GOVERNMENT OF PAKISTAN
MINISTRY OF COMMERCE

TRADE POLICY 2002

SPEECH
By

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Fellow Citizens, Ladies & Gentlemen,

It is my privilege to submit to you the Trade Policy for the current fiscal year – the third to be presented by this Government.

2. Almost three years ago when this Government assumed its responsibilities we went about the onerous task of gauging **your** aspirations, the direction **you** wanted this Government to take and the kind of policies **you** wanted. In the area of trade and investment we sought out advice on policy preferences with the aim of enabling the business community of Pakistan to unleash all its energies to secure for Pakistan its rightful place in world Trade.

3. Through an intense interaction with as many stakeholders as was possible we could distill the following principles of policy formulation:

First, Consistency of policies. Indeed, many businessmen reminded me that they could perhaps live with bad policies but not with shifting policies,

Second, Market driven policies, with only a minimal governmental intervention to balance the imperatives of equity and social justice,

Third, Liberalization, deregulation and reducing the cost of doing business in Pakistan,

Fourth, Stable macro-economic framework, especially in terms of inflation, interest rates, and exchange rate, and

Finally a vision, a road map, developed in concert with the stakeholders, for our trade and industrial growth.

4. Your government has, in all earnestness, tried to follow this policy prescription. Ofcourse, in the ultimate analysis it is only for **you**, for the people who bear the brunt of Government policies, to make the definitive pronouncement; but, Fellow Businessmen, in all humility I do hope you will share my belief that we have largely stayed on course.

5. Through the last two years we have sought to make our major export products internationally competitive, reduce our vulnerability through product and market diversification, and go up the value chain. The results are somewhat equivocal; for instance:

- **Volume** increases in most major products have been quite encouraging: over the last four years growth has been 30% in yarn, 45% in fabric, 30% in synthetic textiles, 50% in readymade garments, 65% in bedwear, and 82% in towels. That the total **value** of our exports has not shown a corresponding increase is a reflection of the deteriorating terms of trade that Pakistan is faced with.
- Unit prices have been generally lower, despite the strengthening of Pak Rupee. In the textile sector this has been partly a function of lower cotton prices this year, but largely because it has been a buyer's market. Events following September 11, too, had a delitrious affect which obliged our exporters to 'sell at all costs'. I would like to commend our exporters for maintaining market share at the expense of profitability. We all know market share is vital; profitability can always improve in due course.
- In market and product diversification at first glance our achievements appear to lack luster: share of the top twenty markets and products in our total exports remained almost unchanged at 80.1 and 89.5 percent respectively. But, then, a deeper analysis does bring out unmistakable signs of growth – even if small - in several non-traditional markets and products. Over last year we see growth in such non-traditional markets as South Africa (15%), Greece (17%), Kenya (123%), Maxico (52%). There have also been impressive gains in Yemen, Jordan, Iraq, Poland, Austria and Tunisia. Again, in non-traditional products we see major gains in Molasses (64%), Footwear (32%), Electrical machinery (52%), Petroleum products (18%), Oils, seeds and nuts (72%). Our kindergarten products like electric fans, autoparts and furniture have also posted increases of 59, 28 and 33 percent respectively. Export of wheat and its milled products went up by 270% to $ 122 million.
- In value-addition the sector that has done well is the textiles sector, thanks largely to the substantial investment that our exporters have made in new

machinery and equipment. The Cotton policy that permitted generally stable prices and free import of superior cotton also made an important contribution. As a consequence of all this the share of value-added products in our textile exports i.e. madeups and garments has gone up from 54% last year to 57% this year. In other sectors we clearly need to do a lot more work.

- One particularly encouraging factor has been the 49% increase in Foreign Direct Investment this year. Getting almost within striking distance of our target of half a billion dollars is reassuring, especially in view of the unfavourable climate ushered in by the September 11 events. With this FDI, and concomittal domestic investment, we are better poised for our value addition objective.

6. Ministry of Commerce had developed five year roadmaps ('Vision') in respect of four major product groups i.e. Textile, Leather, Horticulture and Rice. We have now carried out a mid-term review of these 'Visions'. While not all the milestones have been reached the overall trend is reassuring. There have been encouraging levels of capital investment in Textile, Horticulture and Rice sectors; the regulatory framework in all these sectors has been eased; and greater market access (except certain categories of Textile) secured. We have now undertaken preparation of road maps for the Engineering and Chemical sectors.

7. I may add here that in all these areas – competitiveness, diversification, and value addition – our efforts are constrained by fiscal and **reform imperatives;** but, more importantly, these efforts are of a long-gestation nature where real results will manifest themselves only with consistent application over a sustained period of time.

Ladies and Gentlemen,

8. Before I come to the specific measures of Trade Policy 2002-2003 an objective review of the preceding year, with as much emphasis on **failures** as **successes**, would be in order.

9. During the year 2001-02 we managed to shave off our trade deficit by 21% to bring it to $ 1.2 billion, which is the lowest in the last 25 years. Our imports were lower

by 4 percent. This was largely a function of softer crude oil and tea prices and the much lower sugar imports – only \$ 23 million compared to \$ 252 million last year. Import of textile machinery continued its growth and was up by another 10%. There was an encouraging growth of 43% in import of construction and mining machinery, including that used for oil and gas exploration. The 20% increase in import of iron and steel is an indicator of increase in construction activity, as also, to a certain extent, revitalization of the engineering industry. Overall steel consumption during the preceding year grew by about 10%.

10. Exports during the year are about the same level as last year i.e. \$ 9.1 billion. We did not achieve our original target of \$ 10 billion. But given the most extraordinary developments of the year who can deny that achieving even last year's level is a tribute to the hard work and enterprise of our exporters. Let us not forget that following September 11 we were all fearing the worst. Prospects for our exports looked very grim indeed. During the year we witnessed

- September 11, and its consequential developments. These included cancellation of orders, difficult buyer-contact (because of travel advisories on the one hand and visa restrictions for Pakistani exporters on the other), imposition of War Risk Insurance, disruption of airline services, and an overall situation where our goods could be sold only at low prices as the buyers perceived Pakistan to be an 'unreliable' source of supply.

- Recession in the US and European markets, particularly in the textile sector.
- Falling prices of main commodities like raw cotton, rice, and petroleum based products.

- Contraction in exporter profitability as a result of an eight percent revaluation of Pak Rupee, roll-back of implicit subsidies like Export Finance, and Duty Drawback Rates, and above all the problem of sales tax refunds that continued to plague the exporting sector.

11. These developments constrained us to drastically curtail our export target. That we were able to recover and achieve the same level of exports as last year, despite all the odds, testifies the grit, determination and resilience of our exports. On behalf of the nation I salute them.

12. Ladies and Gentlemen in last year's Trade Policy we had introduced several structural changes to ensure a sustained growth of exports. By and large we are on track. However, in certain areas we could not make sufficient progress. We intend to intensify our efforts in these areas. The particular initiatives of last year that we propose to work further on are the following:

- While we did manage to secure appreciable market access gains in the European Union and some in the US – and to a small extent in Turkey (Textiles), Egypt (Wheat) and the Philippines (Rice) – and we managed to respond fairly quickly to the developments in Afghanistan to put in place zero rating facilities, we need to do much much more. Without doubt securing for our exporters greater market access is one of the **most fundamental responsibilities of the Government**. Here I must remind you that market access has been a **totally new field of endeavour for Pakistan**. We did not have the tools and we did not know the technique. There were no past initiatives to guide us. We were breaking new ground. It took us some time to develop the necessary expertise. During the year we hope to be able to conclude Free Trade Agreements with certain countries and initiate negotiations with others. We will vigorously seek removal of non-tariff barriers, particularly for our agricultural products, and adopt a more pro-active role in regional trading arrangements.

  This year we are launching a special campaign to **focus on Africa**, where our current export levels do not match the growing potential of the African markets. Through a combination of market access enhancement initiatives, strong promotional measures, and supplier credit arrangements we propose to increase the share of African markets in our exports by at least 20%. Sufficient funds for this special effort have been earmarked.

- On 16th July last year we launched the Pakistan Export finance guarantee Agency. In November the Foreign Currency Export finance scheme got activated. My feed-back is that there have been **only limited gains** from these export finance instruments. We propose to build on the experience that we have gained and refine these instruments further. We also propose to work on a viable exchange rate cover, or an exchange insurance scheme, to maximize use of lower cost dollar denominated export finance.
- The Cabinet has also authorized preparation of a feasibility report for an EXIM Bank. A committee headed by the Governor State Bank and consisting of Secretaries Finance and Commerce has been set up. Committee will submit its report to the Cabinet by March 2003.
- We just have **not** been able to make a headway in our warehousing abroad initiative. We are redesigning the scheme in order to induce greater exporter interest in this important marketing tool.
- Our on-shore capacity building plans, especially for the Small and Medium enterprises, still require a lot of work. Ministry of Commerce's own capacity constraints have inhibited progress in this area. We have now been able to identify our weaknesses and take remedial measures. I am confident we will be able to step up our efforts to contribute to the capacity building of our exporting enterprises.
- I had strongly emphasized last year the compelling need for our exporting units to comply with the requirements of the buyers to produce their goods in a socially acceptable environment. This assumes an even greater importance as we approach the end of textile quota regime at the end of 2004. We will intensify our work with exporters on the social compliance matters and substantially increase the number of compliant exporting units. Sufficient funds are being earmarked in the EDF to share the SA 8000 certification costs and other allied expenses. We are also providing a platform for creating greater awareness and for sharing with the buyers the progress we are making in the area of social compliance.
- In pursuit of quality improvements, greater value-addition, and product and market diversification objectives, businessmen have to take on more

responsibility for managing the strategic direction. Hence the importance of the various Boards that we proposed to set up. We expect the businessmen from the relevant sectors to come forward and own these Boards. We have made progress in the setting up of Horticulture and Rice Boards. We will continue our efforts with the other Boards and extend this initiative to Sports Goods, Surgical Instruments and Seafood sectors.

- Work on the Trade Facilitation project that we initiated last year is at an advanced stage. Several legal instruments have been drafted and are being examined by the concerned agencies. With the completion of this exercise we will be able to minimize costs of doing business, provide for a much faster clearance of goods, and ensure the predictability and transparency of the system.

13. In the context of review of some of the measures initiated last year it will be pertinent to reiterate that waiver of Export Development surcharge for small exporters and those who exceeded their exports by more than 10% will get activated this year now that their export figures for the year have become available.

14. Ladies and Gentlemen, I now come to our **projections for 2002-2003.**

15. Based on the assumptions discussed later we expect the trade deficit to shrink further to US$ 0.7 billion. Imports are projected to grow by 7.4% to $ 11.1 billion.

16. On the export side we are fairly confident to, Inshallah, breach the **elusive** $ 10 billion mark for the **first time**. We are looking at total exports of $ 10.347 billion, a 13.4% increase over the preceding year. Besides the specific export enhancement measures that I will presently be sharing with you, greater market access, spin-off from investments in textile sector, and a continued inventory build-up in Europe and USA are the supporting factors. Under-lying assumptions are that the exchange rate will remain stable to favourable, that there will be a greater access to export finance, that the international raw cotton prices will remain close to current levels, and that the trade environment will not be faced with any unforeseen challenges.

17. Let me share with you here the **broad parameters** our strategy.

18. It will be recalled that in our last two trade policies we had made a deliberate departure from the traditional 'fiscal incentives' approach to 'policy direction'. To the extent desirable we propose to persevere with this. Thus, for the current year we will build upon our National Export Strategy, whose main elements are

- Sound Macro-Economic framework
- Capacity development of exporting enterprises
- Enhanced market access
- Reduced anti-export bias
- Improved social & physical infrastructure
- Deregulation and 'decongestion'
- Lowered barriers to fresh entry (new generation of exporters)

Ladies and Gentlemen:

19. While several of our competitors continue to subsidize their exports Pakistan has been following a policy of **subsidy roll-back**. We believe that subsidies have a distortionary affect and that competitiveness can and ought to be ensured through the exchange rate mechanism. For a variety of reasons this has not happened. Exchange rates are increasingly determined by market forces and there are limits to State Bank intervention. Clearly, therefore, we need to put in place a countervailing system to offset the subsidies available to competitors, and neuteralise, to the extent possible, such cost penalties as inadequate physical infrastructure, high price of utilities, and in-competitive interest rates. Also we have to accept the reality that our prices will remain under pressure which will further squeeze exporters' profit margins.

20. Our fiscal and other imperatives do not give us much room for maneuver but within these constraints we are taking the following specific measures to mitigate the competitive disadvantage that Pakistani exports are faced with

i. Duty and Taxes Remission for Export (DTRE) Rules 2001 are being revised to make them more user friendly. It is also intended ~~to~~ consult with CBR to find a way to allow duty draw back and sales tax refund on domestically procured tax-paid inputs in sectors where there is an unavoidable reliance on substantial domestic procurement. With a workable DTRE regime in place the problem of delayed sales tax refunds will be automatically minimized.

ii. It is proposed to bring about reasonable parity in the concessions available to the Export Processing Zone and Export oriented units, defined as enterprises that have exported, on an average, 60% of their production during the last three years. Cabinet has set up an inter-ministerial committee to consider maximum possible facilities to Export Oriented Units.

iii. **New Products and New Markets**. In order to strengthen our drive for product and geographical diversification it has been decided to give

a. Freight subsidy of 25% for 'new products' i.e. products whose annual export has not been more than $ 5 million in any one of the last three years. Similar freight subsidy will be provided for new markets i.e. Latin America, Africa, East Europe and Oceania; or for any country where Pakistan's total exports have averaged less than $ 10 million in the last three years, and

b. Apply the lowest rate of presumptive income tax (i.e. 0.75%) in respect of these new products and markets.

iv. The Agricultural Produce Cess that was being levied at the rate of 0.5 percent ad valorem on export of a number of agricultural products under the Agriculture Produce Cess Act, 1940 is being done away with.

Ladies and Gentlemen

21. Export Processing Zones are important export promotional tools. Unfortunately our export processing zone is not upto par and compares most unfavourably with similar zones in the region. We intend to set things right. Cabinet has allowed trading activity in KEPZ, with the exception of a negative list being notified separately. This will enable exporters to have duty-free input goods available to them on a 'Just In Time' basis. Also,

greater re-exports will take place, especially through the 'consolidation business'. Cabinet has also set up an inter-ministerial committee to examine the tax regime available to the KEPZ, as also restricting custom duties to imported inputs only.

22. Our Karachi export processing zone is weak in terms of facilitation as well as availability of the kind of facilities that investors are used to in other zones in the region. We need to bring this Zone at par with competition. I have ordered preparation of proper plans to upgrade KEPZ facilities to regional standards. A steering committee for this purpose is being notified separately. I have also directed the KEPZ management to review its various charges and fees with a view to checking disincentives.

23. The Cabinet has also approved, in principle, to make Gawadar a Free Trade Zone. Necessary instruments in this regard are being prepared.

24. **Ladies and Gentlemen**, this Government had promised maximum liberalization and deregulation. My last two trade policy speeches had included several such measures. In the same vein I

would now like to announce the following trade regime improvements.

i. The compulsory requirement for an exporter or importer to register himself with the EPB before he can undertake trading activities is being done away with. Repeal of Exporters & Importers Registration Order is being notified along with consequential amendments in the relevant rules and regulations.

ii. Intellectual Property Rights

We have recently revised our laws governing Intellectual Property Rights (Trade Marks, Patents, Copyrights, Integrated circuits layout and industrial designs). Violation of intellectual property rights acts as a deterrent to foreign investment, causes considerable leakage of revenue, and is a disincentive for creative work. We are determined to ensure better protection of Intellectual Property Rights. We have also noticed that certain provisions of the Pakistan Penal Code (PPC) overlap with those of the Trade Marks Ordinance (TMO) but are not consistent with each other. For instance, PPC does not provide for minimum punishment but TMO does; the offences under the relevant PPC sections are cognizable while under the TMO they are not. In order to remove uncertainty and ensure better enforcement it is proposed to bring about consistency between the two laws. Necessary ordinances are being submitted for Cabinet's consideration.

While we have vastly improved upon our legal framework we have done nothing to upgrade our institutional arrangements for expeditious and effective processing of Intellectual Property cases. Quite frankly, the working of our copyright, trade mark and patent offices is unsatisfactory and desperately calls for a major revamp. We are accordingly setting up a Pakistan Intellectual Property Rights Organization (PIPRO) that will service all the intellectual property rights requirements under one organization. This will be a self-financing and autonomous organization manned by professionally qualified persons. Necessary infrastructure in keeping with contemporary requirements shall be provided.

iii. It has been decided to enhance the monetary limit on export of samples to $ 10,000 from the existing $ 5,000.

iv. Export of petroleum products is currently limited to public sector agencies. It has been decided to remove this restriction and make petroleum products freely exportable.

v. It has been decided to do away with the current restriction of minimum export price for Rice as recommended by Rice Exporters Association. Pre-shipment quality check for Basmati Rice shall continue in order to safeguard its image in international markets.

vi. Currently bulk imports of Gold/Silver are controlled through licensing by Ministry of Commerce, even though in such cases importer arranges for his own foreign exchange. Six parties are currently licensed. It has been decided to do away with the licensing requirement and allow import of gold/silver in bulk so long as the importer manages his own foreign exchange. Normal duties and taxes will, ofcourse, be applicable.

vii. Import of essential spares, when airlifted/couriered, by industrial users against foreign currency demand draft has a limit of $ 15,000 per annum. This limit is being increased to $ 30,000. Exporters may import spares etc. beyond this limit subject to a cap of 5% of their last year's exports.

viii. As per current regulations mobile phones are importable by the companies having agreement with the concerned government agencies for supply of mobile phone facility, recognized manufacturers and their authorized agents. These will now be freely importable. Government levies will be automatically collected at the time of activation of the mobile telephones.

ix. Currently import of only such plastic scrap is banned as is used for polyethylene bags. Other types of plastic scrap like polypropylene and polyvinylchloride are importable. Mindful of our obligations under the Basel convention, that imposes restrictions on clinical and hospital waste, import of all plastic scrap will henceforth be subject to certification from the exporting country that the scrap does not include hazardous waste.

x. Other light oils and preparations, mineral oils and lube base oil are currently importable only by industrial consumers/approved blending plants. These restrictions are being removed to make these products freely importable.

xi. Pakistan is a signatory to the Montreal Convention that requires, interalia, a phased elimination of use of ozone depleting substances (ODS). One such substance is CFC gas (used in air-conditioning and refrigeration), whose use is required to be eliminated by 2010. While we have started to regulate the import of CFC gas, it has been decided to ban the import of CFC gas based refrigerators and deep freezers.

25. Cotton remains the backbone of our exports and our most valuable asset. Indeed our reliance on it is growing. Thanks to the new investments made in the textile sector our industry now estimates its cotton consumption to **exceed** 11.5 million bales this year. We thus not only have to strive for greater production, and at a price that is unfair neither to the grower nor the industry, but also to bring about significant quality improvement. We have already taken certain important steps in this regard, including open trade, production of contamination free cotton and better regulation of production and ginning. In furtherance of these objectives following measures are being taken

i. After the encouraging experience in the model districts of Rahim Yar Khan and Ghotki, the clean cotton campaign for this season has been extended to Bhawalpur, Sanghar and Nasirabad districts.

ii. Ginning is the weakest link in our supply chain. Factors such as outdated technology, poor infrastructure, and the temptation to run equipment beyond normal life combine to impair quality and increase the wastage levels. Over-capacity is an allied impediment and there has to be a restructuring. **The days of ginning being more of a trading activity must end. It now needs to transform itself into a professionally run Industry**. We propose to approach these issues through a much more rigorous enforcement of the Cotton Control Act on the one hand and professional advice and counseling on the other. For the latter SMEDA is already working on a pilot project with three volunteering ginneries, which will be extended to 13 others who have shown their inclination. We also hope to be able to encourage a greater number of growers to go for custom ginning, and use moral suasion with APTMA to source their supplies from the most 'compliant' ginneries.

iii. Agricultural commodities by definition have a supply and demand disequilibrium: commodities are harvested over a short period of time while their demand is year round. The oversupply during the harvesting months produces a glut that causes a depression of prices. Mechanism of

'Support Prices' is an inefficient substitute that does not balance producer-consumer interests as generally it hurts one or the other.

The State Bank of Pakistan in its report for the year 2001-2002 emphasizes the need for a futures market in cotton as it would mollify seasonal price fluctuations; provide a benchmark for growers, ginners, textile manufacturers and exporters; reduce speculative trades; reduce credit risk for borrowers; and improve information flows.

Forward trading in cotton was introduced in the Karachi Cotton Association in 1934 and was managed satisfactorily until 1975-76 when the Government nationalized the ginning factories.

Ministry of Commerce had set up a committee of stakeholders to examine various aspects of futures trading and to suggest an appropriate mechanism for its introduction. The Committee's report has been received. We propose to put in place the legal instruments required for the futures market during the year.

iv. Draft law for standardization of cotton has been prepared. This will not only help improve the image of Pakistan Cotton in the world markets but also bring about a more sound basis for cotton trading in Pakistan.

Ladies and Gentlemen

26. The export concessions and trade regime improvements that I have talked about are going to be supplemented with important other facilitation measures. I would like to share these with you.

27. Fixation of duty-draw back rates, and their timely revision, has been a matter of concern for the exporters. To fix duty-draw back rates on a professional basis government has set up, under the CBR, the input-output co-efficient organization. In order to assist the exporters an inter-ministerial committee to examine the feasibility of putting the input-output co-efficient organization under the administrative control of EPB.

28. Currently Export Development Surcharge (EDS) is collected at the time of shipment. This causes inconvenience to exporters, particularly when under/over shipments are involved. CBR is being directed to collect EDS through the receiving banks upon remittance of export proceeds, as is done in the case of export income tax.

29. At present our exports by road are negligible. This places our exporters at a serious disadvantage, especially for the regional markets. Cabinet has accorded its approval to Pakistan ratifying the Istanbul Convention and accession to the TIR convention. This, along with adoption of ATA Carnet system, will provide for easier transportation of goods to international markets by road. Ministry of Commerce will formalize the necessary arrangements during the current financial year so that exporters can start to benefit from these initiatives at the earliest possible.

30. One of the impediments in our quota management policy is the lack of reconciliation between Pakistan's export figures and charges against Pakistan's quota ceiling as determined by the US authorities. This non-reconciliation results in a virtual cut on our quota.

While an intensive interaction with the US authorities has led to our getting 50% of the disputed quantities re-credited in most of the affected quota categories, the US authorities require installation of ELVIS (Electronic Visa Information System) for them to consider further reconciliation. This facility will enable information on textile quota transactions to be transmitted electronically from EPB's Computer Network to the US Customs Computer Network, thus eliminating all chances of fake export licenses (visas) or their misuse. I have asked EPB to subscribe to this system immediately.

31. Participation in Trade Fairs and exhibitions is an important promotional tool. However, it is expensive and requires considerable administrative and logistical resources. While we will continue to strengthen our participation in trade fairs - last year we sponsored participation in 51 international trade fairs - there are certain categories of products (e.g. stationary products, wood and glass products, handicrafts) where the returns are not commensurate with the expense. **We propose to introduce the concept**

of virtual exhibitions for such products. This concept entails promotion through electronic means and use of satellite telephony.

Ladies and Gentlemen

32. Last year I had talked of providing legitimate protection to our industry against unfair competition. With the recent promulgation of the Safeguards Ordinance, that follows the anti-dumping and countervailing laws promulgated earlier, the trilogy of our Trade Remedy Laws is now complete. **I may also report here that just last week we took the first ever anti-dumping action in Pakistan's history. The message that I wish to convey is a simple one : we do not mind competition but we will just not tolerate unfair competition.**

33. We continue to make all possible efforts to make our industry more competitive. We have further built upon the tariff restructuring exercise initiated last year and despite the very considerable revenue sacrifice lowered the raw material duties for a large number of products.

34. Fellow businessmen I **urge you to move forward and use the State Bank facility** to officially invest and secure market share, for our exports, by buying distribution outlets and brand names, in USA and Europe. However, in the long run it will be a **dream come true** when a Pakistani brand is launched in the capitals of the industrialized world. For such an endeavour, whenever it comes about, the government will share some of the costs.

35. Fellow Businessmen, I am aware of your concern that in certain cases exports are not truly zero-rated. I am having such cases examined with a view to finding a fair solution.

36. Ladies and Gentlemen, one concern that I have been consistently trying to address is the gap between promise and performance, between policy and its implementation. I have not always succeeded but I assure you it has not been for want of trying. Governments the world over are complex organizations and it is not always easy to hasten the processes that characterize large organizations. Although I like to think we

have come a considerable way, and that the response time is much quicker now. clearly there is no room for complacence in this regard.

37. Fellow citizens, while a $ 10.4 billion target in our exports is a considerable improvement over the export level of $ 7.78 billion in 1998/99, I am convinced it is no where near **our true potential**. All through the period that this Government has been in office we have been trying to focus on the structural weaknesses, so that we can put our export growth on a naturally foliating and sustainable path. Let us, together, continue our endeavour.

38. Finally, I would like to thank all those – and there have been so many of them – who have so generously responded to my frequent requests for advice and guidance. **Their advice – and their criticism – has been most invaluable to me.**

39. Fellow Businessmen we have moved in the direction as per the policy formulation developed with you. We are now getting some of our fundamentals correct, particularly in our major export categories we have started to get some product and country diversification.

40. Market access is the centerpiece of government's marketing efforts.

41. Fellow Businessmen we have many challenges in a difficult scenario. Much more work is yet to be done over the new few years. However, we are moving forward in the right direction. I know we can do it and 'Inshallah' we will.