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Press Release

Pakistan's New Trade Policy Termed Malaysia as a Preferred Trade Partner

The Newly announced Trade Policy of Pakistan for 2009-10 pledged to deepen and diversify its trade with Malaysia.

The New Trade Policy announced by the Federal Minister of Commerce Makhdoom Amin Fahim in Islamabad on 27th July, 2009 pledged to deepen and diversify its export to major trading partners like US and EU, as well as countries with which Pakistan has signed a free trade agreement such as Malaysia China, and Sri Lanka.

The Federal Minister also announced the Strategic Trade Policy Framework for the next 3 years providing a medium term road map in order to ensure certainty of policies which in turn will act as a catalyst in the revival of domestic commerce and international trade in Pakistan, with the precise objective of bringing about a structural transformation in Pakistan's trade with other countries. .

The High Commissioner of Pakistan in Malaysia, Lt. General (Retd) Tahir Mahmud Qazi while commenting on the salient features of trade Policy said that the policy encompasses a provision of insurance cover for visiting buyers including Malaysian, to restore the investor's confidence. A scheme will be launched for picking up the full cover for Pakistan for their valid insurance policies. The scheme will be funded from Export Investment Support Fund and managed by National Insurance Corporation.

The High Commissioner said that the policy envisage to launch various measures to reduce the cost of doing business in Pakistan including launching of a scheme to compensate inland freight cost to traders of cement, light engineering, leather garments, furniture, soda ash, hydrogen peroxide, sanitary wares including tiles, finished marble/ granite/ onyx products.

He said that Pakistan also import man made fiber from Malaysia, in order to encourage trade with Malaysia, the trade policy has proposed custom duty be zero rated on import of Man Made Fibers other than Polyester Staple Fiber besides, Customs duty on import of sizing chemicals will also be withdrawn.

Tahir Qazi said that Malaysia also import sea food from Pakistan, in order to facilitate this trade the trade policy has proposed grant of 25% freight subsidy for export of live seafood products exported by air Live.

The High Commissioner said that there is a huge scope between Malaysia and Pakistan to forge strategic ties to develop Halal Business. In this regard, Ministry of Science and Technology of Pakistan will setup a Halal Certification Board. However, till that time, the government would support the cost of Certification by 50%. He added.

He said that Malaysia is also involved in the oil and gas sector in Pakistan, to facilitate foreign companies involved in Oil and gas and petroleum sectors the government has allowed import of second hand plant and machinery equipment required for their projects in Pakistan and age limit of oil rigs have been increased to 20 years.

In addition, government has allowed the import of twenty eight (28) specialized machinery and transport equipment by actual users, including in used condition, provided they fulfill emission standards and have sufficient productive life

He said that amongst various measures to facilitate foreign investors, government has also decided to allow Industrial importers to import new, refurbished and upgraded machinery on the basis of trade-in with their old, obsolete machinery. Likewise export of their old and obsolete machinery for trade in with new, refurbished or upgraded machinery would also be allowed.

The government will also undertake and coordinate all the necessary measures to facilitate the provision of lower cost, more efficient and reliable trade facilitation services in promoting exports and import.

Policy 2009-12 aims to set the country on the path of sustainable high economic growth through exports.

The policy is set in a three years Strategic Trade Policy Framework (STPF), which is hoped would result in the enhancement of export competitiveness of Pakistan to enable Pakistani companies overcome the shocks of international economic crisis through a set of integrated and holistic policy and measures.

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