



UAE Ambassador-LCCI chief for more trade between the two countries

Ambassador of UAE H.E Mr. Hamad Obaid Ibrahim Salem Al Zaabi has said that Pakistan and UAE have historic friendly relations and close bond of common faith. Both countries should draw a roadmap to cement mutual trade and economic ties.

He was talking to the LCCI President Malik Tahir Javaid, Vice President Zeshan Khalil and Executive Committee Members at the Lahore Chamber of Commerce & Industry.

The Ambassador said that exchange of trade delegations, participation in each other's fairs and exhibitions, protection to foreign investments and timely dissemination of trade related informed would now be pursued with a new strategy. He said that such visits will help strengthen greater cooperation between the two sides. He said that UAE greatly values its deep-rooted relations with Pakistan and committed to further consolidate the existing economic ties.

The LCCI President Malik Tahir Javaid said that Pakistan really eager to make best use of each other's strength and UAE Embassy in Pakistan can play vital role in this connection. He said that Pakistan and UAE are members of Parliamentary Union of OIC Member States and both countries have close, friendly, and cooperative relations.

He said that the Lahore Chamber of Commerce & Industry would arrange a trade delegation for UAE soon to find out new avenues for mutual cooperation. He called for establishment of display centers for Pakistani products in UAE and also urged for restriction free exports of Pakistani pharmaceutical sector to UAE.

He said that UAE and Pakistan are major economic and trading partners. Among the top importing and exporting countries for Pakistan, UAE comes at 2nd and 7th places respectively. The balance of trade has always been in favour of UAE because major share of imports made from UAE consist of oils. He said

that there was a dip in bilateral trade from 2014 to 2015 but in 2016, almost 5% increase was registered in it because of 8% rise in total imports made by Pakistan from UAE. When the value of imports went up to dollar 6,202 million, it brought bilateral trade to dollar 6,987 million.

The LCCI President said that change could have been greater if there was rise in Pakistan's exports to UAE. The value of our exports contracted by 13% and remained limited to dollar 785 million. He said that UAE used to be the largest destination of Pakistani exports. In 2012, the magnitude of Pakistan exports peaked to dollar 2,873 million but after that there was witnessed a consistent fall. It is a matter of concern for us and we are keen to revive the same level.

"It is important to mention that UAE applied 5% VAT on all the trading commodities. There are many Pakistani products that are traded through UAE as a third country and this tax has slashed our competitiveness. If some relaxation is given to Pakistan in this connection then there can be significant improvement in our exports to UAE", Malik Tahir Javaid added.

He said that Pakistan's major items of exports to UAE are rice, meat, bed & kitchen linens, fresh fruits and vegetables etc. Similarly Pakistan imports crude oil, petroleum products, ferrous waste & scrap of iron & steel, polymers of ethylene and propylene etc.

The LCCI President said that the workers' remittances play a substantial role in strengthening the balance of payment of Pakistan. UAE comes at second place after Saudi Arabia with regards to receiving highest amount of foreign remittances. There was 6.7% fall seen in foreign remittances in October 2017 as compared to the corresponding month i.e. October 2016. If there are some issues relating to Pakistani labour working there, these can be discussed and resolved.