

**RECORD NOTES ON**  
**TDRO MEETING WITH SURGICAL INDUSTRIES MANUFACTURERS**  
**ASSOCIATION OF PAKISTAN- SIALKOT**  
**29TH JULY, 2015**

DG and officers of TDRO held a meeting with the Chairman Mr. Tahir Ashfaq and Executive body members of Surgical Industries Manufacturers Association of Pakistan on the 29<sup>th</sup> 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 session started with DG TDRO's detailed presentation introducing TDRO and its mandate, its activities and efforts for drafting the new law.

Chairman SIMAP appreciated the efforts of TDRO for organizing the visit and for bring DG PNAC to Sialkot for the meeting with the Association. The Association showed a keenness with regard to accreditation of SIMTEL and quality control of surgical goods exports. Mr. Jahangir Bajwa Member SIMAP stated that such a body as TDRO should have been formed much earlier. He informed that the Association also has a Dispute Resolution Committee which makes all efforts to resolve the disputes in one meeting and the success rate is 60%. The high ratio of successful resolution of trade disputes in Sialkot is because of its being a small city honors peer pressure, the exporters cannot afford to spoil their names, however one time exporters should be located and eliminated. He stated that private sector can be very instrumental in resolving the disputes since they have the knowledge and information about the exporter. The following important points/observations were raised by the executive committee members of SIMAP:

- i. TDRO should share a list of Dispute Resolution systems / mechanisms around the world with Chambers/Associations.
- ii. Performance of Pakistan's Foreign Missions is not up to the mark, whereas other countries' Foreign Missions in Pakistan are highly active and pursue matters of trade disputes. MOC should monitor the performance of the Missions as per the services rendered to the business community.
- iii. The plight of Pakistani exporters defrauded abroad was raised as a matter of great concern as they have no effective forum to turn to. The members were of the view that TDRO would be more concerned with the Pakistani exporters / defaults where as there are more cases of non-payment etc from the other side. DG TDRO assured the association that cases on both sides will be pursued aggressively, but improving the image of Pakistan is important for the government.
- iv. Opening of TDRO's regional office in Sialkot was stressed.
- v. On the issue of Quality Disputes, members of association highlighted the need for Government to come up with a mechanism to fix minimum export price of surgical goods. It was stated that the MEP had once been fixed some years back on the insistence of the association, however, it needs to be revised as new products have come into exports and some unscrupulous elements take orders on low values or under invoice and do not deliver, which spoils the name of the country.
- vi. The issue of under-invoicing was discussed which often leads to a loss of money for the exporter when the importer refuses to reimburse the balance payment not covered in the Proforma Invoice agreed to verbally.

- vii. TDRO Law should empower the Chambers/Associations to de-register fraudulent exporters from their membership.
- viii. The members highlighted the fact that no proper contracts are signed between the two parties in the surgical industry as the exporter is likely to lose the buyer, therefore there is no issue of Arbitration Clause. The proforma invoice is considered the contract. DG TDRO assured the exporters that contract is a requirement of the international business and Pakistan's rank is very low in this area. We need to raise our image and standards for more confidence of the foreign countries in our trade mechanisms.
- ix. An exporter informed that buyers demand quality certificates on which he was informed that PNAC accredited laboratories are authorized to give the certificates which are accepted all over the world. The exporters need to make their buyers aware of this recent development in Pakistan. He was also assured that DG PNAC will hold further meetings and organize trainings of exporters in Sialkot on accreditation.

3. DG TDRO informed that Local and Foreign Consultants have been hired to draft a comprehensive law that will help Pakistani exporters defrauded abroad also. DG also highlighted the need for the Chambers/Associations to send delegations to various countries and meet with Commercial Councilors and discuss the issue of non-resolution of Trade Disputes. She stressed the need of close liaison and commitment of stakeholders with TDRO so that disputes are addressed at mediation level.

4. The meeting ended with vote of thanks and exchange of mementoes followed by lunch.

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