

NLC STARTS WORK ON CONSTRUCTING MODERN BORDER TERMINALS

RECORDER REPORT

The National Logistic Cell (NLC) has started work on \$2000 million project of construction of four Modern Border Terminals (MBTs) on international border to encourage the land route trade with neighboring countries including India, Iran, Afghanistan and Central Asian States. US has offered Pakistan 450 million dollar aid for the establishment of MBT at Torkham for increasing land route trade with Afghanistan.

These border terminals would be constructed at Wagah, Torkham, Chaman and Taftan and these terminals would be equipped all modern facilities for the business men both local and foreigners. These terminals would state of art terminals.

After completion of the spade work in this regard the construction work has been started on MBT at Wagah border. 20 acre land have been acquired by NLC and construction work has been started. 60 acre land has been acquired at Chaman and 10 acre at Taftan.

US has shown interest in construction of MBT at Torkham and offered an aid of 450 million dollar to government of Pakistan for the purpose. Asian Development Bank (ADB) has also shown interest in construction of MBT and offered assistance. Government of Pakistan is eager to enhance the trade volume with neighboring countries for which it want to facilitate land route trade with neighbors. The need to set up these terminals was felt to facilitate the land route trade with India, Iran, Afghanistan and possibly the Central Asian States, that is expected to grow fast due to the preferential trade agreements and other trade agreements. The agreements, they said, include the operational bilateral Preferential Trade Agreement with Iran, the South Asian Free Trade Agreement (SAFTA) that is going to be operational from January 1, 2006, a possible preferential trade agreement between Pakistan and Afghanistan, and the ECO trade agreement that is also going to be operational soon.

The modern border terminal at Wagah will facilitate the land route trade between Pakistan and India and further to other Saarc member countries when the SAFTA agreement will be made operational. The terminal at Taftan will facilitate the land route trade between Pakistan and Iran and further to other neighboring countries when it is completed in near future.

The Torkhum terminal, for which US has shown keen interest with an aid offer of 450 million dollar, will facilitate land route trade between Pakistan and the Central Asian States as the trade between Pakistan and Afghanistan crossed the \$1 billion mark in the July-May period of the fiscal 2004-05, officials said.

They said that the MBT to be established at Chaman will facilitate land route trade under the Afghan Transit Trade Agreement (ATTA) as well as the trade between Pakistan and Afghanistan through land route.

They said Prime Minister Shaukat Aziz, after endorsing the idea discussed in Ministry of Commerce, had directed the NLC to establish these terminals at Wagah, Taftan, Chaman and Torkhum at the earliest. On the proposal submitted by the commerce ministry, the Prime Minister has constituted a steering committee to co-ordinate and supervise establishment of the four modern border terminals. The steering committee comprises the minister for commerce as chairman and members the commerce secretary, representatives of the ministry of communications, the ministry of interior, the ministry of foreign affairs, the Planning Commission, the Central Board of Revenue, the National Logistics Cell, the government of NWFP, the government of Balochistan and the government of Punjab, they added.

The committee, they said, has the membership of all the relevant governments and departments that are directly involved in the establishing process, so that such terminals could be built without any hurdles in the minimum possible time. The establishment of such terminals would also meet one of the major requirements of trade facilitation in the region and promote land route trade among the countries of the region, they added.