



GOVERNMENT OF PAKISTAN
MINISTRY OF COMMERCE
(TEXTILE WING)

F.No.9(34) TID-13/RDA

Islamabad, the 22nd July 2022

OFFICE MEMORANDUM

Subject: Decision of the Economic Coordination Committee of the Cabinet

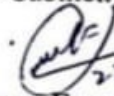
The undersigned is directed to refer to Federal Board of Revenue's O.M C.No. 1(1) ST-LP&E/ZR/Misc/ 2017/145796-R dated 28th June 2022 on the subject above and state that ECC of the Cabinet on 10th August 2021 considered the summary submitted by Ministry of Commerce regarding "Continuation of Concessionary Rates of Electricity and RLNG for Export Oriented Sectors (erstwhile Zero Rated Sectors)" and approved that "Electricity may be provided at US cents 9 per kWh all-inclusive and RLNG at \$6.5/MMBtu all-inclusive to export oriented sectors namely textiles including jute, leather, carpet, surgical and sports goods during the Financial Year 2021-22" (Annexure-I).

2. It is pertinent to mention that, ECC of the Cabinet on 2nd December 2020 considered the summary submitted by Ministry of Commerce regarding "Procedure for Registration of under Concessionary Regime of Electricity, RLNG and Gas under Export Oriented Sectors (erstwhile Zero Rated Sectors) and approved proposal as contained at para-8 (i) of the summary, whereas para-8(ii) of the summary was approved with following modifications "FBR shall register new manufacturers or exporters of five Export Oriented Sectors (erstwhile five zero rated sectors) in coordination with Commerce Division (Annexure-II).

3. In view of afore-mentioned decisions, it is pertinent to mention that ECC of the Cabinet had capped time frame only for continuation of concessionary rates of electricity and RLNG for Export Oriented Sectors i.e., 30th June 2022, however, these decisions did not specify any time frame for registration of five export-oriented sectors.

4. Further, in Federal Budget 2022-23, Finance Division has allocated Rs. 60 billion (Rs. 20 billion for electricity and Rs. 40 billion for RLNG) to supply energy to export oriented sectors at regionally competitive rates. Subsequently, Petroleum Division placed a summary before ECC of the Cabinet titled "Natural Gas Sale Pricing FY 2022-23 (effective 1st July 2022)" and Power Division also circulated a draft summary on "Policy Decision Regarding Extension of Special Relief Package for five export sectors for FY 2022-23" for inputs/comments of Finance Division, Commerce Division and Ministry of Industries and Production.

5. Aforesaid in view, FBR is requested to continue registration of new entrants of five export oriented sectors in accordance with decisions of ECC of the Cabinet so that export oriented units may be able to avail concessionary tariff from 1st July 2022 after approval of concessionary energy tariffs for five export oriented sectors by the ECC and ratification by the Cabinet.


22-07-2022

(Umar Farooq)
Section Officer (Textile)
051-9217736

The Chairman
Federal Board of Revenue
Islamabad.

Copy for Information to:
The Secretary, Ministry of Commerce, Islamabad.