaction for exports of Glass Products to Azerbaijan.	B2B	July-2022	Construction Material
57.	Virtual B2B meeting with Furniture business community of Tajikistan.	B2B	August, 2022	Furniture
58.	Mineral Export	B2B	August	Metallic and Non Metallic

	Negotiations		2022	Minerals
59.	Match-making of Pakistani exporters with Argentine buyers of Sports Goods.	B2B	August-2022	Sports Goods
60.	Match-making of Pakistani exporters with Argentine buyers of Sports Goods	B2B	Sep- 2022	Sports Goods
61.	B2B interaction regarding exploring opportunities for exports of Electrical cables to Australia from Pakistan.	B2B	Sep-2023	Construction Material
62.	Securing opportunity regarding export of steel products to Australia.	B2B	30 Sep 2022	Construction Materials
63.	B2B interaction regarding exploring opportunities for exports of Pre-fabricated Building Materials to Australia from Pakistan.	B2B	Oct-22	Construction Materials
64.	Meeting Regarding Export of Plastic Household Products	B2B	Oct 2022	Plastic Products
65.	Meeting regarding export of safety gloves by Pakistani exporter company Sunny Enterprises	B2B	12th Oct	Safety Equipments
66.	Meeting regarding export of safety gloves by Pakistani exporter company MH Import Export	B2B	12th Oct	Safety Equipments
67.	Meeting regarding export of safety gloves by Pakistani exporter company Byzntinium	B2B	14th Oct	Safety Equipments
68.	B2B session of fan exporters participating in Saudi Build	B2B	October 2022	Cell Phones, Fans & Home Appliances
69.	B2B interaction regarding exploring opportunities for exports of Pre-fabricated Building Materials to Nigeria from Pakistan.	B2B	Oct – 2023	Construction Material
70.	Matchmaking session with African countries	B2B	Nov-22	Agriculture Machinery

				and Implements
71.	Exploring the potential of the Australian market for Construction Materials exports	B2B	Nov-2022	Construction Material
72.	B2B interaction regarding exploring opportunities for exports of Pre-fabricated Building Materials to Egypt from Pakistan.	B2B	Nov-2023	Construction Material
73.	Interaction on Organic products with China & Africa	B2B	Nov-2022	Pharmaceutical & Cosmetics
74.	Match-making of Pakistani exporters with manufacturers of Ebony Blackwood from Kenya, Tanzania and Mozambique	B2B	December-2022	Musical Instruments
75.	B2B interaction regarding exploring opportunities for exports of Kitchen Cabinets and Marble Doors to Australia from Pakistan.	B2B	Dec-2022	Construction Material
76.	Virtual B2B meeting with furniture business community of Kenya	B2B	January, 2023	Furniture
77.	B2B interaction regarding exploring opportunities for exports of Services of Glass Manufacturing Facility to Algeria from Pakistan.	B2B	Jan- 2023	Construction Material
78.	E & HCS	B2B	Feb-23	Cutlery and Cookware
79.	Match-making of Pakistani exporters with African buyers of Sports Goods.	B2B	Feb – 2023	Sports Goods
80.	Fans / home appliances importers in Middle East (except KSA)	B2B	Feb – 2023	Cell Phones, Fans & Home Appliances
81.	B2B interaction regarding exploring opportunities for exports of Floorings to Australia from Pakistan.	B2B	Feb – 2023	Construction Material
82.	Meeting of AI Force Tech Beijing with	B2B	27-Feb-	Agriculture Machinery

	Ali Corporation		2023	and Implements
83.	Follow up of B2B meeting held during EHCS 2023	B2B	Mar-23	Cutlery and Cookware
84.	Meeting of AI Force Tech Beijing with M/s Millat Tractors	B2B	Mar-23	Agriculture Machinery and Implements
85.	Meeting of AI Force Tech Beijing with M/s Pakistan Tractor Manufacturing Company (ATS)	B2B	Mar-23	Agriculture Machinery and Implements
86.	Meeting of AI Force Tech Beijing with M/s AECO	B2B	Mar-23	Agriculture Machinery and Implements
87.	Sri Lanka Association of Printers and Bulleh Shah Packaging	B2B	Mar-23	Packaging
88.	Four B2B meetings held with Mexican Company for safety gloves of industrial use.	B2B	March, 2023	Safety Equipments
89.	Meeting between Chinese company "TaihuGuangua Aluminum Industry Ltd" with Pakistani company "Roots International" for export of aluminum by Chinese	B2B	16th March	Metallic and Non Metallic Minerals
90.	B2b Meeting between SSGC and Egypt Gas on 1st June, 2023.	B2B	June, 2023	Auto parts
91.	B2b meeting between United Auto Industries and Mexican Company on 20th June, 2023	B2B	June, 2024	Auto parts
92.	B2b Meeting between United Autos Industries and Mexican Distributor Libertad on 21st June, 2023.	B2B	June, 2025	Auto parts
<b>Textile &amp; Leather</b>				
93.	Effective Participation in Exhibitions“ – Export Readiness, ITC & TDAP	Seminar	July '22	High End



	(Pakistan)			fashion
94.	Webinar held in collaboration with JD.com and Duoying and TIO Beijing, China	Webinar	22-Jul	Finished Leather and Articles of Leather
95.	Seminar titled “Market Research and Analysis for Trade” held for Footwear sector in collaboration with International Trade Center (ITC), ITC & TDAP (Pakistan)	Seminar	22-Jul	Footwear
96.	Webinar on Exploring Pakistan's Export Potential in Towels to Japan, Japan	Webinar	01-Sep	Towels/Hometextiles
97.	Seminar titled “Public Private Dialogue on Technology and Compliance” held for Footwear sector in collaboration with International Trade Center (ITC), ITC & TDAP (Pakistan)	Seminar	22-Sep	Footwear
98.	Webinar Cum Training on Fashion Forecasts/Trends and Consumer Behavior AIFD &TDAP (Pakistan)	Webinar	October, 2022	High End fashion
99.	Webinar held in collaboration with Duoying and TIO Beijing, China	Webinar	22-Oct	Finished Leather and Articles of Leather
100.	Webinar held in collaboration with Duoying and TIO Beijing , China	Webinar	<u>22-Oct</u>	Footwear
101.	Seminar on “Sustainability – Net Zero Carbon” Pakistan	Seminar	December 12, 2022,	High End fashion
102.	Seminar on Textile Certifications, Pakistan	Seminar	Jan-23	Yarn and Fabrics
103.	Webinar on Exploring Pakistan's Export potential in Textile sector to Belgium,Belgium	Webinar	Mar-23	Towels/Home textiles
104.	B2B Meetings with African Fabrics Buyers	B2B	July, 2022	Fabric

105.	B2B Meetings with Algerian Textile Buyers Algerian	B2B	August, 2022	Yarn and Fabric
106.	B2B matchmaking(Pak-US) USA	B2B	7th October 2022	RMG
107.	B2B matchmaking(Pak-Italy) Italy	B2B	4th October 2022	RMG
108.	B2B matchmaking (Pak-China) China	B2B	25-Oct-22	RMG
109.	B2B matchmaking (Pak-Netherlands) Netherlands	B2B	07-Oct-22	RMG
110.	B2B between the Dutch companies (M/s AF Textiles & M/s Pagentex) & Pakistan's exporters Netherlands	B2B	Nov-23	Home textiles
111.	B2B conducted with an importing Firm in Italy. Italy	B2B	Nov-22	Sports Wear
112.	A B2B meeting was also conducted between an exporter from Pakistan with Spanish importer working on online platforms Spain	B2B	Nov-22	Sports Wear
113.	M/s Walco Pakistan – a footwear company – held B2B meeting with M/S ISB Srl – an Italian Sheep Casing Company. Italy	B2B	22-Dec	Footwear
114.	PFMA in collaboration with TDAP and Our Commercial Missions in Beijing, Shanghai and Guangzhou held a series of webinars to tap into Chinese market to ensure JVs and industry relocation to Pakistan. A delegation shall be sent in Mar/Apr. China	B2B	23-Dec	Footwear
115.	4 rounds of B2B meetings between Mexican retail giant: Subarbia and 4 Pakistan's Home textle companies Mexico	B2B	Feburary-2023	Home textiles
116.	4 B2B meetings between Mexican retail company Coppel Mexico	B2B	Feburary-2023	Home textiles

117	3 rounds of 2B meetings between Mexican retail company Coppel Mexico	B2B	Mar-23	Home textiles
118	5 B2B meetings between Swedish clothing chain Ahlens and five Pakistani companies from RMG sector Sweden	B2B	May 2023	RMG

### **Trade Publications:**

#### Research Report:

S#	Sector / Market	Title of report / publication	Date of Publication
1		Pre-feasibility Study of Ferrochrome Plant	31-Mar-23
2		Analysis of Chromite Potential and its Value-added Products in Pakistan	01-Aug-22
3		Pre-feasibility Study of Kaolin Beneficiation Plant	31-Mar-23
4		Talcum Powder - A Value-added Product of Talc	31-Mar-23
5		Business Opportunities in the Mineral Sector of Pakistan- A Case Study of Fluoride	31-Mar-23
6		Export Potential of Magnesium Oxide	31-Mar-23
7	Agriculture Sector	Pakistan's Dates Sector: Production, Consumption and Export Analysis	05-Apr-23
8		Pakistan's Export Potential of Citrus	04-Apr-23
9		Potential of Potato Exports from Pakistan	31-Jul-22
10		Production and Potential of Honey Exports from Pakistan	17-Feb-23
11	Textile & Leather	Pakistan Readymade Garment Industry: How are China and Bangladesh Performing	31-May-23
12		Comparative Analysis of FTAs of Pakistan (Textile & Leather Sector)	31-May-23
13		Export Trade Potential: Handbags	31-Aug-22
14	Engineering Sector	Pakistan's potential exports of Motorcycle Industry	31-Aug-22
15		Furniture Industry of Pakistan: Trade, Obstacles and Opportunities	31-Aug-22
16	Pharmaceutical Sector	Export Potential for OTC Drugs in Central Asian Countries	31-Aug-22

Press Release:

- 130 Advertisements approx.
- 250 Press Releases approx.

Other Trade Publications:

- Books published/printed:
  - ❖ How to do business in Pakistan
  - ❖ Step-by-step guide for new exporters (part-a: export procedures)
  - ❖ Step-by-step guide for new exporters (part-b: certification requirements)
  - ❖ Manual for export facilitation under FBR schemes (a step by step guide for exporters)
  - ❖ An easy guide for exporters to file claims duty drawback of local taxes DLT (textile) of ministry of commerce notification no.1 (42-b) TID/18-tr-ii
  - ❖ An easy guide for exporters to file claims duty drawback of local taxes and levies TLDL order ministry of commerce SRO. 711(1)/2018 (non-textile)
  - ❖ Guide to avail export finance scheme of state bank of Pakistan
  - ❖ Guide to avail long- term financing scheme of state bank of Pakistan
- Wall Mountings/posters of Pakistani exportable items/products have been developed and distributed amongst the relevant offices/officers (Almost 400 wall mountings were developed & dispatched to MOC, PITAD, BOI, regional & sub regional offices of TDAP etc.).
- Procurement of 150 brochures of Pharmaceutical products, 150 brochures of surgical products and two Standees of the said products had been developed for Pharmaconex Exhibition, 2020.
- 150 FTA/PTA Forms were procured/printed and delivered to AD (GSP) for official consumption.
- After consultation with TDAP, MoC had got designed/ printed 70 copies of GSP booklet in January 2022 in Islamabad. And then printed 80 more copies of GSP booklet, in Feb.2022 with the financial support of TDAP.
- Got printed Brochure for Engineering and Healthcare show 2022
- Procurement of 100 standees with Panaflex of Pakistan Trade Portal
- Procurement of 50 standees with panaflex of ‘Meet Pakistan app ‘with QR code
- Printing of 1000 copies of Brochures of Food Ag Pakistan Exhibition2023.
- Printing of brochures for 2<sup>nd</sup> engineering and healthcare show 2023.
- Printing of brochure for 4<sup>th</sup> International Textile Exhibition (Texpo) Pakistan 2023.
- Procurement of 44 X standees for 4th International Textile Exhibition (TEXPO) Pakistan 2023.
- Printing of brochure for 1<sup>st</sup> FoodAg,2023 : The Food & Agriculture Show Pakistan, 2023

- Completed the task of translation of the three different brochures (Engineering & Healthcare Show, FoodAg Pakistan and Tech Spring Pakistan) in five languages (Arabic, French, Chinese, Russian & Spanish).
- Printing of End-of-Year Report (abridged version), TDAP Annual Plan 2021-22

### **GSP and REX:**

Below are the major activities of the 11 GSP Sections working in different offices of the TDAP all over Pakistan during the year 2022-23.

- Issuance of Certificates of Origin: The TDAP, via its GSP Sections located in 11 Regional Offices, issued around 35,000 Certificates of Origin (COO) during the year for various GSP Schemes, RTAs, PTAs, and FTAs. The GSP Section Karachi arranged printing of the COO Forms and distributed the forms to all 11 regional offices all over Pakistan.
- Handling of Verification Requests received from importing customs from all over the world: The GSP Offices working in all the GSP Sections of TDAP have handled around 350 verification requests received from the importing customs that receive products exported from Pakistan. Most verifications were responded on the basis of factory visits to get the information regarding manufacturing processes and accounting records of inputs and materials used.
- Development and operation of the Online Verification System for Russia/ EAEU: During the current year an online system has been developed by the TDAP that allows online verification of all the certificates of origin issued by the TDAP for exports to the EAEU (Eurasian Economic Area). The system requires uploading of the all the certificates of origin issued by the TDAP for the EAEU the same day. In this regard, the GSP Officers have been tasked to scan and upload the EAEU COOs on a special website on a daily basis. The EAEU Countries have been given secure login to that Website for Verifying the COOs in real time.
- Trade Facilitation: The GSP Sections of TDAP are also providing trade facilitation to Pakistani exporters on rules of origin and customs procedures for various GSP Schemes, and FTAs/ PTAs. The exporters come in contact with GSP Section all over Pakistan on a daily basis and ask about various rules and regulations. GSP Sections have dedicated counters of public dealings receive desired information along with getting their COOs issued.
- New Trade Agreements of Pakistan: The GSP Section has been actively involved in negotiation of new Trade Agreements by the Ministry of Commerce with countries that include Azerbaijan, Uzbekistan, Turkey, UAE, GCC, Mozambique, etc. The GSP Section has been assisting the Ministry through provision of knowledge on rules of origin and customs procedures. The GSP Section Karachi also arranged finalization and printing of COO Forms and issuance of COOs for the new Trade Agreements entered and notified by the Ministry of Commerce.

### **Efficient Use of Technology:**

<b>Social Media Platforms</b>	<b>Total Audience</b>
TDAP Facebook	24,451
TDAP Twitter*	3,739
TDAP Instagram	13,800
TDAP Youtube	2,441
TEXPO Facebook	14,000
TEXPO Twitter	1,635
TEXPO Instagram	6,531
WEXNET Facebook	167,000
WEXNET Instagram	2,230
EXPO 2020Twitter	6,738
EXPO 2020 Instagram	174,000
EXPO 2020 Youtube	929
EXPO 2020 Facebook	34,000
TDAP Website	301,063 visits (Last 12 Months)

## **21. INTELLECTUAL PROPERTY ORGANIZATION OF PAKISTAN (IPO-P)**

Intellectual Property Organization of Pakistan (IPO-Pakistan) was established as an autonomous body on 8<sup>th</sup> April, 2005 under the administrative control of Cabinet Division for integrated and efficient management of intellectual property in the country. The Trade Marks Registry, Copyright Office and the Patent & Design Office, which were under the administrative control of different Divisions, became part of the new Organization under a unified and integrated management system. On July 25, 2016, the administrative control of IPO-Pakistan was transferred from Cabinet Division to Commerce Division.

The Organization envisions Pakistan on the intellectual property map of the world as a compliant and responsible country and strives to integrate and upgrade IP

infrastructure for improved service delivery, increased public awareness, and enhanced enforcement coordination, etc., to ensure the protection and strengthening of Intellectual Property (IP) in the country.

### **Major Achievements in 2022-23:**

2. During the year 2022-23, IPO-Pakistan continued to build on its earlier achievements besides undertaking new tasks like finalization and approval of the organization's service and financial rules, automation of system and procedures to enhance service delivery, organizing mass awareness activities across the country, and finalization of draft of upgraded national IP laws. IPO-Pakistan performed the following activities in the Financial Year 2022-23:

#### **2.1 Activities related to Organizational/Structural matters**

- i. Approval of Service/Financial Rules:** Since the enactment of the IPO-Pakistan Act, 2012, the Organization was functioning without the statutory rules required for efficient working. The continued endeavors of the Organization and as a result of prolonged consultative process, the IPO-Pakistan finally drafted its service and financial rules, which were approved and notified by the Federal Government vide SRO No. 1652(I)/2022 and SRO No. 1653(I)/2022 dated 2<sup>nd</sup> September, 2022. The approval of service and financial rules has made it possible for the Organization to improve its working and streamline activities in line with the IPO Act, 2012.
- ii. Constitution of IPO Policy Board:** The policy and administrative matters of the Organization remained pending for considerable time due delay in the constitution of the Policy Board, which had profoundly affected its performance. The Federal Government constituted the 6<sup>th</sup> Policy Board in December, 2022, which led to the convening of 16<sup>th</sup> Meeting of the IPO Policy Board on 31<sup>st</sup> January, 2023, followed by the 17<sup>th</sup> Policy Board meeting on 6<sup>th</sup> April, 2023, in which important decisions were taken in respect of the long standing issues of the Organization.
- iii. Re-constitution of the Copyright Board:** The Federal Government reconstituted the Copyright Board vide notification dated 28-01-2022 fulfilling the demand of the stakeholders and the legal requirement in order to dispose of the pending appeals and applications. The Board held seven meetings during the FY 2022-23 at Karachi and Lahore.

#### **2.2 Improvement in the Intellectual Property (IP) legal Infrastructure**

National IP laws were last amended in 2000 in compliance with the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS). During the last two decades, major developments in international IP landscape have taken place due to technological developments especially the emergence of digital era, which necessitated amendment in the IP laws. IPO-Pakistan is in the process to revise its IP laws as detailed below to bring them in conformity with the international IP treaties and best practices:

- i. Amendments in Copyright Ordinance, 1962:** The Copyright Ordinance, 1962 was amended in 2000 to make it compliant with WTO TRIPS agreement. Since then, immense changes have taken place in the Copyright world like introduction of new technologies, internet, electronic and social media etc. Besides, there is a need to strengthen the scheme of Performing Rights Societies, comply with WIPO treaties (Marrakesh Treaty for VIPs, Internet Treaties etc.), strengthen IPR enforcement regime, and ensure digitization, etc. The draft of proposed amendments in the Copyright Ordinance addresses all these developments. Consultative sessions were held in Federal and all Provincial capitals in February and March, 2023 to get their input in this regard.
- ii. Trademark Ordinance Amended Bill:** IPO-Pakistan has completed the process of consultations with the stakeholders seeking their input regarding revision of Trademarks Ordinance, 2001, aiming to update legal processes and incorporate international best practices. The National Assembly has passed the Trademarks Amendments Bill, and has referred it to the Senate of Pakistan for approval. Moreover, IPO-Pakistan has develop a draft of proposed amendments in the TM Rules, 2004, which has been sent to the Registrar of TMR for vetting and consultation with stakeholders.
- iii. Amendments in Patents Ordinance, 2000:** IPO-Pakistan has prepared a draft of the proposed amendments in the Patent Ordinance 2000, which includes enabling provisions for Patent Cooperation Treaty (PCT), introduction of time-lines for office actions and submissions of replies, substitution of District Court with IP Tribunals, abolishing of the pre-grant opposition step during registration process, and e-filing and e-payments, etc. The IPO Policy Board has approved the draft amendments in its 16<sup>th</sup> meeting on 31<sup>st</sup> January, 2023, for consultation and further processing of the amendments.
- iv. Registered Design Rules, 2023:** Following approval by the Cabinet Committee on Legislative Cases (CCLC) and the Cabinet Division, the Design Rules 2023 were notified vide SRO 341(1)/2023 Dated March 2023.



- v. **Consultative Sessions on International Legal Instrument on GR&ATK:** The 1<sup>st</sup> consultative session on International Legal Instrument on Genetic Resources and Associated Knowledge (GR&ATK), was held on 8<sup>th</sup> May, 2023, in order to seek feedback of the stakeholders in this regard. Next consultative session will be held in August, 2023.

### 2.3 Accession to the International Treaties

International Treaties/Conventions set norms for countries in framing policies and laws on various subjects. Pakistan being a member of WTO and WIPO, is required to bring its IP laws in conformity with the WTO TRIPS Agreement. The IP laws has different subject matters like Patents, Copyright, Trademarks, Industrial design, etc. for protection of IPRs at national and international level, which are also reflected in different treaties. Pakistan has joined Madrid Protocol for international registration of marks that has been enforced since 17<sup>th</sup> May, 2022. The IPO-Pakistan also intends to accede to the following international IP treaties for which approval of the Federal Government has been requested:

- Marrakesh Treaty:** The Marrakesh Treaty adopted on June 27, 2013 in Marrakesh is administered by WIPO. With humanitarian and social development dimension, the treaty's main goal is to create a set of mandatory limitations and exceptions for the benefit of the blind, visually impaired, and otherwise print disabled (VIPs). Pakistan is in the process to accede to Marrakesh Treaty and a summary to the effect has been submitted for approval of the Federal Cabinet.
- i. **Accession to Patent Cooperation Treaty (PCT):** The Patent Cooperation Treaty (PCT) is an international patent law treaty, which provides a unified procedure for filing patent applications to protect inventions in more than 130 countries by filing one international patent application under the PCT. Following approval of the IP Policy Board, a draft chapter to enable Pakistan's accession to Patent Cooperation treaty (PCT) has been shared with local stakeholders and WIPO. Consultative sessions have been held with the stakeholders in the month of March and June to get their feedback on the accession proposal on PCT.

### 2.4 Cooperation with International Agencies

IPO-Pakistan is keeping close liaison with World Intellectual Property Organization (WIPO) for securing national interests at international forums. IPO-Pakistan actively engage with international agencies to promote IP in Pakistan. Details of activities carried out in this regard are as follow:

- i. **63<sup>rd</sup> Series of General Assemblies of WIPO-14<sup>th</sup> to 22<sup>nd</sup> July, 2023:** Director General IPO-Pakistan participated in the 63<sup>rd</sup> series of WIPO General Assemblies meetings held from 14<sup>th</sup> to 22<sup>nd</sup> July, 2023.
- ii. **CDIP WIPO Project on IP and Women:** The Committee on Development and Intellectual Property (CDIP) was established by the WIPO General Assembly in 2007 with a mandate to develop a work-program for implementing the 45 adopted Development Agenda recommendations. The Committee is composed of all WIPO member states. IPO-Pakistan in collaboration with CDIP has initiated a Project on IP and Women in order to support women entrepreneurs in embroidery and related crafts businesses through IP, branding, and commercialization strategies. The launching ceremony of CDIP WIPO project was held on 20<sup>th</sup> June, 2023 in Multan. The ceremony was followed by a two-day training sessions and visits of the facilities of the beneficiary women in Multan and Bahawalpur from 20<sup>th</sup> -23<sup>rd</sup> June, 2023. More than 35 women entrepreneurs have benefited from the subject project.
- iii. **Intellectual Property Training Institute (IPTI) Project:** IPO-Pakistan secured the IPTI Project under the CDIP WIPO. Work on the project was initiated in December, 2022. In its first phase, consultations were held with the stakeholders and a need assessment report finalized in this regard. In the second phase, around 92 candidates have been shortlisted by IPO-Pakistan as master trainers and the same have been sent to the UN-WIPO for further selection. Final selection of the master trainers by WIPO will lead to the commencement of training under the third phase of implementation.
- iv. **PCT and Youth-PCT Awareness-Raising Pilot Project for the youth in Pakistan and Bangladesh:** The project approved by WIPO in June, 2023 and aims at creating a level-playing field in terms of awareness through knowledge dissemination, hands-on training and capacity building on the international patent system and related services provided by WIPO for the young innovators, researchers, students, entrepreneurs, lawyers, and teachers in Pakistan and Bangladesh, emphasizing the significance of PCT as a tool to seek international protection. IPO-Pakistan has scheduled awareness campaign through online sessions and webinars in September, 2023.
- v. **National Intellectual Property Strategy (NIPS) Project:** Intellectual Property (IP) contributes sizably to business's value. National IP provides a consolidated

plan for developing, growth and monetization of IP assets. IPO-Pakistan has initiated the process to develop a National IP Strategy in order to expand the framework for the protection and promotion of IPRs, which will go in sync with other strategies of the country with respect to creativity and innovation. WIPO will extend technical support in the formulation of the strategy. In this regard, the first meeting was held between IPO-Pakistan and WIPO on 16<sup>th</sup> June, 2023, to lay out a plan for commencing work on the project.

vi. **Participation of IPO-Pakistan in Important annual events**

The IPO-Pakistan actively participated in all the annual events organized by WIPO in order to present the country's perspective in such important events as well as to get abreast with the changes and new development in the field of IP. Detail of international forums in which IPO-Pakistan participated is given below:

- Assemblies of the Member States of WIPO: Sixty-Third Series of Meetings, Geneva, July 14 to July 22, 2022,
- Advisory Committee on Enforcement, Fifteenth Session, Geneva, August 31 to September 2, 2022.
- Intergovernmental Committee on Intellectual Property and Genetic Resources, Traditional Knowledge and Folklore, Forty-Fourth Session, Geneva, September 12 to 16, 2022.
- Standing Committee on the Law of Patents, Thirty-Fourth Session, Geneva, September 26 to 30, 2022.
- Committee on WIPO Standards (CWS), Tenth Session, Geneva, November 21 to 25, 2022.
- Standing Committee on the Law of Trademarks, Industrial Designs, and Geographical Indications, Forty-Sixth Session, Geneva, November 21 to 23, 2022.
- Standing Committee on Copyright and Related Rights, Forty-Third Session, Geneva, March 13 to 17, 2023.
- Committee on Development and Intellectual Property (CDIP), Thirtieth Session, Geneva, April 24 to 28, 2023.

**2.5 Digitization and IT-Automation for improved Service Delivery**

The IPO-Pakistan is committed to provide meaningful facilitation to the business community and other stakeholders and for this purpose harnessing the support of IT by

extending online services for speedy and smooth registration of IP rights. The steps taken in this regard are enumerated below:

- i. **Upgradation of WIPO-IPAS software:** WIPO's Industrial Property Administration Service (IPAS) software is being regularly updated for registration mechanism and establishing linkage with counterpart organization to share IP data for protection of rights. The following measures were taken in 2022-2023:
  - a) WIPO-IPAS was extended to Opposition (Trade Marks, Patent and Design). Oppositions are operational and proceedings are recorded in IPAS database.
  - b) Landing of Madrid transaction into IPAS (Downloading of .xml from WIPO FTP and Uploading Madrid Notifications in IPAS).
  - c) Data sharing between Trade Marks (IPO-Pakistan) and SECP. Deployment of front end for IPO-Pakistan to retrieve SECP Data.
  - d) Data sharing between Copyright (IPO-Pakistan) and SECP.
  - e) Deployment and configuration of E-Dispatch System in IP-Registries Karachi.
  - f) Shifting and Revamping of Server – Room from Radio Pakistan building to CCI&E building.
  
- ii. **Online Filing/Services Project:** The Organization is endeavoring to provide maximum online services and IP registration filing facilities for the stakeholders to enhance benefits of IP regime. In this regard, the organization has signed a MoU with Punjab Information Technology Board (PITB). In the first phase, online filing for trademark registration application has been started with online payment facility. Further, four other services on TM-55, TM-11, TM-16 and TM-57 has been digitized.
  
- iii. **Patent and Design (Business Process Software system development):** The following improvement have been made in IPAS for improvement of Patent services in 2022-2023:
  - a. Development of Patent Design cancellation process in Intellectual Property Administration System (IPAS).
  - b. Integrate Provision of Auto number generation of Patent Registration for better recordation and consistency in Patent Database.
  - c. Development of Patent Workflow of Opposition for Appeal in Court better recordation.

- d. Deployment of internal Genes Pool utility for Data Entry/**Recordation** of Genes sequencing of Patent Application for further step forward for Database Integration for Genes sequencing.
  - e. Development of Patent Gazette through Automated generation process of Patent Business Process Software System (IPAS).
  - f. Enhancement in Patent Opposition workflow in Intellectual Property Administration System (IPAS).
  - g. Number of uploading files and user documents through Electronic Document Management System approximate (EDMS).
- iv. **Trade Marks: (Business Process Software system development):** The following improvement have been made in IPAS for improvement of Trademark services in 2022-2023:
- a. Development of Madrid procedure in IPAS.
  - b. Development of Rectification process in IPAS.
  - c. Provision of Formal objection, show cause etc., as ‘Office of Origin’ in Madrid protocol.
  - d. Receipt of Madrid transaction into IPAS.
  - e. Development of Hearing actions/ Office documents for Order Section workflow.
  - f. Number of uploading files and user documents through Electronic Document Management System approximate (21638).
  - g. **Trademark Online Filing System:** On June 1, 2023, IPO-Pakistan made twelve (12) more trademark forms available online in addition to already available five (5) forms. Now, seventeen (17) trademark forms are available to public through the Online Filing System with e-payment, which covers almost all the stages of trademark application lifecycle. This development has facilitated the applicants to submit their trademark applications and related forms along with their fee payment online, leading to cost and timesaving for applicants while ensuring convenience.
- v. **Copyright-(Business Process Software system development):** The following improvements have been made in Copyright Administration System (CAS) for improvement of copyright services in 2022-2023:
- a. Development of Hearing System in Copyright Administration System (CAS).
  - b. Development of Form-1 Register in Copyright Administration System (CAS).
  - c. Scanning and Archiving of Copyright Applications and User Documents by Copyright document Management mechanism and system.

- d. Migration of Rectification Data of Copyright (Migration of Copyright Rectification data from legacy system to CASWEB System)
- e. Development of report (Refusal Letter) in Copyright Administration System for abandoned / disposed-off.

## **2.6 IPR Enforcement**

Effective enforcement of Intellectual Property Rights plays a pivotal role in the socio-economic development of the country by providing enabling environment for attracting FDI in diverse sectors of the economy. Keeping in view the inherent significance of IPR enforcement, IPO-Pakistan effectively coordinated with designated enforcement agencies for protection of intellectual property rights in Pakistan. The following measures have been taken so far in this regard:

- i. **Enforcement Coordination Committees:** IPO-Pakistan has established regional Enforcement Coordination Committees (ECC) in major cities of Karachi, Lahore, and Islamabad, Peshawar, Quetta, Hyderabad, Faisalabad, Sukkur, Sialkot, Multan, and Gilgit. All major Law Enforcement Agencies (LEAs) and organizations are on the panel of these Coordination Committees, including the Federal Investigation Agency (FIA), Police, Pakistan Customs, Pakistan Electronic Media Regulatory Authority (PEMRA), Provincial Food and Health Departments, and Chambers of Commerce and Industry from the private sector. Amongst other things, these Coordination Committees have been tasked to address the issues of piracy and counterfeiting. Food products, pharmaceuticals, printed works, optical media, digital content, and software are all on the priority list of the Coordination Committees. Meetings of the Enforcement Coordination Committee (ECC) have been held in different cities in this regard.
- ii. During fiscal year 2022-23, three meetings of IPR Enforcement Coordination Committee were held at Hyderabad, Multan and Quetta. The purpose of these meetings is to establish liaison with the LEAs to strengthening the IPR regime and find out the hardships faced by the agencies while dealing with the forwarded complaints. It is pertinent to mention that IPR Enforcement Coordination Committee for Hyderabad was notified by IPO-Pakistan on 14<sup>th</sup> September, 2022 to coordinate with Stakeholders (LEAs and Business Community) regarding IPR related matters.
- iii. The enforcement section received 232 complaints during the FY 2022-23, which were forwarded to the concerned LEAs for further necessary action as per Law.
- iv. **USTR 301 Special Report:** A meeting in connection with the USTR 301 Special Report on IP situation in Pakistan was held on zoom on 24<sup>th</sup> January

2022 wherein Ministry of Commerce, MOFA and US Embassy participated. IPO-Pakistan furnished its views in respect of the contents of the report and informed of the efforts being taken by the organization to address concerns of the USTR.

## 2.7 Activities for Raising Awareness of the Importance of Copyright

Promoting awareness about intellectual property rights is one of the core functions of IPO-Pakistan. As such, IPO-Pakistan gives prime importance to mass awareness and accordingly develop its outreach activities. In this perspective, IPO-Pakistan has taken the following measures:

- i. **Establishment of a Dedicated Section:** This section is responsible for planning and coordinating all IP awareness related activities with the stakeholders in the public and private sectors. The officers of the Organization regularly conduct awareness sessions at academic institutions, research organizations, chambers of commerce, and trade associations, etc.
- ii. **Outreach Activities:** The Organization is regularly conducting seminar/workshop on copyrights and related rights in collaboration with academia, industry, R&D institutions, Enforcement Agencies, etc. throughout the country in order to sensitize the stakeholders of the significance of the copyrights and how to protect their rights. IPO-Pakistan carried out the following activities in this regard:
  - One-day seminar on Intellectual Property Rights Protection (IPRs) in Pakistan at National Centre for Physics (NCP), Islamabad held on 25<sup>th</sup> January, 2023.
  - Awareness Session on Intellectual Property Rights Protection (IPRs) in Pakistan at Riphah International University, Rawalpindi held on 26<sup>th</sup> January, 2023
  - One-day seminar on Intellectual Property Rights protection (IPRs) in Pakistan, Air University, Islamabad held on 27<sup>th</sup> January, 2023.
  - One-day workshop on IPRs, at ShifaTameer-e-Milat University, Islamabad held on 30<sup>th</sup> January, 2023.
  - One Day training workshop on IP Licensing and Drafting advance level Patent at National University of Medical Sciences (NUMS) on 05<sup>th</sup> May, 2023
  - Two-day Hands-on Workshop on Patent Application Filing and Drafting Organized by IPO-Pakistan & Pakistan Agriculture Research Council (PARC), Islamabad at NIGAB, Islamabad from 31<sup>st</sup> May -1<sup>st</sup> June, 2023.
  - IPRs session for Bio-informatics inventions, Quad-i-Azam University (QAU), Islamabad held on 24<sup>th</sup> May, 2023

- The Path to Intellectual Property: Patent Filing & Innovation for Research Students School of Law, Quad-i-Azam University (QAU), Islamabad held on 13<sup>th</sup> June, 2023.
  - Visit for Technical Advisory / IP Audit and identified of potential IP types in three departments of PMAS Arid Agriculture University, Rawalpindi, conducted on 23<sup>rd</sup> June, 2023.
- iii. **Development of an Interactive Web Portal:** The Organization has developed a fully interactive web portal which contains all the relevant information on any IPR law, Procedure for Registration, Fee structure, IP Helpline, Publication, Application Filing Guidelines, etc.
- iv. IPO-Pakistan has approached the Higher Education Commission (HEC) of Pakistan to introduce IP modules in the national curriculum.
- v. **World IP Day, 2023 (Women and IP: Accelerating innovation and creativity):** World Intellectual Property Day is an event celebrated on 26<sup>th</sup> April every year to highlight IP's role in promoting innovation and creativity. This year's theme is "*Women and IP: Accelerating innovation and creativity*". In this connection, the IPO-Pakistan organized the following sessions:
- IPO-Pakistan held an interactive session with the Women Lawyers in Karachi on 15<sup>th</sup> March, 2023 to highlight women's creativity and contribution in IP. The Session was chaired by the Chairperson IPO and attended by women from the leading Law Companies of Karachi. The meeting stressed the vital role of women in this critical field of economic empowerment.
  - An awareness session at Fatimah Jinnah Women University, Rawalpindi, was held on 8<sup>th</sup> May, 2023 in collaboration with US Embassy in Islamabad. The session focused on the importance of IP protection and commercialization among potential women entrepreneurs.

#### IP Awareness activities

Sr.	IP Awareness Training Activities	No. of activities
1.	North/ Central Region	37
2.	South Region	38
3.	Punjab Region	12
	<b>Total</b>	<b>87</b>

## **22. PAKISTAN EXPO CENTRES PRIVATE LIMITED**

Pakistan Expo Centres Private Limited is a corporate entity with the shareholding of Federal Government of Pakistan and Provincial Governments. The



mandate of the Company is to develop and manage Expo Centres in major cities of Pakistan with the objective to promote various sectors of economy through trade exhibitions, consumer fairs and conferences. Expo Centre Lahore was the first project of the Company, which is successfully doing its operations since 2010 and now the Company is engaged in the development of another Expo Centre at Peshawar and Expo Centre at Quetta whereas the acquire of Land work for Expo Centre at Sialkot has also been initiated. The details of operational and development works of the Company are as under:

**A. Operational Activities:**

Regarding Operations of the Company, please note that in the last 11 years; 600 Events have been successfully held at Expo Centre Lahore till June, 2023 which includes 374 Exhibitions and 226 Corporate Events.

Pakistan Expo Centres Private Limited raised its invoices as per the existing approved tariff of the facility to the Event vendors for the usage of Expo facilities which includes the Cost of Utilities, HR support for the functioning of facility, cost of plant & machinery, maintenance cost and other overheads except the damages to the facility. Expo Center Lahore was started the events after the clearing of coronavirus Hospital/Vaccination Centre from Health department, Government of the Punjab.

Expo Centre Lahore is in operations since May 2010 on self-sustaining basis and meeting all its operational expenditures from its operational revenues. The Centre is not getting a single penny from any Government for its Operational expenditures. The Company never defaulted in its history on account of payment to creditors, contractors, utility companies, employees and loan repayments. Likewise there were no bad debts in the history of the company. This Financial discipline was possible due to one of the main reason that all the stakeholders followed the terms and conditions defined by the Company regarding usage of Expo Centre Lahore facility and made all the payments to the Company in accordance with its approved tariff for its various facilities. Expo Centre Lahore was the successful business model in which Government without any financial burden was generating trade activities for economic growth.

**B. Development Works:**

About the development projects of the Company, presently submitted the revised PC-1 of Expo Centre Peshawar and Expo Center Quetta project which are in process for approval. Furthermore; the acquiring land of Expo Center Sialkot project is also in process.

Regarding Expo Centre Peshawar, it is a matter of satisfaction that the physical activity on the project of Expo Centre Peshawar is in progress. The major development activities on the project are as under:

- NESPAK as Consultant has been engaged and completed major designing of the project.
- Geotechnical Surveys are completed.
- Boundary wall of the Expo facility is completed.
- Work on Gatehouses and Security towers is also completed.
- Foundations of both the Exhibition Halls are completed.
- Fabrication and Erection of steel structure of both exhibition halls are completed.
- Works related to infrastructure like Road Works, Drain under Roads, Drain under Walkway, Sewerage Collection System, Water Supply Distribution System and Buildings of admin block, utilities block, power house, warehouse are in progress.

Against the approved Cost of Rs. 2,500 Million for Expo Centre Peshawar; the Company has received and incurred Rs. 2,407 Million up to June 30, 2023. Now the revised PC-1 of Rs 6,720 was also submitted for approval. But the CDWP decided to close the project after completing critical infrastructure while remaining within the original scope and cost. However, remaining essential work i.e., finishing of halls/minimum critical balance work, may be completed with funds from Export Development Funds (EDF). Furthermore the proposal of Rs 4,855 Million is submitted to the EDF for the approval. During FY2022-23, the allocation from PSDP was Rs. 81.88 Million for Expo Centre Peshawar which were fully utilized by the Company. Low allocations and delays in the release of funds are affecting the physical progress of the project due to which cost escalation is expected. However, the project can be completed by December 31, 2024 subject to the timely availability of desired funding.

Against the approved Cost of Rs. 2,500 Million for Expo Centre Quetta; the Company has received and incurred Rs. 1,045 Million up to June 30, 2023. Now the revised PC-1 of Rs 4,830 was also submitted and also in process for approval. Due to Low allocations and delays in the release of funds are affecting the physical progress of the project due to which cost escalation is expected. However, the project can be completed by June 30, 2025 subject to the timely availability of desired funding.

Regarding Expo Centre Quetta, it is a matter of satisfaction that the physical activity on the project of Expo Centre Peshawar is in progress. The major development activities on the project are as under:

- NESPAK as Consultant has been engaged and completed major designing of the project.
- Shifting of Land for Expo Centre Quetta is also completed.
- Geotechnical Surveys are completed.
- Boundary wall of the Expo facility work was started.

- Steel Building structure of exhibition hall LC is in process.

Regarding Expo Centre Sialkot, on June 30, 2023, The Planning Commission approved the 200 Million. Now the land acquiring for Expo Center Sialkot is in process.

### **23. DIRECTORATE GENERAL OF TRADE ORGANIZATIONS (DGTO)**

Directorate General of Trade Organizations, an attached department of Ministry of Commerce was established through an Ordinance promulgated in 30<sup>th</sup> July, 2007 and entrusted with the task of regulating trade organizations in the country. The Ordinance was subsequently enacted into Trade Organizations Act, 2013 on 22<sup>nd</sup> February, 2013 following which Trade Organizations Rules, 2013 were notified by the Ministry of Commerce vide SRO. No. 267(1)/2013 dated 26<sup>th</sup> March, 2013.

The Trade Organizations law aims to ensure appropriate representation of all genders and business sectors at all levels in trade organizations and that they play significant role in developing policy framework for improving business environment and economic growth. In order to materialize the objectives, the law defines the purpose, role, responsibilities and operational framework including code of corporate governance for trade organizations. Licenses to trade organizations are granted for a period of five years, subject to the terms and conditions specified in the law for registration as a limited company with the Securities & Exchange Commission of Pakistan (SECP). In pursuance of new Law, following licenses were granted during the period from 01-06-2022 to 30-06-2023.

#### **A. LICENCES RENEWED DURING 2022-23.**

Status of renewal of licenses of Trade Organizations during 01-07-2022 to 30-06-2023:-

<b>Sr.No</b>	<b>Type of Trade Organization</b>	<b>Application Received</b>	<b>Renewed</b>	<b>Rejected</b>	<b>Under Process</b>
1	Chamber of Commerce & Industry	03	-	-	03
2	Women Chambers of Commerce & Industry	03	-	-	03
3	Chambers of Small Traders and Small Industry	03	-	-	03
4	Associations	16	-	-	16

5	Associations of Small Traders	-	-	-	-
6	Town Associations	04	01	-	03
<b>Total Trade Organizations</b>		<b>29</b>	<b>01</b>	<b>-</b>	<b>28</b>

**B. NEW LICENCES GRANTED DURING 2022-23.**

Status of licenses granted to new Trade Organizations during 01-07-2022 to 30-06-2023.

Sr.No	Type of Trade Organization	Application Received	Grant	Rejected	Under Process
1	Chamber of Commerce & Industry	17	02	-	15
2	Women Chambers of Commerce & Industry	09	02	-	07
3	Chambers of Small Traders and Small Industry	04	02	-	02
4	Associations	33	06	01	26
5	Associations of Small Traders	-	-	-	-
6	Town Associations	-	-	-	-
<b>Total Trade Organizations</b>		<b>63</b>	<b>12</b>	<b>01</b>	<b>60</b>

**C. DISPOSED OFF LITIGATIONS DURING 2022-2023**

Status of disposal of complaints/appeals and writ petitions during 01.06.2022 to 30.06.2023:-

Sr.No	Litigations	Filed	pending	Disposal off
1	Complaints	72	15	57
2	Appeals	45	27	18
3	Writ Petitions	20	16	04
		<b>137</b>	<b>58</b>	<b>79</b>

3. In accordance with Trade Organizations Act, 2013 and Trade Organizations Rules, 2013, registered trade organizations are required to hold elections on annual basis. During conduct of election, Regulator of Trade Organizations acts as

final forum of appeal in disputes related to eligibility of members, voters, nomination of Executive Committee members and Office Bearers.

4. Furthermore, post-election complaints pertaining to irregularities and violation of relevant rules are also adjudicated by the Regulator of Trade Organizations. Members of trade organizations have a right of appeal against the decisions made by the Regulator of Trade Organizations. Such appeals are to be filed before the Federal Government i.e Secretary Commerce and High Courts across the country

## **24. TRADE DISPUTE RESOLUTION ORGANIZATION ( TDRO)**

The Trade Dispute Resolution Organization was established in 2013 in line with objective of providing an effective and expeditious platform for resolution of trade disputes involving Pakistani exporters and importers. The promulgation of Trade Dispute Resolution law (TDR Bill, 2022), a swift mechanism would become available for resolution of trade disputes through Alternate Dispute Resolution as well as conventional methods.

2. The TDR law would also provide enforcement mechanism for remedying breach of contracts and other trade related delinquencies. The TDR Bill, 2022 has already been passed by the National Assembly on 6<sup>th</sup> February, 2023.

3. TDR Bill, 2022 has been introduced in the Senate of Pakistan. Currently, the Bill is in the Senate Standing Committee.

4. The most important feature of the TDR Law is that it provides enforcement mechanism so that rulings given by different forums on dispute resolution under the law can be swiftly implemented.

4. Trade Dispute Resolution Organization has also re-launched its website and is currently accessible for public at [www.tdro.gov.pk](http://www.tdro.gov.pk).

5. Moreover, detail of trade disputes processed by Trade Dispute Resolution Organization is as under:

<b>Period</b>	<b>Trade Disputes Received</b>	<b>Resolved</b>	<b>Facilitated</b>	<b>Under Process</b>
2022-23	104	9	16	79

7. It is also necessary to mention that complaints received through PM Portal are given top priority and are processed expeditiously for resolution.

7. TDRO is also collaborating with USAID and through its IPA (Investment Promotion Activity) Project, technical assistance is being provided to develop a roadmap for the operationalization of TDR Bill/Law.

8. TDRO will launch awareness campaign among the public and private sector stake holders, immediately after the promulgation of TDR Law, about the significance of Alternate Dispute Resolution for facilitation of businessmen and traders.

## **25. NATIONAL TARIFF COMMISSION (NTC)**

National Tariff Commission (the Commission) an autonomous “Investigation authority” and “Quasi-Judicial Body” established under the National Tariff Commission Act, 1990 now replaced by the National Tariff Commission Act, 2015. Functions of the Commission are to provide assistance to domestic industry with the primary objective of improving domestic industrial growth and competitiveness, providing remedy to domestic industry from unfair trade practices and surge in imports. All such proceedings are carried out in conformity with the World Trade Organization (WTO). The Commission advises exporters facing trade defense actions by other WTO members. The Commission also advises the Government on issues related to Pakistan's industry competitiveness, promotion of exports and customs tariff rationalization. The following Laws have been enacted by the Federal Government and administrated by the National Tariff Commission: -

- (a) The National Tariff Commission Act, 2015,
- (b) The Antidumping Duties Act, 2015,
- (c) The Countervailing Duties Act, 2015, and
- (d) The Safeguard Measures Amendment Act, 2015

2. Functions of the National Tariff Commission (“Commission”) under section 8 of the National Tariff Commission Act, 2015 shall be to advise the Federal Government on;

- (a) tariff and other trade measures to: -
  - (i) provide assistance to the domestic industry; and
  - (ii) improve the competitiveness of the domestic industry.
- (b) trade remedy actions being faced by domestic producers and exporters;
- (c) rationalization of tariff and proposals for tariff reform;
- (d) removal of tariff anomalies; and
- (e) any other matter relating to tariff or trade measures that the Federal Government may refer to the Commission.

(2) In addition to the functions specified in sub-section (1), the Commission shall also perform such functions with respect to international trade and other matters that may be assigned to it by the trade remedies laws or any other law for the time being in force.

(3) Where the Federal Government has adopted the recommendations of the Commission in whole or part, the Commission shall periodically review the effect of such recommendations and in consequence of the review may give further recommendations to the Federal Government.

(4) The Commission shall advise, where possible, the domestic exporters and producers facing trade remedy investigations abroad.

(5) The Commission shall assist the Federal Government at the World Trade Organization dispute settlement body in respect of matters pertaining to the Trade Remedy Laws, WTO Covered Agreements and disputes under other trade agreements. The Federal Government may hire the services of a qualified and experienced international trade lawyer or international trade consultant for this purpose on a case-to-base.

(6) The Commission may undertake research to facilitate effective implementation of Trade Remedy Laws and tariff rationalization, in a manner to be prescribed.

3. The Federal Government approved National Tariff Policy 2019-2024. This policy will be implemented through Tariff Policy Board. The Tariff Policy Centre (Technical) is created in the Commission to act as Secretariat to this Tariff Policy Board. The Commission will make proposals for the Tariff Policy Board to:

- i. simplify the tariff slabs on the principle of cascading;
- ii. gradually reduce the tariffs on raw materials, intermediate and capital goods;
- iii. gradually reduce the additional customs duty and regulatory duties;
- iv. ensure that the difference in the rates of tariff for the commercial importers and the industrial users of raw materials, intermediate and capital goods will be eliminated to reduce misuse of such differentials and to provide access to such essential materials for SMEs; and
- v. provide time-bound protection to the nascent industry, which will cover the payback period of financing and investment.

4. Following are the requisite information for the **Year Book 2022-23**, in respect of National Tariff Commission, Islamabad.

**A. Anti-dumping Investigations:**

Sr. No	Anti-Dumping Investigations	No. of Countries
1	Notice of Conclusion of Sunset Review of Anti-Dumping Duties Imposed on Dumped Imports of Coated Bleached Paperboard/ Folding Box Board with White back into Pakistan originating in and/or Exported from China	01
2	Notice of Initiation of Sunset Review of Anti-Dumping Duties Imposed on Dumped Imports of Polyester Filament	02

	Yarn into Pakistan originating in and/or Exported from China and Malaysia	
3	Sunset review of anti-dumping duties imposed on dumped imports of Galvanized Steel Coils Sheets originating in and/or exported from China	01
4	Sunset review of anti-dumping duties imposed on dumped imports of Polyvinyl Chloride Suspension Grade originating in and/or exported from China, Chinese Taipei, Korea, and Thailand	04
5	Sunset review of anti-dumping duties imposed on dumped imports of Certain uncoated writing and printing Paper originating in and/or exported from Brazil, China, Indonesia, Japan and Thailand	05
6	Review for Change of Circumstances of Anti-dumping Duties Imposed on Dumped Imports of Hydrogen Peroxide Originating in and/or exported from Belgium, China, Indonesia, Korea, Chinese Taipei, Thailand, and Turkey (Name change request was received from an exporter of Korea origin)	01
7	Anti-Dumping Investigation on Alleged Dumped Imports of Vinyl/ PVC Flooring Originating in and/or Exported from the People's Republic of China into Pakistan	01
8	Sunset Review of Anti-Dumping Duties Imposed on Dumped Imports of Sulphonic Acid Imported from People's Republic of China, the Republic of India, the Republic of Indonesia, Islamic Republic of Iran, the Republic of Korea and Chinese Taipei.	06
9	Sunset Review of Anti-Dumping Duties Imposed on Dumped Imports of One-Sided Coated Duplex Board-Grey Back into Pakistan Originating in and/or Exported from the People's Republic of China, the Republic of Indonesia and the Republic of Korea.	03
10	Sunset Review of Anti-Dumping Duty Imposed on Dumped Imports of Deformed Concrete Reinforcing Steel Bars into Pakistan Originating in and/ or Exported from the People's Republic of China	01
11	Sunset Review of Anti-Dumping Duty Imposed on Dumped Imports of Continuous Casting (Steel) Billets into Pakistan Originating in and/or Exported from the People's Republic	01



	of China.	
12	Sunset Review of Anti-dumping Duties Levied on Imports of Offset Printing Ink into Pakistan Originating in and/or Exported from the People's Republic of China and the Republic of Korea.	02
	<b>Total</b>	<b>28</b>

**B Tariff Protection Cases**

<b>Sr. No</b>	<b>Tariff Protection Cases</b>
1	Tariff Rationalization of the Tariff Structure regarding Fiber Cement Corrugated Sheets.
2	Removal of Regulatory Duty on the raw material used for the purpose of manufacturing Seamless Pipes less than 75 mm diameter.
3	Tariff Rationalization of duty structure imposed on Calcium Carbide.
<b>Total</b>	<b>03</b>

**C. Tariff Policy**

<b>Sr. No</b>	<b>Description</b>	<b>No. of Tariff Lines</b>
1	Rationalization of custom duties	01
<b>Total</b>	Rationalization of regulatory duties	20
	Rationalization under 5 <sup>th</sup> schedule	12
	Creation of New PCT Codes	03
	<b>Total</b>	<b>36</b>

**26. NATIONAL INSURANCE COMPANY LIMITED (NICL)**

National Insurance Company Limited was incorporated in Pakistan on 31 March 2000 as an unquoted public limited company under the Companies Ordinance, 1984. The Company's registered office is situated in NIC Building, Abbasi Shaheed Road, Karachi, Sindh, having Four zones and five branches across the country. The company is principally engaged in the non-life insurance business of public property, comprising fire, marine, aviation, and crops. Joan insurance, engineering, etc. The Company is catering to all general insurance needs of Government Institutions including PIA, OGDCL, PARCO, WAPDA, PSO, TCP, SSGC, SNGPL.

2. With effect from January 01, 2001, the company took over all the assets and liabilities of the former National Insurance Corporation (NIC) at book values vide SRO dated December 30, 2000, of Federal Government issued in terms of National Insurance Corporation (Re-organization) Ordinance, 2000. Accordingly, with effect from January 01, 2001, NIC has been dissolved and ceases to exist and the operations and undertakings of NIC are being carried out by the company under the administrative control of the Ministry of Commerce.

3. Normally the Company is run by a Chief Executive Officer (CEO) under the supervision and control of Board of Directors headed by the Chairman. Besides the Board of Directors, the company has a senior management team who assist the CEO to perform day-to-day business matters.

4. The authorized Capital of the Company is Rs. 06 billion and Paid-up Capital is Rs. 02 billion.

The following performances of the Company are summary and subject to finalization, Audit, and approval of financial statements by the BoD of previous years, audit by external auditors, and necessary adjustments; the year 2021-2022-(unaudited) performance is as under:

<b>FINANCIAL HIGHLIGHTS</b>			
<b>BALANCE SHEET</b>	<b>2022</b>	<b>2021</b>	<b>%</b>
	<b>(Unapproved / unaudited)</b>	<b>(Unapproved / unaudited)</b>	<b>increase/ (decrease)</b>
	<b>Rs. in million</b>	<b>Rs. in million</b>	
Cash and Bank Deposits	5,861	4,882	20.05%
Investments (PIBs, T-Bills, Shares etc)	51,842	46,492	11.51%
Investment Properties	4,212	4,212	0.00%
<b>Assets</b>	<b>61,915</b>	<b>55,586</b>	<b>11.39%</b>
<b>INCOME STATEMENT</b>			
Gross Written Premium	25,650	19,782	29.66%
Net Premium	10,247	6,535	56.82%
Net Claims	(6,225)	(1,008)	517.76%
Management Expenses	(2,157)	(1,937)	11.38%
Commission Income	334	153	118.34%
<b>Underwriting Profit</b>	<b>2,199</b>	<b>3,743</b>	<b>-41.25%</b>
Net Investment Income	5,508	4,126	33.48%
Rental Income	409	277	47.38%
Admin & Other Expense	(1,156)	(1,037)	11.42%
<b>Profit Before Tax</b>	<b>6,960</b>	<b>7,109</b>	<b>-2.11%</b>

## **27. PAKISTAN REINSURANCE COMPANY LIMITED (PRCL)**

### **OVERVIEW**

Pakistan Reinsurance Company Limited is a public sector listed company under the administrative control of the Ministry of Commerce. The company is led by Chief Executive Officer, along with a Board of Directors consisting of seven members. Out of these members, four are nominated by the Federal Government, one is nominated by the State Life Insurance Corporation of Pakistan, and the remaining two are elected by minority shareholders. In addition to the above, the Company is supported by a capable Management team that oversees all aspects of the business, including day-to-day operations and overall business affairs.

### **PERFORMANCE**

- The Performance parameter of all classes of business for the year 2022 to 2023 is at Annexure 'A'.

### **MILESTONES ACHIEVED IN THE YEAR 2022-2023**

- In 2022 PRCL wrote gross premium/ business of PKR 24,271 billion against PKR 20,994 billion wrote in 2021 15.6% growth in gross premium/ business over last year;
- PRCL Window Re-takaful Operation (PRCL-WRTO) was launched in January, 2019 and in the 2022 PRCL-WRTO wrote gross premium/ business of PKR 1205 million; against PKR 933 million wrote in 2021 29.15% growth in gross premium over last year.
- Developed Retakaful Management system in-house covering Facultative, Treaty, Retrocession and Accounting side of the business.

### **PRCL Business**

- PRCL operates in the following departments to conduct its business:
  - Fire
  - Marine
  - Engineering
  - Accident
  - Aviation
  - Treaty & Business Development department.
  - WRTO
- The Silent features of the business operations during the years 2021- 2022 are as under :

	<b>Dec, 31 2021</b>	<b>Dec, 31 2022</b>
(Rupees in Million)		
Gross Premium	20,994	24,271
Net Insurance Premium	7,226	7,929
Net Insurance claims	(3,778)	(4,312)
Premium Deficiency reserve	(59)	46
Net commissions	(968)	(1,026)
Management Expense	(729)	(1,528)
Reversal/(Provision)for doubtful debts	(9)	542
<b>Underwriting results</b>	<b>1,683</b>	<b>1,652</b>
Investment Income - Net	982	1,339
Rental Income - Net	104	127
Finance Cost	(3)	(3)
Fair Value Gain on Investment	698	-
Other Income	142	419
Other Expenses	(8)	(7)
Profit from WRTO	16	30
Profit before Tax	<b>3,615</b>	<b>3,557</b>
Income Tax Expense	(1,025)	(932)
Profit after tax	<b>2,590</b>	<b>2,625</b>

### **SIX YEAR PERFORMANCE AT A GLANCE**

<b>Particulars</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>Sept. 2023</b>
<b>Premium (Gross)</b>	10,734	17,655	16,896	20,994	24,271	24,353
<b>Underwriting profit</b>	583	506	766	1,683	1,652	900
<b>Profit Before Taxation</b>	1,730	2,189	1,972	3,615	3,557	3,181
<b>Investment Securities</b>	8,634	10,942	12,034	12,563	12,662	16,218
<b>Investment Income</b>	691	868	1,043	982	1,339	1,571
<b>Yield % on Investment</b>	8.00%	7.93%	8.67%	7.80%	10.60%	9.96%
<b>Break value Per share</b>	31.36	32.76	31.14	43.57	15.91	17.32
<b>Earnings per share</b>	4.09	4.95	4.64	2.88	2.92	2.25
<b>Return on Equity</b>	13.05%	15.10%	13.58%	19.81%	18.33%	12.96%

**28. PAKISTAN INSTITUTE OF TRADE AND DEVELOPMENT (PITAD), ISLAMABAD**

1	Conducted Domain Specific Training Component of 34 <sup>th</sup> Mid-Career Management Course (MCMC) for 3 officers of Ministry of Commerce	5 <sup>th</sup> - 30 <sup>th</sup> September, 2022
2	Post induction training for 15 Assistant Managers (AMs) of Trade Development Authority of Pakistan	22 <sup>nd</sup> September to 18 <sup>th</sup> November, 2022
3	Training On “Cost Benefit Analysis of FTAS” By (COMSEC) 35 participant participated	7 <sup>th</sup> – 8 <sup>th</sup> November, 2022
4	Conducted Domain Specific Training Component of 35 <sup>th</sup> Mid-Career Management Course (MCMC) for 02 (CTG) officers of Ministry of Commerce	26 <sup>th</sup> December, 22 to 20 Jan., 2023
5	Arranged Workshop on” WTO Trade Facilitation Agreement” in collaboration with International Trade Centre USaid for 35 <sup>th</sup> MCMC officers and Commerce & Trade Group officers posted at Ministry of Commerce and their attached departments 15 officers attended	3 -4 January, 2023
6	Conducted Domain Specific Training Component of 36 <sup>th</sup> Mid-Career Management Course (MCMC) for 03 (CTG) officers of Ministry of Commerce	17 <sup>th</sup> April to 12 <sup>th</sup> May., 2023
7	Specialized Training program (29 <sup>th</sup> STP)/50 <sup>th</sup> Common Training Programme (CTP)	17 <sup>th</sup> April 2023 to January, 2024

## **29. TEXTILE COMMISSIONER'S ORGANIZATION (TCO), KARACHI**

Textile Commissioner's Organization existed since pre-partition with the HQ at Bombay and Upgraded to Textile Advisor level in 1961, then Merged with IP & S under Ministry of Industries then revived as TCO in 1973 as Attached Department of M/O Industries. After creation of M/O Textile Industry functioned as its Attached Department from 2004-2019. Currently, working as an Executive Department of M/O Commerce since 2020 to date.

### **Organization Structure**

Textile Commissioner's organization has been entrusted with multifarious functions in the textile field dealing with the biggest and the most important and sensitive industry of Pakistan. It provides database and technical information and serves as technical Advisory Body to Government for development of Textile Industry. It is responsible for assisting the Ministry of Commerce in the formulation of Textile policies. It also renders advice to the Government financing institutions, and remains in continuous liaison with various textile trade associations etc. It is also entrusted to review the production & Export performance of Textile Industry & suggest measures to improve competitiveness of Textile Industry. It also periodically evaluates the Technological Status of Textile Industry & to make recommendations for its up-gradation.

The performance of the Textile Commissioner's Organization for the Period 01.07.2022 to 30.06.2023 is given as under:-

### **Function**

- Collection of Textile Statistics
- It provides database and technical information.

### **Performance**

#### **Statistics & Database Centre**

The Textile Commissioner's Organization (TCO), Karachi is responsible for collection of Statistics relating to Textile Industry of Pakistan under General Statistics Act & SRO 11(KE)/79. Therefore, in order to cater the needs of the time state of the art database center has been established in TCO to accomplish the tasks assigned to TCO from time to time. The performance of the above section during 2022-23 is given as under;

- I. Preparation of website development and hosting Agreement.
- II. Carried out changes in the Website and TCO-1 Proforma for the convenience of the end users.

- III. Publication of Monthly Statistics Report and forwarded to MoC for onward Submission to Pakistan Bureau of Statistics for Publication of Quantum Index of Large Scale Manufacturing Industries (QIM) report.
- IV. Publication of Monthly Statistics Report and forwarded to MoC for onward Submission to Pakistan Bureau of Statistics for Publication of Production of Manufacturing Items (PMI) report.
- V. Publication of Annual Statistical Report is in progress.
- VI. Provision of data to Pakistan Central Cotton Committee for publication of their Annual Bulletin.
- VII. Provision of data to Karachi Cotton Association for publication of Cotton Statistics.
- VIII. Provision of Material for Publication of Economic Survey 2022-23.
- IX. Issuance of TCO-1 form to all registered Textile Units.
- X. Correspondence with Textile Units for timely submission of the Textile Statistics.

### **Function**

Cess collection body

### **Performance**

#### **Textile CESS Collection**

This Organization is also responsible for CESS Collection from the Textile Mills for the National Textile University, Faisalabad under President Order.11/KE of 1983. The CESS rate levied on Spinning & weaving Mills are as under;

- 1 Rupee per Spindle
- 4 Rupees per Rotor
- 20 Rupees per Power Loom

The Textile CESS is collected on calendar year basis. The detail of Collection of calendar Year 2022, Collected in 2023 (Jan-Dec) is given as under:

#### **Collection of Textile CESS**

	<b>2022 (Jan-Dec) PKR</b>	<b>2023 ( Jan- Dec) PKR</b>
<b>Target</b>	11.25Mln	11.25 Mln
<b>Collection</b>	12.10 Mln	9.066 Mln ( As on 30th June, 2023)

## Collection of Textile Cess 2023 (Jan-Dec)



- i. Attended meeting of the Board Governors of National Textile University, Faisalabad
- ii. Reconciled the Data with the Statistics Section to trace under declaration.
- iii. Correspondence with Textile Units for timely submission of the Textile Cess.

### **Reduction in Production Survey 2022-2023 of Textile Industry**

Due to geopolitical conflicts, cost of doing business and inflation has adversely affected the Textile production capacity/exports of Pakistan. In order to calculate the impact caused by the aforementioned reasons, TCO is conducting the subject survey to highlight the core reasons & recommend the technical/financial way forward for the revival of Textile industry.

In this context, series of meetings were held with all relevant Textile Associations of Pakistan. The first meeting held with the Chairman and Members of Pakistan Hosiery Manufacturers & Exporters Association (PHMA) and the second meeting with the Chairman and members of Pakistan Readymade Garment Manufacturers & Exporters Association (PRGMEA) on 13-02-2023. Both the Associations agreed that the subject survey is very important to ascertain the reasons behind reduction in production and extended their full support. PHMA agreed to conduct the physical survey of every mill by taking into account strict action policy. Meetings with Towel Manufacturers Association (TMA) and All Pakistan Bedsheets and Upholstery Manufacturers Association (APBUMA) have also convened.

The real time data from the industry will be collected to evaluate real figures in terms of electricity, Gas, Labour, installed/ working capacity etc. A representative of relevant association will be engaged to conduct survey along with the Representative of TCO and one Researcher from NTU for the Research & Development purposes.

The collected data will be used for the formulation of effective Policy recommendations and Research & Development purposes because in current scenario the Government's Policy is highly important to bring in Foreign Investment and a policy that uplifts and profits the local Entrepreneurs. Otherwise, failure in taking proper steps



will further downgrade the Textile Industry leading to inability to compete in the International market.

### **Function**

To act as Secretariat of Textile Skill Development Board (TSDB)

### **Performance**

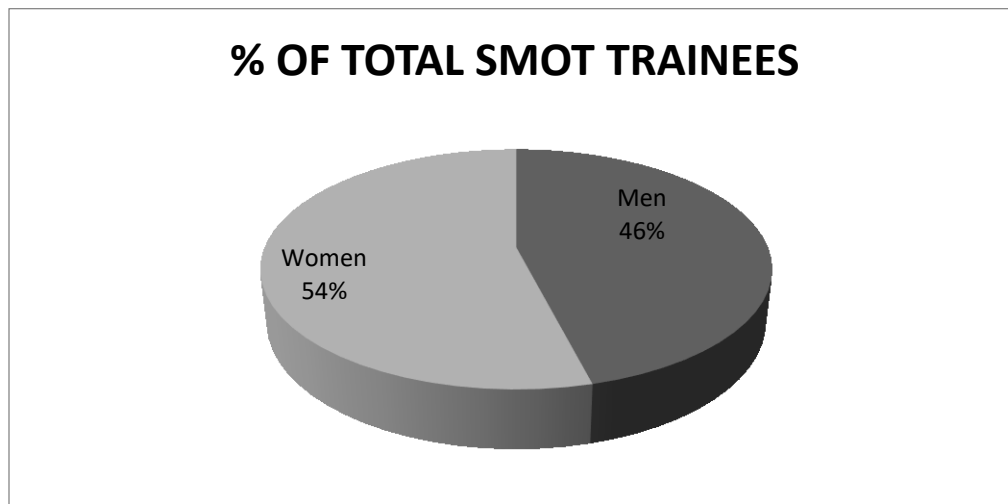
#### **Stitching Machine Operators' Training Program**

The Stitching Machine Operators Training (SMOT) Program was launched in June 2006 by the Ministry of Textile Industry under Textile Skill Development Board (TSDB) and the Textile Commissioner's Organization as its Secretariat. The concept was to attract Textile Industry to organize in-house training programs in garment units, support them on cost sharing basis and motivate them to keep on running training scheme for availability of skilled workforce, However, the program was put on hold owing to starting of the Prime Ministers Skill Development Program by the M/o Textile Industry.

The Phase-III of the Stitching Machine Operators Training (SMOT) to Train 1800 unskilled Workers within one year was approved during the 12<sup>th</sup> & 13<sup>th</sup> meetings of the Textile Skill Development Board convened on 14-01-2019 & 26-01-2019 under the Chairmanship of the Advisor to P.M on Commerce & Textile. The detail of Program is given as under:

	<b>SMOT-I (2006 to 2008)</b>	<b>SMOT-II (2008 to 2011)</b>	<b>SMOT-III (20-03-2019 to 30-06-2023)</b>	<b>REMARKS</b>
<b>Units/Institutes Joined</b>	34 Units	30	12	<b>76</b> Units/ Institutes have taken benefit of the program
<b>Trainees Trained</b>	3800	4700	2796	Total Trainees in three Phase <b>11,296</b>
<b>Rate of Stipend</b>	Rs: 2500/- Per month	Rs: 2500/- Per month	Rs: 5000/- Per month	Payments Paid to trainees through cheques
<b>Rate of Trainer's Fee/Trainee</b>	Rs:1000/- i.e Rs:10,000/month	Rs:1000/- i.e Rs:10,000/month	Rs: 35000/- Per month	Payments Paid to trainees through cross-cheques
<b>Course Duration</b>	2-Months	2-Months	2-Months	
<b>Max Batch Size</b>	30 Trainees & 3 Trainers	40 Trainees & 4 Trainers	30 Trainees & 1 Trainer	

- SMOT-III Program was launched w.e.f 20-03-2019
- 2796 Trainees have passed out against the target of 1800.
- 30 Trainees are under Training
- The target was achieved well before time
- Most of the Trainees are employed in the Textile Industry.
- With the start of Covid-19 pandemic the process of enrollment has remained slow.
- 54% of the Total Trainees are women.



**Benefits of the Stitching Machine Operators Training (SMOT) Program:**

- Promotion of women employment & empowerment.
- Poverty alleviation.
- Creation of skill consciousness in the industry.
- Creation of “skilled labor pool” for Garment sector.
- Improvement of efficiency, quality & productivity level.
- Reduction in wastage & cost of production.
- Employment of 2796 skilled worker would benefit 2796 families.
- Help existing textile institutes-suffering from financial & intake problems.
- Help to enhance foreign exchange earnings.

**Textile Training Institute Management Board (TTIMB)**

The Textile Training Institutes Funded from EDF were placed under the administrative control of Ministry of Textile Industry vide Notification No.8(81)/TID/05/P-II dated 21-01-2008 entry at Serial No.29 A(9) (vii) of schedule II to Federal Government constituted a Common Governing Board titled as “Textile Training Institute Management Board” (TTIMB).

Textile Commissioner’s Organization, Karachi is acting as a Secretariat of the Board. In order to discuss the issues faced by Textile Training Institutes, eight meetings of the TTIMB have convened so far.

TCO took active part in the affairs of the EDF institutes and extended full cooperation for their smooth running.

In this regard, all the meetings of the management committee of EDF Institutes were attended by TCO officers, Updated Financial requirement of EDF institutes were collected for need analysis and physical surveys of the institutes were also conducted for performance evaluation.

### **OTHER MAJOR ACHIEVEMENTS DURING THE YEAR 2022-2023**

- Provided Material for Economic Survey for F.Y 2022-23 to Finance Division (Economic Adviser’s Wing)
- Submitted proposal to MoC regarding Enhancement in Collection of Statistical Data of Textile Industry
- Provided data and main reasons behind the lower production capacity of the textile sector to Finance Division (Economic Adviser’s Wing)
- TCO arranged meeting with Ann Runnel Founder & CEO, Reverse Resource on 15-02-2023 and discussed about the working of Reverse Resource.
- Designed proforma for Reduction in Production Capacity Survey 2022-23
- Visited Nishat 27, Spinning unit and had a meeting with APTMA regarding Spinning & Stitching Machine Operator Training. The plan was to introduce female workers in Spinning and expand the SMOT Program.
- TCO organized meeting with Chairman, PRGMEA, Lahore regarding Collection of Textile Statistics
- TCO organized meeting with Chairman, PHMA, Lahore regarding Collection of Textile Statistics

- ❑ TCO organized meeting with TMA, Karachi regarding Collection of Textile Statistics
- ❑ TCO organized meeting with the Chairman APBUMA, Faisalabad to discuss the challenges faced by Textile Industry
- ❑ Attended the meeting of National Assembly Secretariat on 16-02-2023
- ❑ TCO participated in 2<sup>nd</sup> International Conference on Knowledge-Based Textiles on 14-15 February 2023 at Faisalabad As Guest Of Honor
- ❑ Participated in Inspiring Change 5<sup>th</sup> International Conference on August 31, 2022 at Lahore
- ❑ Physical surveys of various textile units were conducted by TCO RO Faisalabad for the (enhancement/enrolment of spinning & weaving sectors) Cess Collection and in implementing the SMOT-III Scheme
- ❑ Provided training for the Capacity Building of officers and staff of TCO
- ❑ Conducted the DPC for the promotion of UDC to Assistant, LDC to UDC and Naib Qasid to Daftary.
- ❑ Conducted the DSC for the appointment of one Dispatch Rider, two Naib Qasids on minority and disable quota on local basis.
- ❑ Regularization of services of three employees who were appointed on contract basis under P.M Assistance Package.
- ❑ Appointment of Assistant on contract basis under PM Assistance package.
- ❑ Disbursement of dues & benefits under the PM Assistance Package in respect of the wife of Mr. Abdul Manan (late) Naib Qasid
- ❑ Disbursement of dues & benefits under the PM Assistance Package in respect of Mr. Afaque Ali son of Mr.Roshan Ali (Late) Naib Qasid
- ❑ Completed the 02 pension cases which are under process in AGPR, Sub office, Karachi.

#### **Financial Statement**

Rs. 65.284 (Million) Budget allocated in 2022-23

### **30. FAISALABAD GARMENT CITY COMPANY (FGCC), FAISALABAD**

Faisalabad Garment City Company (FGCC) was registered with Securities and Exchange Commission of Pakistan (SECP) on 8th May 2006, having status of Company Limited by Guarantee under Section 42 of Companies Ordinance 1984 / Companies Act 2017. The Company was established by the Federal Government through funding from Public Sector Development Program (PSDP). It falls in the category of an Autonomous Public Sector Organization/Company, of Federal Government, under the Ministry of Commerce, Islamabad, and Management of the Company is being run through a Board of Directors comprising of five (05) Public Sector Members with Ex-Officio status and five

(05) Independent Directors from Private Sector having ample experience in the Textile Sector.

The mandate/scope of the Company (FGCC) is to boost exports of garment made-ups from Pakistan and to support Small and Medium Entrepreneurs (SMEs) garment manufacturers/exporters through training to the un-skilled workforce to convert them into a skilled workforce. The underlying objective of the company is to reduce the capital outlay of Garment Manufacturers and provide them with a built-up space, fully equipped with state-of-the-art facilities for exports of Value-Added garments from Pakistan, where they can establish their units by avoiding the lengthy process of buying land and then constructing factories/buildings thereon.

- To lease out the factory building units to foreign and domestic manufacturers of garments to facilitate them to enhance their productivity in a better environment.
- To formulate and implement the policies of the Federal Government in this field.
- To attract foreign investment in Pakistan through international marketing.
- To increase the proportion of value-added products in the total textile exports from Pakistan.
- To show the way how to maximize the value of Pakistan’s cotton resources.
- To generate employment for skilled / semi-skilled workforce in the field of garments.
- To lead to higher per capita productivity and reduce wastage of resources because of in-house training.

#### **Exports from FGCC Rented Out Buildings:-**

Detail of exports of garments manufactured by Industrial Units established in FGCC buildings is as under:-

<b>Year</b>	<b>“A1” Building</b>	<b>“B1” Building</b>	<b>Total Export from FGCC about (Billions) PKR</b>	<b>Total Export about US Dollar (Million)</b>
2010-11	0.7		0.7	8.1
2011-12	0.8		0.8	8.5
2012-13	1.0	0.3	1.3	13.1
2013-14	0.8	0.4	1.2	12.1

2014-15	0.9	0.4	1.3	12.7
2015-16	1.1	0.5	1.6	15.2
2016-17	1.3	0.6	1.9	18.4
2017-18	1.4	0.6	2	20
2018-19	7.2	4.0	11.2	70
2019-20	6	3	9	55
2020-21	6	4	10	50
2021-22				50
2022-23				25 about
<b>Total</b>				<b>371.1</b>

### **Revenue from FGCC Rented Out Buildings:-**

Detail of revenue from rented out buildings is as under:-

Sr. #	Year	“A1” Building	“B1” Building	Million PKR
1	2010-11	13.52	0.000	13.52
2	2011-12	13.66	0.000	13.66
3	2012-13	15.97	6.200	22.17
4	2013-14	22.08	13.100	35.18
5	2014-15	24.2	14.190	38.39
6	2015-16	26.21	15.410	41.62
7	2016-17	28.82	16.780	45.60
8	2017-18	31.25	11.570	42.82
9	2018-19	33.852	17.298	51.15
10	2019-20	36.675	19.028	55.702
11	2020-21	39.72	20.622	60.342
12	2021-22	43	23	66
13	2022-23	47	25	72
	<b>Total</b>	<b>375.956</b>	<b>182.198</b>	<b>558.154</b>

### **Training Centre**

A Female Exclusive Training Institute (FETI) established in November, 2017 which becomes operational in June, 2018 after meeting the prerequisite requirements. JICA has provided 58 stitching machines of different kinds which have been installed in the said institute under the supervision of JICA experts. Female Exclusive Training Center (FETI) FGCC, Faisalabad was inaugurated by his Excellency Mr. Abdul Razak Dawood, Advisor to the Prime Minister on Commerce and Textile on 20th March, 2019 and Mr. Kuninori MATSUDA, Ambassador of Japan to Pakistan also participated in

this ceremony. FETI is imparting garments related training to the Female students. Pick & drop facility for these students are also available free of cost. The training course is of duration of two to six month. The trained Female students are issued are awarded training completion certificates which facilities them to get jobs in textile industry. NAVTTC provisionally selected / considered FGCC Training Centre (FETI), FGCC Institute conducted two classes (Industrial Stitching Machine Operator & Quality Control in Garments) courses of 6months each from March, 2022 to September, 2022. FETI is also engaged with Punjab Technical Board (PTB) which does not issue certificates but conduct exams only. Certificates are issued by Punjab Skills Development Authority (PSDA) on behalf of all skills development institutes. Three MOUs with different organizations i.e M/s Masood Textile Limited, Faisalabad, M/s Interloop Limited, Faisalabad and M/s Amami Clothing (Pvt) Limited, Faisalabad, have been signed during May, 2022 to November, 2022. FETI has enrolled about 470 students for training and FETI is trying its best to compete its target at the end of this year as under:-

Year wise Detail of Enrolled Students (Training Center)							
Batch	Start Date	End Date	Enrolled	Pass outs	Certification	Duration	
1	Jul-18	18-Sep	25		TEVTA	3	
2	Oct-18	Dec-18	22		TEVTA	3	
		<b>Total</b>	<b>47</b>				
3	Mar-19	May-19	43		SMOT	2	
4	Jun-19	Aug-19	31		SMOT	2	
5	Sep-19	Nov-19	24		SMOT	2	
6	Jul-19	Sep-19	25		PSDF	3	
7	Oct-19	Dec-19	17		PSDF	3	
		<b>Total</b>	<b>140</b>				
8	Nov-19	Jan-20	33		SMOT	2	
9	Jan-20	Sep-20	17		PSDF	3	
10	Oct-20	Dec-20	15		SMOT	2	
11	Jan-20	Dec-20	11		PSDF	6	COVID-19

		<b>Total</b>	<b>76</b>				
12	Jun-21	Sep-21	13		FGCC	3	
13	Aug-21	Nov-21	16		FGCC	3	
14	Jan-20	Mar-21	23		PSDF	6	COVID-19
		<b>Total</b>	<b>52</b>				
15	Mar-22	Sep-22	25		NAVTTTC	6	
16	Mar-22	Sep-22	25		NAVTTTC	6	
		<b>Total</b>	<b>50</b>				
17	Dec-22	Feb-23	30		Interloop	2	
18	Feb-23	Aprl-23	30		Interloop	2	
19	May-23	Jun-23	33		Interloop	2	
Total			<b>93</b>				
<b>G.TOTAL</b>			<b>458</b>				



### **Day Care Centre:-**

A Day Care Centre has also been established with the support of Government of Punjab. Punjab Govt. Directorate of Women Development, Punjab (Punjab Day Care Fund Society) Lahore, provided all expenditures incurred on operational side as well as on payment of salaries to the staff of Day Care Centre for a period of one year. As per decision of BODs taken in its meeting held on 14th June, 2019, the Day Care Center is managed by FGCC on permanent basis after 30-06-2020. This Day Care Centre has been inaugurated by her Excellency Mrs. Ashifa Riaz Fatyana, Minister Women Development, Punjab, Pakistan, on 22-10-2020. Government of Punjab born its expenditures for one year and after one year the Day Care Center is managed by FGCC itself.



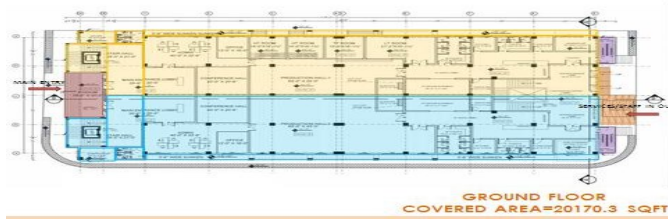


### **Projects (Phase-II & III for construction of three buildings Category A3, B2, B3)**

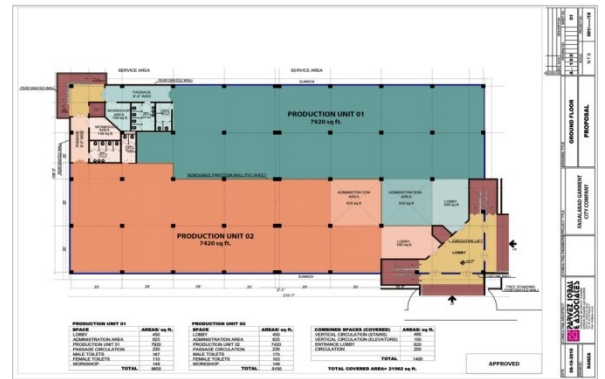
The cost of the proposed three (03) Buildings (A3-B2&B3) is estimated at Rs 3065 million. However, it may increase due to price hikes of building and construction materials. The FGCC with the approval of the Ministry of Commerce Islamabad has decided to get its buildings constructed through Public Private Partnership (PPP). Buildings are designed only to facilitate SMEs. The case has already been moved to the Public/Private Partnership Authority for further necessary actions. Officers from P3A also visited the site to check ground realities. Concept paper has been approved in Executive Committee Meeting of P3A, held on 13<sup>th</sup> July, 2023, for provision of Advisory Services by P3A to Faisalabad Garment City Company (FGCC) Faisalabad.

### **Buildings in Phase-II**





**Building in Phase-III**



**Cash in FGCC Bank Accounts:-**

An amount of Rs. 208 million is in FGCC bank accounts as on 30-06-2023.

**Green and Clean Pakistan Move:-**

7000 small trees have been planted under the vision of the Prime Minister under Green and Clean Pakistan Move on 16 acres of land.



### **Installation of Solar System:-**

Solar System with capacity of 50 (KW) has been installed in FGCC and working / operational from 4<sup>th</sup> May, 2023. The FGCC is perhaps the only company of the M/o of Commerce that has installed the solar systems as per policy.



### **Others Achievements:-**

- First Aid Centre with the collaboration of Punjab Government has been established and inaugurated by MR. Amir Ullah Khan Marwat, Federal Secretary, Ministry of Textile Industry, Government of Pakistan, on 5<sup>th</sup> August, 2015, is now fully and successfully operational. About 6000 workers from and about 1000 workers from others factories of surrounding areas are facilitated in the said medical Centre. Company has provided a small building equipped with furniture & fixtures, medical accessories and utilities expenses like, electricity, drinking water etc. are being met out from the rental income of FGCC.
- An auditorium has been constructed over an area of 5575 sq. ft. with a capacity of 200 seats which is now operational for gatherings, functions and conferences etc.
- Masjid comprising of an area of 2800 sq. ft. has been constructed and is in use now.
- Out of 38.9 acres, about 10 acres land has been converted / developed into grassy area plots. More than, 7000 beautiful different trees including flower trees, fruit trees etc. have been planted for healthy environment. Further, 02 acres land will also be brought under plantation in near future under Prime Minister's Move for

Green & Clean Pakistan). Road cleanliness, janitorial services, lifting and disposal of garbage are also being done by FGCC from its own resources. Retired armed personnel have been recruited on contract basis for round the clock security duties at main gate and for the premises of the Company. CCTV Cameras, Siren for emergency alarming etc. are also available at the site.

- Construction of By Pass Road (3.5 Km approx.) in front of FGCC completed under the Annual Development Plan, Punjab on the request of FGCC.
- An auditorium with the capacity of 300 seats is also made operational in Admin Block of FGCC.

### **31. LAHORE GARMENTS CITY COMPANY (LGCC), LAHORE**

The Government of Pakistan, in the Trade Policy 2003-04, had announced setting up of three Garment Cities in Karachi, Lahore and Faisalabad.

#### **LEGAL STATUS OF THE DEPARTMENT /ORGANIZATION**

The Lahore Garment City Company was incorporated on 16<sup>th</sup> September 2004 under section 42 of Companies Ordinance, 1984 with Registrar Joint Stock Companies, City District Government Lahore. Total Area of LGCC is 19.34 Acres

#### **MAJOR FUNCTION**

The underlying objective was to reduce the capital outlay of Garment Manufacturers and provide them with a built up space, fully compliant and equipped with state of the art facilities where they can establish their units by avoiding the lengthy process of buying land and then constructing factories thereon.

#### **FINANCIAL POSITION:**

<b><u>From Export Development Fund (EDF) (May 2005)</u></b>	
Cost of Land (19.34 acres)	69.221 M
Establishment Cost of office	5.00 M
Operating Expenses(3 years)	28.779 M
<b>TOTAL</b>	<b>103.00 M</b>
<b>Approved Cost (Original PC-I 25-02-06)</b>	<b>Rs. 497.64 M</b>

<b>Approved Cost (Revised PC- 14-06-11)</b>	<b>Rs. 586.88 M</b>
<b><u>Year-wise Releases from PSDP</u></b>	
2006-07	150.00 M
2007-08	165.00 M
2008-09	147.64 M
2009-10	17.50 M
2010-11	0.00 M
2011-12	03.50 M
2012-13	89.00
2013-14	0.00 M
2014-15	No allocation
2015-16	No allocation
2016-17	No allocation
2017-18	No allocation
2018-19	No allocation
2019-20	No allocation
2020-21	No allocation
2021-22	No allocation
2022-23	No allocation
<b>Total Funds released</b>	<b>572.64 M</b>
<b>Funds yet to be released</b>	<b>14.24 M</b>

**REVENUE GENERATION 2022-23 (Budgeted)**

Rent of Buildings	Rs. 81.8 Million
Profit on deposit	Rs. 43.48 Million
<b>Total</b>	<b>Rs. 125.28 Million</b>
<b>Expenses</b>	
Administration Expenses	Rs. 32.20 Million
Depreciation	Rs. 18.60 Million
<b>Total</b>	<b>Rs. 50.8 Million</b>
<b>Net Savings</b>	<b>Rs. 74.49 Million</b>

**DETAIL OF PHASE-I**

Building Types	No. of Stories	Covered Area (Sqft)	Status
A	Basement + 5 stories	191,150	Completed & leased out
B	Basement + 4 stories	80,400	
C	Basement + 4 stories	41,100	
Multipurpose building, Hall & Lobby	Ground + 2 floors	34,960	
Security & Staff Residence		2,504	Completed
Misc Buildings(Pump Room, U/G water tank)		1,751	Completed
<b>Total</b>		<b>347,865</b>	

### **ACHIEVEMENTS / PHYSICAL PROGRESS OF THE PROJECT:**

- The main factory buildings Category A,B, C and Admn/Auditorium (Multipurpose) buildings were completed and leased out to leading garments manufacturer & exporters. Now the rental income is @ Rs.21.45 per Sqft per month on 10 % annual escalation.
- The Project is being managed by a Board comprising of Directors from public & private sectors and is providing the opportunity of public-private partnership.
- Compliance of social, industrial and environmental standards has been provided in all the buildings which is facilitating to the client in fulfilling the compliance sector.
- The project is generating employment opportunities 6008 persons (Males 84% - Females 16%) as the production in all the buildings has been started. Employment generation new setup (Directly 6,008 & Indirectly 25,000)
- 2,500 peoples associated with indirect activities such as manufacturing of accessories, packages, documentation, logistics/freight forwarding etc.
- The project is also facilitating the textile sector for attaining sustainable growth.
- Annual Exports US \$ 77 Million from Pakistan in 2022-23.
- In-house job training facilities of 1,270 workers quarterly.
- Annual trained of 1,672 un-skilled labour into skilled workers.
- Free pick & drop facility to the workers, especially facilitate to Female workers.
- Facility gives opportunity to remote and far flung areas for employment by offering daily transport.
- Medical Dispensary on site with stand by Ambulance, EOBI facility, Medical facilities for worker and their families under Social Security.
- Child Day Care Center, Marriage grant, strictly implemented Women Harassment Laws.

**Present Pictures of the Project:**

**Category-A Building**

100% Completed & leased out to the tenant



**Category-B Building**

100% Completed & leased out to the tenant





**Category-C Building**

100% Completed & leased out to the tenant



**Admin (Multipurpose) building & Auditorium (Hall & Lobby)**

100% Completed & leased out to the tenant



**Security Staff Residence  
(LGCC Office) 100% Completed**



**Garments Manufacturing in LGCC Industrial Buildings**





### **32. KARACHI GARMENTS CITY COMPANY (KGCC), KARACHI**

Karachi Garment City is a project of Ministry of Commerce. Project is spread over an area of 300 acres of prime industrial land situated about 55 Kms from the city centre and located next to Arabian Sea Country Golf Club, in the vicinity of Port Qasim. The project is run by Board of Directors, Karachi Garment City Company (KGCC) comprising members both from public and private sectors. KGCC is registered with SECP as a Company under Section 43 of Companies Ordinance, 1984.

Initial planning, designing and preparation of engineering drawings for the establishment of project has been done by M/s. National Engineering Services Pakistan (PVT) Limited as consultants of Karachi Garment City Project. M/s. Crowe Horwarth Hussain Chaudhury & co. were external auditors of the company.

Karachi Garment City Project is planned to have state of the art infra-structure facilities such as roads network, communication system, security, water and drainage system, dependable industrial power generation plant, internationally standardized buildings and industrial plots to establish ISO 9000 compliant clothing and made up manufacturing factories. In addition, the project also envisages setting up of washing zone, training institute, library / research centre, testing laboratory, overhead and underground water tanks, effluent water treatment plant, firefighting plant, administration block & auditorium, dispensary, shops / banks, warehouses, container yard, transport / terminal parkings and mosques / parks etc.

Land Utilization Department (LUD), Board of Revenue, Sindh allotted 300 acres of industrial land at NC No. 98 of DehPipri, Karachi in the Port Qasim area to Karachi Garment City Company on 29<sup>th</sup> March, 2007 and an amount of Rs. 300 million received from Export Development Board (EDB), Government of Pakistan was paid to Government of Sindh on 23<sup>rd</sup> January, 2008, as full cost of land.

### **Board of Directors**

The existing Board of Karachi Garment City whose tenure has ended on 09.04.2022, and re-constitution of new BOD is under approval of Government of Pakistan, existing board is continuing till appointment of their successors, under Rule 3A (3) of Public Sector Company (Corporate Governance) Rules 2013 and Section 183 of Companies Ordinance 1984.

#### **Name of Director**

#### **Designation**

#### **Independent Directors**

- |  |                   |
|--|-------------------|
| 1) Mr. Baig Muhammad Majeed<br>M/s. Oxford Knitting Mills Ltd. Karachi | Chairman/Director |
| 2) Mr. Naseem Ahmed Farooqi,<br>M/s. Amour Textiles (Pvt) Ltd, Karachi | Director          |
| 3) Mr. Ali Ahmed,<br>M/s. H. Nizamdin & Sons (Pvt) Ltd. Karachi        | Director          |

#### **Ex-Officio Director**

- |  |          |
|--|----------|
| 4) Secretary, Ministry of Commerce, Government of Pakistan or in his absence Additional Secretary/Joint Secretary. Commerce Division, Government of Pakistan | Director |
| 5) Secretary, Industries & Commerce Department, Govt. of Sindh or in his absence Additional Secretary, Industries & Commerce Department, Government of Sindh | Director |

### **Funding of Project as on 30.06.2023**

KGCC has received a sum of Rs 500.93 million from Board of Administrators of Export Development Fund, Ministry of Commerce, Government of Pakistan to meet expenses of the project, as per following details:

Sr. No.	Receipt Date	On Account (Purpose)	Amount (Rs.in Million)
	27.03.2006	To set up KGC Project	5.00
	11.01.2008	To purchase project land	300.00
	08.03.2008	For Govt. levies, office expenses and	30.00

	mobilization etc.	
25.03.2008	For Govt. levies, office expenses and mobilization etc.	20.00
29.05.2014	For Construction of Boundary Wall.	20.00
15.06.2015	For Construction of Boundary Wall For lease and mutation charges	1.78 51.15
04.10.2021	For lease and mutation charges	63.63
	For Two years recurring expenses	9.37
<b>Total</b>		<b>500.93</b>

Rs.9,368,615/- has already been granted by EDF for KGCC to meet recurring expenses such as staff salaries, office rent, utilities bills and other miscellaneous expenses for 2021-22 & 2022-23, but despite requests said amount has not been transferred to KGCC by TDAP.

All major expenses incurred until now such as cost of land, ground rent, consultants fees and bills, purchase of vehicles, ground breaking ceremony and recurring office running expenses etc. have been met from the EDF funds and profits earned on investing unutilized available funds as Term Deposit Receipts. Position of available funds (un-audited) as on 30 June 2023 is as under:

#	Details	Amount (Rs)
1	TDRs	35,000,000
2	Cash & Bank Balances	127,773,237
<b>Total</b>		<b>162,773,237-</b>

### No Profit Organization (NPO) Status

KGCC was granted NPO status by FBR on 28.03.2019, under section 2(36) of Income Tax Ordinance 2001 for six months and was extended from time to time until 30.06.2020. Commissioner, IR, Legal RTO, Karachi passed order on 18.03.2021 not to grant further renewal of NPO status, as the criteria has changed under Finance Act 2020. According to the said change, the definition of NPO given in section 2(36) of the Ordinance excluded reference of establishment of an entity for 'development purposes'. In other words, entities set-up for any development purposes would not to be recognized as NPO.

On our application/appeal review revision of the Order dated 18.03.2021, following order was passed on 23.06.2022 by Chief Commissioner, IR, CTO, Karachi.

**Quote** *In the light of the above observation of DG(WHT), the order of the CIR is remanded back with the direction to re-visit her findings in the case, while keeping the DG(WHT) observation, and after giving opportunity of being heard to the taxpayer beyond a shadow of doubt* **Unquote**

On 27.06.2022 following remarks given by our Tax Consultant, Crowe Hussain Chaudhury & Co. on said Order of Chief Commissioner, IR.

**Quote** *After pleading your case and many follow ups we finally were successful in remanding back the case. Now, our offices will prompt the Commissioner Legal to issue a fresh notice and arrange an out of turn hearing. We feel confident that the case should be favorable* **Unquote**

### **Registration / lease of Project Land**

Funds of Rs.73 million (Rs 63.631 million for lease/mutation charges including Rs 9.369 Million for two years allied recurring expenses of KGCC) were granted by EDF Board and received from TDAP on 30.09.2021. Both the aforesaid amounts are unutilized and parked in a current bank account maintained with NBP, jointly operative with TDAP.

On the basis of latest lease charges intimated by BOR, Sindh on 28.07.2021 for registration of land, an amount of Rs334.541 million (1% stamp duty and 1% advance tax under 236K) is payable, as against available amount of Rs 114.781 million on this account, which is short by Rs 219.76 million. However, in case our NPO status is restored, KGCC will be exempted to pay advance tax and short amount will be reduced to Rs. 52.49 million. It is pertinent to note that we have never been provided sufficient funds for transfer of ownership of land. We faced difficulties in follow up with Govt. of Sindh for seeking exemption on payment of lease charges for considerable long time and FBR indecision on our NPO application for very long time. In case FBR decision on our appeal does not result in a positive outcome, advance tax under Section 236K will become payable on registration of land.

### **Development Concept of Project**

KGCC–BOD has approved to hire NESPAK as engineering & architectural consultant for the development of project as per PPRA procedures.

In pursuance of appointment, NESPAK after discussion with KGCC has submitted following recommendations which are to be considered and finalized by the Board;

- Project to be developed in 5 phases (60 acres each)
- Each phase to have one Park, one mosque and one club/guest house
- Each phase to have underground and overhead water tanks of appropriate capacity
- Factory plot sizes: 1 ½ Acre 20%, 1 Acre 50% and ½ Acre 30%
- Factory buildings on the pattern of FGCC and LGCC to be constructed as well
- Establish treatment plant in 3rd phase of development

NESPAK to provide three options of master plan of the project Consultant's billings be on completion of each phase instead of overall project cost. Consultant has prepared three options of master plan along with layouts and salient features of each plan.

Consultancy agreement with NESPAK is yet to be formalized due to delay in holding of Board's meeting,

### **Code of Corporate Governance for Public Sector Companies**

The Securities and Exchange Commission of Pakistan vide SRO. 180(1)/2013 dated 08.03.2013 notified Public Sector Companies (Corporate Governance) Rules, 2013 which are applicable to all public sector entities for the year ending June 30, 2014 and onwards.

As commercial operations of KGC project did not start during the year, it was practically not possible for the Company to frame / formulate all the required policies and implement all requirements under the Rules. Nevertheless, KGCC will file statement of compliance with SECP for the year 2022-23.

### **33. EXPORT DEVELOPMENT FUND (EDF), ISLAMABAD**

Export Development Fund (EDF) was established through an Act called the Export Development Fund Act, 1999 to strengthen and develop infrastructure for promotion of exports and to provide facilitation to the interventions associated to the exports of the country. EDF is administered by its Board having full financial and administrative powers. Since its inception, EDF Board has approved the funding for around 300+ projects/activities worth approx. PKR 20 billion.

These approved projects included mega infrastructure such as Expo Centre, Effluent treatment plants in Karachi & Sialkot, Garment cities, Better work program, Cargo Complex at Sialkot Airport, multiple training institutes, laboratories, common facilities center as well as mega international trade events such as TDAP's Expo/TEXPO, DEPO's IDEAS etc. The funds have also been approved for soft training interventions, conducting research studies, hiring of technical experts, services for increasing compliance, branding/ marketing etc.

#### **2. Strengthening of the Fund**

An amendment in the Export Development Fund Act was made through Finance Act 2022-23 which paved the way for direct transfer of whole receipts of the Export Development Surcharge into the Public Account of the Export Development Fund. The current year was also the first year in the history of the Fund when no fund was retrieved from Consolidated Fund.

Necessary procedural changes were accordingly made and direct receipts initiated from August 22, 2022. During the year a total of PKR 14.34 billion were directly transferred to the EDF Public Account while book adjustment of 2.07 was made for the initial period of the year resulting in total revenue receipts to the tune of PKR 16.41

billion. This amount is more than the cumulative amount received in the Fund during last fourteen years.

### **2.1 Digitalization of Export Development Surcharge Collection System**

Since 2003, Export Development Surcharge was collected under the direction of State Bank of Pakistan Circular No. 2 dated January 02, 2003. As per Circular the collection made by all banks at the time of realization was transferred to National Bank of Pakistan through consolidated cheques and the information regarding the transaction was shared manually. This procedure never enabled the relevant stakeholders to conduct proper reconciliation or properly audit the revue stream.

During the year 2022-23, intense negotiation took place which resulted in issuance of Circular No. 3 dated April 2023 for modification of the collection procedure and reporting method.

As per new Circular all banks initiated direct transfer of receipts to the Fund Account through Real-time Gross Settlement System and reporting transaction level information through Data Acquisition Portal from 10<sup>th</sup> May, 2023. The procedure is fully active now and EDF is able to retrieve data of more than 2,000 transactions on daily basis which includes name of the exporter, NTN, total export value and amount of EDS levied against the shipment.

### **2.2 Partnership with PSW**

For better reconciliation an MoU was signed between EDF and Pakistan Single Window (PSW) based on which PSW provided online panel for EDF through which EDF is able to retrieve shipment details of all the exports for which realization has been made during the period. The process for interlinking SBP realization data and PSW shipment data has been initiated and banks software are being amended for enabling entry of Unique Reference Number in BCA (Weboc) system. This system is expected to be completed in next financial year which will lead to complete reconciliation of data and linking of EDS collection with the relevant product category.

EDF is also looking forward to upgrade the system for validation and reconciliation, analyzing sector-wise/region-wise contribution of EDS, for better planning of export development activities etc. More steps will be taken in partnership with PSW for facilitation of exporters.

### **2.3 Online Project Management and Project submission system.**

Subsequent to successful launching of proposal submission module of online proposal system, the beneficiaries were mandated to submit all their proposal through online system w.e.f. 1<sup>st</sup> July, 2022. A total number of 60 beneficiaries are active as members till date with EDF online system.

### **2.4 Strategic Direction of the Fund**



In line with the amendment in the EDF Act and status of the Fund, the process for revising Financial Rules was initiated. Finance Division has concurred to the new draft Rules except few clauses which are under discussion. Similarly, operational models of Universal Service Fund, Ignite and Punjab Skill Development Fund were studied for restructuring of EDF. The study will be presented to the Board for onward streamlining of EDF for launching of appropriate export development activities in the coming years.

### **3. Project Funding and Execution**

During the current year around 50 new proposals were analyzed while approval for 34 interventions were approved by the relevant Committees of the Board worth around PKR 3.8 billion. EDF accordingly released/dispensed funds of approx. PKR 1.8 billion funds to the different private as well as public beneficiaries.

The funding interventions were linked to facilitation for production of clean mango, pest free Kinnow, GI rights for Pakistani Basmati rice in international market, facilitating activation of CFC for Cutlery Sector, funding support to Gem & Gemological Institute, review of Surgical Laboratory project for reduction of trade barriers, research studies on Free Trade Agreement (FTA), establishing of Centre of Excellence for Citrus in Sargodha, upgradation of Pakistan Readymade Garments Technical Training Institute, Karachi, Hiring of GSP Specialists by MOC, support to Karachi Expo Centre for Procurement of HVAC System etc.

EDF also approved funds for multiple mega export and market events/exhibitions executed by TDAP such as, Single Country Exhibition and Logistics Forum, Tashkent, ASEAN Trade Development Conference & Pakistan Single Country Exhibition at Jakarta, Indonesia, Food Agriculture Show, Supporting exporters participation in International Exhibitions, Engineering & Healthcare Show and Her Hunar exhibition etc. With EDF funds, Pak Afghan International Expo in Peshawar and Lahore Chamber of Commerce Trade Delegation to USA (Emerging Pakistan) will be conducted soon.

With the support of EDF funding, TDAP was able to organize 3rd Pakistan Africa Trade Development Conference and Single Country Exhibition, 3<sup>rd</sup> Engineering and Healthcare Expo and 4<sup>th</sup> International Textile Exhibition (Texpo) which were a major success in showcasing not only the expertise of country's export sector to international audience but also supported the narrative that Pakistan is a peaceful country and is interlinked with international value chain across the globe.

International Labour Organization also conducted 1<sup>st</sup> International Buyer Forum under the EDF funded project on 25<sup>th</sup> May, 2023 of Better Work Program showcasing that Pakistani industry is compliant to the international treaties linked to Labour rights and is ready to participate in various programs linked to assessment at the highest standards.

### **34. LIAISON OFFICE, AFGHAN TRANSIT TRADE, CHAMAN**

The Government of the Islamic Republic of Pakistan and the Government of Kingdom Afghanistan desirous of strengthening the economic ties between their two countries on mutually advantageous basis and removing the difficulties in tie movement of goods through the two counties, each contracting party appointed Liaison Office to arrange Liaison Office, Afghan Transit, Trade, Chaman has been working under the administrative control of Ministry of Commerce, Islamabad. However, it has been managed and run by officers of TDAP Quetta, as additional charge meetings between the both the Liaison officer for expeditious solution.

#### **Functions**

To strengthen the economic ties between two countries on mutually advantageous basis and removing the difficulties in movement of goods through the countries. Each contracting party appointed Liaison Officer to arrange meetings between the both the liaison officer for the expeditious solution. Both officers maintain mutually beneficial relationship, facilitate communications and coordinates activities among traders from each sides of the borders.

#### **Meetings**

Meeting held with Chaman Chamber of Commerce and Industry regarding promotion of Pak-Afghan trade and economic relations for bringing economic prosperity and development in the whole region. It was agreed that the serious steps may be taken to resolve issues of traders' communities on both sides of the border.

Monthly meeting with counterparts. To provide freedom on transit to and from Pakistan to eliminate trade hurdles and ensure that the agreement is implemented in true letter and spirit.

Meeting held with customs office at Chaman regarding issues related to transit trade like lack of infrastructure, unnecessary checking at check posts, the arrogance of port and shipping lines, extensive demurrages and most importantly border closures. Traders have great concerns due to uncertainty pertaining to Pak/Afghan border closure, it is the most important factor which hits the business community of both the countries and creates a lack of trust between each other.

Arranged meetings with Agencies like Customs, FC, Wakaltul Tijari, Afghanistan, FIA, Transporters, Clearing and Forwarding Agents, regarding trade activities with Afghanistan.

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