EPD Circular Letter No. 02   February 10, 2017

The Presidents/Chief Executives of all
Authorized Dealers in Foreign Exchange

Dear Sirs/Madam,

Subsidy on Export of Wheat and Wheat Products

Attention of the Authorized Dealers (ADs) is invited to Ministry of National Food Security and Research (MNFSR)'s various Notifications latest being Notification F.No.4-12/2014/DFSC-II/Wheat Export dated January 25, 2017 regarding the captioned subject in terms of which Government of Pakistan has allowed export of wheat/wheat products and payment of subsidy as per the terms and conditions mentioned therein.

2.   Accordingly, ADs are advised to process the cases of eligible exporters for subsidy claims against export of wheat and wheat products as per following mechanism/conditions:

a) ADs will forward the shipment-wise requests of wheat exporters on prescribed format **(Annexure-I)** through their Departmental/Business/Group Heads to the Director, Foreign Exchange Operations Department (FEOD), SBP-Banking Services Corporation (BSC), Head Office, Karachi or The Chief Manager, Field Office of SBP-BSC, as the case may be, for claiming subsidy allowed vide MNFSR's above Notifications, quoting the reference of this circular letter along with the attested / authenticated copies of the following documents:

     i. Letter from Food Department of respective Provincial Government confirming procurement of specific quantity of wheat/wheat products by the exporter in terms of MNFSR's Notification.

     ii. Manual Form-E/Electronic Form-E (EFE).

     iii. Goods Declaration (GD) Form.

     iv. Bill of Lading/ Truck Receipt/ Railway Receipt. In case export has been done through House Bill of Lading, it must be accompanied by relevant Master Bill of Lading.

     v. Commercial / Customs Invoice.

     vi. Export Proceeds Realization Certificate / Advance Payment Voucher properly showing utilization.

b) Export of wheat/wheat flour and other wheat products like: Fine, Suji and Maida shall be allowed till **March 15, 2017 (to be determined by GD filing date)** and export process to be completed till May 15, 2017.

c) Subsidy will be allowed only after full realization of export proceeds against Form-E/EFE.

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d) Exporters of wheat/wheat products will approach FEOD, SBP-BSC, Head Office or respective field office of SBP-BSC, as the case may be, through their AD claiming the subsidy latest by May 15, 2017. No claims will be entertained after aforementioned time period.

e) The SBP-BSC will scrutinize the claims and discrepant claims will be returned by SBP-BSC to respective AD. The same must be resubmitted to SBP-BSC after removing all the discrepancies within 40 days of return, after which no such application will be entertained.

f) Approved claim will be disbursed to respective AD in its account maintained with SBP-BSC for onward credit to the exporter's account within 24 hours of disbursement.

g) Application must be submitted as per enclosed **Annexure-I**, for each shipment separately, duly verified by Food Department of respective Provincial Government with unique reference number.

h) Rate of exchange applicable for calculation of PKR subsidy will be the Buying Rate of Weighted Average Customer Exchange Rates issued by Domestic Markets and Monetary Management Department of SBP on the date of final realization of export proceeds against E-Form. This rate is available at SBP Website at URLs:

<div align="center">

http://www.sbp.org.pk/ecodata/rates/war/WAR-Current.asp

http://www.sbp.org.pk/ecodata/Rates/WAR/WAR-History.asp

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i) Application must be accompanied by AD's undertaking on behalf of the exporter as per enclosed **Annexure-II**.

j) Incomplete requests shall not be entertained.

3.   Export of wheat/wheat flour (Aata) made during the period October 1, 2015 to January 12, 2016 shall not be entitled to any cash support/subsidy.

4.   Authorized Dealers are advised to bring the same to the notice of all their constituents.

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Yours truly,

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Encl: As above

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Sd/-

(Fazal Mahmood)
Director

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