



PRESS RELEASE

PAKISTAN AFGHANISTAN JOINT CHAMBER OF COMMERCE & INDUSTRY

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Motiwala stresses need for Comprehensive Policy for Trade with Afghanistan

Zubair Motiwala; Chairman PAJCCI appreciated the recent decision to add 14 more items to PKR trading category with Afghanistan, as was discussed with honorable Adviser Commerce to Prime Minister, Razzak Dawood.

Motiwala apprised that withdrawal of Cash on Counter facility, requirement of advance payments, reluctance of banks to accept third party payment in case of Afghanistan, is adding not only to the congestion at borders but has also devastated the trade quantum. He urged Ministry of Finance and State Bank of Pakistan to consider further items that must be added to the list which are important export commodities and fetch revenues for national exchequer. He acknowledged pressures of FATF and declining foreign exchange reserves but requested a system that fulfills international conditions while remaining business supportive.

He reiterated his previous suggestion to set up bank counters at borders so payments can be made at the spot without delaying shipments and creating congestion. He stressed the need for comprehensive long-term policy for trade with Afghanistan including trade in PKR for both export and import along with barter trade mechanism till new regime in Afghanistan is stabilized.

As per notification exports of fruits and vegetables, dairy products and meat were already allowed in Pakistan currency whereas new additions are rice, fish and fish products, poultry, meat and products, sugar confectionery and bakery products, fruit, nuts and other edible parts of plants, oilcake and other solid residues, vegetable materials and vegetable waste, salt, cement, pharmaceuticals, matches, textile and textile articles, building stone and surgical instruments. The decision was taken due to halted banking activities and unavailability of USD in Afghanistan as well as continued humanitarian crises.

PAJCCI chairman also lauded Governments initiative for removal of 45pc regulatory duty on the import of Pine Nut (Chilghoza) from Afghanistan to encourage legal import of unprocessed pine nut for its processing in the country for export.

Keeping the same momentum in view, PAJCCI urged that imports to Afghanistan should also be allowed in PKR and barter mechanism in practice should be kept working.

PAJCCI leveraging its unique structure has already taken initiative through its Afghan Chapter; which has already convinced their government to develop mechanism for barter trade and will support all related chambers working with PAJCCI to trade equally in Afghanistan. The ministry is currently considering the TORs and Co-Chairman Khan Jan Alokozai assured that soon it will be deliberated for further proceedings.

PAJCCI has already suggested traders profile development and maintenance based on their performance history to support the Government of Pakistan. Business community from both sides has also shared their concerns regarding non-issuance of E-Form and EIF halting both exports and imports whereby creating congestion at borders due to non-clearance of trucks as a result of restrictive banking policies. Hence it is demanded to abolish the said documents till the appropriate procedure may be devised, as non-issuance of these forms lead to decline of transaction by WeBoC, halting consignments and also affecting refund requests made by the traders. The sectors that are churning major revenues for Pakistan like coal, cement, soapstone and other consumerables are facing the hit and uncertain to reap benefits from recent opening with CARs.