

Business community seeks priority gas for zero-rated sectors

KARACHI: Business community of the city on Thursday urged the government to supply uninterrupted gas to the export sector, and to make the five zero-rated exporting industries the first priority in the gas load management plan.

A joint statement was given by Syed Usman Ali, Chairman South Circle of the Towel Manufacturers Association of Pakistan (TMA), Khalid Tawab, Zubair Tufail, Dr Mirza Ikhtiar Baig, Ahmed Chinoy, Noor Ahmed Khan and Mazhar Nasir on Thursday.

The businessmen who huddled at the TMA Head Office said that worldwide the export sector was given first priority in the economic activities; however, this was not the case in Pakistan.

They expressed “surprise” that the government granted second priority to the five zero-rated export sectors in the Natural Gas Load Management Policy.

Zero-rated export sectors should be given first position to increase the production so that economic activities flourish and the government fulfils its aim of enhancing exports.

Calling the textile sector, the backbone of the economy, they said it earned valuable foreign exchange for the national exchequer, generated employment opportunities, and also made enormous tax contributions.

Therefore, the participants of the meeting said that the ultimate result of gas closure would have a much larger negative impact on the exports, result in disturbing the equilibrium in the balance of trade, and would enhance unemployment. This they pointed out could hurt the law and order of the country.

They pointed out that the government approved the textile policy in February 2022. However, it was yet to be implemented.

The DDT scheme expired on June 30, 2021 but the Ministry of Commerce did not issue any notification for the continuation of this scheme despite the passing of sixteen months, while this scheme was part of the approved Textile Policy of 2020-25. They also highlighted that the old DDT /DLTL amounts were still pending with the government.

They unanimously agreed to invite representatives of all export-oriented associations in the next meeting, which was scheduled on November 22, 2022 to discuss and finalise a comprehensive strategy / agenda to discuss with Ministry of Finance for enhancement of exports.

For this purpose, they formed a committee to look after the problems of the export industry. This committee would work under the chairmanship of Zubair Tufail, while its members would be Syed Usman Ali, Ahmed Chinoy and Dr Ikhtiar Baig.

They urged the government to make a comprehensive roadmap for the growth of the export sector and to make the zero-rated export sector the first priority under the gas load management plan.