

Consulate General of Pakistan, Montreal

MONTHLY ECONOMIC AND TRADE REPORT
APRIL 2018

1. Overview of Bilateral Trade

Pakistan's exports growth to Canada faced a shocking fall after constant rising streak in exports for many months. Pakistan exports dipped by 14.7% in March 2018 as compared to the corresponding month of last year. Canadian exports fell even steeper and it decreased by 52.7% than last year. Snapshot of the trade statistics is as follows:

US\$ million

	Mar 2017	Mar 2018	% change	Jan-Mar 2017	Jan-Mar 2018	% change
Total exports to Canada	26.4	22.5	(14.7%)	72.1	73.6	2%
Total imports from Canada	44.9	21.2	(52.7%)	144.3	127.2	(11.8%)
Total Trade	71.3	43.7	38.7%	216.5	200.8	25.7%
Trade balance	18.5	1.3	93%	72.2	53.6	25.8%

Source: Trade Data Online

Overall, top 3 export products such as textiles, leather and food accounted for 81% of Pakistan's exports to Canada. Textile contributed 55% in total exports in March 2018 and remained sluggish this month to finish at US\$12.3 million. Among major textile sub-groups, only hosiery was able to post a positive trend with increase of 29%. All other textile sub-groups registered a steep fall in export pattern. Apparels suffered by 33.6%, Bedwear by 10.6%, Towels by 10% and all other varieties of fabrics by 42.3%.

The non-textile sector also remained subdued by 20.7% over March 2017. Of the top 11 non-textile sectors, 6 sectors showed positive trend like iron & steel articles, surgical instruments, jewellery, carpets and vegetable products. Rice made a huge comeback by increasing by 70% in value with increase in AUP as well. Articles of jewellery made a welcome surge after a long time, increasing by 27.1%.

Among the 5 sectors with negative projection, major ones are analyzed hereunder:

- a) Though the leather gloves export increased by 16.2% but leather garments decreased by 47.9%. The normal export value of leather garments is generally in the same range but in March 2017, almost double value was exported.
- b) Among prepared foodstuff, sugar dipped by 28%, cereals by 43%, food preparations and sauces by 39%.
- c) In sporting goods category, inflatable balls decreased by 26% and sports equipment by 30%.
- d) In plastics category, PET Resin almost came to a halt. It is expected to grow to its routine level in the coming months after favourable decision of the Tribunal. Details may be seen at Annex-A.

The Canadian biggest export products, Oil seeds and lentils, remained subdued due to uncertainty over the phytosanitary conditions applied by DPP Pakistan. A sharp decline is expected in the coming few months until clarity on the issue is agreed upon between the two countries. The export of aero industry products was the cause of increase last year, which is not a regular export product. Export of Milk Powder was made substantially. The export of lumber softwood, surgical instruments, transportation parts, chemicals, all decreased significantly. More details may be seen at Annex-B.

Jul-Mar 2017-18 stats

- Pakistan's exports to Canada = US\$ 235.5 million (12.8% since 2016-17)
- Canada's exports to Pakistan = US\$ 448.3 million (-20% since 2016-17)

2. Pet Resin case

Compagne Selenis Canada filed a Review application in the Supreme Court, under the Judicial Federal Court, after losing the Anti-Subsidy and Anti-Dumping case against Pakistan before CITT on 16th March 2018.

3. Market Access and Capacity Building Project 2019-2023

The Project Manager, Asia/Pacific, TFO has informed that Pakistan had tentatively been approved by TFO for inclusion in Market Access and Capacity Building Project 2019-2023. The case has been forwarded to Global Affairs Canada for final decision, which is expected by the end of 2018.

4. Trade Shows

TDAP has informed that five Pakistani companies will exhibit during the SIAL Canada trade show scheduled during 2-4 May 2018 in Montreal. Most of the companies are from the rice sector.

Only one company i.e. M/s Saify Commercial Establishment, Karachi privately participated in the Montreal Wood Convention, Montreal held during 22-23 March 2018.

38th edition of LLHA (Luggage, Leather Goods, Handbags & Accessories) trade show was held at the International Center, Toronto during 29-30th April 2018. The Toronto Consulate attended the show on behalf of the Montreal Consulate and reported that LLHA Trade Show is not feasible for big Pakistani leather exporters.

5. Trade Delegations

Towel Manufacturers Association (TMA) informed that they intend to visit Montreal and Toronto during June 2017. The Consulate has sent them a revised schedule with inclusion of Vancouver as well. Response is awaited.

6. Meeting with PCBC

Four members of Pakistan Canada Business Chamber (PCBC) held a meeting with Consul General at the Consulate on 19th April 2018, and informed about their upcoming Expo is tentatively scheduled during 6-7 September 2018 at Montreal and 9-10 September 2018 at Toronto. They requested the Consulate to provide some information about the Pakistani Chambers, businesses etc.

7. Trade queries

7 trade queries were received from Pakistani businessmen pertaining to food (3), textiles (3) and scrap metal (1) for export to Canada.

One query was also received for export of scrap metal to Pakistan.

8. Trade Disputes

Mr. Shahid Iqbal, Director, M/s Kommkonnnect Inc., Toronto, Canada has filed a complaint against Mian Ghufran Sheikh and Mr. Talha Bin Zubair from M/s Exceed Petroleum and M/s Red Sea Petroleum, Lahore. The total receivables, as per his claim, are US\$ 2 million. The case documents have been sent to Commerce Division for filing of the case in TDRO.

9. Business visas

3 business visas were issued this month.

10. Pending trade and administrative issues related to support from Pakistan

- i. This Mission has requested for appointment of an Economic Assistant / TDO for trade matters.

- ii. Approval for holding Emerging Pakistan event.

11. Other activities

Summary of Consular, Community and ICAO activities are mentioned in the annexed report.

BRIEF ON CONSULAR, COMMUNITY & ICAO AFFAIRS
APRIL 2018

A brief account of the major engagements of the Consul General in Montreal, but not limited to, during April 2018, is as follows:

Consular

1. 32nd Annual Information Day for Consular Corps

The Ministry of International Relations and La Francophonie (MIRF), Quebec held the 32nd Annual Information Day for the Consular Corps at Quebec City on 10th and 11th April 2018. The Program started with a dinner reception on 10th April 2018 by Premiere Quebec Mr. Philippe Couillard at Hotel Fairmont - Le Chateau Frontenac, Quebec City. On 11th April, Ms. Christine St-Pierre, Minister of International Relations and La Francophonie hosted a breakfast for the Consular Corps, which was followed by a presentation on administrative and institutional issues by Robert Keating, Deputy Minister of MIRF. Then there was given a presentation on Climate Change and Northern and Arctic Issues by Jean Lemire. A presentation on Artificial Intelligence was given by Quebec Chief Scientist, Mr. Remi Quiron.

The Consular Corps were taken to offices of The National Optical Institute (INO) where a presentation was given and visit to laboratories were conducted.

The last presentation was given at the Hotel Fairmont – Le Chateau Frontenac, on Transportation and Intelligent Transportation in the presence of the President of the industrial cluster of electric and intelligent vehicles in Quebec, by Mr. Alexandre Taillefer.

2. Talk - The fight against terrorism in France

A Conference was organized by Cerium for Mr. Bernard Cazeneuve, Minister of the Interior (2014-2016) and Prime Minister of France (2016-2017), at the University of Montreal on 24th April 2018. He discussed the situation of France since the attacks of 13 November 2015 and how those attacks were influenced by internet content. They took action by speaking with leaders of GAFA (Google, Apple, Facebook, Amazon) to remove hate, racist and violent language from these sites. Due to their strict security laws, they have been able to prevent over 30 attacks in France.

3. Receptions

The Honorary Consulate of Netherlands held a Feast of the Kings of Netherlands at the Museum of Fine Arts, Rue Sherbrooke, Montreal on 27th April 2018.

The Consulate General of Brazil, Montreal organized a concert for the best of Brazilian popular music with Club Du Choro, on 27th April at the Montreal Conservatory of Music, 4750 Avenue Henri-Julien, Montreal, QC H2T 2C8.

Community

4. 26th Annual Meeting of Qurtaba Housing Co-op

The 26th Annual General Meeting of the Qurtaba Housing Co-op was held at Hampton Inn & Suites, Montreal on 22nd April 2018. Mr. Moin Kermani, Founder and President informed that it assists Montreal Muslims and Non-Muslims to become home owners under Islamic Finance Scheme. In the last 22 years, more than 350 houses have been purchased by Muslims and non-Muslims under Islamic Finance. Another branch of Qurtaba, Al-Ittihad Investments gives interest free, Shria compliant investment opportunities. The Consul General in his speech highly appreciated the efforts and informed that Islamic Finance assets have grown over 2 trillion dollars and growing rapidly in Canada as well.

5. Meeting regarding Urdu Chair

The High Commissioner and Consul General held a meeting with Mr. Robert Wisnovsky, Director and Professor Pasha Khan at the Institute of Islamic Studies alongwith Dr. Angela M. Crowley, Director of Development, Faculty of Arts, McGill University, Montreal on 30th April 2018. The High Commissioner explained the raison d'etre for establishing the Chair and informed that somehow the name of Pakistan could not find its way into the Chair's name, 'Urdu Language and Culture', established in 1987. He also stressed to put some focus on famous Pakistani poets and culture in the syllabi. He also proposed to hold a Mushaira / Urdu related event with the participation of Pakistan origin community in Quebec. The Director and Dr. Angela highly appreciated the interest and agreed to look into the procedure to change the name and make this Chair more active.

6. Mushairas

Carvan-e-Adab, a literary organization of Pakistan origin Canadians, organized a Mushaira at Lahore Karahi Restaurant, 14329 Pierrefonds Blvd, Pierrefonds, QC H9H 1Z2, on 14th April 2018. This Mushaira was organized in the remembrance of Pakistani poet, Mr. Rasa Chughtai, who passed away on 6th January 2018. He was famous for his two collections, *Zanjeer-e-Hamsaigi* and *Tere*

Aaney ka Intezar Raha. His video clips were shown and some angles of his poetry were discussed before the audience.

Mr. Arshad Randhawa, Mr. Azam Chohan, Mr. Mahmood-ul Haq and a few other poets organized another Mushaira on 28th April 2018, at 11995 Lachapelle, corner of Salaberry, Ville St-Laurent, H4J 2M2.

7. Consular Services

This Consulate processed 10 passport applications and issued 60 visas during this month.

ICAO matters

8. Montreal Group Meeting

A meeting on CORSIA was held at the Indonesian Delegation office, before the start of the 214 Council Session, on 30th April 2018, at the Aon Tower, 700 De La Gauchetiere, Montreal. Most of the countries expressed their concern on the proposed CORSIA package.

9. Qatar Mission ICAO Opening Ceremony

Qatar Mission at ICAO opened a new office and held a reception at Evo Tower Hotel, 777 Boulevard Robert-Bourassa, Montreal on 30th April 2018. President, Representatives, Alternate Representatives of ICAO etc., attended the Reception. Mr. Tariq Azim Khan, Representative and Mr. Muhammad Aamer, Alternate Representative also attended the ceremony.

Pakistan's exports to Canada

US\$ million

S.No.	Product	Mar 2017	Mar 2018	% change
1.	Textiles	13.6	12.35	(9.2%)
2.	Leather	2.98	2.86	(4%)
3.	Vegetable products	1.55	2.01	30%
4.	Prepared foodstuff	1.31	1	(23.7%)
5.	Iron & Steel articles	0.76	0.85	12.3%
6.	Furniture	0.49	0.69	41.6%
7.	Salt	0.49	0.47	(2.8%)
8.	Sporting Goods	0.55	0.39	(28.6%)
9.	Surgical Instruments	0.31	0.42	33.1%
10.	Jewellery articles	0.16	0.21	27.1%
11.	Carpets	0.19	0.2	3.5%
12.	PET Resin	2.96	0.11	(96.2%)
	Sub-Total	25.34	21.55	(14.9%)
	Others	1.06	0.95	(10.4%)
	Total (All products)	26.4	22.5	(14.7%)

Textile dis-aggregated

US\$ million

HS	Product	Mar 2017	Mar 2018	% change
61	Hosiery	3.63	4.68	29%
62	Apparels	4.0	2.6	(33.6%)
63 excluding 6302	Bedwear	1.41	1.26	(10.6%)
6302	Towels	3.49	3.14	(10%)
50-56, 58-60	Fabrics	1.11	0.64	(42.3%)
Grand Total		13.6	12.35	(9.2%)

Pakistan's exports (Year-to-date)

US\$ million

S.No.	HS – Product	Jan-Mar 2017	Jan-Mar 2018	% change
1.	Textile	39.9	43.3	8.6%
2.	Leather	8.1	8.6	6.8%
3.	Vegetable	4.7	5.3	13.2%
4.	Iron & Steel articles	2.1	3.5	62.8%
5.	Prepared Foodstuff	3.1	3.2	1.6%
6.	Furniture	1.7	2.0	17.8%
7.	Sporting Goods	1.1	1.3	17%
8.	Salt	0.9	1.3	42.6%
9.	Surgical Instruments	0.9	0.9	1.8%
10.	Carpets	0.6	0.8	26%
11.	Tools & Instruments	0.4	0.4	(8.4%)
12.	Plastics	5.9	0.3	(94.9%)
13.	Jewellery	0.3	0.3	(12.8%)
	Sub-Total	69.8	71.2	1.9%
	Others	2.3	2.4	4.3%
	Total (All Products)	72.1	73.6	2%

Pakistan's exports to Canada (24 months)

US\$ million

	2016 Apr	2016 May	2016 June	2016 Jul	2016 Aug	2016 Sep	2016 Oct	2016 Nov	2016 Dec	2017 Jan	2017 Feb	2017 Mar
Pakistan	21.5	23.5	24.9	23.5	25.3	22.0	20.3	24.5	21.0	24.3	21.5	26.4
Others	34,340	34,422	35,896	32,245	35,697	36,374	33,936	33,200	31,484	31,694	32,418	37,135
Total All Countries	34,362	34,445	35,921	32,268	35,722	36,396	33,957	33,224	31,505	31,718	32,439	37,162

	2017 Apr	2017 May	2017 June	2017 Jul	2017 Aug	2017 Sep	2017 Oct	2017 Nov	2017 Dec	2018 Jan	2018 Feb	2018 Mar
Pakistan	26.1	31.2	25.2	32.3	26.3	27.7	24.6	28.1	22.9	26.9	24.1	22.5
Others	34,633	37,296	38,324	34,719	38,096	37,345	36,782	38,181	35,402	35,182	35,030	40564
Total All Countries	34,659	37,327	38,349	34,751	38,123	37,373	36,806	38,209	35,425	35,209	35,054	40587

Annex-B**Canada exports to Pakistan**

US\$ million

S.No.	Product	Mar 2017	Mar 2018	% change
1.	Oil Seeds	17.1	7.01	(59%)
2.	Lentils	8.08	1.66	(79.5%)
3.	Machinery and mechanical appliances; electrical equipment; parts thereof	8.73	3.16	(63.8%)
4.	Base metals and articles (Iron, Nickel, Aluminum etc)	2.24	2.33	4%
5.	Wood and articles of wood	2.97	2.24	(24.6%)
6.	Pulp of wood	1.9	2.15	13.2%
7.	Milk powder	0.33	0.86	160.6%
8.	Textiles	0.76	0.79	3.9%
9.	Optical, photographic	1.36	0.35	(74.3%)
10.	Vehicles, aircraft, vessels and associated transport equipment	0.27	0.16	(40.7%)
11.	Products of the chemical or allied industries	0.63	0.14	(77.8%)
	Sub-Total	44.37	20.85	(53%)
	Others	0.53	0.35	(34%)
	Total (All Products)	44.9	21.2	(52.7%)

Canada exports to Pakistan (Year-to-date)

US\$ million

S.No.	HS – Product	Jan-Mar 2017	Jan-Mar 2018	% change
1.	12 - Oil Seeds, Oleaginous Fruits, Industrial or Medicinal Plants	69.6	74.3	6.7%
2.	07 - Edible Vegetables and certain Roots and Tubers	29.4	13.5	(53.9%)
3.	84 - Nuclear Reactors, Boilers, Machinery and Mechanical Appliances	16.6	8.7	(47.9%)
4.	44 - Wood and Articles of Wood (Incl. Wood Charcoal)	10.1	8.2	(18.7%)

5.	72 - Iron and Steel	3.9	7.2	82.9%
6.	47 - Pulp of Wood and The Like; Waste and Scrap of Paper or Paperboard	2.3	3.8	62.3%
7.	63 - Other Made-Up Textile Articles and Worn Clothing	2.0	2.0	(0.8%)
8.	04 - Dairy Produce, Eggs, Honey and Other Similar Edible Products of Animal Origin	1.0	1.7	72.8%
9.	48 - Paper, Paperboard and Articles Made From These Materials	1.5	1.5	0.6%
10.	90 - Optical, Medical, Photographic, Scientific and Technical Instrumentation	1.9	1.0	(46.8%)
	Sub-Total	138.4	121.9	(11.9%)
	Others	6	5.4	(10%)
	Total (All Products)	144.4	127.3	(11.8%)

24 months of Canada exports to Pakistan

US\$ million

	2016 Apr	2016 May	2016 June	2016 Jul	2016 Aug	2016 Sep	2016 Oct	2016 Nov	2016 Dec	2017 Jan	2017 Feb	2017 Mar
Pakistan	56.4	73.6	59.3	41.2	28.2	94.6	38.5	106.7	107.1	46.2	53.3	44.9
Others	31,242	31,436	33,104	30,268	33,697	33,900	33,719	34,686	33,839	33,788	32,290	37,191
Total All Countries	31,299	31,510	33,163	30,310	33,726	33,994	33,757	34,793	33,947	33,834	32,344	37,235

	2017 Apr	2017 May	2017 June	2017 Jul	2017 Aug	2017 Sep	2017 Oct	2017 Nov	2017 Dec	2018 Jan	2018 Feb	2018 Mar
Pakistan	57.3	15.6	38.6	27.3	11.6	43.1	78.8	59.8	100.5	59.4	46.6	21.2
Others	33,719	36,850	36,174	32,302	34,600	34,959	36,041	36,554	36,042	36,417	33,193	38,073
Total All Countries	33,777	36,866	36,213	32,329	34,611	35,002	36,119	36,614	36,142	36,477	33,240	38,094