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F. No.7(2)/2012-Exports-III
Government of Pakistan
Ministry of Commerce and Textile
(Commerce Division)



Islamabad, the 18th October, 2018

OFFICE MEMORANDUM

SUBJECT: - EXPORT OF SUGAR

The undersigned is directed to refer to the subject noted above and to state the Economic Coordination Committee (ECC) of the Cabinet in Case No.ECC-96/19/2018 dated 2nd October, 2018 has allowed export of 1 (one) million metric ton of sugar subject to the following conditions:


- i. No freight or financial support will be provided to millers / exporters by the Federal / Provincial Governments;
- ii. The Inter-Ministerial Committee will meet fortnightly to review sugar stock, export and price situation;
- iii. In case of any abnormal increase in the domestic price of sugar, the Committee would recommend to the ECC of the Cabinet for discontinuation of further exports;
- iv. The export quota will be implemented and monitored by the State Bank of Pakistan (SBP) on first come first served basis;
- v. Only those mills will be allowed to export who have cleared the outstanding dues of farmers for sugarcane crop upto 2017-18 as required under the Sugar Factories Control Act, 1950 and notified by the respective Cane Commissioners;
- vi. The mills would start crushing at full capacity by 15th November, 2018. In case export quota is granted prior to the said date, the exporter / miller shall give an undertaking that it will commence crushing from the said date;
- vii. Exporters will ship their consignments within 60 days of quota allocation by the SBP. In case of non-shipment within the said period, a non-performance penalty of 15% will be imposed on the respective miller; and
- viii. Sugar mills / exporters who are defaulters of banks will not be allowed to export sugar.

2. Moreover, the ECC directed Federal Board of Revenue (FBR) to submit a report on tax evasion being made by the sugar industry to the ECC in its next meeting.

3. Copy of the ECC's decision in Case No.ECC-96/19/2018 dated 2nd October, 2018 is enclosed.

4. It is requested that actions to implement the said decision of the ECC may kindly be initiated forthwith under intimation to the Ministry of Commerce. Moreover, State Bank of Pakistan (SBP) may arrange via its website full disclosure of the record of sugar export quota, allocation.

Encl: As above


(Muhammad Asad)
Section Officer (Export-III)



1. The Secretary,
Ministry of Finance, Islamabad.
2. The Governor,
State Bank of Pakistan, Karachi.
3. The Secretary,
Ministry of Industries & Production, Islamabad.
4. The Secretary,
Ministry of National Food Security & Research, Islamabad.
5. The Chairman,
Federal Board of Revenue, Islamabad.
6. The Chairman,
Pakistan Sugar Mills Association, Islamabad.

CCs to:-

The Chief Secretaries of Sindh, Punjab, KPK and Balochistan.