

PRESS RELEASE

All Pakistan Textile Mills Association (APTMA) issued the following Press Release

APTMA URGES TO THE GOVERNMENT TO CONTINUE WITH THE REGIONALLY COMPETITIVE ENERGY TARIFFS (RCETs) AND RESTORE FULL GAS/ RLNG SUPPLY FOR THE ENTIRE VALUE CHAIN

ISLAMABAD, 21st JULY 2022 – Textile Industry has posted record exports of \$ 19.33 billion in FY22 – YoY growth of 26 percent compared with corresponding year at \$ 15.4 billion. The only driving factor to project this unprecedented growth was the provisioning of 'Regionally Competitive Energy Tariffs (RCET)' across the value chain.

The Textile sector having the capacity to add-up over \$2 billion in exports per month was denied a sustainable and uninterrupted supply of energy / gas – consequently, stunted the prospects of attaining the target of \$ 21 billion. Hence, the chances of any increase in export figures in the current year are slim if the energy situation remains unsorted.

Since the Regionally Competitive Energy Tariffs were in effect till June 30, 2022, the tariffs for this year despite holding several meetings with the Government and given many assurances, official tariffs are not notified till date July 2022.

Any further delays in notifying the rates will lead to a substantial loss of export orders. The amount of export dollars received will be significantly less than what could have been received. The grave picture that this situation presents –a missed chance to alleviate the currency crisis.

As tariffs have not been notified, the textile sector, which is a mainstay of our exports, is grinding to a halt as, Textile mills are not being able to book orders, produce or sell as uncertainty looms over the energy input rates. Given the current circumstances, mills are on the edge of closure, and thousands of people would be out of work if the situation persists. In complete disregard of merit, gas / RLNG supply to the export industry is being curtailed, whilst gas / RLNG supply to non-export sectors such as glass, ceramics, steel, etc. is not being curtailed. This is a serious economic misallocation of resources that must be ratified immediately.

APTMA urges the Government to rectify the situation immediately by notifying the Regionally Competitive Energy Tariffs for the entire value chain and restore gas supply to Export Oriented Units immediately.

Forwarded for favor of publication in your esteemed newspaper / transmission.

ABDUL RAHIM NASIR

Chairman APTMA