

DIA/EPD: EDC:
By. No. 928
Date 4-9-13

Governor's Office
16 SEP 2013
Diary No. 3769

MOST IMMEDIATE
BY FAX/COURIER

GOVERNMENT OF PAKISTAN
MINISTRY OF COMMERCE & TEXTILE INDUSTRY
(COMMERCE DIVISION)

16/9/13

No. 7(2)/2012-E-III (Vol-IV)

Islamabad, the 13th September, 2013

OFFICE MEMORANDUM

Subject: **EXPORT OF SUGAR**

Div. EPD
Admin (P)
16/SEP/2013

The undersigned is directed to refer to the subject noted above and to state that the Economic Coordination Committee (ECC) of the Cabinet considered the summary dated 6th September, 2013 submitted by Ministry of Commerce & Textile Industry on "Export of Sugar" and took the following decisions:-

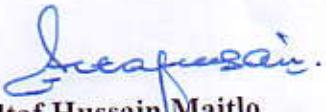
- I. Sugar mills were allowed to export a total of 500,000 MT of sugar out of which 250,000 MT was allowed to be exported with immediate effect upto 31st October, 2013; and the remaining quantity of 250,000 MT from 1st November, 2013 onward subject to the following conditions:
- The sugar mills owners will clear the outstanding arrears of Rs. 1.7 billion (as reported by the representative of PSMA), to be paid to the growers.
 - The sugar mills will start crushing sugarcane in Sindh and Punjab by 1st November and 15th November 2013, respectively.
- II. Sugar stocks position in the country should be reviewed on monthly basis;
- III. Quota should be allocated on first come first served basis by the SBP;
- IV. Export should be made against irrevocable letter of credit or a contract with 25% non-refundable advance payment;
- V. Shipment should be made within 45 days of the registration of contract with the State Bank of Pakistan, and the non-refundable advance payment to be forfeited in favour of GoP in case of non-performance;
- VI. The SBP should arrange via its website:
- For online submission of applications for quota by the sugar mills; and
 - Full disclosure of the record of quota allocation and its utilization for the purpose of transparency be made so as to be viewed by the public.
- VII. The inland subsidy would be offered to the sugar mills owners @ Rs.1/- per kg instead of Rs. 1.75 per kg on the entire quantity of 500,000 MT of sugar to be exported."

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2. Copy of the ECC of the Cabinet's decision in Case No. ECC-128/15/2013 dated 7th September, 2013 is enclosed.

3. It is requested that State Bank of Pakistan may take further necessary action to implement the decision of the ECC of the Cabinet under intimation to Ministry of Commerce.

Encl: As above


Altaf Hussain Maitlo
Assistant Chief (Exports)
Ph.# 9205737

✓ **The Governor,**
State Bank of Pakistan,
Karachi.

Copy alongwith copy of the ECC's decision dated 17th September, 2013, forwarded to:-

- i) Secretary, Ministry of Finance, Islamabad
- ii) Secretary, Ministry of Industries, Islamabad.
- iii) Chairman, Federal Board of Revenue, Islamabad.
- iv) Secretaries Provincial Agricultural Departments (Punjab, Sindh, Khyberpakhtunkhwa).
- v) Chairman, Pakistan Sugar Mills Association, Karachi.
- vi) SO to the Secretary Commerce, Islamabad.