

GOVERNMENT OF PAKISTAN
MINISTRY OF INDUSTRIES AND PRODUCTION

F. No.1(6)/2022-23-CAO

Islamabad the 12th October, 2024

OFFICE MEMORANDUM

SUBJECT: DECISION OF THE MEETING OF ECC OF THE CABINET HELD ON 11.10.2024 REGARDING EXPORT OF FURTHER 500,000 MT OF SUGAR

The undersigned is directed to refer to the subject cited above and to state that the Economic Coordination Committee (ECC) of the Cabinet in its decision Case No. ECC-186/23/2024 dated 11th October, 2024 (**Annex-I**) has approved para 3 of the summary moved by this Ministry and allowed export of **500,000 MT** of sugar. The decision has been ratified by the Federal Cabinet vide its decision in case No. 507-Rule-19/2024/883 dated 11.10.2024 (**Annex-II**). Further, ECC has allowed this export as per the following terms and conditions:

- a. PSMA shall provide an undertaking that their mills will commence production by 21st November, 2024 for the next crop year and the export quota of a mill which does not comply with this condition shall be revoked;
- b. PSMA shall provide an undertaking that ex-mill price of sugar shall not increase beyond Rs.140/kg;
- c. The benchmark retail price per kilogram of sugar will be taken from SPI as on 13-06-2024 with the additional margin of Rs.2.00/kg;
- d. The SAB shall monitor ex-mill and retail price of sugar regularly, at least on weekly basis and in case the retail price of sugar rises beyond the benchmark price plus Rs.2.00, SAB shall immediately revoke export permission;
- e. The export proceeds shall be first utilized by sugar mills for clearing outstanding payments of growers and the export quota of a sugar mill which does not comply with this condition shall be revoked;
- f. All exporters shall ensure that export consignments are shipped within ninety (90) days of the allocation of quota by the respective Cane Commissioners;
- g. Export proceeds shall be received in advance through banking channel in case of Afghanistan while export for other destinations may be made through opening of LCs;
- h. The quota for export of sugar shall be distributed amongst provinces as per current year's actual production in the following manner:

	Sugar production in crushing year 2023-24 till 05.06.24 (MMT)	Percentage for quota allocation
Punjab	4.338	64%
Sindh	2.022	30%
KPK	0.438	6%
Total	6.798	100%

- i. The Provincial Cane Commissioners shall allocate quota for the export of sugar within seven (7) days of the issuance of the notification by the Ministry of Commerce as per policy approved by the ECC;
- j. The ex-mill and retail price of sugar as well as payment of pending dues to growers shall be monitored and enforced by the respective provincial authorities and a report will be submitted to the SAB on weekly basis;

- k. The State Bank of Pakistan shall update the SAB and ECC on export of sugar, on fortnightly basis;
 - l. This permission may be revoked by SAB at any time in the interest of stability of the domestic market and maintenance of retail price or otherwise in case of violation of any of the above term or condition; and
 - m. No subsidy whatsoever shall be provided to the exporters by the federal or provincial government.
2. It is informed that PSMA has submitted the two undertakings required under the terms and conditions mentioned at serial 'a' and 'b' above to this Ministry.
3. Moreover, the Cabinet directed that Cabinet Committee on Monitoring Sugar Exports, already constituted vide Cabinet Division's Notification No. F.5/17/2024-Com dated 25th & 26th June 2024 and 13th September, 2024, shall continue to regularly monitor and update the Cabinet on demand, supply and price situation of sugar in the country in this case of export of **500,000 MT** of sugar on fortnightly basis.
4. Furthermore, Federal Cabinet appointed Deputy Prime Minister/ Minister for Foreign Affairs as Chairman of the Sugar Monitoring Committee in place for Minister for Petroleum.
5. All concerned are requested to implement the decision of the ECC/Federal Cabinet in letter and spirit and to facilitate the export of sugar as per the directions of ECC/Federal Cabinet.
6. This issues with the approval of Secretary (I&P).

Encl: (as above)


(Muhammad Yasir Iqbal)
Cost Accounts Officer
051-9206880

Distribution:

1. Minister for Privatization, Islamabad
2. Minister for Petroleum, Islamabad
3. Minister for Commerce, Islamabad
4. Minister of State for Finance, Revenue and Power, Islamabad
5. Minister for Industries and Production and National Food Security and Research, Islamabad
6. Adviser to the Prime Minister on Political and Public Affairs and Inter Provincial Coordination
7. Secretary, Finance Division, Government of Pakistan, Islamabad.
8. Secretary, Commerce Division, Government of Pakistan, Islamabad.
9. Secretary, Ministry of National Food Security and Research, Government of Pakistan, Islamabad.
10. Secretary, Ministry of Industries and Production, Islamabad
11. The Chairman, Federal Board of Revenue, Islamabad.
12. The Governor, State Bank of Pakistan, Karachi.
13. Chief Secretaries, Government of Punjab, Sindh, Khyber Pakhtunkhwa, Balochistan
14. DG to Deputy Prime Minister of Pakistan, Ministry of Foreign Affairs, Islamabad
15. Chairman, Pakistan Sugar Mills Association, Islamabad

Copy To:

- 1) Secretaries Food and Agriculture Departments, Government of Punjab, Sindh, Khyber Pakhtunkhwa and Balochistan
- 2) Cane Commissioners, Punjab, Sindh and Khyber Pakhtunkhwa
- 3) Director to Minister for Industries and Production, Islamabad
- 4) PS to Secretary, M/o Industries and Production, Islamabad