



CM orders to launch anti-polio drive in Punjab

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Oil shares slip as empty offshore Peru roads to woes

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UN ready to join Afghan reconciliation process: Guterres

ISLAMABAD: UN Secretary General Antonio Guterres on Monday said the United Nations was ready to participate in Afghanistan's reconciliation process along with other stakeholders for durable peace and stability.

"The UN is totally at the disposal of Afghans and other actors in order to participate in the peace process and to help it consolidate," the UN chief said at a joint press conference along with UN High Commissioner for Refugees Filippo Grandi and Foreign Minister Shah Mahmood Qureshi, after they participated in the Refugee Conference, marking 40 years of Pakistan's hosting of Afghan refugees.

Antonio Guterres said the UN's role in the peace talks with assistance of other organizations would be in the Afghan-led and Afghan-owned process of reconciliation.

"It is clear that peace among the key Afghan actors is an absolute must in order to fight terrorism because in pretext of terrorism, the conflict prevails," he said.

He said the UN Office of Counter-terrorism was entirely at the disposal of Afghans and other stakeholders for its role in this regard. Guterres said in a world where refugees get stigmatized, Pakistan opened its heart for Afghan refugees and called upon the international community to support Pakistan "very meaningfully" for its generous hospitality.—APP

Economy is getting out of crisis: Hafeez

ISLAMABAD: Advisor to the Prime Minister on Finance and Revenue Abdul Hafeez Sheikh has said that country's economy is getting out of crisis.

While addressing a ceremony in Islamabad, Hafeez Sheikh said that technology revolution is coming in the world and we have to be prepared for that, this is digital world and Pakistan should not miss this opportunity.

He said Pakistan had failed in increasing exports from the start but now increase in exports is the priority of incumbent government. We have to see that how can we get benefit from change. He said we have to look that why 40 percent educated women didn't come towards employment. We have to work after paying attention upon quality and national interest, he added. He said we have zero rated tax on exports. Export sector is being provided low price electricity and gas, he went on to say.—Online

PSX drops by 142.98 points

KARACHI: The Pakistan Stock Exchange (PSX) remains in search of positive triggers on Monday as not much progression could be seen at the benchmark index that dropped by 142.98 points or 0.36pc as of 11.19am. The Index reached 40,100.28 as potential investors continue to react to the impact of the coronavirus outbreak hurting imports and other factors. The Index opened at 40,251.26 today, and closed at 40,243.26 on Friday.

In the previous week, the market kept struggling for its sustainability when confusion and uncertainty surrounded investors until late Friday when the IMF, in its concluding remarks affirmed that Pakistan had been successful in completing the "structural benchmarks" as well as in meeting "all end-December performance criteria" which had been set for the implementation of \$6 billion Extended Fund Facility programme.

Other persisting factors, in particular the FATF concerns and large suspension of imports from China, which had been hammering the stock market. Besides, strife political disagreements between coalition parties in the government until some of them were settled in meetings with the ruling PTI.

Altogether, the Pakistan Stock Exchange's (PSX) KSE 100-Share Index obtained only 99.63 points on a weekly basis.

Since mid-January, investors have been adopting extremely cautious behaviour after more headlines cover mounting deaths due to coronavirus taking full hold, a plunge in global crude oil prices, unchanged main policy rate by State Bank of Pakistan.—DNA



ISLAMABAD: Prime Minister Imran Khan, Foreign Minister Shah Mahmood Qureshi, United Nations Secretary-General Antonio Guterres and others sit on the stage during the Refugee Summit.

Terror financing

Some FATF members satisfied over Pakistan performance

The Business Report

LAHORE: Several member states of the Financial Action Task Force (FATF) have expressed satisfaction over performance of Pakistan on the implementation of the global illicit financing watchdog's action points in curbing terror financing, sources familiar with the matter told the media on Monday.

Pakistan is being judged by the FATF plenary meetings in Paris on the basis of the Joint Group's report, concluded last month, for a possible exit from the 'grey list' or at least avoiding an entry into the black list.

On the second day (today), several FATF members observed that Pakistan has been successful in preventing terror financing based on an "integrated strategy" and that substantial progress was made in the implementation of 14 of the 27 recommendations about the country's anti-money laundering and combating financing of terrorism

(AML/CFT) mechanism.

Pakistan has formally informed the global illicit financing watchdog about actions taken against terror financiers while pointing out that the legislation process to impose double penalties on individuals involved in money laundering has entered its final phase. Sources in the finance ministry informed that the government would keep the data concerning suspicious transaction report for period of 10 years instead of five.

Importantly, asset(s) of individual(s) involved in money laundering will be confiscated from six months to one year. Furthermore, courts in Pakistan have begun "taking action" against money launderers on a priority basis.

The FATF has been holding its plenary and working group meetings in Paris in which Pakistan's performance on the implementation of the global illicit financing watchdog's 27 action points to curb terror financing and money laundering is

being reviewed.

Experts are of the view that Pakistan is expected to exit the grey list soon after winning a "largely-compliant" rating from the FATF, or might get more time from the watchdog for attaining full compliance. Pakistan needs only 12 out of 39 votes for exiting the grey list.

Pakistan has already gained full support from China, Turkey and Malaysia, and aims to obtain 12 votes with escalated diplomatic campaign. Pakistan has ensured significant implementation on most of the recommendations and took necessary actions.

On Jan. 28, the State Bank stated that Pakistan had made significant progress to get off the grey list of the FATF while the central bank had been making all-out efforts to curb money laundering and terror financing. While announcing the monetary policy with unchanged interest rate of 13.25 percent, SBP Governor Dr Reza Baqir said that the last two re-

views in May and September showed that Pakistan had made significant progress in most of the 27 points raised by the FATF.

However, he said, the FATF was the final authority to decide if the progress was enough to pull Pakistan out of the grey list, adding that the country would have to continue making progress in this direction.

Last month, despite strict opposition from India, several FATF's Working Group members including the European Union and the United States had expressed satisfaction while reviewing Pakistan's performance report from October 2019 till January 2020 in compliance with the global illicit financing watchdog's action plan.

The Pakistani delegation led by the Minister for Economic Affairs Hammad Azhar, last month, had presented the report in a meeting with the Working Group in Beijing, and explained measures taken and progress made by the country.

Increase in workers' remittances bodes well for Pak: Moody's

By Our Staff Correspondent

KARACHI: An increase in worker's remittances is positive for Pakistani banks and borrowers, as it supports deposit flows and strengthens household finances, according to the credit rating agency Moody's.

In a report published on Monday, the agency said that the high levels of remittances have contributed to reported double-digit growth in residents' household deposits.

Earlier on 12 February, the State Bank of Pakistan (SBP) released updated monthly data on workers' remittances, which showed a four percent increase in the monthly average for fiscal year 2020, compared to the previous corresponding year.

According to SBP data, workers' remittances received during the first

seven months of FY20 amounted to a cumulative total of \$13.3 billion.

The agency noted that the growth [in remittances] has provided a stable and low-cost deposit base to Pakistani banks, which in turn has enhanced banks' profitability and increased their liquidity buffers.

The report further stated that the growth might help mitigate the effect of government deposit outflows. The SBP is considering introducing a Treasury Single Account, which will require government deposits to be placed with the SBP instead.

Despite Pakistan's high-interest rates (unchanged since July 2019 at 13.25pc), the remittances have helped negate any associated challenges. That's because households are better positioned to meet their financial obligations with banks.

Non-performing loans have also been maintained at historically low levels; consumer NPLs accounted for 5pc of total consumer loans as of end of Sept 2019, while the system average NPL ratio was 8.8pc.

According to World Bank, Pakistan was the seventh-largest recipient of remittances globally in 2018, with remittances inflows reaching \$21b or 6.8pc of country's GDP.

During the fiscal 2012-19 period, remittances grew at a compounded annual rate of nearly 9pc, with the majority of inflows arriving from Gulf Cooperation Council countries (54pc), the US (16pc), the UK (16pc) and Malaysia (7pc).

Remittances also grew in local terms due to the significant depreciation of the rupee by over 40pc during the same period.

Moody's expects the increase in income to positively impact the historically low demand for personal credit and support financial inclusion. Personal credit accounted for 12pc of total private sector credit in December 2019, based on SBP data.

The agency also predicted that technological advances will further help grow remittances. Currently, the cost of remittances takes up to 7pc of the transferred funds, according to the World Bank. But the SBP's focus on digitization and the wider availability of digital payment platforms will help reduce that cost.

This is especially true in Pakistan, where remittances are carried out primarily by various remittance and payment service providers, through collaborations with commercial banks.

No prior actions needed for IMF's \$452m third tranche: Ministry

The Business Report

ISLAMABAD: The Ministry of Finance on Monday described as misleading and factually incorrect a news item published in a section of the press that tough prior actions (are) needed for IMF's \$452 million third tranche.

In an official statement issued here, the Ministry stated that it is completely normal for quarterly reviews to sometimes take a few days more than planned, which must never be viewed as something extraordinary; the second and third quarterly reviews will be presented before the IMF board separately as planned; no decision has been taken as to any prior actions; China is Pakistan's iron brother and there is no apprehension whatsoever on the roll-over/refinancing of Chinese loans.

The article published in a certain media is equally ill-conceived in trying to portray that only a miracle can save the IMF programme. The press statement issued by the IMF on Friday explained: "The IMF staff team had constructive and productive discussions with the Pakistani authorities and commended them on the considerable progress made during the last few months in advancing reforms and continuing with sound economic policies," and that "[a]ll end-December performance criteria were met, and structural benchmarks have been completed."

The Finance Division made it clear that the government's reform programme supported by the IMF's extended fund facility is on track.

Cops among eight killed, 21 injured in Quetta blast

The Business Report

QUETTA: At least seven people including policemen were killed and 21 others sustained injuries in a bomb explosion at the city's Shakra-e-Iqbal Road near press club on Monday.

As per the initial reports, the blast took place at the city's Shakra-e-Iqbal Road.

Soon after the explosion, police and rescue staff reached the spot and started shifting bodies and injured people to local hospital for medico-legal formalities. The nature of the blast was not immediately clear. Security officials have also cordoned off the site of blast.

In January, at least 15 people including Deputy Superintendent of Police (DSP) Amanullah and the Imam of the mosque had been killed and 19 others sustained injuries in a powerful explosion at a mosque in the provincial capital's Satellite Town. The bomb explosion took place when the people were offering Maghrib prayers.

Fida Mohammad, who was attending evening prayers, said about 60 people were present at the time of the attack on the mosque, which is located in a densely populated area.

The explosion ripped through the front row of worshippers seconds after the prayer began, he said. "It was a powerful blast, people were screaming and running here and there -- many people were injured because of the stampede," Mohammad said.

Talking to media, Provincial home minister Zia Ullah Langu said that investigations by bomb disposal officers indicated that a suicide bomber carried out the attack.

Revenue shouldn't be up by taxing food items

KARACHI: President Pakistan Businessmen and Intellectuals Forum (PBIF), President All Karachi Industrial Alliance (AKIA), Senior Vice Chairman of the Businessmen Panel of FPCCI and former provincial minister, Mian Zahid Hussain on Monday said the revenue shortfall of Rs 400 billion should not be bridged through increasing taxes on edibles as it will step-up food insecurity.

The IMF directives to recover the full cost of power production from consumers should not be accepted as it will flatten the stressed economy, he said.—Online

PM orders reducing taxes on essential food items

ISLAMABAD: For providing the poor with relief, Prime Minister Imran Khan directed on Monday the concerned authorities to review prices of essential food items, and in particular reduce taxes on wheat, sugar and pulses.

The today's meeting has required Punjab and Khyber Pakhtunkhwa provincial authorities to immediately consider suggestions for reducing prices of wheat. The wheat procurement targets will be doubled to meet the demand for wheat, and the Sugar Advisory Board will determine the cost of sugar through a third-party evaluation.

Moreover, the premier directed officials to take strict action in preventing

smuggling of onion, wheat, and other essential commodities from eastern and western borders.

The prime minister further ordered reducing price of ghee sighting reduction in international market for providing relief to the poor.

Importantly, the premier ordered strict and speedy crackdown against profiteers who are responsible for spike in the prices of essential food items.

"The matter should be raised before the Economic Coordination Committee for implementation of the plan," the PM directed, adding that stabilising the prices of essential food items was critical for giving relief to the needy.

PM Imran asserted that ensuring provision of basic necessities for the general public at maximum possible reduced cost "is his government's top priority".

He stressed on paying special attention towards gathering real data about stocks of wheat, sugar and other food items so that accurate estimates of supply and demand could be made, and advance arrangements for procurement could be ensured.

No terrorist safe havens in Pakistan, says Imran Khan

Prime Minister Imran Khan has on Monday stressed that there are no terrorist safe havens in the country while

addressing the two-day International Conference to mark 40 years of Afghan Refugees' Presence in Pakistan.

The premier stressed that Islamabad is doing everything for the Afghan peace process on humanitarian grounds and also prayed for its success. The government and the security forces are on the same page concerning the matter, he affirmed. Talking about Pakistan's hospitality, Imran Khan said generosity has no connection with bank balance as the past 20 years had been economically very tough for the people here.

"It is very difficult to leave one's home. Islam was linked to terrorism after the 9/11 incident and political leaders di-

vided the people for getting votes. Children of Afghan migrants learned in Pakistan how to play cricket and today their team hold global ranking.

"The controversial Indian citizenship law will create another big refugee crisis if attention is not paid over the matter. 20 crore Muslims in India are being targeted and Bharatiya Janata Party (BJP) leaders are asking the Muslim protesters to go to Pakistan. "India's army chief gave statement to occupy Azad Kashmir upon the parliament's direction. This is not the India of Jawaharlal Nehru and Mahatma Gandhi. The United Nations (UN) must play its role otherwise it will become a very big problem in future."

Relief to masses govt's foremost priority: PM

Prime Minister Imran Khan on Monday said it was the government's foremost priority to provide relief to the common man by stabilising and reducing the prices of basic essential commodities to the possible extent.

It was fully focused that the poor people could get basic essential items on appropriate prices and the burden of inflation could be minimised for such segments, he added.

The prime minister expressed these views while chairing a review-meeting regarding the prices of basic essential commodities.—DNA