



SI/MISC/23/2016/EXP/ESTT/PMBQ

Dated: 13.07.2026

Subject: **MINUTES OF THE MEETING HELD ON 9 JULY 2026 AT THE OFFICE OF PAKISTAN HOSIERY MANUFACTURERS AND EXPORTERS ASSOCIATION (PHMA)**

The Chief Collector of Customs (Exports & IOCO), along with the Collector, IOCO Karachi, Collector of Customs (Exports), Port Muhammad Bin Qasim, Karachi, and Collector of Customs (Exports), Karachi, visited the office of the Pakistan Hosiery Manufacturers and Exporters Association (PHMA) on 09.07.2026, on the invitation of Mr. Muhammad Jawed Bilwani, Patron-in-Chief - PHMA. The meeting was attended by the representatives of the PHMA, Pakistan Knitwear & Sweater Exporters Association (PAKSEA), Towel Manufacturers Association of Pakistan (TMA), Pakistan Cloth Merchants Association (PCMA) and Pakistan Denim Manufacturers & Exporters Association (PDMEA). The list of the participants is enclosed as **Annex-I**.

2. The Chief Collector of Customs informed the participants that a Committee has been constituted to review the Export Facilitation Scheme (EFS). He stated that the purpose of this visit is to get feedback regarding EFS and any issues relating to customs operations.

3. Mr. Muhammad Jawed Bilwani warmly welcomed the Chief Collector of Customs, Collectors of Customs, and all the participants for attending the interactive session. He appreciated the work done by customs in facilitating exports and improving the operational environment, including the WeBOC System, for trade facilitation. He expressed his resolve for further enhancing Pakistan's exports and advised all exporters to strictly ensure compliance with customs laws and procedures. He stated that there is hardly 0.25% misuse of the EFS, and such non-compliant EFS users have badly tarnished the image of the EFS. He also highlighted the issues faced by exporters such as high rates of utilities and inefficient labour. He informed that the cost of locally available input goods is high; therefore, the exporters rely on imported inputs, which are cheaper and of better quality. He also stated that the industries are bearing extra costs for alternative energy sources such as solar, wind, and generators due to the non-availability of electricity. He informed that imported input goods entail less wastage due to their better quality and improve the efficiency of the manufactured

products. He also shared that the original EFS introduced in 2021 was better than its current amended version. He requested that the payment of rebate claims should be made within 7 days of filing the rebate claim. He proposed that an old exporter may certify for a new entrant, and the condition of the bank guarantee may be replaced with a post-dated cheque and an indemnity bond on such certification. He also proposed that if a unit has been operating on rented premises for the last three to five years, the condition of the bank guarantee may be waived. He requested that customs may send an email to an EFS user before the expiry of his authorization to sensitize him regarding the completion of renewal formalities. He also stressed the need for standardized analysis cards for input-output ratios so that they may be used by multiple users manufacturing the same products. He stated that the EFS has helped exporters in procuring duty/tax free imported input goods and machinery which reduces the cost of manufacturing. He asked the participants to highlight any issues being faced in the export process and under the EFS.

4. Mr. Mohammad Babar Khan, Central Chairman - PHMA, highlighted that currently annual authorization is required for EFS users. Whereas, such renewal requirement was not prescribed in the EFS when it was launched in 2021. He requested that the Scheme may be improved with respect to the renewal period. He further stated that new entrants having no export history are required to submit a bank guarantee for the amount of duties and taxes involved on the authorized input goods and machinery. He proposed that in such cases the relevant Association may give guarantee for new entrants to replace bank guarantee requirement with post-dated cheque and indemnity bond. He also highlighted that the current legal framework of EFS does not allow imports under SRO 492(I)/2009 dated 13.06.2009 simultaneously to an EFS user. He requested that it may be allowed on the basis of the categorization of exporters or the export sector.

5. Mr. Aamir Hassan Lari, Vice Chairman, TMA South Circle, highlighted the issue of marking of the containers for examination by the WeBOC System. He stated that currently, if one Financial Instrument (FI) is involved in different GDs, the rebate is not processed until FI is fully exhausted and all proceeds are realized for that FI. He proposed that for such cases of FIs, the rebate should be processed on a GD-to-GD basis.

6. Mr. Faisal Arshad Sheikh, Vice-Chairman (Central) & Chairman (Southern Zone) of PHMA stated that currently only three insurance companies qualify for providing insurance guarantees due to the prescribed criteria of AA++ rating. He proposed that the rating

may be revised to AA+ so as to enable the participation of more insurance companies which will help in reducing the cost of premium. He also proposed that the next generation of exporters who want to establish a new unit may be facilitated as new entrants on the basis of the profile of their parents' companies by replacing the condition of bank guarantee with a post-dated cheque. He also proposed that the EFS authorization may continue for the subsequent year on submission of the reconciliation statements.

7. Mr. Muhammad Jawed Bilwani suggested that customs may send an email to EFS Users two months before the expiry of their authorization to sensitize them regarding the renewal process. He also suggested that the Pakistan Single Window (PSW) may develop a dashboard showing the reconciliation status to EFS Users on real time basis.

8. Mr. Muhammad Jawed Bilwani and the other participants thanked the Chief Collector of Customs and his team for visiting PHMA office for an interactive session to know about any operational or legal issues and for expressing their commitment to resolve the issues under the current legal framework and further improve the EFS module and the export clearance time.

9. The Chief Collector of Customs thanked Mr. Muhammad Jawed Bilwani, his team, and all the participants, and assured them of further improving the operational environment so as to enhance Pakistan's exports.

Rizwan 13/7/26
(Rizwan Mahmood)
Collector

Copy to:

1. The Chief Collector of Customs (Exports & IOCO), Karachi.
2. The Collector of Customs (IOCO), Karachi.
3. The Collector of Customs (Exports), Karachi.
4. Mr. Muhammad Jawed Bilwani, Patron-in-Chief - Pakistan Hosiery Manufacturers & Exporters Association (PHMA)
- ✓ 5. Mr. Rafiq Gadil, Former Chairman - Pakistan Knitwear & Sweater Exporters Association (PAKSEA)
6. Mr. Aamir H. Lari, Vice Chairman - Towel Manufacturers Association of Pakistan (TMA)
7. Mr. Abdul Sammad, Former Chairman - Pakistan Cloth Merchants Association (PCMA)
8. Representatives of the Pakistan Denim Manufacturers & Exporters Association (PDMEA)

Annex-I

List of the Participants

1. Mr. Muhammad Mohsin Rafiq, Chief Collector of Customs (Exports & IOCO), Karachi.
2. Ms. Sadia Sadaf, Collector of Customs (IOCO), Karachi.
3. Mr. Rizwan Mahmood, Collector of Customs (Exports) PMBQ, Karachi.
4. Mr. Afnan Khan, Collector of Customs (Exports), Karachi.
5. Mr. Muhammad Jawed Bilwani, Patron-in-Chief - Pakistan Hosiery Manufacturers & Exporters Association (PHMA)
6. Mr. Mohammad Babar Khan, Central Chairman - Pakistan Hosiery Manufacturers & Exporters Association (PHMA)
7. Mr. Faisal Arshad Sheikh, Chairman South Zone - Pakistan Hosiery Manufacturers & Exporters Association (PHMA)
8. Mr. Rafiq Gadil, Former Chairman - Pakistan Knitwear & Sweater Exporters Association (PAKSEA)
9. Mr. Aamir H. Lari, Vice Chairman - Towel Manufacturers Association of Pakistan (TMA)
10. Mr. Abdul Sammad, Former Chairman - Pakistan Cloth Merchants Association (PCMA)
11. Representatives of the Pakistan Denim Manufacturers & Exporters Association (PDMEA)