

# Pak, India finalise three agreement on NTBs

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Indian Joint Secretary for Commerce Arvind Mehta has said that Pakistan and India have finalized three agreements to remove Non Tariff Barriers (NTBs) presently billed as obstruction for Pakistani exports to India. The Indian Joint Secretary, who was heading a high-level five-member delegation of Indian Regulators, was speaking at the Lahore Chamber of Commerce and Industry on Thursday. LCCI President Irfan Qaiser Sheikh presented Pakistan's business community view point while the Senior Vice President Kashif Younis Meher and Vice President Saeeda Nazar, former Presidents Iftikhar Ali Malik, Mian Anjum Nisar, Mian Muzaffar Ali, Vice Presidents Sikandar M Khan, Aftab Ahmad Vohra and Shafqat Saeed Piracha also spoke about the hurdles coming in the way of bilateral trade. Directors General of TDAP Chaudhry Mohammad Ali, Muhammad Irfan Tarar and Ms Rubina Ather, Joint Secretary Ministry of Commerce, Islamabad were also present in the meeting. Arvind Mehta said that these agreements are expected to be signed during the upcoming visit by the Indian Commerce Minister next month. These agreements are the Customs Cooperation Agreement, to avoid arbitrary stoppages of goods at each other's ports; mutual recognition agreement for acceptance of certificates of internationally accredited laboratories; and redressal of grievances agreement in case of any disagreement.

He said that both the sides have also finalized a very liberal visa regime that would be in place as soon as the Cabinets in the two countries grant approval. He said that the peak tariff line in India for Pakistan is 8 per cent that is going to be curtailed to 5 per cent by year end. Over cement export to India, he clarified that NTBs considered to be the major hurdle are not Pakistan specific rather the delay in the clearance was only due to poor infrastructure on both sides of the border. He said that on India side a big customs complex with the cost of \$30 million is being built and within three months period the new facility would enable the customs officials on both the sides to handle 800 trucks daily. Speaking on the occasion, the LCCI President Irfan Qaiser Sheikh said that the Non-Tariff Barriers are hindering meaningful improvement in Pakistan-India trade relations and must be removed.

He said that there were a number of challenges relating to Indian standards and quality parameters which also vary from city to city. Pakistani exporters spend considerable time and money to obtain certain certifications and fulfill clearance requirements. He said multiple conditions have to be met at clearance stage that include obtaining agricultural permits, phytosanitary certificates and Indian quality standards. There are also various licensing requirements for import of vehicles, textile specific barriers and health & safety regulations. The LCCI president said that presently Indian and Pakistani Customs authorities are not accepting Lab reports and quality control certificates of consignments conducted by custom labs of both the countries. It is requested that Customs authorities on both sides should accept the Lab reports and quality control certificates provided by exporters and importer of each country as Pakistan and India have same environment and standards. Irfan Qaiser Sheikh said that previously, Pakistani authorities were accommodating approximately 150 trucks of Indian consignments on daily basis. Now the volume of Pakistani exports to India has increased and touched up to 150 trucks per day. Whereas presently Indian Customs authorities are clearing only 100 Pakistani trucks daily. It is requested that Indian Customs authorities should make all efforts to clear at least 150 Pakistani trucks going to India. He said that under

the protocol signed by both the governments, the Indian and Pakistani Customs authorities only allow 10 wheeler trucks and hydraulic dumpers for moving goods. This restriction is causing unnecessary delays in offloading and clearance of consignments. Often, Pakistani trucks come back without off-loading due to non-availability of labour on the Indian side.

This is causing them huge losses in the shape of extra transportation charges. We believe that 12 and 14 wheeler trucks should also be allowed to cross border. Indian authorities should ensure that labour force for offloading Pakistani consignments is readily available in their Customs yard. He urged the need to continue to work closely in exploring all avenues to improve bilateral trade. I cannot emphasize enough that government-to-government and business-to-business exchanges are critical for achieving the objectives of enhanced economic and trade ties between the two countries. Earlier, the Indian Regulators, including Customs, Bureau of Indian Standards, Food Safety and Standards Authority of India and Export Inspection Council apprised the Pakistani businessmen of customs procedures, regulations, standards and certification requirements for entering into the Indian market. This Indian regulators visit is the follow up of the 5th and 6th round of commerce secretary-level talks held in April and Nov, 2011, respectively. During the 5th round of commerce secretary-level talks, the issue of NTBs faced by the business community of Pakistan in the Indian trade regime was taken up with the Indian side.

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