

Pakistan Textile Exporters Association have rejected the move of drastic curtailment in powers of Model Customs Collectrates (MCCs) transferring it to Input Output Coefficient Organisation (IOCO) Karachi. Any change in custom policy regime without consultation of stake holders would not be accepted.

Talking to newsmen, Asghar Ali Chairman and Muhammad Asif, vice chairman Pakistan Textile Exporters Association said that the shifting of all key imports/exports-related powers of Collectors of Customs like export authorisations, approvals, reduced duty rate notifications and regulating/monitoring of all concessionary and duty remission export schemes to Input Output Coefficient Organisation (IOCO) Karachi would hamper the export growth and exporters would face problems and burdens in processing their DTRE related approvals and all other imports and exports schemes.

This major policy shift has been made in the export regime without consultation of stakeholders, substantially enhancing IOCO powers, they said. Exporters across the country would be restricted physically to go to Karachi for all imports/exports related approvals, Duty and Tax Remissions for Export schemes and concessionary and duty remission export schemes. They questioned whether the IOCO Karachi has sufficient workforce and infrastructure to deal with all imports/exports-related schemes across the country. There was a panic-like situation among the exporters as they were not expecting such an anti-export measure by the FBR.

PTEA chairman Asghar Ali was of the view that at present the exporters were availing the facility of DTRE, manufacturing bonded warehouse, reduction in duty and the revision and fixation of duty on imports. Taking powers from the Collectrates to the one office located in Karachi would give a negative impression to exporters, resulting in loss in foreign proceeds. He said that the textile sector was already facing severe problems in the shape of energy shortages, law and order and increasing costs of doing business and with this unjustified policy shift, exporters would face extra problems.

Muhammad Asif, vice chairman PTEA said that textile exporters were trying to fetch huge quantity orders from the European market due to given concessions and after eyeing the GSP Plus status to get the maximum share of the international market. This would create more opportunities in the domestic industry, resulting not only in competitiveness, jobs growth but also lead to the empowerment of people to meet future challenges but this major policy change by the FBR would stop the export growth momentum and would also cause waste of extra funds and time, he commented.

PTEA office bearers urged the chairman Federal Board of Revenue (FBR) to intervene and stop the transfer of powers and functions from all Collectrates to one person only and involve the concerned stakeholders and trade bodies to make the effective policies.

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