



## PRESS RELEASE

PAKISTAN AFGHANISTAN JOINT CHAMBER OF COMMERCE & INDUSTRY

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### **Pakistan & Afghanistan are each other's gateway to trade and economy in the region -Zubair Motiwala**

PAJCCI kicked off 11<sup>th</sup> Focus Group Discussion on “current economic & political issues marring the full realization of bilateral trade Potential” at Islamabad. The meeting was attended by large number of business community members from Pakistan & Afghanistan, government officials including Arbab Qiaser; Director Transit Trade-Pakistan Customs, Zubair Khan; Deputy Secretary Ministry of Commerce, representatives of trade associations and media.

The core objective of this FGD is removing trade barriers, deliberating and recommending measures to realize trade potential between the two countries, identifying ways & means to develop sustainable policy framework for long term bilateral and transit trade using each other's capability and resources, capitalizing on the strengths of private stakeholders, B2B connectivity, setting up of border bazaars to raise employment amongst SME and home industry, encouraging and involving businesswomen to play their role in economic uplift of both the countries.

Zubair Motiwala; Chairman PAJCCI expressed heartfelt gratitude to all the delegates & participants for joining PAJCCI in bringing the trade issues to table with commitment to resolve. He said that despite ongoing dismal environment faced by both countries, the people and especially business community is positive that our futures are tied together and jointly we can rise above the economic turmoil and stabilize the region with our peaceful economic measures & sustainable actions. He strongly recommended that Afghan government shall be engaged at relevant forums to bring positivity and commitment by all stakeholders.

Khan Jan Alokozai; Co-Chairman PAJCCI said that frequent meetings and coordination between the B2B members from both sides has been very effective method in bringing the issues faced by business community to the attention of both governments. However, it's time to involve Afghan government to remove communication barriers, bring focus to resolving business community issues, giving them direct opportunity to engage with their Pakistan counterparts, the inclusion will bring reality of the issues to light being faced by business community, this will also bring firm commitment of Afghan government while at the same time generating positive response from ministerial & official level.

The engagement is necessary to curtail frequently occurring operational and policy issues, build confidence between the two countries, reduce turnaround time, border management, high yield regional & transit trade bringing much needed economic respite in form of revenue and employment.

He said that in last 10 years PAJCCI on both sides under the dynamic leadership of Zubair Motiwala; Chairman PAJCCI has achieved progress in bringing diversified B2B stakeholders on table and bridging the gap between the seller & buyer at various levels across industries. He provided input on the issues of pending T1 on Afghan side, high taxes on Afghan coal being imported by Pakistan, delayed clearance of empty containers, high valuation and documentation issue at Karachi Port for transit trade clearance, smuggling and holding of cargo by unlawful elements, multiple security checks at border crossings, pending TAD, lack of transport and labor issues on Afghan side. He stressed the need to form National Committee comprising of government representatives and B2B members from both sides to resolve policy matters while providing technical support to both governments for long term policy development. Its imperative that PTA is signed, tariff rationalization is jointly undertaken, training & support to develop Afghan human resources, visa barriers especially for SME Afghan traders are removed, business visa is efficiently processed and rejection rate is reduced and visa fee shall be made refundable in case of visa rejection.

He said that Afghanistan considers Pakistan as a gateway to South Asia whereas Afghanistan is door to CAR for Pakistan. We believe that trade between two countries is highly beneficial as compared to trading with other countries however both governments need to develop long term economic policy instead of unilateral short term actions.

Qazi Zahid Hussain; President PAJCCI provided overview of PAJCCI activities in resolving issues and new initiatives required to uplift bilateral & transit trade. He clarified the process of cross stuffing and how it can reduce detention & demurrage charges implemented by international shipping lines & its impact on cost of business.

Arbab Qaiser; DG Transit Trade Pakistan Customs shared insights into challenges at borders with respect to empty container clearance, documentation required for transit trade at Karachi Port. He said that due to regular meetings at Torkham border several operational issues are quickly resolved and 1200 transit & 600 bilateral empty containers were cleared in last 7 days. Working together brings solutions always, both sides need to recognize this and facilitate the trade and economic activities. He informed that Pakistan has waived approximately PKR 15Mn in customs duty on exports from Afghanistan as a strong support measure to Afghan economy and people.

Zubair Khan; Deputy Secretary Ministry of Commerce apprised the forum that Pakistan has facilitated Afghanistan in respect to zero valuation on most items, remove several trade barriers, developed several policies like TAD, Cross-Stuffing, holding of Joint Expo which is scheduled in 2023 in both countries. Joint coordination is need of the hour for signing & amendment of APTTA to further the cause of trade.

Dr. Mukhlis Ahmed, Board Member Nangarhar Chamber & Advisor to PAJCCI, Shahid Hussain; SVP PAJCCI and Syed Jawid Burhan; Head of International Relations Afghanistan Chamber of Commerce & Industry supported the idea of National Committee and joint group to resolve visa

issues, they also shared their input on development of mutually beneficial economic policy and resolved to take up matters with their governments using their good offices.

The forum jointly resolved that long term politics free economic policy will benefit both the countries tremendously, generate employment and peace across region. We are the closest neighbors and trading with each other is the only way to ensure bright future.

PAJCCI re-affirms its commitment to take up all means to raise the voice of business community to both governments and will do everything possible to arrange future meetings in Afghanistan as an enhanced engagement activity. The event was organized and facilitated by event partner, The Catalyst.