

Government urged to restore RD on import of cotton

A special committee on agriculture has recommended the government to restore regulatory duty on import of cotton to prevent its massive import and dumping and protect the local farmers. A set of pre-budget recommendations made to the government was also circulated among the members of the committee during the meeting presided over by Speaker National Assembly Asad Qaiser.

The committee also recommended that the Ministry of Commerce should explore the prospects of an indicative price mechanism and devise a viable plan for implementation after consultation with stakeholders.

The committee's recommendations included: (i) Gas Infrastructure Development Cess (GIDC) should be abolished and no additional taxes should be imposed on pesticides and fertilizers; (ii) impose regulatory duties on competing agricultural products of Pakistan; (iii) reduce taxes on the import of skimmed milk powder and whey powders; (iv) ensure stringent price regulation mechanism to control the price of agriculture inputs; (v) and ministries of commerce, industries and production should seek and facilitate Chinese investors to set up fertilizers' active ingredient manufacturing and pesticides formulations facility in Pakistan in the next phase of CPEC.

The committee also recommended that the ministries of finance and commerce should explore feasibility of reducing customs duty and sales tax on supply of imported hand tool and small-scale agriculture machinery.

The committee seconded the proposal to extend incentives given under the green field and brown field investment to tractor industry as provided to auto industry under ADP 2015-21 to attract foreign investment.

The committee recommended that the funding for agriculture research should be integrated in the National Agriculture Emergency programme, Ministry of Finance and Ministry of National Food, Security and Research should jointly approach the multilateral banks and donor agencies to secure assistance for agriculture research and taxes should not be imposed on the supply of imported and locally manufactured tractors.

The committee was also of the view that exemptions should be granted on equipment and machinery supplied to agriculture research institution for research purposes.

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