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Pakistan Philippines to enhance cooperation

ISLAMABAD: - Pakistan and Philippines have agreed to enhance cooperation in diverse fields for shared progress and prosperity. The understanding was reached at the inaugural session of two-day Pakistan-Philippines Joint Economic Commission in Islamabad on Thursday. The session was co-chaired by Secretary Economic Affairs Division Arif Ahmed Khan and Philippines Deputy Minister for Trade and Industry Dr. Ceferino S Rodolfo

‘Look Africa’ Trade Forum held

ISLAMABAD (NNI): The Islamabad Chamber of Commerce & Industry in collaboration with Trade Development Authority of Pakistan/Ministry of Commerce organised a "Look Africa" Trade Forum that was aimed at exploring new avenues of promoting trade and exports with African countries. The diplomats of Nigeria, Kenya, Libya, Sudan, Tunisia, Mauritius, and Egypt attended the trade forum. Ms Maria Kazi, Joint Secretary, Ministry of Commerce, and Khalid Rasul, Director TDAP, were also present at the occasion. Addressing the trade forum, Sheikh Amir Waheed, President Islamabad Chamber of Commerce & Industry, said that 54 African countries were a market of over 1 billion people with huge potential for Pakistan to promote trade and exports. He urged that government should sponsor trade delegations to African region to explore new avenues of trade with it. He said that total trade volume of Africa was around $1 trillion, but Pakistan's total trade with it was only 3 billion, which was quite negligible.

He emphasized that government should provide incentives to private sector for organizing exhibitions in African countries to introduce more Pakistani products in the region. He said Pakistan has resident missions in only 15 African countries and stressed that Pakistan should open its missions in all major African countries that would help in improving trade and economic relations with the region.

Ms Maria Kazi, Joint Secretary, Ministry of Commerce, gave a detailed presentation on trade potential with Africa. She said Pakistan's exports to Africa were confined to few products including rice, pharmaceuticals, cement, textiles, surgical and sports goods and urged that private sector should focus on exporting more products to Africa. About planned initiatives of the
government for Africa, she said new commercial sections would be opened in Africa and Pakistan would offer PTAs/FTAs on bilateral basis and with African Trading Blocks to promote its trade and exports. She said local Trade Development Officers in African countries would be appointed in African countries where resident missions were not stationed. She said special incentives would be provided to Pakistani companies through new strategic trade policy framework for participating in trade fairs in Africa.

Khalid Rasul, Director, TDAP said that government has planned to increase bilateral trade with Africa from existing $3 billion to $5 billion in next five years. Muhammad Naveed, Senior Vice President and Nisar Mirza Vice President, ICCI thanked all the participants for attending the event.

Diplomats of Tunisia, Kenya, Morocco, Mauritius, Nigeria, Egypt and Sudan also spoke at the occasion and highlighted the areas that offered great potential for Pakistani products in their respective countries. They said Western markets have now reached saturation point while Africa was future for trade and Pakistan should give more focus on African region.

The Nation
March 5, 2018

Auto Show attracts crowds with technology updates
LAHORE - Pakistan Auto Show 2018 concluded Sunday attracting large crowds of people and equipping them with valuable information and knowledge. The grand event was held at the Expo Centre in Lahore from 2nd to 4th of March 2018. Organized by the Pakistan Association of Automotive Parts & Accessories Manufacturers (PAAPAM), it featured more than 200 international & local Auto-manufacturers and related enterprises and showcases the vast potential of Pakistan's robust automotive industry. It also featured numerous insightful training sessions where industry experts are providing technology updates and authentic knowledge to thousands of professionals and visitors thronging the exhibition.

The chief organizer of the Pakistan Auto Show 2018 - Syed Nabeel Hashmi appreciated the overwhelming response of the stakeholders and stated that: The PSDC seminars and workshops being held during the Auto Show are a great attraction for industry professionals. Conducted by very learned speakers these sessions will disseminate high-valued information. The session topics included: "Toyota Production System, Integrated System of Management, Lean 5S, Global Best Practices in the automotive Industry of Pakistan, Challenges faced by road transport, their impact on efficiencies on different entities, Quality of Air for Automotive Paint Shop,
Electric vehicles- future electro mobility: challenges & prospects, Test Rigs & Automated Inspection, Road safety aims at vehicles safety.

PAAPAM Chairman Iftikhar Ahmad commented that; "PAAPAM is committed to playing a key role as the binding force for the auto industry. Since its incorporation in the year 1999, PAAPAM has successfully grown to 319 registered members. The estimated number of parts-manufacturers in Pakistan includes: 770 units in Tier One, 900 units in Tier Two and 1400 units in Tier Three. This industry comprises of 500,000 skilled workers as direct employees and 2.4 million indirect employees (Total 2.9 million). With an investments volume of Rs370 billion, this industry contributes revenue of Rs110 billion per annum to the national exchequer. It has achieved an import substitution worth $3.3 billion per annum and an exports volume of $210 million per annum."

The SVC of PAAPAM - Ashraf Sheikh stated that; "As the demand for automobiles is expected to rise continuously over the next 3-5 years, the big challenge for Pakistan is to nurture local assemblers & vendors and rapidly generate investments in capacity building to meet the sharply rising demand. The base of engineering technologies in this industry is spread across; Sheet Metal Parts, Plastic Injection and Blow Molding, Rubber Components, Steel Forging & machining, Foundry / Castings, Aluminum Die Casting & machining and Electrical & Electronics, so we need to work on multiple fronts to achieve our growth objectives, while consistently maintaining the quality of our products."

Former chairman PAAPAM - Mohammed Saleem stated that; "This industry has already achieved a high level of localization, whereby it boasts: 75 percent localization in Cars & HCVs, 96 percent in tractors, 96 percent in motorcycles and 80 percent in three wheelers. Its products are being exported to; The European Union, USA, African Countries and all over Asia. Production for (July 2017 - Dec 2017) six months figures reached; 107,000 cars, 941,000 motorcycles and three wheelers, 4514 trucks, 409 busses and 32,614 tractor vehicles."

The Nation

March 6, 2018

Hale highlights US support in energy sector

ISLAMABAD - American Ambassador David Hale on Monday emphasized that the United States has been engaged in supporting Pakistan’s energy sector since the 1950s.
David Hale said while participating in a seminar on the energy and power sector in Pakistan organized by a media group in Islamabad on Monday. Federal Minister for Power Division Awais Ahmed Khan Leghari and ambassadors from China, Germany and Turkey also took part in the seminar entitled ‘Pak Power: Progress and way forward.’ During the panel discussion, he said: “In the last 70 years, we contributed in enabling Pakistan to provide electricity for one in six of its citizens and we are very proud of this contribution,” he said. Ambassador Hale also pointed out that America was working with Pakistani authorities on good management and best practices in terms of policy development.

“We have enabled Pakistan to have access to our top managers and expertise from the US Department of Energy and an initiative called integrated energy planning,” he said. Ambassador Hale added that American companies would be eager to participate and compete in the energy sector in Pakistan.

US manufacturing, business spending on equipment slowing
WASHINGTON: New orders for US-made goods recorded their biggest decline in six months in January and business spending on equipment appeared to be slowing after strong growth in 2017. Factory goods orders fell 1.4 percent amid a broad decrease in demand, the Commerce Department said on Tuesday. That was the largest drop since July 2017 and followed five straight monthly increases. Factory orders rose 1.8 percent in December.

January’s drop in orders was broadly in line with economists’ expectations. Orders surged 8.4 percent on a year-on-year basis. Orders for non-defense capital goods excluding aircraft, which are seen as a measure of business spending plans, fell 0.3 percent in January instead of declining 0.2 percent as reported last month. Orders for these so-called core capital goods decreased 0.5 percent in December. That was the first back-to-back drop since May 2016. Shipments of core capital goods, which are used to calculate business equipment spending in the gross domestic product report, slipped 0.1 percent in January instead of edging up 0.1 percent as reported last month. Core capital goods shipments increased 0.7 percent in December.

Prices of US Treasuries rose after the data, while the dollar held at lower levels against a basket of currencies. US stock indexes were trading slightly higher. Business spending on equipment is
cooling after growing by a robust 4.8 percent in 2017. But it is likely to remain supported as companies are expected to use some of their windfall from a $1.5 trillion tax cut package to buy machinery and other equipment as they seek to boost sluggish productivity. Sentiment among manufacturers remains bullish. A survey last week showed a measure of factory activity rose in February to its highest level since May 2004. But supply constraints and labour shortages are emerging, which could hurt factory output.

In January, orders for transportation equipment dropped 10.0 percent, weighed down by a 28.4 percent plunge in the volatile orders for civilian aircraft. Orders for machinery dropped 0.4 percent, the biggest decline since October 2016, after rising 0.6 percent in December. Orders for mining, oil field and gas field machinery tumbled 8.9 percent after increasing 5.0 percent in the prior month. Orders for motor vehicles fell 0.5 percent, reversing a 0.4 percent gain in December. There were also declines in orders for primary metals and electrical equipment, appliances and components. But orders for computers and electronic products orders rose 0.5 percent.

Pointing to a slowdown in manufacturing, unfilled orders at factories fell 0.3 percent in January. That was the biggest drop in six months and followed four consecutive monthly increases. Manufacturing inventories increased 0.3 percent. They have risen in 14 of the last 15 months. Shipments of factory goods increased 0.6 percent in January after advancing 0.7 percent in December. The inventories-to-shipments ratio was unchanged at 1.35.—Reuters

The Nation
March 10, 2018

Exports post 16pc increased in February
ISLAMABAD - The exports continued its increasing trend during February 2018, by achieving the highest monthly growth yet in the fiscal year by posting 16percent increase in dollar terms and 22 percent increase in rupee terms, in comparison to the exports in February 2017. The current year's export performance has already contributed additional forex inflows of around $1.5billion during the first eight months and is expected to reach the figure of additional $2.5billion, during 2017-18. This increase in economic activity in external sector reflects an increase of 0.8 percent of GDP.
This means additional around Rs280billion of incomes to trade, industry, agricultural sectors and the resultant additional employment. These results have been achieved due to the export-friendly policies and incentives of the government and the renewed efforts towards seeking better market access by the Ministry of Commerce. The positive trend in the international demand and exchange rate correction are also expected to help sustain this rising trend in the coming months. The imports have also responded to the steps taken to check the surge in consumer goods inflows since past few years. The imposition of Regulatory Duties on 355 non-essential consumer items by ECC on the proposal by Ministry of Commerce, resulted in reduction in the imports of these goods by 16percent, while the FBR revenue registered an increase.

However, since the large chunk of imports comprise of essential goods such as fuels and edible oil, which has been affected by the rising trend since July 2017, the impact of the reduced imports of non-essentials is being offset. The imports of machinery and raw materials, essential for economic growth also contribute to the gap in the balance of trade. However, despite all these pressures, the increase in imports has been only 9.7 percent during February 2018 as compared to February 2017, bringing down the trade deficit by 21 percent from $3636million in Jan 2018 to $2895million in February 2018.

DAWN
March 11, 2018

**Investments picking up momentum: UN report**

ISLAMABAD: The economy of Pakistan needs to further lift its potential growth and lay the foundation for more sustained and inclusive growth in the medium-term, a new report of the United Nations on the world economic situation and prospects says.

A briefing paper issued by the UN Department of Economic and Social Affairs (DESA) says the investment demand in Pakistan has gained further momentum recently, supported by healthy economic activity, improvements in the energy system, and large infrastructure projects under the China-Pakistan Economic Corridor (CPEC) and other public initiatives. Official data also points towards a visible rise in loan demand during the first two quarters of the fiscal year 2017-18, especially in the corporate sector, report says.

While commending Pakistan’s economic performance, the report says that financial and investment conditions continue to be broadly favourable in most South Asian economies, amid accommodative monetary policies, low and relative stable inflation and robust business confidence. The positive growth picture, together with policy reforms in some areas, is underpinning private investments in several economies, the DESA report says. The March 2018 issue
of the briefing paper says that after a long period of subdued growth, the world economy has strengthened, supported by the revival of investment and trade, robust business and consumer sentiment and improving labour market indicators. After a long period of subdued growth, the global economy has strengthened, supported by the revival of investment and trade, robust business and consumer sentiment and improving labour market indicators.

Since early 2017 global investment conditions have improved, underpinned by reduced banking sector fragilities in developed countries. Financing costs and spread in emerging economies remain relatively low, supported by the recovery of capital flows and cross-border lending and higher commodity prices. However, the prolonged period of abundant global liquidity and low borrowing costs has also allowed financial vulnerabilities to build, fueling investors’ search for yield and encouraging an underpricing of risk, report says.

As the normalization of monetary policy in the United States and other developed economies gains momentum, financial markets may be subject to large corrections and sudden spikes in volatility. This has been illustrated by the widespread equity market sell-off in early February. This period of extremely loose global financial conditions has pushed up asset prices and spurred rapid credit growth in many emerging economies. On average, debt levels of nonfinancial emerging market corporates exceeded 100 per cent of gross domestic product (GDP) in 2017, up from 60pc in 2007. Household debt levels and residential property prices have also escalated, most notably in parts of Asia. As the pace of monetary policy normalization in developed economies accelerates, emerging economies should prepare for a period of potentially lower and more volatile capital flows and tighter global liquidity conditions.

‘After the completion of different power projects, the government has now focused on reducing the cost of electricity production, he said. Mr. Abbasi said there will soon be a reduction in electricity and gas prices. The premier vowed to provide people with cheaper electricity and gas, saying the energy crisis is over. Mr. Abbasi said construction work is under way on various development projects worth Rs200bn in and around Sialkot. He said these projects, including Rs91.4bn Sialkot-Lahore Motorway, will change the destiny of the entire region. Speaking on the occasion, SIAL Chairman Khawar Anwar Khawaja said the new building of the airport’s international terminal will provide improved aviation facilities to people. Mr. Abbasi also reviewed progress in the construction of the Sialkot Lahore Motorway. The 91.4-kilometre-long motorway will cost Rs43.84bn. It will be built in four phases, with the first two phases completing in April and August. The construction of several link roads leading to the Sialkot-Lahore Motorway was also under way.

Later, addressing a meeting at the Sialkot Chamber of Commerce and Industry, the prime minister stressed the need for increasing national exports. Mr. Abbasi also addressed a convention of party workers at the residence of Foreign Minister Khawaja Muhammad Asif.
Ease of Doing Business: Pakistan goes into high gear

ACCORDING to a recent perception and investment survey released by the Overseas Investors Chamber of Commerce and Industry (OICCI), nearly 75 per cent of respondents consider Pakistan a potential market for fresh investment. This shift in perception is a welcome one from the earlier wariness of international investors at the prospects of investing capital in Pakistan. Significant improvements in energy supply and the security condition were highlighted as the major drivers of this fresh wave of optimism. Enhanced regional cooperation with China, Turkey and the Central Asian States should also spur interest in the country’s economy.

Being home to an overwhelmingly large labour force and an ever-growing population, the country has focused on the revival of its domestic economy, thereby creating more jobs for both its skilled and unskilled labour. It is also important to note that since the fiscal year 2014 real GDP growth has witnessed a consistently upward trend. The GDP growth rate over the past three to four years has hobbled in the four to five per cent range; it presently stations at an impressive 5.28pc the highest in 10 years. The country’s monetary and fiscal strategies have also played a stabilising role through substantially reducing tax loopholes and exemptions, thereby broadening the tax base and discouraging tax evasion.

The government has been implementing an action plan to ease the business environment, in the expectation of delivering not only financial stability but also alleviating severe poverty concerns. This plan, developed in October 2014, was jointly spearheaded by the Board of Investment (BOI) and the Economic Reforms Unit of the Ministry of Finance with the assistance of the World Bank Group (WB).

The WB’s Doing Business initiative is widely perceived by governments globally as an important measure of the effectiveness of a country’s business regulation framework. The goal is to promote investment-friendly business regulations and strive for an economy where business rules are more transparent and predictable. As per the plan, Pakistan is expected to implement a spate of business regulatory reforms, all of which contribute towards a set of 10 measurable indicators. According to the Doing Business 2018 report, Pakistan currently ranks at 147 out of a total of 190 global economies, a three-notch slip from a rank of 144 reported last year.

The country’s Distance to Frontier score that measures the gap between the regulations of low-income profile economies and the high-income OECD countries, however, stands at an encouraging 51.65 an improvement of 0.71 over the last year. This statistic nevertheless paints a bleak outlook when compared to other major South Asian economies, as it trails behind India,
Bhutan, Nepal, Bangladesh and Sri Lanka. In a bid to fast track its implementation, the BOI has also launched an accelerated DB 100 Days Sprint plan with an enduring goal to establish a DB reform secretariat, charged with the responsibility to implement the remaining reforms and improve the country’s DB ranking by 2019.

To achieve this goal, a high-powered steering committee chaired by Prime Minister Shahid Khaqan Abbasi has been formed. The committee plans to convene in March to review the progress of the various stakeholders involved and ensure that Pakistan meets its reform obligations. The intention is to send a positive message to the international community, thereby cementing the country’s reputation as an attractive destination for new business ventures. • -The writer is Chairman, Board of Investment, Prime Minister’s Office.

The Nation
March 12, 2018

Women in business festival held
ISLAMABAD (APP): Islamabad Women Chamber of Commerce and Industry (IWCCI) Sunday organized 'Women in Business Festival' (WIBFEST") festival here at Lok Virsa, Shakarparian. The day long festival was aimed at encouraging women entrepreneurs in the country. Women participants from Islamabad, Rawalpindi, Lahore, Karachi, Hyderabad, Multan, Sailkot, Peshawar, Mardan and Faisalabad attended the festival. These women were involved in creative businesses. The fun filled activities were also arranged for kids while other than conventional products, women entrepreneurs displayed different foods on the occasion. Intellectual Property Organisation of Pakistan (IPO) also joined hands with Islamabad Women Chamber of Commerce and Industry in order to promote Women entrepreneurs and arranged a stall in the festival. The stalls of embroidered dresses, art work, mosaic work, work on glass and canvas were also arranged in the festival. The painting stalls, art work on camel skin and blue pottery especially attracted visitors.

The IPO especially focused on the promotion of women art work, designing and registration of their businesses for the protection against piracy and counterfeiting.
US renews GSP scheme for Pakistan

ISLAMABAD: The US House of Representatives has passed a bill to renew the Generalised System of Preferences (GSP) scheme allowing duty free access for goods from 120 countries including Pakistan for the next three years. The scheme expired on December 31, 2017. The Bill now provides an extension up to December 2020.

A senior official in the commerce ministry told Dawn that this was the first hurdle in the renewal of the package. Now, the bill will be presented in the US Senate for a passage. After the passage of the bill, US president Donald Trump will sign it into a law.

According to the official, Pakistan is one of the beneficiaries of the scheme. He was optimistic that the bill will sail smoothly through the US senate. He said impact on trade volume is limited due to small participation. The official said the new eligibility criteria will also to be met by the beneficiary countries. On Oct 25, USTR announced to implement the 15 eligibility criteria of the GSP established by the US Congress. Most of these include respecting arbitral awards in favour of US citizens or corporations, combating child labour, respecting internationally recognized worker rights, providing adequate and effective intellectual property protection, and providing the United States with equitable and reasonable market access.

According to the official, the 120 beneficiary countries will now require compliance of the eligibility criteria. However, the commerce ministry official claimed that Pakistan is compliant in all these areas. It is worth mentioning that the beneficiary 120 countries have also established a GSP alliance in Washington, according to the official. This alliance is also in contact with Washington, he added.

In 2015, when the GSP scheme was revived with retrospective status, it was estimated to get maximum utilisation of available concessions. However, data shows the utilisation of the scheme was very limited over the past years. Official data shows that in the FY16 Pakistan’s GSP exports stood at $247 million, up from $180.5m in the previous year.

The official said the utilisation is improving and it will further improve following the depreciation of Pakistani currency. GSP-based exports account for 5 per cent of Pakistan’s total exports to the USA. Non-GSP exports to USA stood at $3.4 billion in the year 2016-17.
Int’l Machinery Expo starting today
KARACHI - A three-day International Machinery Expo ITIF Asia 2018 will start at Karachi Expo Centre on Tuesday (today). More than 350 Chinese delegates including a high powered delegation of Chinese provincial ministers will attend this expo. It will feature over a 1000 local and foreign exhibitors, said a press release. The expo will also give a platform to the international investors, manufacturers, traders and foreign entrepreneurs to interact with various segments of Pakistani consumers. As a result, the event will help boost Pakistan's economy.

Capital investment summit today
LAHORE - Pakistan's largest saving and investment show ”Capital investment summit & Expo 2018” to be held at the Pak-China Friendship Center Islamabad from March 13 to 15.

The 3 day event will be a forum for government and business leaders to discuss current key investment challenges, as well as suggest roadmap to achieve potential economic growth. The event is supported by Board of Investment, ministry of finance, ministry of overseas Pakistan and Overseas Pakistanis Foundation.

Sartaj Aziz, Deputy Chairman Planning Commission of Pakistan, Muhammad Zubair, Governor Sindh, Anusha Rahan, State minister for IT & telecom, Richard Morin, MD PSX and CEOs of leading capital investment companies are among the distinguished speakers.

Chinese team seeks joint ventures
ISLAMABAD - A delegation of Chinese companies from Lanzhou City of China visited Islamabad Chamber of Commerce and Industry and showed its keen interest in joint ventures in escalators, elevators and battery-operated vehicles in Pakistan.

Head of team Xuexian Pei said that China-Pakistan Economic Corridor (CPEC) had put Pakistan and China on long-term business partnership and they have come to Pakistan to find partners. He
said that Lazhou Yatai Eastern Elevators Co. Limited was manufacturing heavy duty escalators and elevators and it was looking for local partners in Pakistan for these products.

He said another member of the delegation was manufacturer of battery-operated vehicles which can ran up to 150 kilometers with 6 to 8 hours charging time. He said that recharging station would be set up to recharge battery-operated vehicles. He said the purpose of visiting Pakistan was to identify local partners for these products in Pakistan. At this occasion, they gave a detailed presentation on their products.

ICCI senior vice president M Naveed said that CPEC has created plenty of new business and investment opportunities in Pakistan and it was the right time for Chinese investors to bring technology and set up joint ventures in Pakistan. He said that many big projects were under construction in Pakistan that needed heavy duty escalators and elevators and Chinese companies should shift their plants to manufacture these products in Pakistan. He said Pakistan was an attractive market for automobiles and Chinese company should set up energy vehicles manufacturing plant in Pakistan. This way they would not only meet the needs of local market and they would be able to export their products to regional countries as well. He said that ICCI would set up a CPEC Facilitation Centre where its members would also be taught Chinese language so that they could easily communicate and materialize successful business deals with Chinese entrepreneurs.

Nisar Ahmed Mirza, vice president ICCI hoped that their visit would culminate in finalization of some good business deals between the private sectors of both countries.

March 15, 2018

Pakistan Pavilion opens in HK Leather Fair

LAHORE: The formal inaugural ceremony of Pakistan Pavilion in Asia Pacific Leather Fair 2018 at Hong Kong was jointly organized by Pakistan Tanners' Association & Consulate General of Pakistan. The Consul General, Consulate General of Pakistan in Hong Kong Abdul Qadir Memon inaugurated the Pakistan Pavilion as chief guest which was also attended by Amanullah Aftab, chairman, Pakistan Tanners Association, Mansoor Iqbal, Sr. Vice Chairman, PTA and other senior members among other member participants of Pakistan Pavilion. Abdul Qadir Memon, on this occasion, observed that it is a great opportunity for 55 Pakistani exporters participating in APLF'2018 at Hong Kong who are dealing in producing of finished leather of cow, buffalo, sheep & goat skins, leather garments, leather footwear, leather gloves & leather products/made-ups to take due maximum advantages from it by getting share of Hong Kong and Chinese markets to expand their trade volume with China.
China FTA nearly done

ISLAMABAD: Pakistan and China have agreed to offer zero per cent duty on 70pc tariff lines to each other under the revised Free Trade Agreement, a move that is expected to add to increasing imbalance in bilateral trade and revenue loss. Both sides are expected to strike a deal soon, a senior official who is privy to development told Dawn.

The attempt to seek unilateral concessions did not materialise as China is unwilling to open its market unilaterally for Islamabad and wants similar concessions from Pakistan. The move will further deprive Pakistan from customs duty collections. In the year 2016-17, Pakistan lost Rs32 billion on account of duty exemption on imports from China under the FTA. The present move to further exempt duty on imports may double the revenue loss to the country which is struggling to control the residing budget deficit. The details of the deals were shared with the relevant stakeholders in a high-level meeting held on Thursday in Commerce Division. The understanding on the deal was reached in the 9th round of negotiations on China-Pakistan FTA held in China recently. The negotiations were led by Secretary Commerce Younus Dagha.

The source told Dawn that China has also agreed to reciprocate zero per cent duty on 70pc tariff lines under the second phase. As per the proposed plan, Pakistan will reduce customs duty to zero per cent on 70pc tariff lines in a period of 15 years, while China will do the same for Pakistan in a period of five years. However, the source said it was not the final timelines and will be negotiated further. A written question related to exact number of tariff lines to be offered for duty reductions were sent to Commerce Division for official response. Meanwhile, Commerce Division Spokesman Mohammad Ashraf said, 'Negotiations are underway and details will be shared at appropriate time. The negotiations to revise the FTA were launched in 2012 in an effort to address the rising bilateral trade deficit. The source claimed that Pakistan has secured its interest by including more items of its interest in the proposed deal. Under the proposed agreement for zero per cent duty, China will cover 90pc tariff lines in value terms of Pakistan’s total exports for duty reduction, while Pakistan will cover 60pc of the total Chinese exports value to Pakistan.

Moreover, the source said that Pakistan has made no commitment on imposition of regulatory duties on items which were covered under the FTA. Moreover, the safeguard measures will also be available for Pakistan in the next 25 years. In case of any surge, Pakistan can immediately use safeguard measures to protest local industries. Under the first phase of FTA, both sides have offered 55-60pc tariff lines on zero to five per cent duty.
Despite this lower coverage, the bilateral trade has expanded from about $4bn 10 years ago when the FTA was signed by the two sides to almost $14bn last year. Imports from China have surged by 380pc to $12bn from $2.5bn, while Pakistan’s exports have increased by 195pc to $1.7bn from $570 million.

Pakistan one of the biggest market for investors, say Swiss CG
ISLAMABAD - Pakistan has improved the confidence of foreign investors through actions taken for betterment of security and continuous economic growth, Philippe Crevoisier, Consul General of Switzerland in Karachi, said on Friday.

“I see progress in law and order situation in Pakistan. Besides commercial and economic activities in the country are very impressive,” he said while inaugurating the 14th International Plastic, Printing and Packaging Exhibition held at Expo Center Karachi. Event, organised by the FAKT Exhibitions, has participation by 300 companies from all over country and abroad. This will continue till Sunday, March 18th.

Consul General said that Pakistan is one of the biggest markets for foreign investors. Such exhibitions will help the country to bring foreign investment in the country. Importers from various countries, including Switzerland are assessing the market for placing orders, he told.

Talking about China Pakistan Economic Corridor (CPEC), he said it was great opportunity for Pakistan to take advantage and improve its market size and economic activities.

To a question regarding Pakistan’s reliance on China for economic growth under CPEC, he said that trade activities of Europe Union (EU) countries were within the neighboring countries. “It is good to see Pakistan is partnering with neighboring country,” the consul general added.

Rainer Schmiedchen, Consul General of Germany in Karachi was also present at the inaugural ceremony. On the occasion, Chief Executive Officer (CEO) FAKT Exhibitions Muhammad Saleem Khan Tanoli said that it was major exhibition in the country and during the three-day exhibition about 350 companies from different countries would display their products. He said that the companies participating exhibition, are mainly from Germany, China, Sri Lanka, Italy, Switzerland etc.

Tanoli said that the primary object of the exhibition is to attract foreign direct investment for the country. The exhibition will help in creating business opportunity and networking for the manufacturing sector. Event is committed to build new as well as strengthen existing business relations between Pakistani companies and rest of the world, he emphasized.

It is interesting to know that FAKT Exhibitions has been organizing this flagship event for the last 15 years on regular basis to keep local sector abreast of latest technological developments.
and best practices applied by world famous groups and companies in plastic, printing and packaging sectors, he told. Tanoli said that the exhibition had all the impulses to make a benchmark in the Plastic, Printing and Packaging businesses.

DAWN

March 19, 2018

`All set for signing of revised FTA with China`  
ISLAMABAD: The Commerce Division has announced to sign a revised Free Trade Agreement (FTA) with China next month. Out of the total 7,120 tariff lines, the Commerce Division held out an assurance to China to reduce duties to zero per cent on 6,000 tariff lines while protection will be provided only to the remaining 1,120 tariff lines, mostly textile products. The duties will be brought down to zero in a period of 15 years in three phases. One-third of these tariff lines will be removed immediately, half of the remaining will be exempted from duties in the next five to seven years while the rest will be eliminated within 15 years.

However, the Federal Board of Revenue (FBR) fears that the proposed massive tax exemptions will cause considerable revenue loss for the country and has estimated a revenue loss of around Rs100 billion per annum in case the second phase of the FTA is implemented. A senior official in the FBR told Dawn that a summary has been already sent to Prime Minister Shahid Khagan Abbasi to apprise him over the move of the Commerce Division allowing 75 per cent tariff lines on zero duty to China under the second phase of FTA. ‘On our summary, the premier has directed the Commerce Division to consult all associations over the proposed move,’ the official said, adding that now the Commerce Division is inviting selected associations for meetings. According to him, Pakistan has already lost Rs32bn revenue because of exemptions under the first phase of FTA in 2016-17. He said the issue is not only related to revenue loss but also about adequate protection to the local industries.

Our small industries cannot compete with the mighty manufacturers in China, he continued, saying the proposed move will complete wipe out the small industries in the country. As a result of the first phase of FTA, Pakistan’s exports stood at $1.5bn in 2016-17, while imports from China surged to$15bn.

These massive imports are the outcome of zero duty on 35pc of total tariff lines, the customs official said, adding that the impact in terms of imports and revenue loss will be much higher in case the exemption limit reached 75pc. ‘We have imposed regulatory duties on certain tariff lines to protect local industry,’ the official continued that there is no compulsion to go for the second phase as Pakistan has no export surplus.
Meanwhile, China’s Ambassador to Pakistan Yao Jing met Pakistan’s Commerce Secretary Younus Dagha here on Monday. The latter briefed the envoy on the status of negotiations on Phase H of China-Pakistan FTA. An official statement issued by Commerce Division said that Dagha thanked the Chinese government on accommodating the concerns of Pakistan’s local industry and agreeing to provide a competitive edge to Pakistani exporters in the Chinese market.

**The Nation**
March 20, 2018

**Unilever announces 12B new Investment**

LAHORE - The Unilever has announced an investment of Rs12 billion ($120 million) in Pakistan, acknowledging the country's high potential for long-term growth.

The announcement was made by a delegation of Unilever Pakistan that called on Miftah Ismail, Adviser to PM on Finance.

A majority of the investment will be made to enhance manufacturing operations across Unilever's four factories in Pakistan over the next two years, the team members said. They said that this is a testament to Unilever's commitment to growing the business in Pakistan and highlights the increasing uptake of consumer good products across the country.

Appreciating the initiative of Unilever, the adviser added that the investment was indeed an acknowledgement of the country's growth potential and the macroeconomic stability it has gained during the last four years of the current government.

Unilever Pakistan Limited Chairperson & CEO Shazia Syed said "We have been a part of Pakistan's growth for nearly 70 years, during which time we have seen our business grow to over 30 brands in areas of Home Care, Personal Care, Foods, Beverages and Ice Cream. We take pride in the fact that over 95 percent of our brands are produced locally, creating employment for thousands, contributing to the exchequer of the country and simultaneously creating a better future every day for the people of Pakistan."

Unilever's operations in Pakistan are counted amongst the best performing businesses units within Unilever's global operations. In 2013, Unilever Overseas Holding, which is a majority shareholder in Unilever Pakistan Limited, invested over €400 Million ($530million) in Pakistan which is the single largest foreign direct investment in the recent history of Pakistan.

This investment re-affirmed Unilever's strong commitment to local operations and to Pakistan's economic potential.
Int’l Consumer Product Fair commences

The three-day events include a Fashion Jewelry Expo, Beauty & Fitness Expo, Shoes & Bags Expo, Household Products Industry Expo and a special exhibition of the Gift-items industries. In these events 200 local and foreign exhibitors, more than 105 foreign delegates from 11 countries including China, Thailand, France, Japan, Malaysia, UAE & Germany participated and expected to be attended by more than 45,000 people, whereby all major players will get an opportunity to display and market their products and services. These events also give a platform to the international investors, manufacturers, traders and foreign entrepreneurs to interacting with customers belonging to various segments of Pakistani consumers.

The diversified events include: The International Beauty, Cosmetics & Fitness Fair – the biggest platform for the presentation of the latest products, including perfumery and fitness products. The International Fashion and Jewelry Exhibition Trade Fair - a leading event of this creative industry devoted to attract exhibitors from different countries to exhibit their products in Pakistan. The International Shoes & Bags Trade Fair- an event to feature the latest innovations in footwear and bags. The International Household Tools, Equipment & Appliances Trade Fair - Asia’s most influential platform for exhibiting high-end products in this category, for the consumers. The International Gifts Trade Fair - a vibrant platform for all international and national stakeholders to showcase the latest products and innovations in the gifting industry.

President of Ecommerce Gateway Pvt. Ltd. Dr. Khurshid Nizam stated, “It is an extremely proud moment for us as we are organizing 5 different International events here in Pakistan. These events biggest interactive platforms for companies to expand their customer outreach to ensure better customer engagement.” Vice President – Project Director of Ecommerce Gateway Pakistan, Uzair Nizam said the enthusiastic participation of local and foreign companies in these exhibitions further strengthen the trade-volume and brand-image of Pakistan. These spectacular events contribute to economic growth and thus establish a pathway for a progressive Pakistan. With the increase in the market size and an increase in demand for quality products and better services in Pakistan, these events are creating a positive impact on the wellbeing of the consumers.

These mega-events being organized by Ecommerce Gateway also provide valuable opportunities to overseas exhibitors and investors to interact with local entrepreneurs for joint ventures, transfer of technologies and appointing agents, distributors and partners in Pakistan.
Indonesia increases rice quota for Pakistan

ISLAMABAD: Indonesia has allocated a higher quota of rice imports from Pakistan under the preferential trade agreement. As per agreement, eight Pakistani rice exporters got orders for 6,250 tonnes each, totalling 50,000 tonnes after the bidding process. An official statement issued by the Ministry of Commerce said that this single transaction will be worth around $22.5m. It is expected that after the notification of an additional 20 tariff lines, which include Pakistan’s top export potential by the Indonesian authorities, exporters of these products will benefit from it.

The notification of the 20 tariff lines will be issued by the Indonesian authorities after completing official formalities. Meanwhile, kinno exports have already increased due to longer available time limit for exports allowed by the Indonesian authorities this year.

The PTA, signed in February 2012 and operationalized in September 2013 will bring more opportunities for the Pakistani exporters, helping reduce trade deficit between the two countries. After bilateral negotiations, the Commerce Division was successful in getting greater market access to Indonesian market. The negotiations to get unilateral market access on 20 high priority tariff lines and increased access for Pakistan’s agricultural products were initiated in 2017. These culminated during the visit of the Indonesian President Joko Widodo on January 26-27.

CPEC to help Pakistan boost Economy: Report

ISLAMABAD - With investments in roads, railways and ports, the $60 billion China Pakistan Economic Corridor (CPEC) offers enormous potential for Pakistan to boost its economy, reduce poverty and ensure benefits to those likely to be affected by the new trade route, a new report says.

The report, entitled “The Web of Transport Corridors in South Asia”, published by the Asian Development Bank, the United Kingdom’s Department for International Development, the Japan International Cooperation Agency, and the World Bank, discusses several economic corridors including CPEC.

“The largest economic gains from investing in transport corridors may arise from urbanization and job creation around this new infrastructure, rather than from many more vehicles using it”, said one of the report’s authors, World Bank economist Martin Melecky, who added: “not all
corridor investments are equally successful in creating large economic surpluses that spread fairly throughout society.”

The report notes that the many transport corridors proposed across Asia would cost trillions of dollars to implement, far exceeding the financing resources available. Hence, the countries need to prioritize the most promising corridors that will deliver the expected transformative impacts for their economies and people.

Engineering designs and geopolitical considerations could be important, but sound economic analysis is the key to designing truly successful corridors, the report argues. The ability of large-scale transport investments to generate wider economic benefits depends on the population density in the areas they cross. Their capacity to spur structural transformation along the way depends on complementary factors around the transport corridors, such as the skills of the local population or restrictions on local land use. The new transport infrastructure must come with the means for people to take advantage of the improved connectivity right from the start.

“The upcoming Khyber Pass Economic Corridor project is a positive example, where trade facilitation and the development of local economic activities are explicitly integrated in the design of the project”, said Illango Patchamuthu, World Bank Country Director for Pakistan.

The report reviews the international experience with economic corridors, from the Pacific Ocean Belt in Japan in the 1960s to high-speed train networks in Europe more recently. It also analyzes the impacts of the Golden Quadrilateral highway system in India and finds positive effects, including higher economic activity and better (non-farm) jobs for women. However, air pollution rose in parallel and gains in household consumption were not equally shared across connected districts.

Appraisal simulations for CPEC and the Kolkata-Dhaka corridor suggest that complementary measures are needed to improve local conditions that in turn will create formal jobs and generate tax revenues. In light of the international evidence and specific analyses for South Asia, the report advocates for a more comprehensive design of corridor programmes that actively manages tradeoffs and closes potential financing gaps in a sustainable manner.

**The Nation**

March 25, 2018

**Three day 19th Textile Asia 2018 fair from 27th**

KARACHI - Pakistan Readymade Garments Manufacturers & Exporters Association (PRGMEA) and Ecommerce Gateway Pakistan are jointly organising a three-day 19th Textile Asia 2018-International Textile, Garments Machinery and Clothing Trade Fair from 27th – 29th March, 2018 at Karachi Expo Centre.
PRGMEA chairman (central) Shaikh Mohammad Shafiq said that this trade fair is expected to host more than 2,000 foreign delegates as well as 65,000 visitors from trade and corporate sector. The focus of this trade fair is value-addition in textile industry to increase the export of value-added textile and garment products. This 3-day trade fair has been termed as South Asia’s biggest B2B textile, garment, embroidery, digital printing machineries and chemical and allied services fair. More than 1,000 international brands will display their products in over 800 booths and over 2,000 foreign delegates from 27 countries mainly from Austria, China, Czech Republic, France, Germany, Italy, Korea, Japan, Turkey, UK, USA etc will grace the event.

Ms Li Yang from Department of Commerce of Zhejiang Province, China is visiting Textile Asia as guest of honor. She is promoting Zhejiang Export Fair in Textile Asia for business, investment and joint venture opportunities.

The Nation
March 26, 2018

Colour, Chem Expo ends with trade MoUs
LAHORE - Three leading associations of Pakistan, China and India signed Memoranda of Understanding (MoU) for enhancing bilateral trade, dispute resolution and exchange of technology in chemicals and dyes industry at the concluding day of a two-day 4th Colour and Chem Expo 2018 here at Expo Center on Sunday.

More than 130 local and foreign companies displayed their products to attract manufacturers, dealers, traders and industry people. The companies from Pakistan, China, India, Taiwan, Turkey, Germany, UAE and UK displayed products and accessories involving dyes, chemicals & allied industry.

The Expo was organized by the Event and Conference International (Pvt) Limited having international partners China Dyestuff Industry Association (CDIA), the Gujrat Dyestuff Manufacturers Association (GDMA) and BRAGG Expo Shanghai Co. Limited.

The event was supported by the Federation of Pakistan Chambers of Commerce & Industry (FPCCI), Lahore Chamber of Commerce & Industry (LCCI) and Punjab Dyes & Chemicals Merchants Association (PDCMA).

Jimmy Wang of the China Dyestuff Industry Association, Mr Yogesh D Parikh, the President of the Gujarat Dyestuff Manufacturers Association India, and Abdul Rahim Chughtai, the ex-chairman of the Pakistan Dyes and Chemicals Merchants Association & sitting President of the Punjab Dyes & Chemicals Merchants Association signed the MoUs on behalf of their respective bodies.

On this occasion, Parikh told reporters that the MoU signed with Pakistani association would further enhance the exchange of visits and business volumes between India and Pakistan.
Abdul Rahim Chughtai said such exhibitions increased mutual visits, strike joint ventures and help explore business opportunities. He said in result of MoU with Indian association, more and more Indian business people would be visiting next colours and chemicals expo in 2019. He further said another MoU was signed to resolve disputes of traders about quality and prices of products, adding the dispute resolution committees comprising five members each from India and Pakistan would jointly work in this regards. He said the same MoUs have been signed with Chinese association who represented companies in the concluding expo.

Wang said they were delighted to visit Pakistan this time and the Chinese companies expected more and more business ventures. He said his many Chinese business counterparts expressed their desire to visit Pakistan next year for more cooperation between the two sides and more success in business deals.

Director Event and Conference International Rashiul Haq announced to hold the fifth such expo on March 9-10, 2019. Meanwhile, a large number of industry people, traders and dealers visited the expo on the last day.

**DAWN**

March 28, 2018

**Pakistan to seek zero-rated duty on exports to China**

KARACHI: Federal Secretary Commerce Mohammad Younus Dagha said on Tuesday that Pakistan is going to seek zero-rated duty on exports to China for which second round on Free Trade Agreement (FTA) will be held next month. He was speaking at the inaugural session of the 19th International Textile Asia Exhibition. Over 450 companies from around the world are showcasing their products at 800 stalls being held from March 27-29 at Karachi Expo Centre. Around 1,200 foreign delegates representing countries such as China, Korea, France, Germany, Italy, Vietnam, Turkmenistan are presenting their products including hi-tech textile machinery. However, the biggest delegation has come from China and many have shown interest in relocating their textile units to Pakistan or are interested in entering into joint ventures. The Chinese are keen to bring their machinery for producing quality textile goods in return for local set-up, like factory premises.

The Commerce Secretary said that massive under invoicing on imports from China would be checked so that Pakistani exporters get equal benefit. He added that Pakistan needs foreign investment and the government would encourage any sector which helps increase external trade and boost exports. He admitted that issues like market access, high cost of doing business and exchange rate are retarding the exports growth. However, the government is working on these issues and has already devalued the rupee by up to 10 percent. Exports could not increase if they are costlier than imports and therefore balance has to be maintained in the exchange rate of
currencies, he added. Nevertheless, he said that the package given to exports under the PM package in the shape of Duty Drawback on Taxes (DDT) has helped growth of textile exports between January and February. Similarly, he said the extension given by the European Union (EU) over GSP+ has helped increase exports of value-added textile goods by up to 90pc. As a result, total exports grew by 13pc during July-Feb period of the current fiscal. Responding to a question, he said, that export target of $23.1bn for current fiscal will be achieved and the government is working on the five-year Strategic Trade Framework, under which themes like branding, gender equality and promotion of small and medium enterprises (SMEs) will be pursued.

DAWN
March 30, 2018

Khagan launches BISP Endowment Fund
ISLAMABAD: Prime Minister Shahid Khagan Abbasi launched on Thursday the Benazir Income Support Programme (BISP) Endowment Fund and Graduation Programme, announcing a grant of Rs1 billion for the fund. The Graduation Programme of BISP is supported by $35 million grant of the Asian Development Bank. Speaking at the launching ceremony of the fund, the prime minister said that the government took pride in the programme that had seen an increase in allocation and cash transfers of over 50 per cent. He said the government was also committed to ridding the country of poverty and for this purpose a big budget had been allocated.

The Prime Minister said that under the graduation programme most deserving of the beneficiaries were being paid `direct cash` to help them to stand on their own feet by launching their business and the initiative would play a key role in alleviating poverty to a great extent from society. He said he had high hopes from beneficiaries of the programme, adding they would contribute to the progress and prosperity of the country.

The Prime Minister said that he believed that allocations for the programme should be further increased and the initiative should focus on eliminating poverty in the next five years. Mr. Abbasi appreciated the working of the BISP programme with an outreach of 5.7 million women. He also wished that the graduation programme, which is now targeting five districts, should be expanded to more districts. Speaking on the occasion, BISP Chairperson Marvi Memon said that the BISP had Rs121 billion fund which was being used for unconditional cash transfers, conditional cash transfers such as Waseela-i-Taleem as well as some other complimentary initiatives to rid society of poverty and illiteracy. She said the main focus of the programme was on women`s empowerment.
Ambassador of the European Union to Pakistan Jean François Cautain said that the EU was a partner in development of Pakistan and it supported the changing field of the BISP from the cash transfer mechanism to the graduation model.

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**DAWN**

March 31, 2018

**Measures to boost textile exports**

ISLAMABAD: Revenue Minister Haroon Akhtar Khan has said that the government will introduce new measures in the upcoming budget to boost textile exports. Speaking to a delegation of All Pakistan Textile Mills Association, Haroon said if we have to grow at 7pc, we will have to enhance our manufacturing base. He assured the government was keen to pay outstanding sales tax refunds and modalities were being worked out for their payment by the end of May. `The Prime Minister is very keen on that as he believes the money should be where it belongs,` he said.

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