



Pakistan Tanners Association

**3 YEARS PLAN OF ACTIVITIES (2019-2022)
UNDER RULE 23(1) OF THE TOR-2013
(Approved by the Central Executive Committee of PTA)**

3 YEARS PLAN OF ACTIVITIES (2019-2022)

Under Rule 23(1) of the TOR-2013

PAKISTAN TANNERS ASSOCIATION

(Approved by the Executive Committee of PTA)

Pakistan Tanners Association represents the highly value added Tanning Industry which is the mother Industry for the whole Leather sector of Pakistan and termed 2nd largest industry after Textile. This prestigious trade body is locally as well as internationally recognized foreign exchange earning conglomerate of leather & leather products industrial sectors duly licenced by the Ministry of Commerce under Trade Organizations Rules, 2013, registered with the Security and Exchange Commission of Pakistan (SECP) as well as affiliated with the Federation of Pakistan Chambers of Commerce and Industry (FPCCI).

The Three years Plan of Activities of Pakistan Tanners Association as required under Rule 23(I) of the Trade Organizations Rules, 2013, approved by the Central Executive Committee, PTA is highlighted hereunder:-

1. KEY ISSUES OF LEATHER INDUSTRY TO BE TAKEN UP WITH THE COMPETENT AUTHORITIES CONCERNED :

The Association, during the **next three years 2019-20, 2020-21 & 2021-22**, will toil hard to get the thorny issues of leather industry resolved expeditiously by using all possible fora. In this connection besides addressing necessary letters with details of PTA members' grievances/problems to the competent authorities concerned even at the highest level in Islamabad or any city as convenient to them will release press statements through leading newspapers, hold press conferences and meetings with authorities concerned.

The Executive Committee of PTA has chalked out year-wise comprehensive programmes to hold meetings with the Advisor to Prime Minister on Commerce, Advisor to PM on Finance, as well as Chairman, Federal Board of Revenue, Secretary, TDAP, Governor, SBP, concerned Collectors of Customs, Income Tax & Sales Tax to discuss core issues, problems, proposals/suggestions for providing maximum relief and assuagement to PTA member importers & exporters and to ventilate their genuine grievances as well as to lodge protest against un-business friendly policies and decisions detrimental to the industry and harmful to the leather exporters.

The Association under its Chairman guidance will keep on pursuing all the pending as well as growing core issues of leather industry by taking up the same with the Government authorities concerned at all the relevant fora for redressal as expeditious as possible. In this context, besides making regular correspondence with the concerned Ministries & Departments concerned highlighting details of the member exporters' grievances/snags impeding their business activities and enervating flow of exports, appointments would be sought from the relevant authorities for holding face to face meetings to convince them on justified arguments, facts and figures to get the industry's problems resolved and genuine/rational proposals entertained to save the significant tanning industry from collapse which is already sagging due to various reasons.

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The leather industry have long and short term targets/proposals, some of which are highlighted below which will be taken-up on priority with the higher competent authorities concerned for expeditious redressal :

i) **Amendment in SRO 578(I)/2016 Dated 01-07-2016**

Request has been made to the Ministry of Commerce as well as continuously follow-up will required for the next year till its resolution for amendments in a SRO 578(I)/2016 for grant of Government Subsidy ('o' rated Custom Duty) on Import of 24 Tanning Machines as detailed has already been provided to MoC by PTA which will help us to upgrade and modernize our tanneries to boost our exports.

PTA for the facilitation to its members has taken up the matter with the FBR & other concerned Govt., departments for the exemption of 10% Sales Tax and 7% IB (Indemnity Bond), which is also causing severe hardships to stuck the huge amount in refund of Sales Tax with the cumbersome procedure laid down in the Sales Tax collect orate and certainly rendering our members unable financially for the execution of export activities in time, which is resulted in losing precious foreign exchange for the country in general and losing the valued potential customers in particular.

PTA is persistently tying to remove these bottlenecks for its members for the import of Tanning Machineries without custom duty & sales Tax, which is the dire need of the industry for the up-gradation to improve their quality production with innovation upto the international standard and to meet the foreign buyers/customers demand/requirement.

ii) **Amendment in SRO 630(1) 2018 Dated 24-05-2018**

Will pursue PTA's request for removal of ACD 2% on Import of Raw and Wet Blue of Cow/Buffalo during the next year till its resolution as was imposed through the above SRO 630.

iii) **Removal of Quarantine Certificate under SRO 1067(1) 2017 Dated Oct 20, 2017**

The restriction for the Quarantine was originally imposed inadvertently with the general food items as the Leather is the Agriculture Produced Products, which was later on realized by the competent authority on approach made by PTA and assured to remove this Quarantine requirement for Leather, which is the basic raw back materials for the Leather Industry for necessary value addition for re-export purpose.

Besides, PTA has also clarified that the **Wet Blue hides & Skins/Raw Materials** is imported from various destinations of the world with **Quarantine Certificate** at the Destination, which is the pre-requisition for the import into Pakistan, as such, duplication for the Quarantine requirement here in Pakistan is **completely unnecessary**.

PTA will follow-up in the next year too its request for removal of Quarantine Certificate under the above SRO as already sent to MOC with the clarification that the Supplier already issue Quarantine Certificates of shipments of Raw Skins as a regular practice and no need to submit it again at domestic/local level.

iv) LWG Certification

PTA's proposal as already sent to Ministry of Commerce for allowing subsidy on Individual Treatment Plants to facilitate in time LWG (Leather Working Group) Certification **which would be mandatory after 2020** needed to keep continue follow-up in next year for Government consideration and implementation. The export of Leather and Articles made of Leather (Apparels, Footwear, Gloves, and Leather Goods) would not be allowed to any country unless leather is from LWG Certified Tannery.

PTA has also submitted the proposal for the financial assistance to be extended by MOC from EDF for its interested member exporters in establishing the Individual Treatment Plants at Punjab and Sindh, which is appended below :-

- **approximate amount** : **Rs.400 to Rs.500 Million**
- **approximate No of Tanneries** : **12-15 Nos for individual treatment plants.**

It is also added here that the allocation of fund for the establishment of Individual Treatment Plants, which is fundamental now is one of the specific demands of PTA for its members' facilitation with convenience for meeting the international requirement for Green environment without any hazards.

PTA will also kept continue its follow-up on its proposal as already sent to MoC to allow Matching Grant for Setting Up of Individual Treatment Plants in Trade Policy 2018-21 as allowed under STPF – 2009-12. The major cost of LWG would be in setting up Treatment Plants in Individual Tanneries Contributing 80% of leather exports.

v) **Subsidy on Lab Testing**

The incentive for extending 75% subsidy on Lab Testing was allowed earlier but discontinued for a long time, while the necessity for the continuation for such pivotal incentive is utmost imperative as such PTA has demanded persistently for its members to continue to allow such incentive for 75% subsidy on lab Testing for Leather, which is the basic requirement of Foreign buyers/Customers before purchasing the finished leather from Pakistan.

PTA will taking-up with Ministry of Commerce its demand to allow 75% subsidy on Int'l lab testing for Leather under the forthcoming STPF 2018-23.

vi) **Subsidy on International Fairs and Exhibitions**

It is the universal tested tool for marketing & promotion for participation in Int'l Fairs & Forms Trade Delegation to explore new best avenues for the exploration and PTA in financial collaboration with TDAP is on same track for the last several years consecutively and organizing "National Pavilion" at various destinations of the world in well renowned leather fairs for participation of its members.

In this context, PTA has submitted its concrete proposals to TDAP & MOC for the resolution to the desired extent for the supreme motive to provide level playing field at par with others particularly neighbor competing countries, who are penetrating more effective in the international leather market for capturing :-

- To increase the subsidy percentage from 40% to atleast 75% on stand cost for participation.
- To remove irrational condition of 5 years in International Fairs, which is really detrimental to the promote of exports.
- To remove 2 times participation in a year.
- To allow necessary subsidy percentage on Air freight of sample shipment meant for display at destinations at the respective booths of Pakistan Pavilion, which is element for our members participation.

PTA is also considering to organize "**Single Country**" exhibition at the selected destination(s) of the world, which is the exceptional activity exclusively for Pakistan for B2B meetings, B2C & other productive to be conducive for the conclusion of desired objectives for the promotion of exports.

PTA will pursue its demand to increase government subsidy from 40% to 75% from Export Development Fund for participation in Int'l Fairs and Exhibitions.

PTA Organizes International Leather Fair in Following potential destinations :



National Pavilion for APLF at Hong Kong



Pakistan Pavilion organized by PTA in ACLE – Shanghai - China



Pakistan Pavilion organized for PTA member Participants in Shoes and Leather Fair in Ho Chi Minh City at Vietnam.



vii) To Include Value Added Finished / Dyed Leather in DLT Order 2018-21

It was really unfortunate for Tanning Industry/Leather Sector of Pakistan to exclude Finished Leather unilaterally by the Government for the New DLT Scheme for the year 2018-21 as announced thru SRO # 711, while the finished leather was already included in the earlier DLT scheme for the year 2016-17 & 2017-18 for which a detailed meetings were already held with the Ministry of Commerce specially Advisor to PM On Commerce & Textile, Mr. Abdul Razzak Dawood and accordingly it was assured to PTA for the inclusion of Dyed/Finished Leather with 5 H.S. codes in the new DLT scheme at SRO # 711 with certain revision, which is still awaited by the Industry. **PTA is striving very hard to make it ensure for the inclusion for the betterment of the Industry in general and to facilitate its member exporters in particular so that the real benefit could also be continued to be extended to Leather Exporters too being core value added product of the country for yielding sizeable foreign exchange as per aspiration of the Government.**



PTA Delegation held meetings with the Advisor to PM on Commerce and the then Secretary Commerce at various occasion at MoCommerce, Islamabad

PTA will follow-up with Ministry of Commerce for its genuine demand for inclusion of High quality valued added Dyed/Finished Leather for inclusion in DLT Order 2018-21 under DLT Scheme 2018-21 which was left to be included due to misconception. Presently Finished Leather which is producing in Pakistan is being supplied to big brands like **GEOX, HARLY DAVIDSON, ALPINESTARS, BALLY, IKEA, COACH, GUCCI, CK, CLARKS, ARMANI** and many other famous brands of the world. Unfortunately, the DLT on finished leather was totally withdrawn and H.S. Codes of Dyed and Finished Leather were omitted in SRO 711(1)/2018 dated 8th June'2018 for DLT (Non-Textile Order, 2018) for the period from 1st July'2018 till the 30th June'2021 for 3-years this was injustice to leather sector.

As per PTA persistent demand, it will again pursue with Ministry of Commerce and Ministry of Finance for inclusion of Dyed Leather/Dyed Leather under HS Codes **4107.1200 / 4107.9200/ 4107.9100 / 4112.0000 / 4113.1000 / 4113.9000** in the SRO 711(I)/2018 for DLT Order 2018-21.

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A busy view of the meeting of the Chairman, PTA held with the Advisor to PM on Commerce via video Conference at PTA-NZ Office Lahore & MoCommerce at Islamabad



PTA Delegation snapped with the then Secretary Commerce after conclusion of the meeting

viii) FTA with – Pakistan-Japan and Pakistan-South Korea

PTA will take-up with Ministry of Commerce again for its proposal of inclusion of Items of Finished Leather in FTA with Pakistan Japan & Pakistan-South Korea with zero-rated import into these Countries as the same facility as allowed to Bangladesh so that Pakistani Leather exporters can get level playing field in Japanese and South Korean markets. A comparative table is illustrated below for duty on export of Finished Leather from Pakistan into Japan & South Korea as comparison with duty allowed to India and Bangladesh

	<u>PAKISTAN</u>	<u>INDIA</u>	<u>BANGLADESH</u>
JAPAN	8.16%	4%	Zero
SOUTH KOREA	5%	1.5%	Zero

ix) FTA with TURKEY & THAILAND :

PTA genuine proposal for removal of import duty and to be made at Zero Rated on import of Leather of all sorts i.e. Cow, Buff, Sheep and Goat Skins in the FTA to be executed between Pak-Turkey & Pak-Thailand because the existing Custom Duty in both the destinations are too high will be followed-up again during the next year 2019-20 till its approval vigorously with the aim to enhance the trade between these countries.

x) 2nd Phase of Pak-China Free Trade Agreement :

PTA has persistently approached to the Ministry of Commerce for inclusion of Finished / Crust leather of Cow, Buffalo Hides and Sheep & Goat Skins in the list of Item for duty free import into China in the 2nd Phase of Pak-China FTA. As intimated by the Ministry of Commerce following HS Codes of Finished Leather has been included for 'O' rated import into China as signed by both the countries recently :

4107.1100	-- FULL GRAINS, UNSPLIT
4107.1200	-- GRAIN SPLITS
4107.9200	-- GRAIN SPLITS
4112.0000	LEATHER FURTHER PREPARED AFTER TANNING OR CRUSTING, INCLUDING PARCHMENT-DRESSED LEATHER, OF SHEEP OR LAMB, WITHOUT WOOL ON, WHETHER OR NOT SPLIT, OTHER THAN LEATHER OF HEADING 41.1
4113.1000	-OF GOATS OR KIDS

PTA will also take-up its proposal for inclusion of remaining HS Codes of Leather i.e. 4107.9100 and 4113.9000 in the 2nd Phase of Pak-China FTA for zero rated import into China.

xi) Duty Drawback on Finished Leather of Goat/Sheep and Cow/Buffalo.

PTA long pending demand to implement original rates of Duty Drawback on Finished Leather as per recommendation by IOCO and agreed by PTA with effect from the date of the application i.e. May''2012 will again take up with FBR as mentioned in the following Table :

SI #	Description	Duty Drawback Rates on Finished Leather			
		Vide SRO 210(I)/2009 dated 5-Mar-2009	Recommended by IOCO	Revised SRO 923 (I)/2015 dated 8-Sep-2015	%age cut by FBR while issuing SRO Unilaterally
01.	FINISHED LEATHER GOAT SKIN (for shoe upper/made-ups)	0.8%	1.34%	1.06%	20.89%
02.	FINISHED LEATHER COW BUFFALO HIDE (for shoe upper/made-ups)	1.17%	3.05%	2.38%	21.96%
03.	FINISHED LEATHER COW BUFFALO HIDE (for furniture/upholstery 2.5 MM upto 5.0MM)	2.12%	2.92%	2.43%	16.78%

Country-Wise Comparative DDB Rates :

SI #	Article	Pakistan	India	Bangladesh
1.	Finished Leather (Sheep/Goat for Shoe Upper/Made-ups)	1.06 %	2.5%	10%
2.	Finished Leather (Cow/Buff Hides for Shoe Upper/Made-ups) Finished Leather (Cow/Buff Hides for Furniture/Upholstery)	2.38 % 2.43%	2.5%	10%
3.	Leather Garments	4.26 %	3.1 %	15%
4.	Leather Gloves	1.54 %	2.4 %	15%
5.	Leather Footwear	1.85 %	3.3 %	15%

2. LEATHER EXPORT PROMOTION COUNCIL (LEPC) :

A Model project for promotion of Leather sector was announced by the Government in the Strategic Trade Policy Framework 2012-15 under the tile “**Leather Export Promotion Council**” (LEPC).

In this regard due to persistent efforts of PTA a “**Memorandum of Understanding**” has been signed between the four Leather Related Association i.e. Pakistan Tanners Association, Pakistan Leather Garments & Manufacturers Association, Pakistan Footwear Manufacturers Association and Pakistan Gloves Manufacturers & Exporters Association with consensus and harmony with the aim to up-grade and promotion Leather Industry of Pakistan.

In this context, PTA has already submitted to Ministry of Commerce CONCEPT PAPER prepared by MOC and PITCO for formation of LEPC.

During the year 2019-20 PTA will again pursue the Government for finalization of the function of LEPC to be functional for the benefits of Leather & Leather Products Exporters.

3. REPRESENTATIONS TO GOVERNMENT :

PTA will appoint various Standing Committees for the next year 2019-20 to tackle members’ important issues and to move the same through PTA (Central) to the Government authorities concerned for necessary action and redressal on the subject of Sales Tax and their refund claims, Customs, Import/export, Income Tax, Re-finance, Duty Drawback claims of the members etc. and for organizing maximum International Fairs abroad with due subsidy to promote business activities and export.

These activities will keep continue at regular pace using all relevant channels during the next year for redressing the grievances of Association’s members concerned through letters, holding meetings with the competent authorities concerned, issuing press statements and holding Press Conferences etc.

4. FORMATION OF SYDICATE /LEATHER ADVISORY COMMITTEE :

PTA will take-up its previous demined with the Government for formulation of a “**Syndicate/ Leather Advisory Committee**” comprising representatives of all Government Ministries/Departments concerned specially a representative from Ministry of Commerce, Ministry of Finance, FBR, Ministry of Industries & Production and from Pakistan Tanners Association (PTA) with necessary empowerment to sort out the issues for this vibrant Leather Industry of the country, so that all ongoing issues for the export Industries would be resolved immediately for the desired goals.

5. NOMINATION OF PTA'S REPRESENTATIVES IN GOVERNMENT DEPARTMENTS :

(a) PTA'S REPRESENTATIVE NOMINATED AS MEMBER OF THE BOARD OF DIRECTORS OF TDAP

It is a pride for leather industry that one of PTA senior members Mr. Gulzar Firoz of M/s.Firoz International, Karachi has been inducted as Member of the Board of Directors of TDAP. We now fervently hope that PTA's proposals/key issues related to TDAP would now be taken-up through Mr. Gulzar Firoz smoothly and effectively specifically for releasing of Fairs subsidies expeditiously which are sometimes held up for one reason or the other.

(b) INDUCTION OF PTA'S CHAIRMAN ON THE BOARD OF ADMINISTRATORS OF EXPORT DEVELOPMENT FUND (EDF) :

PTA's long pending proposal for induction of the Chairman, Pakistan Tanners Association as Member on the Board of Administrators of EDF is being taken-up with the Ministry of Commerce and will be pursuing constantly till its resolution.

6. ENVIRONMENTAL ISSUES :

PTA will follow-up with the Ministry and Department concerned for maintaining level of NEQS for Leather Industry in Pakistan as it revealed that COD in Pakistan is about 150% as compared to the neighbor countries and requested the Government to implement PTA long pending demand to relax NEQs at least 30% - 40% and provide COD level to the extent applicable to the other Development Countries i.e. 300 mg/l to 600 mg/l.

For the abatement of environmental issues more aggressively to the desired extent, a PTA owned project namely "Combined Effluent Treatment Plant – CETP" located at Korangi Industrial Area (Chamra Mandi) is in operation with satisfaction to cater to the needs of environmental issues with modern sophisticated manner. The plant is really a state of the art at Korangi Industrial area within the section 7-A.



A view of CETP in KIA, Karachi

For the up gradation of the Project with most modern machineries & technical abilities, necessary grant has also been approved by EDF Board, which is by virtue of PTA's persistent follow up & demand as now required to the need of the hour for necessary up gradation of the Combined Effluent Treatment Plant for meeting the environmental issues with convenience with latest technology. It is the also the high demand for the enrolment of each Tanneries located at Korangi in Leather Working Group (LWG) to enable our member exporters to export their value added finished leather & allied commodities of Leather Sector of Pakistan to renowned world buyers/customers to meet their essential demand for the enrolment of the Tanneries into the folder of LWG.

To keep awareness amongst our members for the green environment without environmental hazards, a Workshop has been organized by PTA in collaboration with PITCO wherein the foreign experts, **Ms. Jutta Konedler** was invited to educate our members with latest technologies & innovative tools to update the inside system of the Tannery in general and upgradation of Combined Effluent Treatment Plant for meeting the international standards & NEQ's.



Different Views of the Seminar conducted by Ms. Jutta Konedler, German Expert-LWG at Kirangi Industrial Area Karachi for the awareness of setting-up of ETP in tanneries

The outcome of the workshop organized by PTA in its Southern zone Office, Korangi Industrial Area, Karachi was much productive and enlightened the members for the ongoing features of the CETP & its up gradation process to be completed within coming years at international standard.

7. PROJECT FOR IMPROVEMENT OF HIDES & SKINS :

PTA is continuously working on research to reduce economic losses to hides & skins of animals and reduce diseases in livestock in Pakistan specially for the purpose to preserve qurbani hides/skins on the occasion of Eid-ul-Azha as the biggest problem being faced by the tanning and leather industry is poor quality of raw materials receives from slaughter houses and hides markets. Skin diseases, butcher cuts and poor curing caused direct impact on quality of hides and skins which is about 33% loss to Leather Sector.

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The major damage to this precious raw material is observed specially on Eid-e-Azha to be commenced in hot weather for which tanners need to work on a project to reduce damage to hides and skins due to late salting, mishandling, and inexperienced and seasonal butchers.

After completion of our Joint Research for which financial assistance was provided by European Union PTA is now working to eradicate these diseases in Punjab.

The Ministry of Livestock Punjab has taken various steps to eradicate Warble Fly Infestation, Ticks and small pox among ruminants in Punjab. During our research an interesting findings was observed after molecular analysis of Cow Hides. The disease commonly identified as small pox was in fact manifestation of ticks inside of hide. PTA's Research Book under Title "Amelioration of economic losses to skins/hides in Ruminants was also published by world renewed Academic Publishers "LAMBERT", UK.

For the next year 2019-20, PTA will suggest to the Department of Livestock to provide "Free Salt Bags" in markets specially created for Qurbani Animals. PTA hope in future years PTA would be able to provide free salt for those buying animals for Qurbani. PTA will also in contact with UVAS for training of butchers to reduce butcher cuts in future.

PTA will request the Secretary Livestock, Punjab to spread awareness through mosques for which Molana to be requested to include this issue in their Khutba during Jumma Prayers for preservation of Raw Hides & Skins on next event of Eid-ul-Azha – 2019 to save the precious raw materials for the country's exchequer.

We are proudly share that a MOU signed among EU Funded-PLCIP, PTA & UVAS during December 2015 for quality improvement of Hides & skins, which was the vital for the Tanning Industry for the curing & smooth & in time procurement of Hides & skins with any sort of decease.



Mr.Agha Saiddain, Chairman, Hides & Skins Improvement Standing Committee, PTA exchanging the MOU documents among Prof.Dr.Zafar Iqbal, UVAS and Mr.Usman H. Malik, Project Director- PLCIP. Mr.Bernard Francois, Head of Cooperation Delegation of the EU to Pakistan witnessed the MOU Signing Ceremony and other members are also seen



A group photograph of the representatives of PTA & UVAS allongwith team of EU Funded-PLCIP on the occasion of MOU Signing Ceremony

8. RESEARCH & DEVELOPMENT (R&D) CENTRE :

PTA will compile global statistical data on export/import of leather and leather products from internet etc. to determine the strategy of various countries and analyze how to compete in the International markets in the wake of international recession and tough competition worldwide with the aim to enhance its scope of activities next year and onward for sustainable development of Leather Industry to provide more detailed data of exports of leather and all leather products based on the figures released by the Pakistan Bureau of Statistics.

9. NATIONAL INSTITUTE OF LEATHER TECHNOLOGY (NILT), KARACHI :

NILT is providing technical training and research to students who interested in getting specialization in tanning sector. NILT is catering to the needs of upgrading the leather sector industry particularly through professional skill development of the workforce in the manufacturing units. NILT will upgrade its Laboratory for providing quality research and technical education on historical valued added Leather Industry to students of the institution.



For the up gradation of the NILT (National Institute of Leather Technology) PTA is considering positively to sign MOU with Foreign & local organizations for the upgradation of the Institute to induct more technical & vocational training programme to expand the scope of skill manpower for the Leather Industry of Pakistan particularly for Leather Shoes, Leather Garments, leather Gloves and allied products of the Industry.

In this context, a **Executive Board of NILT** has also been expanded with more induction of members of different fields of Leather Sector of Pakistan so that the proper combination to have representation of all core products/sector of the Industry could be represented in NILT Board for brainstorming and finalization of proposals in future for the betterment of the NILT & Leather Industry of Pakistan.

10. PTA'S NEWS LEATHER :

As already planned to improve the working of Pakistan Tanners Association and to make it real service oriented body PTA will continue to publish PTA's Bi-monthly News Leather containing useful relevant information, important and key issues of leather industry, salient features, statistics, outcome of the meetings with the Government Authorities etc. for circulation amongst the Members, Ministries concerned, FBR, TDAP, Government authorities concerned, Foreign Embassies/Consulates in Karachi, Customs, FPCCI etc.

11. VIDEO CONFERENCING SYSTEM :

PTA will continue to provide and facilitate its members by organizing Meetings of the Central Executive Committees, AGM and other Standing Committees' meetings as well as balloting of stands of Int'l Fairs through its up-graded Video Conference installed in both PTA Head Office Karachi & branch Office at Lahore.

12. DIPLOMATIC ACTIVITIES :

The Diplomatic Affairs Standing Committee of PTA has chalked out programme for the year 2019-22 to arrange meetings with the Consul Generals of Foreign Embassies and other Diplomats in Pakistan in order to invigorate mutual business relations, bilateral trade issues/matters requesting for getting maximum facilities for Visa and market access to the benefit of PTA's members to boost exports. Several such meetings with different Consul Generals etc have already been organized so far which yielded positive results.

However, further plan has been mapped out to invite more foreign diplomats next year also as per their convenience for get together meetings which are considered to be fruitful for our business acumen/promotion of export and to do away tariff and non-tariff barriers.

13. FORMATION OF PTA'S TRADE DELEGATION ABROAD :

PTA is also considering to form Trade Delegation for its member exporters to various destinations of the world wherein the potential for the penetration is exist to provide another platform to its member exporters to capitalize the market and to yield due market share by having collaborations, joint ventures, ties for the exclusive purpose to promote the country exports :

- PTA's proposed Delegation to USA
- PTA's proposed Delegation to Japan & south Korea
- PTA's proposed Delegation to Turkey & Italy

14. INTERNATIONAL FAIRS & DELEGATIONS:

PTA will organize following potential International Fairs & Exhibitions with the approval of Trade Development Authority of Pakistan during the next year 2019-2020 in various countries to fetch more and more export orders and to explore new international markets for Pakistani Leather & Leather Products with the aim to earn sizeable foreign exchange for the country:

Sl#	NAME OF FAIRS	DESTINATIONS
01.	Shoes & Leather, 10-12 th July'2019	Ho Chi Minh City, Vietnam
02.	Premiere Vision, September-2019	Paris, France
03.	All China Leather Exhibition, 3-5 th September'2019	Shanghai, China
04.	Lineapelle Fair, September-2019	Milan, Italy
05.	Leather Tech, 31 st Oct – 02 November'2019	Dhaka, Bangladesh
06.	Lineapelle Fair, 20-22 nd February-2020	Milan, Italy
07.	Asia Pacific Leather Fair (APLF) March'2020	Hong Kong
08.	Indo Leather & Footwear, 04-06 th April'2020	Jakarta, Indonesia

15. ORGANIZING OF 6TH PAKISTAN MEGA PAKISTAN LEATHER SHOW-2020 AT LAHORE INTERNATIONAL EXPO CENTRE :

As a regular feature, PTA will organize consecutively its 6th Pakistan Mega Leather Show from 27-29th January'2020 in the same spirit in Lahore International Expo Centre too for the promotion of Pakistani Leather & Leather Products exports in general and image building of the country in particular to display best quality Pakistani leather products & finished leather to attract the foreign buyers/parties for business deals to earn maximum foreign exchange for the country as well as to portray good image of Pakistan in international market. A comprehensive budget estimate for this grand event will be sent to the Ministry of Commerce for consideration to allow 50% fund out of the total budget.



SKILL DEVELOPMENT SEMINAR AS PROPOSED TO BE ORGANISED DURING NEXT 6TH PMLS'2020, AT LAHORE – PAKISTAN

A concrete proposal has already been submitted to MOC, Islamabad to organize A "Seminar" wherein world renowned Designers for Leather Shoes, Leather Garments & leather Products would be invited for participation, which would be around 10 Nos with all lucrative package for the travelling & hotel during their stay in Lahore – Pakistan for participation to upgrade the local Industry in Pakistan with new pattern, style & design, which is not only to upgrade the skill development programme for the Leather Sector of Pakistan, but to increase the inability of our skill labour in Pakistan for producing best quality leather footwear, leather garments & leather products with new innovations for the promotion of the industry and country's exports as well.

16. EXPORTS TARGET :

The Export of Leather Sector is decreasing drastically since last several years due to high cost of doing business and a number of taxes and levies on leather industry. For the purpose PTA has planned to increase Leather & Leather Products exports at the level of 2 Billion US\$ in the next 3-years till June'2019 as mentioned in the below Table for which the member exporters are determined to achieve the target.

However, success in this regard will depend on the sincere support and pragmatic treatment of the Government and provision of level playing field as well as other due facilities and incentives :-

Exports Achieved	Export Targets Expected to be achieved during current fiscal year	Export Targets Set for Next 3-Years		
		2019-20	2020-21	2021-22
2017-2018	2018-19			
US\$ 0.948 Billion	US\$ 1.00 Billion	US\$ 1.5 Billion	US\$ 2.0 Billion	US\$ 2.5 Billion

17. PTA's WEBSITE :

PTA's Website www.pakistantanners.org is maintaining smoothly containing useful information/data properly to facilitate its members as well as those interested to avail. The events/information will be updated on regular basis as per statutory requirements under TOR-2013. PTA has planned to expand its scope during 2020 to benefit its members as maximum as possible.

The members as well as other interested persons will continue to avail facility of downloading requisite information from PTA above cited Website.

18. PTA's THINK TANK :

PTA's Think Tank is actively dealing with the affairs of the Association specially focusing on the economic situation in the present scenario and to adopt judicious strategy for the promotion of exports as well as to suggest to the Government time to time in formulation of result oriented business friendly policies like Leather Policy and Industrial Policy for rapid economic development preferably for uplift of leather industry to accelerate export and earn maximum foreign exchange acutely needed by the country for economic development and industrialization on sound footings.

The Central Executive Committee and other Export/Taxes Standing Committees with knowledgeable senior members are actively engaged in focusing and chalking out judicious program/policies to the betterment and uplift of leather industry.

Budget containing the expected financial expenditure on the above proposed future activities and finance on the activities of the Association during the next 3-years 2019-2022 per Rule 23(I) of the Trade Organizations Rules, 2013 **is enclosed.**

PAKISTAN TANNERS ASSOCIATION

BUDGET

FOR THE YEAR 2019-20, 2020-21, 2021-22

19.04.2019

RECEIPTS

S.NO.	PARTICULARS	2019-20	2020-21	2021-22
1	Income From PTA's Two Zones	1,300,000	1,400,000	1,500,000
2	Members List Sale	3,500	4,000	5,000
3	Bank Profit on Bank Deposits	900,000	1,000,000	1,100,000
4	Receipts From Int'l Fairs Participants	95,000,000	95,500,000	96,000,000
5	TDAP Subsidy Receipts to Int'l Fairs Participants	36,000,000	36,500,000	37,000,000
6	Fairs Stand Charges	3,800,000	3,900,000	4,000,000
7	Other Income From Fairs	400,000	500,000	600,000
8	PTA Service Charges	350,000	400,000	500,000
9	Annual Report (Addvertisements)	700,000	800,000	900,000
10	PTA Trade Delegation Fee	130,000	150,000	175,000
11	Pakistan Mega Leather Show	14,500,000	15,000,000	16,000,000
12	PTA News Leather (Addvertisements)	150,000	200,000	250,000
TOTAL		153,233,500	155,354,000	158,030,000

PAYMENTS

S.NO.	PARTICULARS	2019-20	2020-21	2021-22
1	Staff Salaries & Benefits	5,100,000	5,300,000	5,500,000
2	Travelling & Conveyance	100,000	150,000	200,000
3	Payment to Int'l Fairs Organizers	95,000,000	95,500,000	96,000,000
4	TDAP Subsidy Payment to Int'l Fairs Participants	36,000,000	36,500,000	37,000,000
5	Function & Meetings	200,000	250,000	275,000
6	Media Conference	60,000	70,000	80,000
7	FPCCI Subscriptions	50,000	55,000	60,000
8	Leatherbiz Subscription	35,000	50,000	60,000
9	PTA Website Maintenance	65,000	70,000	75,000
10	News Leather Expense	185,000	250,000	300,000
11	Utilities Bill (Electricity, Telephone, Gas, Water, Property tax)	650,000	750,000	800,000
12	Optic Fiber Video Link Expense	420,000	450,000	475,000
13	Bank Charges, Charity & Donations	80,000	150,000	175,000
14	Annual Report Publication Expense	450,000	475,000	500,000
15	PTA Trade Delegation Expense	110,000	120,000	130,000
16	Diplomatic Activities	70,000	75,000	80,000
17	Pakistan Mega Leather Show	14,200,000	14,600,000	15,700,000
TOTAL		152,775,000	154,815,000	157,410,000

SURPLUS EXPECTED

458,500	539,000	620,000
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 Secretary General
 PAKISTAN TANNNEERS ASSOCIATION




 Accountant
 PAKISTAN TANNNEERS ASSOCIATION



(Central/Head office)

Plot # 46-C, 21st Commercial St. Phase-II, Extn., Defence Housing Authority, Karachi (Pakistan)

Tel: 0092-21-35880180 & 184/35899819 (Ext: 108), Fax: 0092-21-35880093

E.Mail: tahirashaheen@pakistantanners.org / ptacentral@pakistantanners.org

Website: www.pakistantanners.org