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IFC to invest $2.5m to support tech startups in Pakistan

ISLAMABAD - The International Finance Corporation (IFC), a member of the World Bank Group, will invest $2.5 million in Sarmayacar, one of the first early-stage venture capital funds supporting tech-driven startups in Pakistan, to help boost entrepreneurship and spur economic growth. Of the total amount, $2 million is equity commitments from Startup Catalyst, IFC’s global programme that backs accelerators and seed funds in emerging markets, said IFC press statement, adding that through this initiative, the corporation supports startups that provide innovative solutions to development problems and create quality jobs. The remaining $500,000 is from the Women Entrepreneurship Finance Initiative (We-Fi), a partnership among governments, multilateral development banks and other public and private sector stakeholders, hosted by the World Bank Group. We-Fi supports women entrepreneurs in developing countries by building their capacity, scaling up access to financial products and services, and providing links with domestic and global markets. “Pakistan offers a unique opportunity with its improving stability, large, young population, rising middle class, fast-growing internet and smartphone penetration, and a dearth of venture capital in the ecosystem,” said Rabeel Warraich, Founder of Sarmayacar. Rabeel said that the IFC’s goal at Sarmayacar was to provide value-add early-stage funding to entrepreneurs who are building scalable, market-transforming consumer and enterprise technology businesses in Pakistan. “This marks the first such investment from the World Bank Group in Pakistan and will enable us to back more startups in the country, while also providing access to a global network, new markets and domain expertise to our portfolio companies,” said Rabeel Warraich added.

IMF, LCCI high-ups discuss Pakistan’s economic issues

LAHORE - Resident Representative of International Monetary Fund (IMF) Ms Teresa Daban Sanchez called on Lahore Chamber of Commerce & Industry (LCCI) President Almas Hyder on Thursday. LCCI Senior Vice President Khawaja Shahzad Nasir, Vice President Faheem-ur-Rehman Saigal, Amjad Ali Jawa, Mian Zahid Javed, Haris Atiq, Shahzad Aslam and Atif Ikram were also present. Economy of Pakistan, revenue collection, inflation, markup, trade deficit, agriculture sector and various other issues came under discussion during two hours long meeting.

Ms Teresa Daban Sanchez said that Pakistan needed to carryout essential reforms for overcoming these crises. “Lack of consistent policies create challenges”, she said, adding, more was needed to put the economy on right track. She said that Pakistan would have to enhance its tax-to-GDP ratio and social spending which were relatively low. She said that there were understanding gaps that must be eliminated.
President LCCI said that no economy could grow in suffocation therefore IMF should not ask for tough conditions. IMF and government would have to adopt pragmatic approach and should be kept in view the ground realities and economic scenario in Pakistan, he said, adding, Pakistan has been one of the most frequent users of IMF programs which have resulted in devaluation of currency, excessive inflation, slash in public expenditure and hike in interest rates. He said that ever since the talk began about going to the IMF, Pakistan’s currency has seen a massive devaluation. There has been a devaluation of around 29% since August 2018 and 13% since May 2019. Since the elasticity of exports and imports in Pakistan was less than 1pc, this devaluation has not helped in increasing the exports but has resulted in confusion in the private sector about the extent to which government would interfere to stabilise the exchange rate. In this scenario, future planning was difficult. Leaving the exchange rate on the market would have negative repercussions for the economy, he said.

“It is a perception that inflation rate in the next financial year is projected to grow which means there would be more devaluation and hike in interest rates”, the LCCI President said, adding, increase in markup means no investment and expansion in industries. He said that the hike in interest rates, by next year would push up borrowing cost to around 18-20% which would retard investment, capacity generation and hence exports. He mentioned that during the economic recession in USA, the public sector spending was increased and interest rate was lowered down.

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August 3, 2019

PFC to participate in Texworld USA exhibition

ISLAMABAD - A twenty-five members delegation of Pakistan Furniture Council (PFC) would participate in Texworld USA International Exhibition in September to explore new markets and strengthen existing bilateral trade ties with the American business community. PFC Chairman Mian Kashif Ashfaq disclosed this while chairing a meeting of furniture exporters held here at PFC headquarter on Friday, says a press release. He said Pakistani furniture exporters would avail the opportunity to study the latest designing of products and modern technologies in their fields to improve their businesses to compete in the global markets. He said that such business-oriented tours could play a pivotal role for Pakistani furniture manufacturers in achieving furniture export target of more than one billion dollars annually in the international furniture markets. Chairman of Faisalabad Industrial Estate Development and Management Company (FIEDMC) Mian Kashif Ashfaq said that Pakistan’s major buyers of wooden furniture were Britain, USA, Sri Lanka and Gulf countries. He said that the United States mostly purchases bedroom furniture while UK and the Gulf countries import kitchen and office furniture.

The PFC chief mentioned that Japan had great scope for Pakistani furniture because they like Pakistani traditional hand-carved furniture designs with classic finishing and similar designs could be replicated in the USA market; therefore, efforts must be made to promote furniture exports by more regular participation in international shows. All this could happen with the support of the government and a vision among furniture traders. Terming Prime Minister Imran Khan’s maiden visit to USA was a big success for the country especially for business community, as he expected that this would not only help settling many financial difficulties but
also projecting good image of Pakistan in abroad. He said that Pakistan under the leadership of PM Imran Khan is committed to facilitate foreign investors and efforts were already under way to make incremental improvement in the ease of doing business in the country. He further said the fruitful results of PM’s visit to US started surfacing as many US companies were showing keen interest to explore Pakistan for investment and joint ventures. Mian Kashif expressed hope that furniture sector would also exploit this opportunity to expand its export volume which would help the country to reduce trade deficit. “Only the US furniture demand at the manufacturers’ level is forecast to reach $59 billion in 2021,” adding he said, the opportunity was huge, but the sector needed a large number of skilled workers to meet rising demand. He said that the Trade Development Authority of Pakistan (TDAP) should support exporters of furniture at international furniture exhibitions besides, this Pakistani foreign missions should also explore new avenues and hold fairs in their respective countries.

The Nation
August 3, 2019

Turkish delegation expresses interest in joint ventures

LAHORE - Eight-member Turkish business delegation on Friday visited the Lahore Chamber of Commerce & Industry and expressed interest in joint ventures in various fields with their Pakistani counterparts. Head of the Turkish delegation Dr Ali Cihan Kurt, LCCI President Almas Hyder, Vice President Faheem-ur-Rehman Saigal, former President Bashir A Baksh, former Senior Vice President Amjad Ali Jawa and Naeem Hanif discussed bilateral trade.

Dr Ali Cihan Kurt said that Turkish businessmen were ready to initiate joint ventures with their Pakistani counterparts in a number of sectors including construction and energy. He said that Turkey for being second fastest growing economy of the world after China and first in the European Union has a lot to offer to their Pakistani counterparts and they should avail the opportunities. He called for exchange of business delegations so that both the sides could have firsthand knowledge of the available opportunities in Pakistan and Turkey. Almas Hyder said that Pakistan and Turkey were bonded together by old historical and religious relations. “Both the countries are members of OIC & ECO, and mostly share common views on world issues”, he said, adding, both the countries were steady trading partners. Among the global importing and exporting destinations of Pakistan, Turkey comes at 31st and 17th places respectively.

“It is encouraging to see that there is increasing trend in bilateral trade. For instance, in 2016 the volume of bilateral trade was dollar 497 million which surged to dollar 596 million and 661 million in next two years”, he said, adding, the balance of trade has traditionally been in favour of Pakistan but in 2018, the imports from Turkey (dollar 358 million) exceeded the total exports (dollar 303 million) to Turkey.
Shamshad stresses active role of women entrepreneurs

KARACHI: Active women participation in businesses and other activities will spur the much-needed economic growth at a time when the country is going through a stabilization programme, said former State Bank Governor Shamshad Akhtar while speaking at the final round of CIRCLE ‘She Loves Tech’ competition at the Karachi Arts Council. It’s an entrepreneurship event that aims to promote women in tech businesses and saw 12 women-run tech startups, who had come through the city rounds, pitch for prize money and the chance to represent at the competition’s global edition. There were female led businesses from across the country and sectors as diverse as travel and nano technology. DOT Mind Unlocked’, a startup analyzing mental health through a headset which reads brainwave activity and provides diagnosis, came out the winner and won a prize money of Rs150,000 as well as a ticket to China to compete in the competition’s global round. The first runner up was ‘Pakistan Space and Science Education Centre’ which educates students about science, technology, engineering and mathematics subjects by providing a hands-on learning experience, winning Rs75,000. Meanwhile, ‘The Mad Hatters’, a platform for adventure seekers, came in third and bagged Rs50,000.

Cutlery exports up by 1.73 percent to $91.3m

ISLAMABAD : The cutlery exports from the country witnessed an increase of 1.73 percent during the financial year 2018-19 as compared to the corresponding period of last year. Pakistan exported cutlery worth $91.325 million during July-June (2018-19) against the exports of $89.773 million during July-June (2017-18), showing growth of 1.73 percent, according to the Pakistan Bureau of Statistics (PBS). On year-on-year basis, the cutlery exports from the country during June 2019 witnessed positive growth of 2.31 percent when compared to the same month of the last year. The cutlery exports during June 2019 were recorded at $7.317 million against the export of $7.152 million in June 2018. Meanwhile, on month-on-month basis, the cutlery export in June 2019, however witnessed decrease of 22.02 percent when compared to the export of $9.383 million in May 2019. It is pertinent to mention here that the country’s merchandize trade deficit plunged by 15.33 percent during the fiscal year 2018-19 compared to the corresponding period of last year.
PM directs speedy revival of Pakistan Steel

ISLAMABAD: Prime Minister Imran Khan on Monday directed authorities concerned to expedite the efforts for revival of Pakistan Steel Mills (PSM). Chairing a meeting to discuss the situation of country’s biggest steel mill, the prime minister said, "Saving and restoring PSM is the top most priority of the government. PM Khan was briefed about the current status of the steel mills, including its losses. He was apprised that till 2008 PSM was a profit earning organization but it started facing losses since 2009 and was closed down in 2015. Devastation of a profit earning organization is a clear example of maladministration and negligence of the previous government, the premier said. The PM noted that the government was bearing an expenditure of Rs370million every month in terms of salaries of PSM employees. The meeting was informed that total losses of steel mill have gone up to Rs217 billion.

Govt takes steps to prop up online business

ISLAMABAD - The government has prepared a draft e-commerce policy framework to pave way for holistic growth of e-commerce in the country through creating an enabling environment where small and large enterprises would have equal opportunity to grow steadily. It is hoped that, Pakistan’s e-commerce sector grows exponentially to claim a substantial share in global trade, which in turn will create employment opportunities and generate more revenues. The overall share of services sector in real GDP is around 60pc at end of fiscal year 2018, and around 56pc in nominal Gross Domestic Product (GDP), the latter is higher than South Asia average. Service sector has been witnessing a shift towards the digitization as growing internet penetration is revolutionising the way consumers and businesses gain and share information, executes transactions, and manages their day- to- day operations. As per draft policy framework document prepared by Commerce Division, improving digital connectivity is reshaping consumer behaviour, which is increasingly tilted in favour of convenience, cost savings, and customized retail experiences. Businesses are also capitalising on opportunities enraging from the digitisation, such as supply chain efficiency, lower transaction cost and enhanced flexibility in addressing consumer needs.

Pakistan is among the economies where digitisation is triggering changes in some components of the service sector. The shift is most prominent in areas like e-commerce, fintech and e-government, where new ventures and approaches to deliver services are picking. Specifically, the market size of e-commerce has grown significantly in Pakistan over last few years, transforming the way consumers interact with, and especially pay businesses. Listing the goals, the document further revealed that it would increase e-commerce industry’s growth to make the area one of the key drivers of Pakistan’s economy. The other goal is to streamline regulatory framework for e-commerce businesses in Pakistan, to contribute achieving higher export growth through
enhanced activities from e-commerce platforms, to promote small e-businesses and create employment opportunities through digital connectivity for empowering youth, especially in remote areas. As per details, in 2017-18, the number of registered e-commerce merchants was 496 which reached 1,094 by year-end and was around 1,242 by first quarter of 2018-19. E-commerce transactions processed by these merchants are also increasing proportionately. Pakistan’s e-commerce industry is emerging rapidly and has the potential to strengthen the country’s economy by creating more job opportunities, linking remote areas to the mainstream, development of small and medium enterprises and finally enhancing exports through online platforms.

For this, it is crucial to develop a policy framework for consumer protection, the role of the financial sector in optimising its growth and its revenue-generating potential in the medium and long run. This policy framework provides a glimpse of the current status of Pakistan’s e-commerce as country’s basic laws concerning Information Technology (IT) extend legal recognition to transactions carried out in digital environment and electronic payments. However, generally, e-commerce is regulated under statutes concerning traditional commerce. This gives rise to various concerns for industry and the concerned authorities. For addressing these issues it is necessary to take measures for allowing re-export/re-shipment of goods, launch National Single Window (NSW) for speedy processing, especially for export of large volume of low-cost goods/items. Moreover, in order to cater for possible impact of import of digital goods in Pakistan, infrastructure and technical capacity should be developed to enable the government to impose customs duties on such products on their import.

At present, there is no mechanism/registry for e-commerce businesses. This policy framework proposes registration of e-commerce businesses with the Securities & Exchange Commission of Pakistan (SECP) and making it mandatory for them to maintain a physical address in Pakistan. In addition, for enhancing consumers’ trust, measures for protection against counterfeit goods and a code of conduct are proposed under this Policy Framework. Moreover, with e-commerce enterprises making their presence felt, laws and regulations have been introduced to enable existing financial institutions to cater to electronic transactions and encourage new private sector intermediaries to enter the field. However, a lot more is required to be done to address needs of a large segment of population, which the e-commerce industry shall target as its consumer base in the future. In relation to this, it is essential to enable Card-Not-Present (CNP) transactions and explore the possibility of co-badging with international card payment schemes. Moreover, it is proposed that banking services should be improved for promoting use of local online merchant accounts by online businesses and exploring the possibility of establishing an international payment gateway in Pakistan. With regard to consumer protection, the existing laws in the country do not contain specific provisions for addressing concerns of consumers transacting in digital environment. In relation to this, recommendations have been made for introducing specific amendments in these laws. An important aspect of consumer protection is ‘dispute resolution mechanism’.

This Policy Framework proposes that it should be mandatory for all online businesses to provide for an efficient customer support and dispute resolution mechanisms and federal and provincial governments should make arrangements for establishing independent alternate dispute resolution centers for expeditious settlement of disputes. Taxation is one of the major issues for stakeholders of online marketplaces. The primary concerns relating to taxation are imposition of minimum income tax, withholding tax and provincial sales tax. This policy framework proposes
that for purposes of provincial sales tax, online businesses should be treated at par with other businesses and parallel to that, provincial sales tax regimes should be harmonised to address concerns of online marketplaces. In Pakistan, business-to-consumer (B2C) e-commerce model has grown significantly in last few years and this trend is likely to continue.

Logistics play a pivotal role in the B2C model. The main area of concern to be addressed is system automation of B2C players and third-party-logistics (3PL) businesses. In addition, within framework of Pakistan’s National Transport Policy, a policy on logistics shall be formulated to address concerns relating to e-commerce industry including expeditious processing for export of low-priced small consumer goods. Another important area is Data Ownership and Localisation which is termed as ‘oil’ of the digital industry and is the most valuable resource in digital economy. To unleash the true potential of e-commerce, it is essential to localise data generated in Pakistan and prevent its transfer to any other country or any entity not incorporated in Pakistan for the utilisation of local digital industry. At present, Ministry of Information Technology and Telecommunication (MoIT) is in process of formulating Pakistan Cloud Policy. The said policy should also address issues concerning e-commerce. Overall, this policy framework is aimed at ensuring reasonable growth of e-commerce, creating employment opportunities and generating revenue for state.

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Electric fans’ export up 9.44pc

ISLAMABAD - Export of electric fans during the year 2018-19 had registered 9.44 percent growth as compared to the exports of the corresponding period of last year. Electric fans worth $ 28.8 million were exported during the period from July-June, 2018-19 as compared to exports of $26.3 million in same period last year, according to latest data of Pakistan Bureau of Statistics (PBS). On the other hand, in term of quantity, the export of electric fans witnessed a surge of 22.7pc to 1.735 million units of fans in July-June (2018-19) against the export of 1.414 million units of fans in same period of last year. On yearly basis, the export of electric fans jacked up by 44.53pc in June 2019 as compared to same month of last year while on month-on-month basis, the export witnessed a decline of 12.2pc against the export recorded in May 2019. The export of electric fans in June 2019 was recorded at $3.37 million against export worth of $2.33 million and $3.8 million in June 2018 and May 2019 respectively. In term of quantity, the export surged by 88.98pc as it rose to 223,000 units in June 2019 against the export of 118,000 units in June 2018, however on monthly basis the export went down by 7.08pc as the country exported 240,000 electric fans during May 2019.
Japan to give $5m for agri development programme

Islamabad - The Government of Japan announced grant aid worth around 560 million Japanese Yen to the United Nations Industrial Development Organization (UNIDO) to support Agri-Food and Agro-Industry Development in Pakistan’s Province of Khyber Pakhtunkhwa (KP) and Balochistan. Notes to this effect were signed and exchanged between of Ambassador Japan to Pakistan Mr. Kuninori Matsuda, and Ms. Country Representative of UNIDO Nadia Aftab. A Grant Agreement on the details of implementation of the project was signed and exchanged between Shigeki Furuta, Chief Representative of Japan International Cooperation Agency (JICA) and Nadia Aftab in the presence of Federal Minister for Ministry of National Food Security and Research Sahibzada Muhammad Mehboob Sultan. The grant amount of Japanese Yen 560 million will be utilised by UNIDO to pilot the enhancement of productive and compliance capacities of relevant actors in the cattle meat value chain within selected production areas of KP (Peshawar, Abbottabad, Kohistan and D.I. Khan) and apple value chain in Balochistan (Qilla Saifullah, Qilla Abdullah, Pishin and Quetta). The project will simultaneously support the relevant governmental bodies to offer adequate services to the industry at a sustainably manner and ensure the sustainability and the possibility to upscale best practices. This project will revitalise the livelihood of value chain actors, covering their daily income from the apple and cattle value chains and to improve practices of food manufacturers and processors along with the related enabling environment across two provinces of Pakistan.

Speaking on the occasion, Sahibzada Muhammad Mehboob Sultan said “Agriculture is a priority area for the Government of Pakistan in order to ensure food security for all segments of the society. A growing agriculture sector not only plays a vital role in boosting national economy but also helps in reducing poverty and improving access to quality and safe food. The main emphasis of the new ‘National Food Security Policy’ is on improving nutrition diversification of agriculture through an enhanced focus on high value horticulture and livestock”. Kuninori Matsuda said “Japan has decided to support this project because almost 60pc of people work for Agri-Industry in Khyber Pakhtunkhwa and Balochistan. We expect this project will reduce food losses, improve supply chain management, and will add more value to products, which will lead to more income generation. We believe this achievement will contribute to socio-economic stability of targeted provinces. Agriculture sector of Pakistan will remain one of the priority areas for Japan to support.” Shigeki Furuta said “Diversification of farmers’ income and creation of assets through development of high-value livestock, and fruit tree crops are the strategy of JICA Agriculture Program. Through this Project on Agri-Food & Agro-Industry Development Assistance in Pakistan, we hope UNIDO and partner provincial agriculture departments in KP and Balochistan will be able to develop and strengthen the capacity of producers and processors engaged in cattle meat value chain and apple value chain industries in both provinces.”

Nadia Aftab said, Government of Japan is an important strategic partner and the largest contributor to our organisation. Currently, there is a lot of work being done to promote the UNIDO-GoJ partnership. UNIDO has long standing and collaboration while providing technical assistance to government of Pakistan and this unique initiative would also mark the first direct collaboration between UNIDO and JICA for the betterment of selected communities in KP and
Balochistan while working very closely with the Federal Ministry of National Food Security and Research and provincial agriculture departments.

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August 7, 2019

**JICA to help auto industry enhance cars production**

ISLAMABAD - Japan International Cooperation Agency (JICA) on Tuesday announced to assist the automobile industry in order to enhance its domestic production from existing 200,000 cars by introducing new safety and environment friendly features. A delegation of JICA headed by its Chief Representative Shigeki Furuta called on Razak Dawood, Adviser to Prime Minister on Commerce and Textile. Furuta ensured that JICA will provide assistance for economic development of Pakistan owing to the improvement of investment regime in the country. Better business climate and supporting activities of Japanese Automobile Companies (Suzuki, Toyota and Honda) in Pakistan including promotion of their associated industry in Pakistan was deliberated in the meeting. Moreover, JICA will also support in developing requisite regulations for the said new features and establishing inspection infrastructure for testing of new & used vehicles of insurance safety of the consumers, JICA chief highlighted.

The Adviser to Prime Minister apprised participants that the Auto Development Policy (2016-21) provided a uniformed and consistent Policy Framework for the development of Auto Industry in Pakistan which offered tremendous opportunities for the investment in auto sector. Moreover, the Adviser informed the delegation regarding enormous investment opportunities in technology upgradation of whole value chain, including ginning, spinning and knitting, of textile sector as the textile manufacturers are using very old technology which has made them uncompetitive in the global textile market. For this, Japanese Government should create a fund which can be used for the purchase of machinery by Pakistani textile manufacturers for technology upgradation of textile sector, he added. He further emphasised that Pakistan has upgraded its investment and business environment owing to its improved global ranking in Ease of Doing Business Index by 11 points. In this regard, Pakistan has also launched a program, Regulatory Guillotine, to ease the business regulations. Through this program 2 to 3 regulations are removed every month to ease out the business activities, the Adviser highlighted. He also added that Pakistan has taken various effective steps to improve trade procedures by establishing better trade facilitation regime.

In a separate development, Ambassador of Japan to Pakistan, Kuninori Matsuda called on the Adviser to Prime Minister on Finance and Revenue, Dr. Abdul Hafeez Shaikh. The Adviser welcomed the Ambassador and called the relations between the two countries having immense importance for both sides. He expressed his desire to expand the trade relations existing between the two countries on mutually beneficial and supportive terms. The Ambassador congratulated the Adviser on assuming his responsibilities as the leader of the financial team of the government and briefed the Adviser on the existing level of cooperation between the two countries. He told the Adviser that currently the government of Japan and JICA are cooperating with the government of Pakistan on social development programmes, technical assistance in counter terrorism activities and health and hygiene sector.
Pakistan, Afghanistan ready for PTA

ISLAMABAD: Prime Minister’s Adviser on Commerce, Textile, Industries and Production and Investment Abdul Razak Dawood has said that Pakistan and Afghanistan have agreed to start the process of Preferential Trade Agreement (PTA) to boost bilateral trade to an unprecedented level. He said at the first instances both sides will share their initial list of tariff lines next month which will be followed by meetings of technical committees, said a press release issued by the Ministry of Commerce. This understanding was reached in a meeting with Afghanistan’s Ambassador to Pakistan Shukurullah Atif Mashaal who called on the adviser to deliberate on the trade related issues on Wednesday. Both sides discussed to reopen new border crossing points including that of Torkham and Ghulam Khan.

The adviser stressed on the need to explore opportunities to maximize trade volume and move forward for trade cooperation via communication and customs cooperation. He said that during the visit of Afghanistan President Muhammad Ashraf Ghani both sides discussed the issues of bilateral transit trade and the two sides also expressed willingness to increase the volume of bilateral trade. The adviser will visit Kabul this month to finalize the understanding on different trade and economic issues, the release added. He also said that it was very important to address issues pertaining to transit trade agreement. Afghanistan Pakistan Transit Trade Agreement should be implemented in letter and spirit, Razak said. We are looking how to improve the model for increasing the transit trade with Afghanistan alike many countries including Nepal and Bhutan and also land locked countries as they had good trade relations with regional countries. he observed.

EXPORTS JUMP: Meanwhile, addressing a press conference separately at Commerce Ministry, the adviser said that the country’s exports increased by 14.23 per cent in the first month of this fiscal year over the same month last year. Replying to a question, he said that China-Pakistan Free Trade Agreement (CPFTA), comprehensive tariff policy, reforms in National Tariff Commission (NTC) and increase in exports were the major hallmarks of his ministry in first year of this government. The exports increased to $1.87 billion in July from $1.636bn in same month last year, while imports recorded a decline of 18.39pc, the adviser said. The adviser said rice exports registered a 71pc, ready-made garments 17pc, home textiles 14pc, plastic goods 34pc, chemicals 26pc, mangoes 33pc and footwear 24pc during the month.-APP

ADB approves $500 million loan to support economic reforms

ISLAMABAD - The Asian Development Bank (ADB) on Wednesday has approved a $500 million policy-based loan to support the Government of Pakistan’s reforms to improve trade competitiveness and exports as a defence against external shocks and to help finance the
country’s trade deficit. The ADB also approved $750,000 technical assistance package to support the preparation and implementation of the program. Trade and Competitiveness Program will help Pakistan to promote macroeconomic stability, improve export performance, and boost economic growth by facilitating improved trade competitiveness. Under this programme, the government has introduced important tariff and tax related policy reforms to support Pakistan’s export sector and improve its competitiveness internationally and strengthen key institutions involved in facilitating trade, including accreditation bodies Export-Import Bank of Pakistan (EXIMBP) and the National Single Window (NSW). The loan agreement was signed by Secretary, Economic Affairs Division Mr. Noor Ahmed and Country Director Asian Development Bank (ADB) Ms. Xiaohong Yang. Federal Minister for Economic Affairs Hammad Azhar witnessed the loan signing of Trade & Competitiveness Program (Subprogram – 1). Azhar thanked ADB and its President for their support and reposing confidence in the present government’s reform agenda. He further said that ADB Board approved release of $500 million to support the present government’s reform agenda for improving trade competitiveness to enhance exports. Proceeds of this facility will boost foreign exchange reserve built up and give much needed budgetary support to Government of Pakistan.

Bank committed to providing support to strengthen Pakistan’s economy

He said more significantly, budgetary support program from a long term development partner i.e ADB has been restored after a gap of more than 2 years. He acknowledged ADB’s support for Pakistan. He highlighted that Pakistan’s exports are concentrated in less sophisticated and lower value-added products and lack diversification and innovations. The Minister expressed that ADB’s policy-based lending will not only strengthen the foreign exchange reserves but will also provide fiscal space to the government and boost economic activities in the country. The Minister reiterated that the government is fully committed to improve governance, bring economic reforms and achieve sustainable development. The government aims to put Pakistan’s economy on the path of sustainable and balanced growth and increase per capita income. He emphasised that ADB should further scale up its assistance to Pakistan both for programme lending and project financing. It is worth mentioning here that ADB had policy loan for Pakistan after approval of IMF programme. The ADB plans to provide about $2.1 billion out of $3.4 billion funds to support Pakistan’s reform and development programmes during fiscal year 2019-20. Country Director Xiaohong Yang, stated that ADB is one of the leading development partners of Pakistan. ADB fully supports the government’s development vision and policies. She expressed that ADB is providing its support for policy reforms and project financing in the key priority areas such as energy, road, social sector, water & irrigation and urban services. She also reiterated ADB’s strong commitment to further strengthening and expanding its partnership with Pakistan.

“ADB has a 53-year history of strong partnership with Pakistan and we are pleased to be in a position to provide this important support for the country’s economic reform program,” said ADB Vice-President Mr. Shixin Chen. “The Trade and Competitiveness Program focuses on addressing structural issues obstructing Pakistan’s export competitiveness through reforms in the areas of tax and tariff rationalisation, as well as institutional strengthening. Moving forward, ADB is committed to provide wide-ranging support to strengthen Pakistan’s economy and reduce the risk of external economic shocks.” Supported by the International Monetary Fund, ADB, and other development partners, the government has now committed to a range of structural reforms to the country’s trade environment to improve its export performance, reduce
the current account deficit, and drive economic growth. “Trade is an important pillar in Pakistan’s overarching development objective to foster economic stability and sustainable high growth,” said ADB Director General for Central and West Asia Werner Liepach.

August 9, 2019

‘Corporate sector being facilitated’

ISLAMABAD: Prime Minister Imran Khan on Thursday said the government was committed to facilitating corporate sector in order to attract local and foreign investment. In a meeting with Procter and Gamble Global Vice Chairman Jon R Moellor at the PM Office, he said special incentives were being given to companies for locally made products for the purpose of exports. He said Pakistan’s big market with cheap labour and business-friendly environment offered immense potential for growth of corporate sector and urged the investors to benefit from it.-APP

August 10, 2019

Honey exporters urged to explore new markets

ISLAMABAD: Pakistan’s export of honey to the high-end markets is far below its potential, said Commerce Adviser Razak Dawood on Friday in a meeting with a delegation of honey producers and exporters. The country exported honey worth $6.9 million in 2018 and its major export destinations were Saudi Arabia (70.6 per cent), UAE (15.1pc) and Kuwait (6.3pc). According to an official statement issued afterwards, Pakistan is home to some of the most diverse flora and fauna and produces 20 types of honey due to its varied ecological and climatic conditions.

Dawood underlined the current government is focusing on the diversification of export products through policy intervention by providing technical and financial support. He further highlighted that in order to explore the untapped honey potential of the country, we need to acquaint the concerned stakeholders and business community of the honey-producing regions like Abbottabad with the modern production techniques and cluster development. ‘For this, we need to train our stakeholders so they can comply with requisite standards and SPS requirements of high-end markets including EU which will increase our honey exports manifold, he said. Razak also directed that commerce ministry to constitute a product (honey) specific working group comprising of all stakeholders to devise a strategy to overcome the bottlenecks.
Exports to EU stagnate despite GSP+ status

ISLAMABAD: Pakistan’s exports to the European Union have stagnated in the last four years despite waiver of duties on several products under the Generalised System of Preferences Plus (GSP+). The GSP+ facility, implemented from Jan 1, 2014, helped promote exports from Pakistan to the EU by almost 21 per cent in the first year. However, ‘no tangible growth was recorded in export proceeds to EU in the following four years’, a senior official of the commerce ministry said. He admitted that the full potential of GSP+ is yet to be achieved despite the fact that the facility has been in place for the last five years. Before the GSP+ scheme, Pakistan’s exports to 28-member EU stood at 4.54 billion in 2013, which jumped to 5.51bn in 2014.

In the second year of the GSP+ scheme, exports further jumped by 10pc to 6.09bn. However, since 2016 the exports proceeds have remained stagnant at 6.30bn in 2016, 6.69bn in 2017 and 6.88bn in 2018. On the other hand, Pakistan’s imports from EU, which were at 3.84bn in 2013, have also increased in tandem with exports during the last four years to reach 5.66bn in 2018. In the post-GSP+ period, the country’s imports form the EU rose to 4.09bn in 2014, 4.44bn in 2015, 5.34bn in 2016, 6.15bn in 2017. Pakistan in order to avail the scheme set to expire in 2024 implemented 27 United Nations conventions in 2014.

On the basis of reports (Joint Staff Working Documents) prepared by the European External Action Service, European Commission and EU Delegation in Islamabad, EU Parliament evaluated its GSP+ Scheme in 2016 and 2018, respectively. According to reports, Pakistan, being the largest beneficiary of GSP+ scheme 75pc imports under the scheme to EU are from Pakistan is under immense scrutiny by not only the EU’s civil society organizations but also by the textile and garment manufacturers which see Pakistan as a competitor. Other challenges to the continuation of GSP+ scheme include the failure of Pakistan to implement labour regulations in export processing zones and shrinking space from the EU’s civil society which has been agitated by the labour unions, think tanks, INGOs and members of the European Parliament.

The commerce ministry official said the upcoming GSP+ review, due in the first half of 2020, is crucial for the continuation of the scheme. To enjoy preferential access for goods, Pakistan needs to implement in letter and in spirit the 27 UN conventions on human rights, labour rights, environmental protections and good governance. Country-wise, data showed that exports to the United Kingdom grew 2.2pc to 1.35bn during the year 2017 compared to 1.32bn in year 2016 whereas those to Germany grew by 3pc to 1.3bn during the period from 1.26bn in the previous year. Both UK and Germany have emerged as major export destinations for Pakistani goods under the GSP+ scheme. The increase in exports to the UK is an encouraging factor. However, exporters fear they will lose the UK market following Brexit.

Further, Spain has emerged as the third leading destination for Pakistani goods as exports to Madrid increased by around 11pc to 875.4 million in 2017 from 788.5m. Effective marketing strategies have helped Pakistani exports increase its market share in Spain. Pakistan’s exports to Italy increased 5pc year-on-year to 629.4m in 2017, exports to the Netherlands went up by 14.7pc year-on-year to 635.2m and those to France rose 6.6pc to 463.4m.
Export of IT services earns over $1b

ISLAMABAD - Pakistan earned $1008.490 million by providing different information technology (IT) services in various countries during the first eleven months of the fiscal year 2018-19. This shows growth of 4.37 percent when compared to $966.240 million earned through provision of services during the corresponding period of fiscal year 2017-18, Pakistan Bureau of Statistics (PBS) reported. During the period under review, the computer services grew by 12.21 percent, from $654.170 million last year to $734.020 million during July-May (2018-19). Among the computer services, the exports of software consultancy services and repair and maintenance of computers related services increased by 26.87 percent and 231.93 percent respectively. In addition, the other computer services increased by 34.77 percent.

Women Chamber holds trade expo

PESHAWAR-A trade fair was organised to showcase women handicraft belonging from Khyber Pakhtunkhwa (KP). The trade Expo was held under the auspices of Women Chamber of Commerce and Industry (WCCI) Peshawar in collaboration with the World Bank in Islamabad, said in a press release. In the Expo different stalls were set up during the exhibition, wherein diverse collections and varieties of women handmade cultural and traditional products, dresses, embroidered clothes, gemstones, handmade jewellery, stone jewellery, leather products, mosaic work, jute wok, purses & clutches, beauty products belonging from Peshawar Chamber of Commerce and Industry (PCCI) were put on displayed. Besides, WCCI President Azra Jamshid, founding President Fitrat Ilyas, former presidents Nazhat Rauf, Nasira, executive committee members, women businesspersons also participated in the exhibition. Azra Jamshid thanked the World Bank Country Director for its support in arranging a successful women trade fair in Islamabad. She said that the trade fair was aimed at promote the rich talent and skills of women entrepreneurs of the province to showcase and market their products in the best possible way. She said the ambassadors of different foreign missions in Islamabad along with their families also visited the trade expo and appreciated the women handmade staffs. At the end of the exhibition, the WCCI president, Azra Jamshid presented a shield as memento to the World Bank’s Country Director.
ADB approves $25m loan to expand women’s access to credit

ISLAMABAD - The Asian Development Bank (ADB) has approved a $25 million syndicated loan to support the lending operations of Kashf Foundation, one of Pakistan’s leading microfinance service providers, to low-income households and women-led micro, small, and medium-sized enterprises (MSMEs). The loan will help to expand women’s access to finance in Pakistan and empower them economically. “There is a need to improve access to finance in Pakistan, particularly for women in low-income communities as well as women-led enterprises. An inclusive financial sector is essential for Pakistan’s sustainable development,” said ADB Investment Specialist Tina Rohner. “ADB’s partnership with Kashf Foundation will help address this issue and provide much-needed financial products for MSMEs led by women, which have the potential to contribute significantly to the country’s growth and development.” Access to finance is very limited in Pakistan, with only 21.3pc of adults and 7pc of women over the age of 15 having a bank account in fiscal year 2017. This situation is particularly acute for MSMEs and individual borrowers, especially women-run microenterprises, as these entities receive only about 7pc of total bank credit to the private sector despite contributing around 40pc to gross domestic product. MSMEs account for about 98pc of all enterprises in Pakistan, employing more than 80pc of the nonagricultural labor force. ADB’s assistance comprises an A loan (to be funded by ADB) of up to $15 million and a B loan of $10 million that will be funded by commercial co-financers including international impact investors. The assistance will expand Kashf Foundation’s lending operations and market base, giving more women and women-led MSMEs access to much-needed long-term financing to further develop their livelihoods and incomes. Apart from microenterprise lending, the project will support Kashf Foundation’s other objectives including narrowing of the financing gap in the private education sector and improving the quality of education at schools it supports.

The Nation
August 20, 2019

Pakistan trade balance improves by 19pc

ISLAMABAD - Pakistan trade balance has improved by 19 percent, with trade deficit also declining from $37.6 billion to $30.6 billion in the last one year. The country’s exports remained stable at around $23 billion and exports were also protected from external shocks from regional geo-political uncertainty in the wake of Pulwama incident, depreciation of major currencies and trade war between two major markets United States and China, the one-year performance report shared by Establishment Division said. The exports sustained through policy interventions, extension of PM’s Export Enhancement Package for three years, relief to 5 major export sectors in energy prices, exchange rate rationalization, and import tariff concession on 422 raw materials of export-oriented industries. The country’s imports reduced from $60.8 billion to $53.8 billion by 12 percent saving of $7 billion.
According to the reports, regulatory duty imposed on non-essential imported items that include Sanitary and Phytosanitary restrictions imposed on imported food items, labelling conditions and mandatory halal certification imposed on imported edible products, Procedure for import of used cars reformed to check misuse of the import policy, Rationalization of exchange rate discouraged imports by increasing price Commerce Division. The government has also priorities the market excess in different potential markets of the world including China and Middle East. In the second Phase of Pakistan China Free Trade Agreement (PCFTA-II) concluded in May, 2018. The Pakistan had got immediate market access on 313 items of prime export interest which cover over $8.7 billion of global exports and $64 billion worth of Chinese imports (approx. 90 percent). China allowed duty-free market access to Pakistani textiles and food items including yarn, sugar and rice worth $1 billion.

Pakistan had got unilateral market access from Indonesia on 20 products as appendage to Pakistan-Indonesia Preferential Trade Agreement (PTA). According to the reports, as the result of Prime Minster Imran Khan’s visit to Qatar in January 2019, 8-year old ban on Pakistani Basmati rice was lifted in Qatar. Tender for procurement of 4,000 tons of Pakistani basmati rice was issued in July 2019. Pakistan has also obtained 500,000 MT of rice export order from Iran.

The government has also revived of technical level talks with South Korea for negotiation of Free Trade Agreement (FTA), which had been stalled since 2017. The government also provided relief to dates farmers by clearance of stuck-up inventories of dried dates, by export to nontraditional. The government has also initiated the legal and Policy reforms in Ministry of commerce for increasing the country’s exports. National Tariff Policy also prepared as part of 100-day agenda to transform import tariffs from revenue generation tool to trade policy instrument, report added. The import tariffs on 1635 raw materials removed in budget 2019-20. Exporters provided liquidity relief by simplifying procedures for disbursement of sales tax refunds and claims under PM’s Export Package. The country’s exporters insulated from the increase in gas and electricity prices despite price hike in international market.

The Nation
August 22, 2019

FMU signs MoU with CAMLAC on exchange of financial intelligence

ISLAMABAD Pakistan’s Financial Monitoring Unit (FMU) has signed a Memorandum of Understanding (MoU) with the China Anti Money Laundering Monitoring and Analysis Center (CAMLAC) on exchange of financial intelligence. The MoU was signed on the sideline meetings of the Asia-Pacific Group on Money Laundering (APG), held its 22nd Annual Meeting in Canberra, Australia from 18-23 August 2019.

A senior level delegation from Pakistan headed by Dr. Raza Baqir, Governor State Bank of Pakistan, is attending the meeting. The meeting adopted Pakistan’s third Mutual Evaluation Report (MER). The MER covers the period from February to October 2018 and identifies a number of areas where further actions are required to strengthen the AML/CFT framework. The report does not cover the areas in which Government of Pakistan has made substantial progress since October 2018. In the discussions, the Pakistan delegation welcomed engagement with the international community in its efforts to countering terrorism and money laundering. The
delegation briefed APG members on the steps taken in recent times for improving its AML/CFT framework as well as the actions for ensuring effective implementation of the FATF Action Plan. The Pakistan delegation also held a number of bilateral meetings with key delegations to brief them on recent progress by Pakistan in implementing the FATF Action Plan.

As background Pakistan is a member of the APG since 2000. APG is a regional body of Financial Action Task Force (FATF) and requires its members to undergo mutual evaluation on the compliance of its anti-money laundering and countering financing of terrorism (AML/CFT) framework with FATF recommendations. The current round is not directly linked to Pakistan’s performance on its highest-level commitments with the FATF on money laundering and terror-financing, but its assessment report can indirectly impact the country’s position to move out of the grey list. Pakistan had already submitted final report this month to show compliance on 27-point action plan given by FATF for last one year. The final meeting of FATF is expected to be held in October to take crucial decision either to exclude Pakistan from grey list or keep it into grey list or put the country into blacklist.

Officials in Ministry of Finance believed that the government had taken steps to come out from the grey list of FATF. The National Assembly Standing Committee on Finance and Revenue had recently approved two laws in this regard. The amendments in foreign exchange regulation laws (FERA) to restrict domestic movement of currency beyond a certain limit would curb the practice of Hawala/Hundi and other forms of illegal foreign exchange transactions act. Amendments to the AML law approved by parliamentary committee included increasing punishment for money laundering up to 10 years and fine of five million rupees and prompting filing of suspicious transaction reports. Pakistan has improved mechanism of suspicious transactions reporting (STR) and is continuously engaged on diplomatic front to counter Indian propaganda. Law enforcement agencies had also taken action against proscribed organisations such as Haqqani Network, Jamaat-ud-Dawa and others.

August 23, 2019

TDAP being reformed to boost exports

ISLAMABAD: The government is introducing reforms in the Trade Development Authority of Pakistan (TDAP) to make it relevant to the country’s changing export base that has witnessed drastic changes over time. On Thursday, Commerce Adviser Razak Dawood chaired a meeting for the reorganization of TDAP to better facilitate the country’s export sectors. It was focused on specialization of division at the authority and was attended by senior officers of TDAP and the Ministry of Commerce (MoC). The authority was established in 2006 by replacing the former Export Promotion Bureau with the objective to facilitate exports, but over the years the organization has turned more into an event management company. The government had recently appointed former secretary finance Arif Ahmad Khan as TDAP’s new chief. An official statement issued afterwards said the adviser was briefed regarding the existing challenges hindering the body’s performance as well as possible solutions.
Dawood highlighted the need for the authority’s human resource capacity enhancement with a focus on improving the skills of its staff and inducting relevant personnel from private sector to effectively implement specialization in the proposed divisions. An official source privy to the meeting told Dawn that the adviser has asked TDAP to also focus on export of services, as opposed to its current disposition towards goods. The TDAP is the implementing arm of MoC for export related initiatives with office in Karachi, although most of its officers are from the north and do not want to be posted elsewhere.

Govt fully committed to facilitate investors, says Imran

ISLAMABAD - Prime Minister Imran Khan Thursday met a delegation of China Power Hub Generation Company (CPHGC) wherein he was apprised that first of the two power plants with a generation capacity of 660 megawatt each, being built in Hub city of Balochistan, has successfully been synchronised with the national grid. The delegation, headed by Chief Executive Officer of CPHGC Zhao Yonggang, briefed the prime minister about the progress made so far on an important CPEC project for installation of 1320 MW (two plants with 660 MW capacity each) power plant in Hub, a PM Office statement said. The project is a joint venture between HUBCO Pakistan and China Power Holding Ltd. The project is estimated to cost $2 billion.

Minister for Energy Omar Ayub Khan, Minister for Maritime Affairs Syed Ali Haider Zaidi, Chairman Board of Investment Syed Zubair Haider Gilani, Chairman FBR Syed Shabbar Zaidi and other senior officials were also present during the meeting. Zhao Yonggang informed that all tests required for commissioning of the first unit had been completed on August 14, 2019, terming it a special gift to the people of Pakistan on Independence Day. The prime minister appreciated the Chinese support in important projects, contributing to the economic stability of Pakistan. CEO CPHGC acknowledged the facilitation provided by the present government that led to timely commissioning of the project including the role of ministries of energy, maritime affairs, defence and Board of Investment. The prime minister consented to the invitation extended by CEO to inaugurate the first unit of the project in October this year. Prime Minister Imran Khan encouraged the CPHGC to set up waste-to-energy power plant in the country. He said that the new energy policy of the government focused on promoting alternative and renewable sources of energy. He reiterated the commitment of the government to provide every possible facilities to the investors in undertaking profitable business ventures in Pakistan.

Pakistan ranks 4th among freelance market

The Nation
August 23, 2019

The Nation
August 25, 2019
ISLAMABAD - Pakistan has been ranked as 4th fastest growing freelance market with 47pc growth in freelance earning during the second quarter as compared to the same period of last year. According to the global payment platform Payoneer’s Global Gig Economy Index, published in Forbes, Pakistan was among the top freelance markets leaving behind regional countries including India, Bangladesh and Russia. The report was based on a sample of the more than 300,000 freelancers in Payoneer’s network. According to the report, the US stood at top with 78 percent growth followed by UK at 59 percent, Brazil at 48 percent, Pakistan at 47 percent, Ukraine at 36 percent, India at 29 percent, Bangladesh at 27 percent, Russia at 20 percent, and Serbia at 19 percent growth. The report observed that many freelancers in developing economies were young adults looking to get a foothold in a career. Pakistan, where many freelancers are under age 30, is a good example, it added. “In Pakistan, there is a younger generation seeking more opportunities,” said Eyal Moldovan, general manager of Payoneer. Payoneer’s research said that on a global level, the 35-44-year-old age group is doing the best at making money in freelancing. This group contributes 32 percent of earnings even though it represents only 23 percent of freelancers. The youngest cohort of freelancers, those aged 18-34, made up 64 percent of freelancers but only earned 53 percent of total earnings, it added. Those freelancers of 45-54 years age made up 9 percent of freelancers and brought in 9.4 percent of earnings, whereas those above 55 years made up 5 percent of freelancers and brought in 4.9 percent of earnings, the report revealed.

The Nation
August 27, 2019

7th Pak-China Business Forum Industrial Expo from Sept 2

LAHORE - President Dr Arif Alvi is likely to inaugurate three-day ‘7th Pak-China Business Forum-Industrial Expo 2019’ being held at the Lahore Expo Centre from September 02 to 04, 2019. China Chamber of Commerce for Import and Export of Machinery and Electronic Product (CCCME), Qingdao Overseas Investment Services Centre (QOISC), COMSATS University and Federation of Pakistan Chambers of Commerce & Industry (FPCCI) are jointly hosting the event with theme ‘Building Knowledge-driven Worldwide Business Cooperation platform for Pakistan.’ Chief Minister Punjab Usman Buzdar is scheduled to host a gala dinner in honour of participants of this mega exhibition. Governor Punjab Chaudhry Muhammad Sarwar, Punjab Industries Minister Malik Aslam Iqbal and other dignitaries will be chairing different technical sessions.

Over 100 plus leading Chinese companies are participating in this mega event looking for developing joint ventures and partners in different industrial and business sectors. It is being arranged by the Everest International Expo to provide a direct opportunity to Pakistani and Chinese businessmen to develop mutually beneficial business relationship. Same number of Pakistani companies are also setting up their stall at the venue where businessmen will have the opportunity to directly meet manufacturers of diverse products i.e. industrial machinery, auto parts, machine parts, building material, energy, electronic & electrical products & appliances, rehabilitation/fitness equipment, IT, processing machinery and more.
We are proud to organize biggest exhibition show in Pakistan with international and local exhibitors, said Yousaf Fa of the Everest International Expo. He said that this show will provide assistance like match making, video conferencing, B2B meetings and more to help enhance the bilateral relationship and collaboration between the people of two countries. The aim of the event is to explore the untapped market of China and Pakistan keeping in view the latest trends of the business and Technology in every industry. It is hoped that event will also grab foreign investments resulting global connectivity and enhanced job opportunities. The event will also provide platform for necessary brainstorming and capacity building for increased interaction between Chinese and Pakistani entrepreneurs, businessmen, and academia with more compatible skills and expertise.

**The Nation**
August 28, 2019

**Dutch company to invest $2.8 billion in Pakistan**

ISLAMABAD - Dutch oil company, Royal Vopak is going to invest $2.8 billion in Pakistan due to improved investment regime and conducive business environment being provided by the government. A delegation of Royal Vopak called on Adviser to Prime Minister on Commerce, Textile, Industries and Production, and Investment, Razak Dawood to discuss the new opportunities for investment related to Terminal and Storage Facilities of Liquefied Natural Gas (LNG) in Pakistan. Royal Vopak N.V. is a Dutch company that stores and handles various oil, chemicals, edible oils and natural gas-related products all over the world, said a press release issued by ministry of commerce on Tuesday.

The Adviser to the PM urged the delegation to invest in Pakistan owing to its improved global ranking in Ease of Doing Business Index by 11 points. In this regard, Pakistan has launched a program titled Regulatory Guillotine to ease the business regulations to facilities investors. He added that Pakistan had taken various effective steps to improve investment procedures by establishing better investment facilitation regime in the Board of Investment. Moreover, the advisor informed the delegation regarding enormous investment opportunities in technology upgradation in various sectors of the economy including chemical sector. Further, he appraised the delegation that Special Economic Zones (SEZs) provide incentives to investors by allowing duty free import of machinery besides tax holiday for ten years and urged the representative of Royal Vopak to make investment in these zones to get better returns on their investments.

Head of the delegation apprised the adviser that Royal Vopak was going to invest $1.5 billion in the land-based LNG terminal facility. He said the terminal would provide cost effective facility to LNG consumers in the country by introducing state of the art modern technology. He said this facility would create new job employment opportunities besides technological know-how in the engineering sector of Pakistan. Moreover, company will also invest $150 million in the construction of Prollepyplene Plant and $800 million in PARCO Coastal Refinery which will provide storage facility. The head of the delegation of Royal Vopak urged to have more investment in Pakistan in order to establish long term economic ties between both the countries.
He also stressed to explore mutual areas of interest for the investment in chemical industry related projects.

**DAWN**  
*August 29, 2019*

**ADB to help develop financial markets**

ISLAMABAD: The Asian Development (ADB) on Wednesday approved technical financing for preparation of financial markets development programme. The ADB-led reforms will help remove constraints in the way of achieving a vibrant capital market in the country such as ad-hoc government debt management practices, absence of a clear capital market development strategy for debt issuance, shallow and illiquid corporate bond and equity markets, ineffective market facilitation and fragile market stability. The bank’s assistance will also help the government explore measures required to encourage broader participation of institutional investors in Pakistan’s securities markets and lay groundwork for introducing alternative financing instruments, such as derivatives.

**DAWN**  
*August 30, 2019*

**ADB to lend $7.5bn over three years**

ISLAMABAD: The Asian Development Bank (ADB) on Thursday promised a $7.5 billion assistance to Pakistan over the next three years (2020-24) under its next Country Assistance Strategy. This was the crux of a two-day visit of ADB’s high-level delegation to Islamabad led by its Vice President Shixin Chen. The delegation, including Adviser Ehsan Khan and Country Director for Pakistan Ms. Xiaohong Yang, also held meetings with Prime Minister Imran Khan and his ministers. The Ministry of Planning and Development in an announcement said the ADB had promised an indicative assistance of $7.5bn over the next three years. It said the Minister for Planning Makhdum Khusro Bakhtyar welcomed ‘the ADB’s indicative assistance of $7.5bn over the next three years for Pakistan’ and hoped the ADB portfolio may be expanded to include other priority areas.

The minister said the bank’s Country Partnership Strategy (CPS) for 2020-24 is under preparation and it may also consider supporting new areas including Clean and Green Pakistan Initiative, information and communications technology, higher education, housing sector, water supply for Islamabad and improving governance structures for achieving sustained development. He hoped that CPS (2020-24) will be finalized soon in consultation with all stakeholders. The meeting decided to improve the disbursement process for early implementation of ongoing projects. It was apprised that the ADB’s ongoing portfolio (loans and grants) amounted to $6.15bn against 50 projects out of which $1.98bn had been disbursed. It was agreed that the review of ongoing ADB portfolio should be held every month with relevant stakeholders to fast-track the process. He said the efforts were under way to expedite the implementation of ADB-
funded projects by streamlining the process to achieve country’s development strategy and socio-economic goals.

The delegation’s meeting with the PM Imran Khan was also attended by Minister for Economic Affairs Muhammad Hamad Azhar and Adviser to PM on Finance Abdul Hafeez Sheikh. The ADB vice president briefed the PM regarding short, medium and long-term support to Pakistan in various sectors of the economy, particularly trade and competitiveness. He discussed various proposals to enhance institutional capacity of the government to deliver on its development and economic stability agenda.

August 31, 2019

China to help develop economic zones

ISLAMABAD: Pakistan and China have agreed to fast-track the pace of industrial cooperation under the China-Pakistan Economic Corridor (CPEC) by utilizing Chinese experience to ensure speedy development of special economic zones (SEZs) in the country. The decision was taken at a meeting of the Board of Investment which was jointly chaired by BoI Secretary Omer Rasul and Chinese National Development and Reform Commission (NDRC) Deputy Director-General Gao Jian. The meeting was attended by officials from BoI and NDRC.

Rasul briefed the NDRC delegation regarding the steps taken by Pakistan to ensure early implementation of industrial cooperation. He informed the meeting that under the first phase of CPEC, various energy and infrastructure projects have begun commercial operations adding that the second phase will focus on industrial cooperation as envisioned. He told the meeting that Rashakai SEZ in Khyber Pakhtunkhwa will be launched in September, whereas two more SEZs including China Special Economic Zone, Dhabaji and Allama Iqbal Industrial City (M3), Faisalabad would follow similar pattern of development. Moreover, the government has alerted all the relevant ministries and sufficient funds have already been allocated to start provision of utilities at the SEZs, he said.

The NDRC delegation appreciated Pakistan’s efforts and said that Chinese investors are willing to invest in the SEZs being developed under CPEC. Deputy Director-General Jian said the industrial cooperation under CPEC can help Pakistan develop its industrial cluster based on its potentials. The Chinese side offered to train and equip Pakistan’s small and medium enterprises (SMEs), making them technologically sound and competitive to increase country’s exports. Both sides also discussed the agenda for Joint Working Group on industrial cooperation and forthcoming Joint Cooperation Committee, expected to be held in October or November this year.

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