

SENATE SECRETARIAT

REPORT OF THE SENATE STANDING COMMITTEE ON COMMERCE ON CALLING ATTENTION NOTICE OF SENATOR MIR KABIR AHMED MUHAMMAD SHAHI REFERRED BY THE HOUSE IN ITS SITTING HELD ON 12TH JANUARY, 2016, REGARDING IMPORT OF VEGETABLES AND FRUIT FROM IRAN AFFECTING THE LOCAL FARMERS.

I, Senator Syed Shibli Faraz, Chairman of the Senate Standing Committee on Commerce have the honour to present, on behalf of the Committee, this report on the matter, a Calling Attention Notice moved by Senator Mir Kabir Ahmed Muhammad Shahi regarding import of various vegetables and fruit from Iran affecting the local farmers, in the sitting of the Senate held on 12th January, 2016.

2. The honourable Chairman Senate referred the said Calling Attention Notice to the Senate Standing Committee on Commerce and directed to report back in the next Session.

3. The Standing Committee decided to consult all stakeholders for finalizing its recommendations and met on 16th February, 2016, and 25th February, 2016. The Committee invited stakeholders from the Zamindar Action Committee (ZAC), Balochistan, to know their views and perspectives regarding the issue under deliberation.

4. The composition of the Committee on Commerce is as under:-

1. Senator Syed Shibli Faraz	Chairman
2. Senator Ilyas Ahmad Bilour	Member
3. Senator Mrs. Naseema Ehsan	Member
4. Senator Hilal Ur Rehman	Member
5. Senator Mufti Abdul Sattar	Member
6. Senator Farogh Naseem	Member
7. Senator Hasil Khan Bizenjo	Member
8. Senator Muhammad Usman Khan Kakar	Member
9. Senator Rahila Magsi	Member
10. Senator Saleem Mandviwala	Member
11. Senator Mrs. Rubina Khalid	Member
12. Senator Haji Saif Ullah Khan Bangash	Member
13. Minister for Commerce	Ex-Officio Member
14. Senator Mir Kabir Ahmed Muhammad Shahi	Mover

5. The Committee appreciated Senator Mir Kabir Ahmed Muhammad Shahi for raising an issue of utmost importance to the livelihoods of the farmers of Balochistan. The Committee agreed that this was the right time to raise this issue in light of the worsening financial and economic conditions of the farmers of Balochistan.

7. The Senate Standing Committee had extensive discussion on the issue. The Committee examined different aspects of the issue like different duty rate at various entry points of the border, timing of importing fruits and vegetables from Iran, issue of regular/documented and smuggled inflow of these items. The Committee also discussed the deteriorating conditions of farmers in Balochistan especially due to the scarcity of water and energy resources.

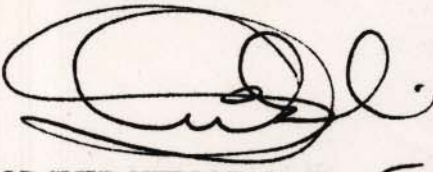
8. The Committee, after detailed deliberations and discussions with different stakeholders unanimously finalized the following recommendations:-

- i. The Committee recommended that the existing import duty differential on apples at various borders in Pakistan be removed, and a single import duty rate on the same be applied across Pakistan at the rate of 35%, regardless of what border point it is imported from.
- ii. The Committee recommended that FBR and Ministry of Interior to ensure strict anti-smuggling measures at all border points in Pakistan, especially the entry points at Taftan and Torkhum.
- iii. The Committee recommended that additional customs staff should be hired at the earliest and on priority basis, to ensure effective enforcement of anti-smuggling measures by the FBR as a single implementing agency.
- iv. The Committee recommended that Ministry of Commerce should make Quality Certification mandatory for all goods being imported from Iran, especially apples, to ensure that only non-hazardous goods are imported, quality is maintained, and

the local farmers of Balochistan are protected against unfair competition. The committee directed that quarantine conditions should be strictly followed.

- v. The Committee recommended that the Ministry of Commerce should adopt a trade reciprocation policy with Iran, so that fruit, vegetables and grain from Pakistan are exported to Iran in exchange for fruit and vegetables from Iran.


(IFFAT MUSTAFA)
Secretary Committee


(SENATOR SYED SHIBLI FARAZ)
Chairman Committee