RECORD NOTES ON

TDRO MEETING WITH PAKISTAN GLOVES MANUFACTURERS & EXPORTERS ASSOCIATION SIALKOT

29TH JULY, 2015

DG and officers of TDRO held a meeting with the Chairman Mr. Mohammed Younas and Executive body members of Pakistan Gloves Manufacturers & Exporters Association on the 29th of July 2015 at the Association's office. The meeting was also attended by the representatives of TDAP. The objective of the meeting was to have a close liaison and understanding of the issues of exports by the gloves Association and to have their views on the drafting of the law.

The Chairman PGMEA while welcoming TDRO to his office mentioned that Gloves Manufacturing has a 100 years history and currently the industry was facing various problems which need to be addressed. A short presentation on the activities of the Association was given. The Chairman proudly informed that all members of PGMEA were exporters. He informed that PGMEA had taken the initiative to develop the LPDI and CPC on international standards and the job of inspection was given to a private company called ITT which is accredited with PNAC. Trainings are being given to the youth of Sialkot on leather stitching, computing and embroidery of badges. The trained boys and girls were 100% hired by the industry on completion of the training. He informed that GIZ and TDAP were supporting PGMEA in its efforts to develop the industry. He was happy that an organization like TDRO has approached it for views on the draft law being made which will pave a long way in promoting harmony among the private and public sectors for a better economic development of the country. Important points addressed by his were as below:-

- i. The biggest problem was that of hacking of accounts and emails of exporters, where the payments are sent to some other account, resulting to a tremendous loss of revenue for the exporters. He requested DG TDRO to intervene on behalf of the exporters' community on this grave issue. DG TDRO requested him to forward such disputes to TDRO for resolution.
- ii. He highlighted the need of creating a Board or a committee which should have representation of Public and Private Sector and may convene monthly meetings to deal with issues of trade disputes.
- iii. Government should coordinate with the banks allowing Trade Bodies/Chambers requests' for details of accounts that have defrauded other people. Since the banks do not share the details it gets difficult for the Trade Bodies to settle disputes where one time exporters defraud foreign importers or vice versa.
- iv. A mechanism should be devised whereby international importers should approach Chambers/Associations before beginning trade with new exporters so that the Chambers can first verify the credentials.

DG TDRO made a detailed presentation, introducing TDRO and its mandate to the members of the Association. In Q/A session, some important points raised/discussed were as follows:-

i. The exporters pointed out that as mentioned by TDRO, inspection reports would be difficult to be provided if any dispute arises since in many instances Pre and Post-Shipment Inspection Reports were not obtained or agreed to as the business is carried out in trust between the parties. DG TDRO responded that if it a quality issue, the

- inspection reports on both sides would be necessary to ascertain the goods pre and post shipment condition.
- ii. Members of the Association raised the points of installation of scanners at the ports for inspection by port authorities as they spoil the export goods when checked physically.
- iii. It was emphasized that formation of Regional Task Forces would be necessary to resolve the issues of exports and disputes;
- iv. A member pointed out that the affairs of malpractices of Inspection Agencies should be looked into;
- v. It was suggested that TDRO should circulate the names of the companies which default and disputes are reported on a fortnightly basis.
- vi. Weak or non-performance of Pakistan's Foreign Missions was regretted. It was suggested that the performances of Commercial Councilors should be evaluated in the light of trade disputes resolved or acted upon.
- 3. The meeting ended with a vote of thanks by Chairman PGMEA to DG TDRO for reaching out to business community in drafting the TDRO Law. He also appreciated the efforts of TDRO for organizing the visit of DG PNAC to LPDI the day earlier for a roundup on the facilities of the institute for the benefit of the gloves exporters. DG TDRO noted the good development initiatives of the Association and requested the chairman to respond to the queries of the department whenever necessary. Mementoes were exchanged after the meeting.
